

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of the Application of Union	)	
Electric Company, doing business as	)	
AmerenUE, for a Variance from the	)	
Separate Metering Requirement of the	)	Case No. EE-2004-0268
Commission's Rule for the River's Edge	)	
project located at 600 Rivers Edge Dr., St.	)	
Charles, Missouri.	)	

**REPLY TO THE ELECTRIC METER  
VARIANCE COMMITTEE'S RECOMMENDATION**

COMES NOW Union Electric Company, d/b/a AmerenUE, and for its Reply to the Electric Meter Variance Committee's ("Committee") Recommendation, states as follows:

AmerenUE respectfully contests the Committee's statement that "the long-run benefits would exceed the costs of purchasing and installing separate meters, and that the long-term benefits could be significant". If the basis for the Committee's recommendation is the individual tenant's ability to control its electric bill by exercising control over its heating and ventilation and air conditioning usage, then the Committee is in error. The Owner has promoted and advertised that the individual tenant is only responsible for cable and telephone bills, essentially providing a worry free living environment. The Owner has informed AmerenUE that in order to avoid the negative public relations and consistent with the intended living arrangements, it would assume full responsibility for payment of all the bills associated with the individual meters. Therefore, there will not be any realistic opportunity for the tenant to control the costs associated with its electric usage.

Further, AmerenUE through a single bill to the Owner, would sum all the individual bills at the facility. As a result, the tenants would remain transparent to the change in metering and

billing as recommended by the Committee. Correspondingly, it is unlikely that the tenants would modify or change their usage of electricity.

The bills generated based on individual metering of the units will likely result in higher billings to this facility. The Owner estimates that the cost of retrofitting or re-wiring this facility to accommodate individual metering would be between \$500,000 and \$1,000,000. Again, the Committee's assumption that the individual resident will receive the financial benefits of the perceived individual conservation and efficiency efforts under individual metering is flawed, if the presumption is that the Owner will then bill each tenant based on his/her respective use of electricity. AmerenUE's tariff (see Sheet No. 175) prohibits the furnishing of electricity for resale with a separately identified charge. Therefore, the Owner will be unable to "rebill" the residents to reflect their actual usage. It should be noted that neither individual metering nor higher monthly bills would change the expected usage.

Under the Committee's recommendation, the Owner will face a considerable financial hardship to individually meter this facility. The higher monthly billings for service compounded by the prohibitive costs (\$500,000 - \$1,000,000) to rewire this facility at such a late stage in construction is unjust. As this facility is nearing completion, the rework needed to individually wire each apartment may delay the facility's opening, resulting in lost income to the Owner.

Notably the Owner desires, and the tenants desire, the financial arrangements fundamental to this particular facility. These parties desire the sort of one cost approach that is a cornerstone to this particular living arrangement. In this instance, the Commission should give credence to this approach, especially where the benefits of conservation will not be realized.

In summary, the Committee's purported "conservation benefit" is far outweighed by the financial detriment associated with its recommendation and, as a result, should be rejected. At

the very least, the Committee should be asked to reconsider its recommendation in light of the above and based on what other information may be provided in this matter.

Respectfully submitted,

UNION ELECTRIC COMPANY  
d/b/a AmerenUE

By   
One of Its Attorneys

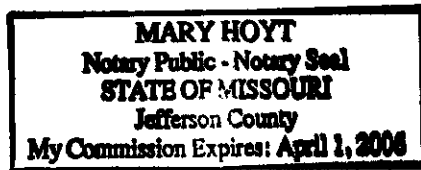
Edward C. Fitzhenry  
Ameren Services Company  
1901 Chouteau Avenue  
P.O. Box 66149 (M/C 1310)  
St. Louis, Missouri 63166-6149  
(314) 554-3533  
(314) 554-4014 (fax)

VERIFICATION

STATE OF MISSOURI     )  
                                  ) SS.  
CITY OF ST. LOUIS     )

I, Edward C. Fitzhenry, an attorney for Union Electric Company, being duly sworn upon my oath, do hereby state that I have read the foregoing document and that the facts stated therein are true and correct to the best of my knowledge, information and belief, and that I am authorized to file such document on behalf of Union Electric Company.

Subscribed and sworn to before me this 9<sup>th</sup> day of February, 2004.



Mary Hoyt  
Notary Public

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served on the Office of Public Counsel, by first class mail, postage prepaid, on this 9<sup>th</sup> day of February, 2004.

Edward C. Fitzhenry  
Edward C. Fitzhenry