

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

In the Matter of the Application of            )  
Checkmate Design for a Variance of        )  
Commission Rules                                )     File No. EE-2021-0180

**ELECTRIC VARIANCE COMMITTEE RECOMMENDATION TO DENY VARIANCE**

**COMES NOW** the Staff of the Missouri Public Service Commission, by and through the undersigned counsel, and concurrently herewith files the Electric Variance Committee’s memorandum, in which the committee, for the reasons set forth in its memorandum, recommends that the Commission DENY the variance application which is the subject of this proceeding.

Respectfully submitted,

**/s/ Jeffrey A. Keevil**

Jeffrey A. Keevil  
Missouri Bar No. 33825  
P. O. Box 360  
Jefferson City, MO 65102  
(573) 526-4887 (Telephone)  
(573) 751-9285 (Fax)  
Email: [jeff.keevil@psc.mo.gov](mailto:jeff.keevil@psc.mo.gov)

Attorney for the Staff of the  
Missouri Public Service  
Commission

**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to counsel of record as reflected on the certified service list maintained by the Commission in its Electronic Filing Information System this 1st day of March, 2021.

**/s/ Jeffrey A. Keevil**

## MEMORANDUM

**TO:** Missouri Public Service Commission Official Case File  
Case No. EE-2021-0180

**FROM:** Electric Meter Variance Committee

/s/ Marc Poston  
Marc Poston, Public Counsel

/s/ Nicole Mers  
Nicole Mers, Deputy Staff Counsel

/s/ Claire M. Eubanks, PE  
Claire M. Eubanks, PE, Manager of Engineering Analysis Department,  
Industry Analysis Division of the Missouri Public Service Commission

/s/ Robin Kliethermes  
Robin Kliethermes, Manager of Tariff and Rate Design Department,  
Industry Analysis Division of the Missouri Public Service Commission

**SUBJECT:** Recommendation to reject the variance from the individual electric metering requirement for service to a new residential housing building being built at 4440 Manchester Ave, St. Louis, Missouri.

**DATE:** March 1, 2021

### OVERVIEW

On December 23, 2020, CheckMate Design and Grove Lofts STL, LLC, (“applicant”) filed an Application seeking a Hardship Variance for 4440 Manchester Ave to not individually meter the building.

On December 29, 2020, the Commission issued a Notice of Deficiency stating the Application was not signed by a Missouri licensed attorney. On January 6, 2021, the applicant refiled the Application by a Missouri licensed attorney. The Application states that CheckMate Design is seeking a Hardship Variance from **20 CSR 4240-20.250 Individual Electric Meters** for 4440 Manchester Ave under the following exceptions 20 CSR 4240-20.050 (4) (A) and 20 CSR 4240-20.050 (4) (E). Staff assumes the reference to **20 CSR 4240-20.250** is supposed to be **20 CSR 4240-20.050**.

On January 13, 2021 the Commission Ordered the variance committee to file a recommendation or a status report indicating when it expects to file its recommendation and findings.

On January 19, 2021, Ameren Missouri responded to the applicant's Application and recommended that the Application did not satisfy any of the exceptions listed in 20 CSR 4240-20.50 (4) (A) or 20 CSR 4240-20.50 (4) (E) and requests that the Application be denied.

### **Electric Meter Variance Committee Recommendation**

The Electric Meter Variance Committee ("Committee") unanimously determined that the Application as refiled on January 6, 2021 does not meet the criterion for variance from Commission Rule 20 CSR 4240-20.050. The Committee further recommends that the Commission deny the Application.

### **Review**

Commission Rule 20 CSR 4240-20.050 is aimed at compliance with certain sections of the Public Utility Regulatory Policies Act of 1978. 16 U.S.C. section 2625(d) of that Act provides:

#### Master metering

Separate metering shall be determined appropriate for any new building for purposes of section 2623 (b) (1) of this title if –

- (1) there is more than one unit in such building,
- (2) the occupant of each such unit has control over a portion of the electric energy used in such unit, and
- (3) with respect to such portion of electric energy used in such unit, the long-run benefits to the electric consumers in such building exceed the costs of purchasing and installing separate meters in such building.

As to the nature of the housing at the apartment building to be built at 4440 Manchester Ave, St. Louis, Missouri,<sup>1</sup> the applicant states that the residential housing project provides worry-free residential housing for moderate income persons, new persons to the area and persons who are budget conscious by simplifying the process of paying utilities with a single all-inclusive rental bill. Further, the applicant states that the project is a market value apartment complex in an area generally of low to moderate income targeted to the public and is without HUD or other low-income subsidy.

---

<sup>1</sup> The property is operated by Grove Lofts STL, LLC which is located in the St. Louis neighborhood known as the Grove.

The project is planned for two commercial and 60 residential units with split HVAC systems at the units and rooftop units for common space. Each residential unit has an all-electric kitchen, individual water heating<sup>2</sup>, and a washer/dryer.<sup>3</sup> Five residential units are designed for residents with disabilities. The Application further provides a list of energy efficient appliances, mechanical units and thermostats that were installed in the housing project and mentions that 35% of the Common space energy cost are estimated to be offset with solar panels.<sup>4</sup>

The project owner estimates that the additional cost of individual metering to be approximately \$75,000.

Subpart 4 of Commission Rule 20 CSR 4240-20.050 (4) provides the following exceptions to individual metering requirements:

(4) For the purposes of carrying out the provisions of sections (2) and (3), the following exceptions apply and separate metering will not be required:

(A) For transient multiple-occupancy buildings and transient mobile home parks—for example, hotels, motels, dormitories, rooming houses, hospitals, nursing homes, fraternities, sororities, campgrounds and mobile home parks which set aside, on a permanent basis, at least eighty percent (80%) of their mobile home pads or comparable space for use by travel trailers;

(B) Where commercial unit space is subject to alteration with change in tenants as evidenced by temporary versus permanent type of wall construction separating the commercial unit space—for example, space at a trade fair;

(C) For commercial adjacent buildings;

(D) For that portion of electricity used in central space heating, central hot water heating, central ventilating and central air-conditioning systems;

(E) For buildings or mobile home parks where alternative renewable energy resources are utilized in connection with central space heating, central hot water heating, central ventilating and central air-conditioning systems; or

(F) For all portions of electricity in commercial units in buildings with central space heating, ventilating and air-conditioning systems.

---

<sup>2</sup> Heat source and resident's temperature control are both undisclosed in the Application.

<sup>3</sup> The washer model number indicates it is an electric appliance. The specification sheet for the dryer indicates it is an electric appliance.

<sup>4</sup> Common areas are corridors, elevators, stairs and building exterior power.

The applicant specifically references 20 CSR 4240-20.050 (4) (A) and 20 CSR 4240-20.050 (4) (E). Based on the Application as refiled on January 6, 2021, the applicant does not meet the criterion for exception under 20 CSR 4240-20.050 (4) (A) since the housing project is permanent in nature. The applicant also does not meet the criterion for exception under 20 CSR 4240-20.050 (4) (E) because the solar panels only offset 35% of Common space energy requirements.

The Committee further conducted its review in light of the following questions:

- a. Is individual metering of the multiple-occupancy building required by 20 CSR 4240-20.050;
- b. Do the occupant(s) of each unit have control over a portion of the electric energy used in such unit;
- c. With respect to such portion of electric energy used in such unit, do the long-run benefits to the electric consumers in such building exceed the costs of purchasing and installing separate meters;
- d. Would the granting of a variance be consistent with the goals of PURPA to increase conservation of electric energy, increase efficiency in the use of facilities and resources by electric utilities, and establish equitable retail rates for electric consumers; and
- e. Would the granting of a variance be in the public interest because it furthers a public policy objective in conjunction with other federal, state, or local government programs, such as subsidizing housing costs for low-income residents or promoting economic development in certain urban areas?

In regard to the five questions above the Committee found:

- a. Yes, individual metering is required because the project is a multi-occupancy building being built after June 1, 1981, that does not fall under any the stated exemptions in 20 CSR 4240-20.050 (4).
- b. Yes. In response to Staff Data Request Nos. 0001 and 0001.1, the applicant stated that tenants will have the ability to control their thermostats within the predetermined temperature limits of a low of 69 degrees and a high of 75 degrees. The applicant further provided that tenants are able to contact the leasing managers to request adjustments to the predetermined temperature limit.

- c. Yes, because the occupants of each unit will have substantial control over the electric energy usage of the unit, the long-run benefits to the electric consumer exceed the cost of installing separate meters. Further, if each apartment is separately metered, each occupant would be able to participate in Ameren Missouri's new time-of-use residential rate offerings or the educational platforms that accompany the rate offerings.
- d. No, for the same reasons stated in response to part b and c., granting the requested variance is not consistent with the goals of PURPA to increase conservation of electric energy, increase efficiency in the use of facilities and resources by electric utilities, and establish equitable retail rates for electric consumers.
- e. No, for the same reasons stated parts b and c, granting the requested variance is not in the public interest because it does not further a public policy objective in conjunction with other federal government programs.