

Exhibit No.
Witness: Barry Pessin
Type of Exhibit: Direct Testimony
Sponsoring Party: Brentmoor at Oaktree
Subjects: Metering Variance
Date: August 2, 2004

BEFORE THE
PUBLIC SERVICE COMMISSION OF MISSOURI

In the Matter of the Application of Union Electric)
Company, d/b/a AmerenUE, for a Metering Variance) Case No. EE-2004-0267
to Serve Brentmoor at Oaktree.)

In the Matter of the Application of Union Electric)
Company, d/b/a AmerenUE, for a Metering Variance)
to Serve River's Edge Properties, L.L.C.) Case No. EE-2004-0268

Direct Testimony of

Barry Pessin

On behalf of

Brentmoor at Oaktree

August 2, 2004

FILED²
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Missouri Public
Service Commission

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to Serve River's Edge Properties, L.L.C.)

Direct Testimony of Barry Pessin

1 **Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 **A My name is Barry Pessin. My Business Address is 8600 Delmar Boulevard, 12th Floor, St. Louis**
3 **Missouri 63124**

4 **Q WHO EMPLOYS YOU?**

5 **A I am the General Manager for both St. Catherine Retirement Community, LLC, and DeSmet**
6 **Retirement Community, LLC**

7 **Q PLEASE DESCRIBE THE OWNERSHIP OF BRENTMOOR AT OAKTREE.**

8 **A Brentmoor at OakTree is a retirement community which is owned by St. Catherine Retirement**
9 **Community LLC and DeSmet Retirement Community LLC.**

10 **Q ON WHOSE BEHALF ARE YOU APPEARING IN THIS PROCEEDING?**

11 **A I am appearing on behalf of Brentmoor at OakTree.**

1 Q PLEASE DESCRIBE IN GENERAL TERMS THE PHYSICAL STRUCTURE OF
2 BRENTMOOR AT OAKTREE.

3 A Brentmoor at Oaktree is located in St. Peters, Missouri. It consists of 186 individual units for
4 residents, and is designed to offer the elderly a supervised and simplified life style. It has one
5 central structure, which houses 166 apartments, as well as a central kitchen and dining facilities
6 which provides meal service to the residents, a fitness center, ice cream parlor, lounge, pool,
7 laundry facility, a library, and other commonly used facilities. There are also 20 two-bedroom
8 separate villa units. The separate villa units are individually metered for electric usage.

9 Electricity is used for air-conditioning and natural gas is used for heating. There is a
10 thermostat in each unit. Hot water is provided by a gas-fired central system, and the individual
11 units in the central building do not contain water heaters. Each villa unit has a separate hot water
12 heater.

13 I believe that over 40%, and perhaps even over 50%, of the electricity used in this
14 facility will be consumed in the common areas.

15 Q WHO WILL PAY THE BILL FOR THE ELECTRICITY USED AT BRENTMOOR At
16 OAKTREE?

17 A The operators of Brentmoor at Oaktree will pay the cost of electricity consumed at the facility.
18 This is true for electricity consumed in the individual units as well as in the common areas. The
19 current lease with all of the residents requires that the operators of Brentmoor at Oaktree pay all
20 electric, sewer, water, gas, and trash hauling charges.

1 **Q WOULD THERE BE ANY BENEFIT TO THE RESIDENTS IN THE MAIN BUILDING**
2 **IF THEIR UNITS WERE INDIVIDUALLY METERED?**

3 A I do not believe that there would be any benefit to the residents in the main building if their units
4 were individually metered. The lease requires the operators to pay all utility costs, a large portion
5 of the electricity is consumed in the common areas, the units were designed to be energy efficient,
6 and residents rarely use the kitchen facilities in the units. The age and frail nature of the residents
7 in the main building means that the receipt of a monthly electric bill and the need to either pay
8 such a bill, or transfer the bill to the operators, would create an undue burden on the residents.
9 They and their families have chosen Brentmoor at Oaktree because it removes all such burdens
10 from the residents in the last stage of their life.
11 The residents in the villa units are more mobile and able to live without assistance. They use their
12 own kitchen facilities more often than do the residents of the main building. The residents of the
13 villas handle more of their own day-to-day activities. The villa units are separately metered.

14 **Q PLEASE DESCRIBE THE RESIDENTS OF BRENTMOOR AT OAKTREE.**

15 A Yes. The oldest resident is 92 years of age. The youngest resident is 72, and the average age is
16 80. Approximately 30% of the residents rely upon a wheelchair or walker for mobility. Almost all
17 of the residents have some restrictions on their physical abilities. All have chosen to live at
18 Brentmoor at Oaktree because of the facilities and the completeness of the level of services. The
19 more physically active residents typically reside in the villa units. The least physically active
20 residents live in the central building.

1 **Q HOW ARE THE PHYSICAL FACILITIES OF BRENTMOOR AT OAKTREE**
2 **DIFFERENT FROM AN AVERAGE APARTMENT BUILDING?**

3 A. The entire facility was designed to be occupied by residents with some level of physical
4 restriction. Hallways are wider than normal, are lighted 24 hours per day, and have handrails
5 along one side. Apartment units are somewhat smaller than an average apartment. There are walk-
6 in showers with handrails. There are emergency buttons in the bathrooms and each resident is
7 given an emergency pendant. The activation of either the pendant or the button will cause
8 emergency personnel to be dispatched. Each apartment has some kitchen facilities, although
9 many of the residents rarely use the kitchen facilities. There is a large dining hall, library, ice
10 cream parlor, lounge, recreational facility, pool, beauty shop, laundry, and barber shop.

11 **Q WHAT UNIQUE SERVICES ARE PROVIDED TO THE RESIDENTS OF BRENTMOOR**
12 **AT OAKTREE ?**

13 A. Free breakfast is provided each day. Lunch is made available in the Dining Hall. 20 free dinners
14 are provided each month. Weekly housekeeping is provided by the operators. Social, craft, and
15 recreational events are provided to the residents. Transportation of residents to stores, medical
16 treatment, restaurants and activities is provided. There is scheduled transportation to many
17 locations. In addition, supportive services are made available to residents for meal and activities
18 escorts, bath and incontinence care, medication setup and reminders, and evening care. Some
19 residents use private duty services. Laundry services are provided upon request.

20 **Q WHAT WILL IT COST TO INDIVIDUALLY METER THE MAIN BUILDING OF**
21 **BRENTMOOR AT OAKTREE?**

22 A I believe that the additional cost of wiring for individual metering of the main building, would be
23 in the range of \$500,000 to \$1 million.

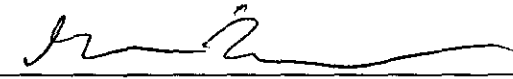
1 Q DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

2 A Yes.

POLSINELLI SHALTON WELTE
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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served on the parties to this proceeding by electronic mail service on this 2 day of August, 2007.



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**BRENTMOOR – OAK TREE
MISSOURI PUBLIC SERVICE COMMISSION
APPLICATION FOR VARIANCE
MASTER METERING**

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VERIFICATION

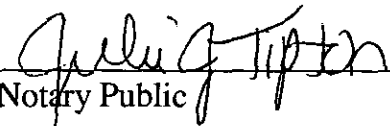
STATE OF MISSOURI)
City of St. Louis) SS

I, Richard G. Byrd, an attorney for St. Catherine Retirement Community, LLC and DeSmet Retirement Community, LLC, 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 St. Catherine Retirement Community, LLC and DeSmet Retirement Community, LLC.



Subscribed and sworn to before me this 2 day of August, 2007.

JULIE J. TIPTON
NOTARY PUBLIC - NOTARY SEAL
STATE OF MISSOURI
ST. CHARLES COUNTY
MY COMMISSION EXPIRES: JULY 23, 2008


Notary Public

My Commission Expires:

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 2 day of August, 2007.



BEFORE THE
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In the Matter of the Application of Union Electric)
Company, d/b/a AmerenUE, for a Metering) Case No. EE-2004-0267
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Company, d/b/a AmerenUE, for a Metering) Case No. EE-2004-0268
Variance to serve River's Edge Properties, L.L.C.)

Affidavit of Barry Pessin


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

Barry Pessin, being first duly sworn, on his oath states:

1. My name is Barry Pessin. I am the General manager of both St. Catherine Retirement Community, LLC, and DeSmet Retirement Community, LLC, the owners of Brentmoor at Oaktree in this proceeding on its behalf.

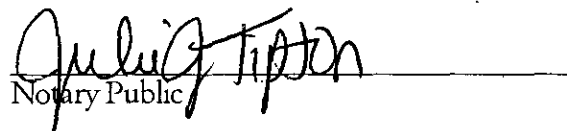
2. Attached hereto and made a part hereof for all purposes is my direct testimony which was prepared in written form for introduction into evidence in the EE-2004-0267/EE-2004-0268 proceeding.

3. I hereby swear and affirm that my direct testimony is true and correct and shows the matters and things it purports to show.



Subscribed and sworn to before me this 30th day of July, 2004.

JULIE J. TIPTON
NOTARY PUBLIC - NOTARY SEAL
STATE OF MISSOURI
ST. CHARLES COUNTY
MY COMMISSION EXPIRES: JULY 23, 2005


Notary Public

My Commission Expires: