# BEFORE THE PUBLIC SERVICE COMMISSION FOR THE STATE OF MISSOURI

In the Matter of the Application of Aladdin Propo	Co,)		
LLC for a Variance from 20 CSR 4240-20.050	)	File No. EE-2025	
Regarding Individual Electric Meters	)		

#### JOINT APPLICATION

**COMES NOW**, Evergy Metro, Inc. d/b/a Evergy Missouri Metro ("EMM," "Evergy Missouri Metro," or the "Company") and Aladdin PropCo, LLC ("Aladdin") (collectively "Joint Applicants"), pursuant to 20 CSR 4240-20.050(5) and 4240-2.060(4), and for their *Joint Application* ("Application") state as follows:

#### **BACKGROUND**

- 1. Aladdin is the owner of the real property and its improvements, a high-rise residential building located at 1215 Wyandotte Street, Kansas City, Missouri 64105 (the "Property") in downtown Kansas City, Jackson County, Missouri.
- 2. The Property will consist of approximately 122 housing units for area residents and is designed to accommodate residents who work in the immediate surrounding metropolitan area, many of whom require affordable housing accommodations. The building was originally constructed in 1925 as a hotel, and the footings were poured at this time. The building is bounded by public streets and alley right of ways at the West, North, and East property lines, and by a building with narrow egress way at the south.
  - 3. Evergy Missouri Metro provides electricity to the Property.
- 4. The Evergy Missouri Metro tariff on file with the Commission, *Evergy Missouri Metro P.S.C. Mo. No. 2, Second Revised, Sheet No. 1.18A*, Section 5.01 ("Tariff"), requires the Property to have individual electric meters for each residential unit.

#### 5.01 INDIVIDUALMETERING FOR SEPARATE PREMISES:

Except as otherwise provided in this Rule 5 or if the Commission has granted a variance pursuant to Commission Rule 4 CSR 240-20.050(5) permitting otherwise, the occupant of each separate premises in or on any multiple occupancy premises will be individually metered and supplied electric service as the Customer of the Company, which electric service shall be utilized by the Customer only for operation of the Customer's installation located in or on the separate premises for which such electric service is supplied pursuant to the Customer's service agreement (emphasis added).

- 5. Aladdin requests that the Commission allow it to consolidate the approximately 122 individual residential units into one master meter at the Property. For its evidence of good cause, Aladdin states (1) retrofitting the Property to accommodate single meters is impracticable due to space limitations and would impact the nature and character of the historic Property, (2) the proposed single meter plan would allow housing to be available to the public sooner, (3) Aladdin faces significant delays in its attempt to acquire individual meters, and importantly, (4) Aladdin planned monitoring system promotes energy efficiency and conservation.
- 6. Aladdin has requested that Evergy Missouri Metro support its request to allow it to consolidate the residential units into one master meter on the Property. Given recent Commission action on a similar request, the Company supports this application but expresses reservations about further proliferation of master metered apartment buildings in its service area, for the furtherance of residential service. The Company will be entering discussions with MPSC Staff to further discuss these reservations and considerations for prospective customer requests and is considering updates and clarifications to its tariff to provide improved guidance to customers concerning the conditions where the Company will support master metering and to better complement the role of the Variance Committee in considering future request.

#### FACTORS TO BE CONSIDERED BY THE VARIANCE COMMITTEE

- 7. The conditions associated with the Aladdin request are largely consistent with the conditions observed in <u>In the Matter of the Application of Midland Residential</u>, <u>LLC for a Variance</u> from 20 CSR 4240-20.050 Regarding Individual Electric Meters, File No. EE-2024-0335 ("Midland")
- 8. Because the building being renovated by Aladdin was constructed before June 1, 1981, and the building was also a multiple-occupancy building prior to June 1, 1981, the Variance Committee could conclude that the separate metering requirement under 20 CR 4240-20.050 does not apply to the subject Property consistent with their determination in Midland. <sup>1</sup>
- 9. 20 CSR 4240-20.050(2) states that "[e]ach residential and commercial unit in a multiple-occupancy building construction of which has begun after June 1, 1981 shall have installed a separate electric meter for each residential or commercial unit." And, 20 CSR 4240-20.050(1)(D) states that "[c]onstruction begins when the footings are poured."
- 10. The Variance Committee is also empowered to consider other factors such as public interest and impact to tenant customers.
- 11. Accordingly, the Joint Applicants believe the Variance Committee can determine that the Commission need not grant a variance for the subject property pursuant to 20 CSR 4240-20.050(2) since the separate metering requirement does not apply.
- 12. The Company has discretion under Section 5.03(b) of its Tariff to waive the separate metering requirement of Section 5.01 if EMM determines that the operation of the multiple occupancy premises makes it impractical for EMM, in its judgment, to separately meter the subject property.

<sup>&</sup>lt;sup>1</sup> See, Order Approving Stipulation, issued July 3, 2024, File No. EE-2024-0335.

- 5.03(b): ...The restriction against "redistribution" may be waived by the Company where the operation of certain types of multiple occupancy premises, either in whole or in part, makes it impractical for the Company, in its judgment, to separately meter and supply electric service to each occupant as a Customer of the Company... In cases where redistribution is permitted under this Rule 5.03, the Company will supply electric service to the owner, lessee, or operator of such multiple occupancy premises, as the Customer of the Company, under an applicable rate schedule and the Customer may, by redistribution, furnish electric service to his tenants in or on such multiple occupancy premises on a rent inclusion basis; i.e., as an incident of the tenancy and without a specific or separate charge for the electric service so furnished by the Customer to his tenant, or a variable rental on account thereof (emphasis added).
- Order in that matter, the Company has determined that separate metering at the Property is impractical for the reasons set forth above as evidence provided by Aladdin in Paragraph 5 and verified through Evergy customer discussions and onsite review. In this situation, Evergy agrees to waive the separate metering requirement of the Tariff on file under its Section 5.03(b) authority, so long as the Property is used to provide housing to individuals who pay fixed rent inclusive of electric service.
- 14. The Parties recommend that the Commission find that no variance is necessary and find the Stipulation is a reasonable resolution of the remaining issues between the signatories.

#### **ALTERNATIVE RELIEF: GRANTING THE VARIANCE FOR GOOD CAUSE**

- 15. Should the Commission find that 20 CSR 4240-20.050(5) does apply, in the alternative and based upon the verified pleadings, the Joint Applicants recommend that the Commission grant a variance from 20 CSR 4240-20.050 to Aladdin because Aladdin has shown good cause as required by 20 CSR 4240-20.050(5) in that:
  - (i) Retrofitting the Property to accommodate single meters is impracticable due to space limitations and would impact the nature and character of the historic Property;

- (ii) Aladdin faces significant delays in its attempt to acquire individual meters, and importantly;
- (iii) Aladdin planned metering system promotes energy efficiency and conservation.
- 16. In the event that the Commission chooses to grant this Alternative Relief, Joint Applicants also agree that Aladdin qualifies for a waiver from Section 5.01 of EMM's Tariff for reason stated in Paragraphs 15(i)-(iv).
- 17. The Joint Applicants recommend that the Commission find that no variance is necessary or, alternatively, to grant the variance for good cause, so long as the following conditions exist, to wit:
  - (i) The Property continues to be operated as a residential apartment; and
  - (ii) The Property is used to provide housing to individuals who pay fixed rent inclusive of electric service.

WHEREFORE, the undersigned Parties respectfully request the Commission to issue an order approving the Agreement subject to the specific terms and conditions contained therein and to determine that the Property is exempt from the individual meter requirement under 20 CSR 240-20.050 since the building was constructed prior to June 1, 1981 or, in the alternative, to grant the variance for good cause.

## Respectfully submitted,

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**Attorneys for Aladdin** 

### **CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 18<sup>th</sup> day of November 2024.

|s| Roger W. Steiner

Attorney