

TITLE 20 - DEPARTMENT OF COMMERCE AND INSURANCE
Division 4240 - Public Service Commission
Chapter 10 - Utilities

ORDER OF RULEMAKING

By the authority vested in the Public Service Commission under section 386.820, RSMo Supp. 2025, the commission adopts a rule as follows:

20 CSR 4240-10.035 is adopted.

A notice of proposed rulemaking containing the text of the proposed rule was published in the *Missouri Register* on October 1, 2025 (50 MoReg 1370-1375). Those sections with changes are reprinted here. This proposed amendment becomes effective thirty (30) days after publication in the *Code of State Regulations*.

SUMMARY OF COMMENTS: The public comment period ended November 5, 2025, and the commission held a public hearing on the proposed rule on November 13, 2025. The commission received seven (7) written comments during the comment period and eleven (11) people commented at the hearing. All the comments were generally in support of the proposed rule with a few suggested changes.

COMMENT #1: J. Scott Stacey on behalf of the staff of the commission filed written comments and commented at the hearing in support of the proposed rule. Staff also provided a written summary of the written comments and responses to those comments at the hearing. Staff noted that the proposed amendments were necessary as a result of Senate Bill No. 4 (truly agreed to and finally passed on March 13, 2025, signed by Governor Kehoe on April 9, 2025, and effective August 28, 2025) which added section 386.820, RSMo, requiring the commission to promulgate commercially reasonable rules governing an opt-out process using advanced meters or hub meters for customers.

RESPONSE: The commission thanks its staff for its work on this proposed rule. No change was made as a result of staff's general comment in support of the proposed rule. Staff's responses to other parties' comments, if applicable, are set out below.

COMMENT #2: Anna Martin and Geoff Marke on behalf of the Office of the Public Counsel (OPC) commented at the hearing in support of the proposed rule. OPC stated that it was also supportive of the commission staff's response to the other comments.

RESPONSE: The commission thanks OPC for its participation in the rulemaking process. No changes were made as a result of this comment.

COMMENT #3: Paula Johnson on behalf of Union Electric Company d/b/a Ameren Missouri filed written comments and commented at the hearing in support of the proposed rule. Ameren Missouri suggested striking the last sentence of subparagraph (3)(A)2.A., for clarification in the situation where a customer has two Ameren Missouri meters and two Ameren Missouri accounts -- one for gas and one for electricity. Staff responded with a language modification that would clarify that the fees applied per meter and not per account. Ameren Missouri responded that staff's suggested change alleviated their concerns.

RESPONSE AND EXPLANATION OF CHANGE: The commission has considered the comments of Ameren Missouri and the responses of staff and the other commenters and determines that the word "account" should be changed to "meter" in subparagraph (3)(A)2.A. to address the situation where a single customer has multiple Ameren Missouri accounts. Therefore, the commission makes changes to subparagraph (3)(A)2.A.

COMMENT #4: Ameren Missouri commented that paragraph (3)(A)3. is unclear if the interest rate percentage is applicable to the unpaid amount due to inaccurate or failed reporting or applicable to the total bill. Ameren Missouri also says that it is unclear if the percentage is calculated one time or each month and if it is compounded. Ameren Missouri states that in most cases, the utility will be unable to determine the period during which any underbilling occurred. Staff responded that while it believes the rule is clear on these points, the utilities will need to amend their tariffs to implement provisions in compliance with the rule and, therefore, technical details of implementation can be set out in those tariffs. Ameren Missouri responded that the clarification that the implementation details will be set out in the utility's tariffs alleviate the company's concerns.

RESPONSE: The commission has considered the comments of Ameren Missouri and the responses of staff and the other commenters. The commission determines that no change is necessary as these implementation details will be set out in the utilities' tariffs. Therefore, no change was made as a result of this comment.

COMMENT #5: Ameren Missouri commented with regard to section (4) that it is appreciative of the inclusion of this section because the company is already purchasing refurbished metering equipment for its traditional meters due to that being the only equipment of that style available. Ameren Missouri stated that because of various security concerns, even if a particular type of meter is commercially available, it may not be an appropriate meter to use.

RESPONSE: The commission has considered the comments of Ameren Missouri and of the other commenters. The commission determines that the statute requires the commission promulgate commercially reasonable rules to govern the opt-out process for use of traditional meters instead of advanced meters or hub meters. Allowing the utilities to acquire meters from a vendor that meets the utilities' specifications, is commercially reasonable. No change is necessary as a result of these comments.

COMMENT #6: Ameren Missouri commented with regard to subsections (5)(A) and (5)(B) that it anticipates a high degree of errors initially from customers electing to self-report meter readings. Thus, Ameren Missouri stated that it anticipates needing to closely monitor the usage of opt-out customers during the initial period of use. Additionally, Ameren Missouri commented that in order for self-reading to be effective, it must occur at regular and very reliable intervals. Billing cycles cannot be held up because the utility receives a late meter reading. Ameren Missouri, therefore, suggested clarifications to subsections (5)(A) and (5)(B) to help alleviate future issues. Ameren Missouri recommended removing the postal service as a means for the provision of meter reading and noted that meter readings received late will result in estimated bills which it believes is necessary. Ameren Missouri also commented that physical access to the meters will be necessary to allow the company to verify the self-read meters. Staff replied that section (5) of the proposed rule includes that the customer-supplied readings must be in compliance with 20 CSR 4240-13.020 and with the utility's commission-approved tariffs. The referenced rule addresses estimated meter reads and allows for postpaid, preaddressed postcards. Staff also stated that further clarification may be added for the process when the utilities incorporate these rule provisions in their tariffs. Thus, staff did not recommend changes.

RESPONSE: The commission has considered the comments of Ameren Missouri, staff, and of the other commenters. The commission agrees with staff that the reference to the other billing and service regulations will control when estimated meter reads may be obtained and the requirements for how estimated billing will be accomplished. Further, when the utilities update their tariffs, they will have the opportunity to specify in further detail how the meter reading process will be accomplished. Therefore, the commission has made no change as a result of these comments.

COMMENT #7: J. Antonio Arias filed written comments and David Yonce commented at the hearing on behalf of Spire Missouri Inc. In its written comments, Spire proposed a new subsection (5)(D) to add a provision stating the utilities may manually read a customer's meter if the customer fails to do so. Staff responded to Spire's comments that because of the proposed rule reference to other commission regulations and the ability of the utility to make additional clarification when updating its tariffs, these changes were unnecessary. At the comment hearing, Spire indicated that it was satisfied with staff's response and did not believe further change was needed.

RESPONSE: The commission thanks Spire for its comments and explanation. The commission agrees with staff that any additional clarifications of the meter reading process are either addressed in other commission regulations or can be set out when the utilities update their tariffs. No changes were made as a result of this comment.

COMMENT #8: Rachel Niemeier filed written comments and Jennifer Coleman commented at the hearing on behalf of Missouri-American Water Company (MAWC). MAWC commented that section (2)(C) should be amended to add to the

definition of “commercially available” that the supplier is approved by the utility for the same reasons as the other utilities brought forward. MAWC recommended putting an effective date for the provisions of the rule. Staff responded that the statute includes the date for which customers may commence opting out of an advanced meter or hub meter, so it is not required to be in the regulation. MAWC also commented that it will need physical access to read the meters that customers are self-reporting and proposed adding a new section (9) to provide the utility with a path forward in the event a customer fails to provide meter reads in a timely manner. MAWC also recommended adding a new section (10) to establish responsibility for any damages sustained when a customer reads their meter. Staff responded that other commission regulations govern the process of meter reading access and the utilities will have the ability to provide greater details when their tariffs are updated. MAWC also commented that subsection (8)(B) should be deleted as it requires reporting that is beyond the statutory purpose of accommodating customers who do not want advanced meters. Staff disagreed. Staff stated that the inclusion of this provision will aid the commission and staff in evaluating the cost and impact of the advanced meter opt-out provisions and should, therefore, remain in the rule. Finally, MAWC provided comments explaining some of the challenges for customers self-reading their meters including that water meters are often located in an outdoor meter pit in the ground and may be submerged in water if there has been a recent rain event.

RESPONSE: The commission thanks MAWC for its comments. Since the statute requires that customers be able to opt-out of advanced or hub meters by July 1, 2026, there is no need to add the date, which will quickly become superfluous, to the rule. The commission agrees with staff that any additional clarifications of the meter reading process are either addressed in other commission regulations or can be set out when the utilities update their tariffs. The commission also agrees with staff that the filing requirement in subsection (8)(B) will aid the commission and staff in evaluating the cost of these regulations and should remain in the regulation. Additionally, section 386.820.2(4) sets out that a utility shall not be liable for injuries or damages sustained as a result of a customer’s meter reading absent willful misconduct or gross negligence. Thus, the commission need not repeat this language in the regulation. Therefore, the commission makes no change as a result of these comments.

COMMENT #9: Roger W. Steiner, on behalf of Evergy Metro, Inc. d/b/a Evergy Missouri Metro and Evergy Missouri West d/b/a Evergy Missouri West (collectively referred to as “Evergy”), filed a written comment. Evergy commented that it was generally supportive of the proposed rule. Evergy stated that it has previously established an advanced meter opt-out/self-read program authorized by the commission. Evergy recommended changes to the definition of “commercially available” to make sure that meters meet utility specifications. Evergy also recommended changes to subsections (5)(D) and (5)(E) to address situations where customers refuse to provide access to the meters and to provide clarity to customers and the utility regarding the process when a customer does not provide timely or accurate meter reading. Evergy also suggested a change to the definition

of “inaccurate information” to add a rebuttable presumption that addresses minor differences in readings using two percent (2%) as a threshold to define minor differences. Staff responded that the language in proposed section (4) provides a process for the utility to discontinue the opt-out process and to provide information in its discontinuance filing sufficient to determine traditional meters are not commercially available. Staff also responded that no change is needed with regard to adding a rebuttable presumption to the definition of “inaccurate information.” Staff also responded that no change was needed regarding physical access to meters or untimely or inaccurate meter reads because section (5) of the proposed rule includes that the customer-supplied readings must be in compliance with 20 CSR 4240-13.020 and with the utility’s commission-approved tariffs. Staff also stated that further clarification may be added for the process when the utilities incorporate these rule provisions in their tariffs.

RESPONSE: The commission thanks Evergy for its comments and information. The commission agrees with staff that the reference to the other billing and service regulations will control when estimated meter reads may be obtained and the requirements for how estimated billing will be accomplished. Further, when the utilities update their tariffs they will have the opportunity to specify in further detail how the meter reading process will be accomplished. Therefore, the commission has made no change as a result of these comments.

COMMENT #10: Diana Carter commented on behalf of The Empire District Electric Company d/b/a Liberty, The Empire District Gas Company d/b/a Liberty, Liberty Utilities (Missouri Water) LLC d/b/a Liberty, and Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty in support of the proposed rule and the flexibility afforded to the utilities by allowing the details of the process to be provided in the individual company tariffs.

RESPONSE: The commission thanks the Liberty companies for its comment. No changes were made as a result of this comment.

COMMENT #11: Robert Workman filed written comments and commented at the hearing. Mr. Workman was concerned that the language in the rule should specify that a traditional meter is a mechanical meter. Mr. Workman listed several reasons why he believed digital meters were concerning to him including the injection of “dirty power,” privacy issues, and issues with potentially being overcharged. Mr. Workman also discussed why he believes mechanical meters are preferable to digital meters. Staff responded noting that some meters are available without a communication module but will still have a digital viewing screen.

RESPONSE: The commission thanks Mr. Workman for his comments. The purpose of the proposed rule is to set out a process allowing customers to opt out of having an advanced meter or hub meter in compliance with the statutory requirements. Section 386.820, RSMo, defines “traditional meter.” Therefore, the commission does not need to define traditional meter beyond the language in the statute. No changes were made as a result of these comments.

COMMENT #12: Elizabeth Peterson filed written comments and commented at the hearing. Ms. Peterson stated that the language in the proposed rule is too ambiguous regarding the definition of “traditional meter.” Ms. Peterson believes the rule needs to specify that a traditional meter is an analog meter. Ms. Peterson believes that non-analog meters pose potential physical harm. Staff responded noting that some meters are available without a communication module but will still have a digital viewing screen.

RESPONSE: The commission thanks Ms. Peterson for her comments. The purpose of the proposed rule is to set out a process allowing customers to opt out of having an advanced meter or hub meter in compliance with the statutory requirements. Section 386.820, RSMo, defines “traditional meter.” Therefore, the commission does not need to define traditional meter beyond the language in the statute. No changes were made as a result of these comments.

COMMENT #13: Bob Peterson commented at the hearing. Mr. Peterson commented that he has concerns with electromagnetic waves and electromagnetic fields and believes that the commission and the general public have been misled by utility companies stating that these do not cause harm. Mr. Peterson commented that customers should have a choice with regard to analog and smart meters.

RESPONSE: The commission thanks Mr. Peterson for his comments. The purpose of the proposed rule is to set out a process which will allow customers to opt out of having an advanced meter or hub meter in compliance with the statutory requirements. Therefore, the commission finds no change to the proposed rule is needed as a result of these comments.

COMMENT #14: Catherine Cogorno commented at the hearing. Ms. Cogorno commented that she supported the comments of Mr. Workman and Ms. Peterson. Ms. Cogorno commented that she believed wire radiation and smart meters are causing health problems to herself and others.

RESPONSE: The commission thanks Ms. Cogorno for her comments. The purpose of the proposed rule is to set out a process which will allow customers to opt out of having an advanced meter or hub meter in compliance with the statutory requirements. Therefore, the commission finds no change to the proposed rule is needed as a result of these comments.

20 CSR 4240-10.035 Residential Advanced Meter or Hub Meter Opt-Out

(3) All utilities shall file with the commission a tariff that governs its advanced meter or hub meter opt-out process.

(A) The tariff may include—

1. A one- (1-) time all-inclusive fee, not to exceed one hundred twenty-five dollars (\$125), for removal of an advanced or hub meter and to provide and install a traditional meter;

2. A monthly meter use fee, not to exceed fifteen dollars (\$15), for the use of a traditional meter.

A. The utility may propose a single monthly fee for all customers using a traditional meter, or it may propose separate monthly fees for customers who elect to self-read the traditional meter and for those whose meters are read by the utility. In no event shall a utility assess more than one (1) monthly fee per meter for the use of a traditional meter; and

3. An interest charge on any unpaid amount the utility may assess due to the customer's failure to report usage or reporting inaccurate information in any given billing cycle. Such interest rate shall be no greater than five percent (5%).