STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a Session of the Public Service Commission held at its office in Jefferson City on the 8th day of July, 1997.

In the matter of the Application of Union)

Electric Company for a variance for Delmar)

Gardens of North County Inc.)

ORDER APPROVING VARIANCE

On April 23, 1997 Union Electric Company (UE) filed an Application with the Commission requesting the Commission grant UE a variance from the requirements of 4 CSR 240-20.050(2), the Commission's individual metering requirement.

In its Application, UE states that it is in the process of providing service to an additional facility at Delmar Gardens North, in St. Louis County, Missouri. UE states that the project consists of a new building of 164 retirement units, 40 of which will be for assisted living. The project consultant has requested the master metering of the facility in order to save approximately \$40,000 in initial construction costs. In addition, the developer is marketing these apartments as "carefree" retirement living, with all utilities, except telephone, paid with a flat monthly operating fee.

On June 17 the Staff of the Commission (Staff) filed its recommendation. The Staff states that the owner and UE have agreed to bill the service on UE's Large General Service 3(M) rate. The Staff also agrees that no offsetting benefits will result in the additional cost in individually metering each residential unit. The Staff concludes that the Commission should grant the requested waiver and allow UE to install two-

master meters, billed on the large general service rate.

After review of the UE Application and the Staff recommendation, the Commission finds the requested waiver to be in the public interest because of the anticipated cost savings, nature of the residential and assisted living units for the elderly, and agreement to bill at the large general service rate. The Commission will grant the requested waiver.

IT IS THEREFORE ORDERED:

- 1. That Union Electric Company is hereby granted a waiver from the individual metering requirements of 4 CSR 240-20.050(2) solely for the new construction at Delmar Gardens North, as described in the Application in this case.
 - 2. That this order shall become effective on the date hereof.

BY THE COMMISSION

Cecil I. Wright Executive Secretary

(S E A L)

Zobrist, Chm., Crumpton, Drainer, Murray, and Lumpe, CC., Concur.

ALJ: Derque