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COMMISSION CLERK

August 14, 2003

Division of the Commission Clerk and Administrative Offices
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RE: Workshop on Individual Metering of Mid-High Rise Buildings

Good Morning Commission Members,

Want to first thank the Commission for holding this hearing and allowing members of the industry attend to discuss this very important topic. My name is Falise Platt, I am the Executive Vice President and General Counsel for AUM, Inc. We are a utility billing company and we were present at the workshop. Dave Carpenter, Vice President of Submetering spoke on our behalf. Additionally, AUM is a member of the NSUAA an association dedicated to submetering and allocation of utilities.

Prior to my employment at AUM, I worked for a very large National REIT. I headed up this program from 1997-2001 when I left. In many markets we were the first owner to pass back the utilities to the residents. I have also worked on most laws that exist across the Country on this subject matter.

The decision to submeter apartment buildings should be global. Another words we should look at all product not just mid/high rises. Since the Commission has chosen to focus on this section of the multi-family industry I will direct my comments to that sector.

- To individually submeter these units would cause them to be constructed in a different matter then they are today. To force owners to do so would definitely be a deterrent to development in Florida. It can run from \$300-\$700 a unit to put an individual hot water heater in each unit that can be metered. Then to install a full capture meter in each unit is an additional \$200-\$225/per unit. Thus, developers would certainly feel this pinch in the capital needed to build product in Florida.

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The other type of metering available that is an option in mid/high rise construction is the appliance meter. While these would not require the change in construction they do not work the same as full capture metering and have not been proven to be accurate. There are a number of jurisdictions that have rules related to submetering and these appliance meters do not pass the grade. They are not full capture metering as they sense the flow for each point of use by the resident and then that flow is used to determine a factor to pass back the utility costs associated with the normal central systems installed by developers in mid/high rise construction. The installation runs between \$500-\$700 unit and maintenance is very costly as there are so many meters coming off the points of entry. Many owners have found multiple leaks on these points of entry as well. I think it is best to say this aspect of the industry needs some time to catch up to become as accepted and accurate as full capture meters.

I suggest this Commission spend time with owners and developers on this issue if there is going to be additional movement on this.

- To have the utilities take on this program would require a great deal of planning and funds at this juncture. At this point they do not have the infrastructure to handle the installations, maintenance and billing. As with electric and gas this can be developed but not overnight. I have not been in another jurisdiction to date where this proved to be a viable option.

I suggest the Commission spend time with the utilities on this issue if there is going to be additional movement on this.

- Finally, there are many States that have enacted laws and rules related to this practice. One is North Carolina that requires full capture metering and does not allow appliance meters. Thus, they have mid/high rise product that does nothing. If the purpose of adopting rules for metering is for conservation having results such as these do nothing for conservation. Texas requires full capture at all and at present appliance metering is not allowed but they are working on this. It is very important to note since Texas came up many times that they have a huge state infrastructure to handle these affairs, Florida needs to decide if it wants to follow suit.

In closing, to discuss conservation is essential in all States. One can only applaud Florida who is always out head of the rest. If we are going to ensure that residents in multi-family communities are going to conserve they have to get a bill. If they don't get bill they will not conserve. To mandate metering that will discourage development as well as requiring a product that is not yet ready may mean the timing is not right.

AUM looks forward to participating in additional hearings and providing any assistance it can to your Commission. As I stated previously, I have been and currently am involved in the drafting of regulatory and legislative rules, ordinance and statutes. I look forward to assisting the process.

Thank you for your time,

A handwritten signature in black ink, appearing to read "Falise Platt". The signature is written in a cursive style with a prominent initial "F".

Falise Platt

Executive Vice President & General Counsel