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**SOUTH DAKOTA
PUBLIC UTILITIES COMMISSION**

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February 7, 2012

Patricia Van Gerpen
Executive Director
SD Public Utilities Commission
500 E. Capitol Ave.
Pierre, SD 57501

Re: EL12-013 - In the Matter of the Request by Harvey K. Bue for a Determination of an Exception to Individual Metering Requirements in Regards to the Installation of a Master Metered Electric System for a Duplex in Webster, South Dakota

Dear Ms. Van Gerpen:

On February 2, 2012, the Commission received a filing by Harvey Bue requesting approval to install a master meter electric system in a duplex owned by Mr. Bue in Webster, South Dakota. The duplex currently utilizes an individual metered electric system but has master metered gas and water systems. In his filing, Mr. Bue did not specifically request approval of a variance to individual metering requirements under ARSD 20:10:26:03, however, Commission Staff is treating the filing as a determination of whether a variance is required or an exception applies under ARSD 20:10:26:04.

ARSD 20:10:26:03, provides the circumstances under which individual gas metering or electric metering systems are required. This rule provides a list of four situations which mandate installation of individual metering systems and when the Commission may grant a variance to individual metering requirements. It does not appear the installation of a master metered electric system at Mr. Bue's duplex implicates any of the four situation enumerated in this rule. As such, it appears Mr. Bue is not required to seek a variance from individual metering requirements.

ARSD 20:10:26:04 lists exceptions to individual metering requirements. Part (4) of this rule provides individual metering is not required, "*ff*for existing multiple-occupancy buildings which currently receive either master metered gas service or electric service, or both;." The duplex owned by Mr. Bue currently maintains a master metered gas system. The part (4) exception does not seem to limit the addition of a master metered electric system if the master metered gas system is in place. Since Mr. Bue currently utilizes a master metered gas system, it seems he falls within this exception and he may operate a master metered electric system. In addition, as part (4) does not contain a requirement

to provide notice to the Commission, as under part (6) of this rule, Mr. Bue is not required to submit any filing with the Commission before he installs a master metered electric system.

It is Staff's opinion that Mr. Bue is not required to seek a variance to install a master metered electric system at his duplex and he is not required to file notice with the Commission. Nothing in the rules seems to prohibit Mr. Bue from installing this system. As such, Staff has expedited the review process for this docket and recommends this docket be dismissed as Mr. Bue is not required to obtain any type of Commission approval under the above-reference administrative rules.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Soye', with a long horizontal flourish extending to the right.

Ryan Soye