

## “Separate Commercial Meter” FAQ

### Multifamily Conservation Program (MCP) Buildings

#### Does this issue apply to me?

If your building does not have any “High Consumption” commercial tenants then you are not required to install a separate commercial water meter. If your building has a commercial tenant that is a Laundromat, Medical- or Food/Beverage-related business or some other occupancy likely to be using more than 63,000 gallons a year (175-240 gallons per day or gpd) then you will need to install a separate commercial meter before December 31, 2018. The Separate Commercial Meter will be billed on the metered water/sewer rate. It may be worthwhile to do this well in advance of December 2018 to best understand whether the MCP rate or metered billing is best for the property.

#### What Are Low-Consumption and High-Consumption Commercial Units?

“Low-Consumption Commercial Units” are defined as those “in which water will be used primarily by employees for sanitary purposes with projected annual consumption of less than 63,000 gallons.” 63,000 gallons per year is approximately 172 gallons per day (gpd) for a 365 day-a-year operation or approximately 238 gpd with five-day-a-week operation. Importantly, “...laundry, medical, food- or beverage-related businesses” are specifically excluded from consideration as “Low-Consumption Commercial Units” and must be covered by a separate commercial meter.

#### Where is the Commercial Meter Placed?

Please refer to the attached Figure 22 which illustrates the standard arrangement of Residential and Commercial Meters in a mixed-use MCP building. A single Commercial Meter is located at the point of entry of the water service pipe next to the main building meter. A tee connection joins the two meters such that when water enters the building it either flows through the Commercial Meter and on to the commercial units, or water flows through the Residential Meter (which was the building Entire Premises meter) and on to the apartments. Piping must be installed to connect the Commercial Meter to, at minimum, the High-Consumption Commercial Units. The Commercial Meter is billed on the metered water/sewer rate while the Residential Meter is on “Monitor” status and the apartments it serves are billed on the MCP flat unit rate.

#### How Are “Low-Consumption Commercial Units” Billed Under MCP?

Low-Consumption Commercial Units are billed a flat \$827.25 per year under the rates in effect during FY 16-18.

Do I Need to Connect All of the Building's Commercial Tenants to the Commercial Meter?

No, you are only required to connect commercial units that do not fall under the "Low-Consumption Commercial Unit" definition. If you wish to connect other commercial tenants to the Commercial Meter, you are free to do so.

I have more than one High-Use Commercial Tenant in my building and they are not located next to each other. Do I have to run pipe from each of these commercial tenants back to a central commercial meter or can I install two separate commercial meters for the two tenants at their stores?

The MCP rules allow for a variance to be requested in these situations:

*"Note: If more than one commercial tenant needs to be metered, one separate meter must be used for all such commercial tenants together; except that, if the commercial tenants are not in reasonable proximity to each other and installing an individual meter for each tenant will be prohibitively expensive, the owner may make a written request for a variance. The variance request shall include a schematic sketch that illustrates the incoming water service, the branch piping to the commercial tenants, and the commercial tenant meter locations and connections."*

Keep in mind that installing separate commercial meters "downstream" of the main meter will prevent you from seeing directly how much water is being used by the apartments and how much by the high-use commercial tenants. You will have to add the daily use of the commercial meters together to arrive at the commercial use total and then subtract the commercial total from the use on the main meter to understand what is being used by the apartments.

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