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Item Number: 13

Addendum StartPage: 0

APPLICATION OF MINOL, INC. FOR
ALTERNATIVE METHOD OF
ALLOCATION FOR BILLING HVAC
CONSUMPTION

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ORDER

This Order addresses the application of Minol, Inc. for approval of an alternative method of allocation to bill central heating, ventilating, and air conditioning (HVAC) consumption. Minol seeks to change the allocation method for electric charges to Hanover River Oaks residential tenants who are served with high-efficiency variable refrigerant volume or variable refrigerant flow (VRV/VRF) HVAC systems by using allocation data computed by VRV/VRF proportional distribution software. The Commission approves Minol's methodology for allocating central HVAC system utility usage at the Hanover River Oaks to dwelling units based on the power proportional distribution system.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicant

1. Minol is a for-profit corporation formed in Colorado and registered with the Texas secretary of state under filing number 800501735.

Application

2. On January 27, 2020, Minol filed an application in this proceeding for approval under 16 Texas Administrative Code (TAC) § 25.141(e)(1)(C) of a new methodology for allocating central system utility costs among the tenants of Hanover River Oaks.
3. Hanover River Oaks is a new multi-family high-rise building located at 2651 Kipling Street, Houston, Texas, consisting of 370 residential units.

Description of the Proposed Allocation Methodology

4. Minol requests approval of a methodology for allocating charges for central system utilities that will allocate HVAC usage based on the output of power proportional distribution

software instead of allocating billings for the usage of HVAC systems based on the relative square footage of each dwelling unit.

5. Minol proposes to allocate the total energy usage of the HVAC systems at Hanover River Oaks among individual dwelling units based on each unit's share of the total operational load, which is determined by the power proportional distribution output and is measured in British thermal units per hour.
6. The rate assessed to each tenant's kilowatt-hour (kWh) consumption will be calculated using the formulas and variables described in exhibit C of Minol's application filed on January 27, 2020.
7. The power proportional distribution software is embedded in Hanover River Oaks' HVAC system and will be used to determine an individual dwelling unit's operational load based on three operational parameters: fan coil size, the position of the refrigerant expansion valve, and the difference during use between the set point of a dwelling unit's thermostat and the temperature of the dwelling unit.
8. As opposed to the standard billing method, whereby central system utilities are allocated based entirely on square footage, the billing method proposed by Minol will provide billings that are more reflective of each tenant's actual use and can be used to provide conservation signals to individual tenants regarding their use of the HVAC system.
9. Minol's use of power proportional distribution software to allocate billing through HVAC usage data is at least as equitable as the standard method specified in 16 TAC § 25.141(e)(1)(B).

Notice of Application

10. In Order No. 2 filed on February 21, 2020, the administrative law judge (ALJ) ordered Minol to provide notice of the proposed change in rates to the tenants of the property by March 3, 2020.
11. On March 3, 2020, Minol filed the affidavit of Kristina Pool, compliance analyst at Minol, who attested that notice of the application was provided to all tenants of Hanover River Oaks in Houston, Texas on or before February 28, 2020.

Evidentiary Record

12. On April 2, 2020, Minol and Commission Staff filed a motion to admit evidence.
13. In Order No. 4 filed on April 8, 2020, the ALJ admitted the following evidence into the record: the application of Minol, including all attachments, filed on January 27, 2020; the affidavit of Kristina Pool on behalf of Minol, including all attachments, filed on March 3, 2020; and Commission Staff's recommendation on final disposition, including the memorandum of Stephen Mendoza, filed on March 23, 2020.

Informal Disposition

14. More than 15 days have passed since the completion of notice provided in this docket.
15. No person filed a protest or motion to intervene.
16. Minol and Commission Staff are the only parties to this proceeding.
17. No party requested a hearing, and no hearing is needed.
18. Commission Staff recommended approval of the application.
19. This decision is not adverse to any party.

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. The Commission has authority over the subject matter of this proceeding under Texas Utilities Code § 184.052.
2. Notice of the application was provided in compliance with 16 TAC § 22.55.
3. The Commission processed this docket in accordance with the requirements of Texas Utilities Code chapter 184, the Administrative Procedure Act,¹ and Commission rules.
4. Under 16 TAC § 25.141(e)(1)(B), the allocation of central system utility costs to tenants must be based on one or a combination of the following methods: the total square footage living area of the dwelling unit as a percentage of the total square footage living area of all dwelling units of the apartment house and all heated or air-conditioned common areas; and

¹ Tex. Gov't Code ch. 2001.

the individually metered or submetered utility usage of the dwelling unit as a percentage of the sum of the individually metered or submetered usage of all dwelling units.

5. Under 16 TAC § 25.141(e)(1)(C), the Commission may approve a different method to allocate central system utility costs or nonsubmetered master-metered utilities to tenants as an alternative to the method specified in 16 TAC § 25.141(e)(1)(B).
6. The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.

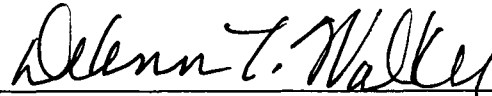
III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following orders.

1. The Commission approves Minol's methodology for allocating central HVAC system utility usage at the Hanover River Oaks to dwelling units based on the power proportional distribution system.
2. Minol must provide 90 days' notice before the change in allocation method to the tenants of Hanover River Oaks.
3. Minol must provide to the tenants of Hanover River Oaks rental agreements containing a clear written description of the approved method of allocation and a statement of the average monthly bill for the previous calendar year for that apartment unit; or if there are no rental agreements, Minol must provide the method of allocation to the tenants in a separate written document.
4. The Commission denies all other motions and any other requests for general or specific relief that have not been expressly granted.

Signed at Austin, Texas the 1st day of May 2020.

PUBLIC UTILITY COMMISSION OF TEXAS



DEANN T. WALKER, CHAIRMAN



ARTHUR C. D'ANDREA, COMMISSIONER



SHELLY BOTKIN, COMMISSIONER

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