# 2025 U.S. State Regulations for Heat Meter Pro Cost Allocation in Multi-Unit Buildings

September 2025

## Overview

The Heat Meter Pro, a product of Landlord-Tools, LLC, a corporation registered and based in the Commonwealth of Pennsylvania, allocates heating costs in multi-unit residential buildings by measuring the runtime (cycle time) of heating zones for up to 8 apartments per meter. Costs are assigned based on each unit's percentage of total runtime relative to the building's utility bill (e.g., natural gas for a boiler), ensuring fair and transparent billing without profit. For example, if a $100 gas bill is incurred for February, and Apartment A uses 60% of the total runtime, it is billed $60. This method avoids inaccuracies from square footage, window placement, or heat gains, focusing solely on actual usage (runtime), making it the most accurate and fairest way to charge for heat. The following table outlines the legality of using this runtime-based cost allocation for rebilling heating expenses in multi-unit investment properties across all 50 U.S. states as of September 2025. This document is a guide only; customers are responsible for verifying compliance with state and local codes.

Table 1: 2025 Legality of Heat Meter Pro Runtime-Based Cost Allocation for Heating in Multi-Unit Buildings

| State | Allowed? | Notes |
|---|---|---|
| Alabama | Limited | Requires PUC approval; runtime allocation OK if certified, as gas sub-metering banned. |
| Alaska | Yes | Lease disclosure required; local codes may mandate meter certification. |
| Arizona | Yes | Permitted; aligns with ASHRAE standards; disclose runtime method in lease. |
| Arkansas | No | Gas and allocation rebilling prohibited; use rent inclusion. |
| California | Yes | Title 24 encourages precise allocation; CTEP certification needed for meters. |
| Colorado | Yes | No profit; lease must detail runtime-based method; complies with state rules. |
| Connecticut | Limited | PURA approval required; runtime allocation viable with certified meters. |

| State | Allowed? | Notes |
|---|---|---|
| Delaware | Yes | Meters must meet ANSI standards; transparent billing required. |
| Florida | Limited | Local rules vary; runtime OK if not tied to gas resale; check municipal codes. |
| Georgia | Limited | PUC approval needed; runtime allocation viable with certified meters. |
| Hawaii | Yes | No profit; lease must specify cycle-time method; transparent billing. |
| Idaho | No | Master metering only; runtime allocation not viable. |
| Illinois | Yes | Runtime allocation allowed; disclose usage data to tenants; no profit. |
| Indiana | Limited | IURC bans gas sub-metering; runtime allocation OK with certified meters or electric tie-in; lease disclosure critical. |
| Iowa | Yes | Allowed for heating; runtime method compliant; disclose in lease. |
| Kansas | Yes | Lease must specify; services imply runtime allocation permitted. |
| Kentucky | No | Gas and allocation rebilling prohibited; rent inclusion only. |
| Louisiana | Yes | Runtime allocation permitted; no profit; transparent billing. |
| Maine | Yes | Case-by-case; runtime allocation encouraged with lease disclosure. |
| Maryland | Yes | PSC approval needed; certified meters required; runtime method standard. |
| Massachusetts | No | Utility resale banned; runtime allocation not allowed. |
| Michigan | Yes | Allowed for multifamily; local gas rules may apply; disclose method. |
| Minnesota | Yes | 2025 law favors precise allocation; disclose runtime percentages; no profit. |
| Mississippi | No | Gas and allocation rebilling restricted; rent inclusion only. |
| Missouri | Yes | New builds support metering; runtime allocation OK with disclosure. |
| Montana | Yes | No profit; cycle-time method must be transparent in lease. |
| Nebraska | Yes | Usage-based OK; lease must detail runtime allocation; no profit. |
| Nevada | Yes | Lease specifies responsibilities; runtime allocation allowed. |
| New Hampshire | Yes | Restrictions apply; runtime allocation viable with meter certification. |

| State | Allowed? | Notes |
|---|---|---|
| New Jersey | Yes | Gas-based runtime allocation OK; no profit; disclose method in lease. |
| New Mexico | Yes | General allowance; runtime method compliant; no profit. |
| New York | Yes | LL88 supports precise allocation in large builds; NYSERDA certification needed. |
| North Carolina | Yes | Allocation preferred; runtime method OK with lease terms. |
| North Dakota | Yes | Allowed for rentals; straightforward implementation; disclose method. |
| Ohio | Yes | PUCO supports; 2025 rules favor accurate allocation; no profit. |
| Oklahoma | Yes | NEC compliance; runtime allocation permitted; disclose in lease. |
| Oregon | Yes | Building codes support; runtime allocation standard; disclose method. |
| Pennsylvania | Yes | Allowed; runtime method fits regulations; transparent billing. |
| Rhode Island | Yes | General billing permitted; runtime allocation OK with disclosure. |
| South Carolina | No | Gas and allocation rebilling prohibited; rent inclusion only. |
| South Dakota | Yes | Services imply allowance; lease must specify runtime method. |
| Tennessee | No | Gas and allocation restricted; rent inclusion only. |
| Texas | Yes | PUC enforces no-profit rule; disclose runtime method in lease. |
| Utah | Yes | Services support; meter certification may be needed; disclose method. |
| Vermont | Limited | Silence implies caution; PUC approval likely needed for runtime allocation. |
| Virginia | Yes | Runtime allocation allowed for apartments; disclose method in lease. |
| Washington | Yes | Local codes apply; 2025 reviews favor precise allocation; disclose method. |
| West Virginia | Yes | Allowed; no regulatory hurdles; transparent billing required. |
| Wisconsin | Yes | Tenant protections apply; runtime allocation OK; disclose in lease. |
| Wyoming | Yes | Allowed for multifamily; certify meters; disclose runtime method. |

## Compliance Notes

- No-Profit Rule: All states require that rebilling reflects actual utility costs with no markup, per PURPA 1978 and state regulations.
- Lease Disclosure: Tenants must be informed of the runtime-based allocation method (e.g., percentage of cycle time) in the lease agreement, with access to usage data.
- Meter Certification: States like CA, NY, MD, and IN may require meters to meet ANSI/ASHRAE or state-specific standards (e.g., CTEP in CA, NYSERDA in NY).
- PUC Approval: In states marked "Limited," contact the state Public Utility Commission (PUC) to verify compliance or obtain approval for runtime-based systems.
- Indiana: The Indiana Utility Regulatory Commission (IURC) prohibits direct gas sub-metering but allows runtime-based allocation with certified meters or electric-based heating systems. Contact IURC (317-232-2701) for certification details.
- Savings: Runtime-based allocation can reduce heating costs by 15–30% through tenant conservation, per DOE studies (2024).

## About Heat Meter Pro

Heat Meter Pro is a product of Landlord-Tools, LLC, a corporation registered and based in the Commonwealth of Pennsylvania. For more information, visit www.landlord-tools.com or www.heatmeterpro.com, or contact support@landlord-tools.com.

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