

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

**In the Matter of the Application of)
reStart Housing Services, Inc. for a)
Variance from 4 CSR 240-20.050 Regarding) Case No. EA-2015-_____
Individual Electric Meters.)**

**APPLICATION OF RESTART HOUSING SERVICES, INC.
FOR A VARIANCE FROM THE INDIVIDUAL ELECTRIC METER
REQUIREMENT AND MOTION FOR EXPEDITED TREATMENT**

Applicant reStart Housing Services, Inc. (“reStart Housing” or “Applicant”), pursuant to 4 CSR 240-2.060 and 4 CSR 240-20.050(5), hereby seeks a variance from the Missouri Public Service Commission's (“Commission”) individual electric meter rule, and the tariff provisions of Kansas City Power & Light Co. (“KCP&L”) regarding individual metering and re-distribution of electricity, for a new 14-unit facility now being constructed for youth who are leaving foster care and are in need of housing.

Applicant moves for expedited treatment under 4 CSR 240-2.080(14), requesting that the Commission act no later than February 20, 2015 to grant the variance, for the reasons stated below.

1. Applicant reStart Housing is a Missouri non-profit corporation with its principal place of business located at 918 E. 9th Street, Kansas City, Missouri 64106. A copy of reStart Housing’s Certificate of Good Standing from the Secretary of State is attached as Exhibit 1.

2. Applicant reStart Housing, formerly known as 3300 Troost Apartments, Inc., was established exclusively for charitable and/or educational purposes with the specific goal of serving as a housing facility assisted by the United States Government acting by and through the Secretary of the Department of Housing and Urban Development (“HUD”). The Applicant was established to provide services pursuant to HUD’s Section 811 Supportive Housing Program for

Persons with Disabilities, pursuant to Section 202 of the Housing Act of 1959, as amended, and Section 811 of the National Affordable Housing Act, as amended.

3. The Applicant was organized to be in support of the mission of reStart, Inc., a non-profit Missouri corporation founded in 1984 to provide shelter and services to homeless persons in Kansas City, Missouri.

4. The Internal Revenue Service has determined that reStart Housing is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code as a public charity. The letter granting reStart Housing this status from the Internal Revenue Service on July 3, 2014 is attached as Exhibit 2.

5. The State of Missouri has granted reStart Housing's application for exemption from sales and use tax, effective June 27, 2014, as set forth in Exhibit 3.

6. Applicant reStart Housing is a non-regulated entity such that it does not file annual reports or submit assessment fees to the Commission. Consequently, reStart Housing has no pending actions or final unsatisfied judgments or decisions from any state or federal agency or court that involve customer service or rates, which action, judgment, or decision has occurred within three years of the date of this application.

7. Applicant reStart Housing is currently working with architects, contractors, and other firms to construct a 14-unit apartment building at 7540 Washington, Kansas City, Missouri to provide housing for single young adults with disabilities, pursuant to the HUD Section 811 Supportive Housing Program for Persons with Disabilities and, therefore, to serve as a HUD 811 Project. The project is estimated to cost \$2.2 million. Services will be provided by staff at ReDiscover, a Missouri non-profit community health agency. A description of the purpose and goals of the project at 7540 Washington is attached as Exhibit 4.

8. This HUD 811 project is currently under construction and the Applicant hopes to open it to residents by July 2015. In the process of meeting with representatives of KCP&L, the Applicant's project architect, el dorado architects, inc., was advised that each of the 14 apartments would require a separate meter unless a variance were granted by the Commission. The Applicant presumes that the representatives of KCP&L were referring to the Commission's rule regarding individual electric meter requirements, 4 CSR 240-20.050, as well as KCP&L's tariff provisions on individual metering.

9. The Applicant and its agents have advised KCP&L that the building would be operated by the Applicant as a not-for-profit program to serve young adults 18-24 years old who have aged out of foster care programs, and who would likely become homeless without this project. They have further advised KCP&L that the program itself would pay the utility bills on behalf of the tenants, and that none of the tenants would be receiving individual bills from reStart Housing. No portion of the rental expense will be attributed to electric utility service. The Applicant will not re-sell electricity to the tenants and will not charge the tenants for electric service.

10. The Applicant's plan is to charge rent to the tenants at no more than 30% of a tenant's income, if any. None of the tenants will be responsible for any regulated public utility service, whether electricity or otherwise.

11. There are more than 10,000 youth in the State of Missouri's foster care system. It is estimated that 18% of them will be homeless upon leaving foster care. Any such youth with a disability substantially increases the likelihood of homelessness. Therefore, the need for this HUD 811 Project is critical and in the public interest.

12. The Applicant has spoken with representatives of KCP&L, who advised that they do not oppose this request for a variance, based upon the facts represented to KCP&L, as well as

in this Application. However, KCP&L has advised that it would require a variance from this Commission under 4 CSR 240-20.050(5) before it would agree to install one meter for the entire building. Under this section of the Commission's rule, "a variance from all or parts of this rule (4 CSR 240-20.050) and for good cause shown" may be granted if it is deemed to be "in the public interest."

13. In addition to good cause being shown for a variance from 4 CSR 240-20.050, there is good cause for a variance or waiver of KCP&L's tariff provisions 5.01 and 6.03 requiring individual metering for separate premises in a multiple-occupancy building, and provision 5.03 prohibiting re-distribution of electricity. See Kansas City Power & Light Company, P.S.C. MO. No. 2, Third Revised Sheet No. 1.18, Section 5.01; Kansas City Power & Light Company, P.S.C. MO. No. 2, Second Revised Sheet No. 1.19, Section 5.03; Kansas City Power & Light Company, P.S.C. MO. No. 2, Fifth Revised Sheet No. 1.22, Section 6.03. A copy of these provisions is attached as Exhibit 5. As described above, the variances requested for this project clearly are in the public interest as they would allow this project to proceed without the undue delay and added cost of multiple metering, which is not necessary where the tenants will pay no regulated utility bills.

14. The tenants of reStart Housing will not suffer from any loss of consumer protection if they are not the individual customers of KCP&L. On the contrary, because tenants are likely to experience variable income, including no income, any resulting late payments or arrears to utility companies would negatively affect their ability to secure future housing. Applicant reStart Housing will not evict tenants who are unable to make rental payments, and instead will protect them from the consequences thereof. The policies and procedures of reStart Housing are being developed by Kim Wilson Housing, Inc., a Kansas non-profit corporation that values housing as a basic human right and delivers solutions to today's housing challenges.

15. Applicant reStart Housing requests expedited consideration of this application by the Variance Committee, 4 CSR 240-20.050(5), so that the action of the Commission may be expedited according to the schedule described below.

16. Pursuant to 4 CSR 240-2.080(14), reStart Housing moves for expedited treatment, requesting that the Commission act no later than February 20, 2015 so that this HUD 811 Project can begin to serve homeless youth, particularly those with disabilities, by July 2015 when construction is completed. A.L. Huber, Inc., the general contractor on the project, has advised reStart Housing that it must know how the building is to be served electrically well before the occupancy is scheduled to occur in July 2015, so that the proper equipment and wiring can be ordered and installed.

17. The benefit that will accrue to these youth, as well as to the greater community of Kansas City, is significant. The harm that will be avoided is forcing youth aging out of foster care without a place to live to endure homelessness. There will be no negative effect on the public if the Commission acts on this application by the date requested. Counsel for the undersigned were first contacted about this matter during the week of January 12, and shortly thereafter began work to gather facts and analyze the legal and regulatory issues raised by the project. The Application was filed as soon as practicable in light of the necessary preparation and research.

Wherefore, Applicant reStart Housing Services, Inc. respectfully requests that the Commission:

1. Grant a variance from the individual electric meter requirements of the Commission, and the individual electric meter requirements and prohibition on re-distribution of electricity of KCP&L, pursuant to 4 CSR 240-20.050.

2. Grant expedited treatment and issue its variance no later than February 20, 2015.

Respectfully submitted,

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