

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 Individual Electric Meters)

Case No. EE-2015-0177

ORDER GRANTING APPLICATION FOR VARIANCE

Issue Date: February 18, 2015

Effective Date: February 28, 2015

On January 29, 2015, reStart Housing Services, Inc., filed an application requesting a variance from the individual meter requirement of Commission Rule 4 CSR 240-20.050(5), and the corresponding provisions of Kansas City Power & Light Company's (KCP&L's) tariff. ReStart says it is seeking a variance for a 14-unit apartment building it is constructing in Kansas City that will provide housing for single young adults with disabilities. The not-for-profit organization that will operate the apartment building will pay the utility bills for the residents and would not re-sell the electricity to the tenants. The tenants will pay a percentage of their income as rent for the apartment units and no portion of the rental expense will be attributed to electric service. ReStart asserts that requiring it to install separate electric meters for each apartment in the building would not be efficient. ReStart asks the Commission to approve its application by February 20 so that construction on the building can proceed toward a desired completion in July of 2015.

In response to reStart's request for expedited consideration, the Commission ordered KCP&L and Staff to file a response to that application by no later than 1:00 p.m. on February 10, 2015. The Commission also ordered that any other party wishing to respond do so at that time. KCP&L and Staff filed timely responses. No other party responded.

KCP&L contends reStart does not need the variance it seeks because 4 CSR 240-20.050(4)(A), the controlling regulation, creates an exception to the separate metering requirement for transient multiple-occupancy buildings such as dormitories and rooming houses. KCP&L believes reStart's building project would fall within that exception and thus no variance is necessary for reStart to construct the building with a master meter. Staff's response offers its opinion that reStart's building project would require individual metering within the meaning of the regulation, although Staff does not specifically address the exception cited by KCP&L. Nevertheless, Staff recommends the Commission grant the variance requested by reStart. Thus, Staff and KCP&L agree reStart should be allowed to construct its building without individually metering its apartments. Their only disagreement is about whether a variance is needed to allow that result.

Commission rule 4 CSR240-20.050(5) creates a variance committee that is to review all requests for variance and is to make a recommendation to the Commission. The variance committee filed such a recommendation on February 17, advising the Commission that a variance should be issued to allow reStart's project to operate using a master-meter rather than separate meters for each apartment unit. The committee further advises the Commission to direct KCP&L to add this variance to the list of variances in its tariff.¹

Commission rule 4 CSR 240-20.050(5) allows the Commission to grant a variance from the individual meter requirements of the regulation for good cause shown. After reviewing reStart's application and the responses of KCP&L, Staff, and the variance committee, the Commission finds that with respect to the portion of electric energy used by

¹ The committee also points out that the apartment will have fifteen living units, fourteen for clients, and one for a live-in residential manager.

the tenants of each residential unit of the apartment building at 7540 Washington, Kansas City, Missouri, the long-run benefits to the electric consumers of separate metering do not exceed the costs of purchasing and installing separate meters for each residential unit. For that reason, the Commission finds good cause to grant the requested variance from the Commission's rule.

Since KCP&L is of the opinion that reStart does not need a variance from the Commission's rules, and because section 5.01 of KCP&L's tariff provides that individual meters are not required if the Commission has granted a variance from the individual meter requirements, it is not clear that any additional variance from provisions of the company's tariff is required. However, to the extent any such variance is required to allow reStart to have a master meter installed in its building, the Commission will grant the required variance from KCP&L's tariff.

ReStart's application requests that the Commission issue a variance no later than February 20. The Commission will issue this order before that date, but because enough time must be allowed for the filing of a possible request for rehearing, this order will be made effective in ten days.

THE COMMISSION ORDERS THAT:

1. ReStart Housing Services, Inc. is granted a variance from the individual metering requirements of Section 4 CSR 240-20.050, and from any contrary provisions of Kansas City Power & Light's tariff regarding individual metering requirements, to allow for the provision of master-metered electric service to reStart's apartment building at 7540 Washington, Kansas City, Mo.
2. Kansas City Power & Light Company shall add this variance to the list of

variances on P.S.C. MO. No. 2, Sheet No. 1.71 in its tariff.

3. This order shall become effective on February 28, 2015.
4. This case may be closed on March 1, 2015.

BY THE COMMISSION



A handwritten signature in black ink that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

Morris L. Woodruff, Chief Regulatory Law Judge,
by delegation of authority pursuant
to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 18th day of February, 2015.