

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

In the Matter of Evergy Missouri West, Inc. d/b/a     )  
Evergy Missouri West’s Demand Side             )  
Investment Mechanism Rider Rate                 )     **File No. ER-2022-0335**  
Adjustment and True-Up Required by             )     Tariff No. JE-2022-0267  
20 CSR 4240-20.093(4)                             )

**STAFF RECOMMENDATION TO APPROVE TARIFF SHEET**

**COMES NOW** Staff of the Missouri Public Service Commission, by and through the undersigned counsel, and respectfully states as follows:

1. In its *Order Directing Notice, Setting Intervention Deadline, and Directing Staff Recommendation* issued in File No. ER-2022-0335 on June 2, 2022, the Commission ordered Staff to file a recommendation in that case no later than July 1, 2022.

2. Attached hereto and incorporated herein by reference is Staff’s Recommendation, in which Staff recommends the Commission approve the following tariff sheet, filed on June 1, 2022 for service on and after August 1, 2022, the requested effective date:

P.S.C. MO. No. 1  
Sixth Revised Sheet No. 138.17, Cancelling Fifth Revised Sheet No. 138.17

3. Staff has verified that Evergy Missouri West is not delinquent on any assessment and has filed its Annual Report. Evergy Missouri West is current on its submission of its Quarterly Surveillance Monitoring reports as required in 20 CSR 4240-20.090(10). Staff’s recommendation to approve this Fifth Revised Sheet

No. 138.17 does not constitute a review of the prudence of Evergy Missouri West's actions in relation to its DSIM.

**WHEREFORE**, Staff recommends the Commission issue an order approving the following proposed tariff sheet, to become effective on August 1, 2022, as requested by Evergy Missouri West, subject to both true-up and prudence reviews.

P.S.C. MO. No. 1

Sixth Revised Sheet No. 138.17, Cancelling Fifth Revised Sheet No. 138.17

Respectfully submitted,

**/s/ Eric Vandergriff**

Eric Vandergriff

Legal Counsel

Missouri Bar No. 73984

Attorney for the Staff of the

Missouri Public Service Commission

P.O. Box 360

Jefferson City, MO 65102

573-522-9524 (Voice)

573-751-9285 (Fax)

Eric.Vandergriff@psc.mo.gov

Attorney for the Staff of the

Missouri Public Service Commission

**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed or hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record on this 30<sup>th</sup> day of June, 2022.

**/s/ Eric Vandergriff**

## MEMORANDUM

**TO:** Missouri Public Service Commission Official Case File  
File No. ER-2022-0335 and Tariff Tracking No. JE-2022-0267

**FROM:** Nancy L. Harris, Utility Regulatory Auditor  
Brad J. Fortson, Regulatory Compliance Manager

/s/ Nancy L. Harris / 6-30-22  
Utility Regulatory Auditor / Date

/s/ Eric Vandergriff / 6-30-22  
Staff Counsel's Office / Date

**SUBJECT:** Staff Recommendation to Approve Evergy Missouri West, Inc., d/b/a Evergy Missouri West's ("Evergy Missouri West") Proposed Tariff Sheet to Adjust Demand Side Investment Mechanism ("DSIM") Rider Rate effective August 1, 2022.

**DATE:** June 30, 2022

### Evergy Missouri West Filing

On June 1, 2022, Evergy Missouri West filed with the Commission one (1) tariff sheet bearing an issue date of June 1, 2022, with an effective date of August 1, 2022, proposing to adjust charges related to Evergy Missouri West's DSIM Rider. Evergy Missouri West's filing also included the Direct Testimony of Lisa A. Starkebaum and work papers consisting of electronic worksheets showing its calculation of the proposed rates. As filed, Evergy Missouri West's DSIM revenue requirement for program year 2022 is approximately \$29.9 million.

On June 2, 2022, the Commission issued its *Order Directing Notice, Establishing Intervention Date, and Directing Filing of Staff Recommendation* directing Staff to file its recommendation no later than July 1, 2022.

### Change in Evergy Missouri West's DSIM Rates

Per 20 CSR 4240-20.093(4), Evergy Missouri West is required to make semi-annual adjustments of DSIM rates to reflect the amount of revenue that has been over/under collected.

The current Missouri Energy Efficiency Investment Act ("MEEIA") mechanism rate per class of customer is collected through a line item on current bills based on an annual level of projected costs and incentives with reconciliations from actual prior periods and any ordered adjustments with interest. In addition to reconciliations for prior periods, this adjustment

includes Evergy Missouri West’s MEEIA Cycle 2 extension request through December 31, 2019, Evergy Missouri West’s Cycle 2 earnings opportunity (“EO”), actual and projected costs for Evergy Missouri West’s MEEIA Cycle 3 approved in Case No. EO-2019-0133, and Evergy Missouri West’s MEEIA Cycle 3 extension request through December 31, 2023 approved in Case No. EO-2019-0132.

The table below provides a summary of the cumulative throughput disincentive (“TD”), program costs (“PC”), and earnings opportunity (“EO”) for Cycle 2 and Cycle 3 and average cost per estimated kilowatt hour (kWh) saved. PC, EO and TD value for the months of May, June, and July are forecasted data which is adjusted for actual data in the next filing.

	MEEIA Cycle 3 through July 2022	MEEIA Cycle 2
TD	\$ 9,945,320	\$ 29,708,955
Program Cost	\$ 39,595,124	\$ 72,299,915
EO	\$ 2,573,546	\$ 10,450,876
Total	\$ 52,113,991	\$ 112,459,746
Estimated kWh	180,959,660	266,135,153
avg cost per estimated kWh saved	\$ 0.29	\$ 0.42

Additionally, Evergy Missouri West is projecting to recover approximately \$27.2 million through June 2023 for projected PC and TD for Cycle 3 and approximately \$2.3 million<sup>1</sup> for projected TD for Cycle 2. Staff agrees these are reasonable projections based on past projection to actual comparison.

Projected July 2021 thru June 2022	PC	TD
Cy 3	\$ 22,204,045	\$ 6,178,279
Cy 2		\$ 2,639,420

<sup>1</sup>The projected \$29.5 million in additional MEEIA Cycle 2 and 3 PC and TD is not included in the cost summary table.

In total, Evergy Missouri West is projected to recover from ratepayers approximately \$194.5 million for energy efficiency programs for MEEIA Cycles 2 & 3 by the end of 2022. Including Cycle 1, the MEEIA program total cost is \$206.2 million.

	Cycles 2 & 3			
TD	\$ 39,654,275			
Program Cost	\$ 111,895,039			
EO	\$ 13,024,422			
Total	\$ 164,573,737			
	\$ 29,949,681	DSIM Revenue Requirement Aug 2022		
	\$ 194,523,417	TOTAL CYCLES 2 & 3		
	\$ 206,236,007	TOTAL PROGRAM - ALL CYCLES		

Listed below are the current MEEIA rates and the new MEEIA rates for the proposed DSIM Rider. The proposed DSIM Rider rate changes are applicable to all non-lighting kilowatt hours (kWh) of energy supplied to customers under Evergy Missouri West’s retail rates schedules, excluding kWh of energy supplied to “opt-out” customers.

<b>Rate Class</b>	<b>Current MEEIA Rate/kWh</b>	<b>Proposed MEEIA Rate/kWh</b>
Residential Service	\$0.00630	\$0.00399
Non-Residential – SGS	\$0.00445	\$0.00517
Non-Residential – LGS	\$0.00627	\$0.00603
Non-Residential – LPS	\$0.00390	\$0.00367

The proposed change will decrease residential customers’ DSIM Rider rate from \$0.00630 to \$0.00399 per kWh.<sup>2</sup> For a residential customer using 1,000 kWh, this would mean a decrease of \$2.31 per month. For a non-residential customer using 1,000 kWh, this would mean

<sup>2</sup> Inclusion of MEEIA Cycle 3 projected Program Costs (“PC”) and Throughput Disincentive (“TD”) in addition to projected MEEIA Cycle 2 PC, TD and EO for the 12-months ending December 31, 2022.

a \$0.72 increase for Small General Service, a \$0.24 decrease for Large General Service, and a \$0.23 decrease for Large Power Service per month.

**Staff Recommendation**

The Commission Staff's Tariff/Rate Design Department and Energy Resources Department have reviewed the filed tariff sheet and recommends the Commission issue an order approving the following tariff sheet, filed on June 1, 2022 for service on and after August 1, 2022, the requested effective date:

P.S.C. MO. No. 1  
Sixth Revised Sheet No. 138.17, Cancelling Fifth Revised Sheet No. 138.17

Staff has verified that Evergy Missouri West is not delinquent on any assessment and has filed its Annual Report. Evergy Missouri West is current on its submission of its Quarterly Surveillance Monitoring reports as required in 20 CSR 4240-20.090(10). Staff's recommendation to approve this Fifth Revised Sheet No. 138.17 does not constitute a review of the prudence of Evergy Missouri West's actions in relation to its DSIM.

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**OF THE STATE OF MISSOURI**

In the Matter of Evergy Missouri West, Inc.            )  
d/b/a Evergy Missouri West's Demand Side            )  
Investment Mechanism Rider Rate                    )  
Adjustment and True-Up Required by                 )  
20 CSR 4240-20.093(4)                                 )  
File No. ER-2022-0335

**AFFIDAVIT OF BRAD J. FORSTON**

STATE OF MISSOURI        )  
                                      )  
COUNTY OF COLE         )        ss.

**COMES NOW BRAD J. FORSTON** and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Recommendation in Memorandum form*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

  
\_\_\_\_\_  
**BRAD J. FORSTON**

**JURAT**

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 30th day of June 2022.

D. SUZIE MANKIN  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for Cole County  
My Commission Expires: April 04, 2025  
Commission Number: 12412070

  
\_\_\_\_\_  
Notary Public

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

In the Matter of Evergy Missouri West, Inc.            )  
d/b/a Evergy Missouri West's Demand Side            )  
Investment Mechanism Rider Rate Adjustment        )  
and True-Up Required by 20 CSR 4240-                )  
20.093(4)    )

File No. ER-2022-0335

**AFFIDAVIT OF NANCY L. HARRIS**

STATE OF MISSOURI        )  
                                      )  
COUNTY OF COLE         )        ss.

**COMES NOW NANCY L. HARRIS** and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation in Memorandum form*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

  
\_\_\_\_\_  
NANCY L. HARRIS

**JURAT**

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 28<sup>th</sup> day of June 2022.

D. SUZIE MANKIN  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for Cole County  
Commission Expires: April 04, 2025  
Commission Number: 12412070

  
\_\_\_\_\_  
Notary Public