

BEFORE THE PUBLIC SERVICE COMMISSION

STATE OF MISSOURI

TRANSCRIPT OF PROCEEDINGS

Evidentiary Hearing

Wednesday, September 7, 2022
8:30 a.m. - 1:23 p.m.

Missouri Public Service Commission
200 Madison Street, Room 310
Jefferson City, MO 65102
and WebEx

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In the Matter of Evergy Metro,)
Inc. d/b/a Evergy Missouri)
Metro's Request for Authority to) File No. ER-2022-0129
Implement a General Rate)
Increase for Electric Service)

In the Matter of Evergy Missouri)
West, Inc. d/b/a Evergy Missouri)
West's Request for Authority to) File No. ER-2022-0130
Implement a General Rate)
Increase for Electric Service)

CHARLES HATCHER, Presiding
SENIOR REGULATORY LAW JUDGE

RYAN A. SILVEY, Chairman
JASON R. HOLSMAN, Commissioner
MAIDA COLEMAN, Commissioner
GLEN KOLKMEYER, Commissioner

Stenographically Reported By:
Beverly Jean Bentch, RPR, CCR No. 640

Job No. 263435

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1	I N D E X	
2		Page
3	Oral Entries of Appearance	665
4	Issue XVIII Rate Design/CCOS	
5	Mini Opening Statement by Mr. Fischer	667
	Mini Opening Statement by Ms. Aslin	674
6	Mini Opening Statement by Mr. Opitz	676
	Mini Opening Statement by Mr. Clizer	679
7		
	Company Witnesses:	
8		
	CRAIG BROWN	
9	Direct Examination by Mr. Fischer	684
10	BRADLEY LUTZ	
	Mr. Lutz tendered for Cross-Examination by	
11	Mr. Steiner	687
	Questions by Commissioner Holsman	687
12	Recross-Examination by Ms. Aslin	689
	Redirect Examination by Mr. Steiner	689
13		
	KIMBERLY WINSLOW	
14	Ms. Winslow tendered for Cross-Examination by	
	Mr. Steiner	690
15		
	CHUCK CAISLEY	
16	Mr. Caisley tendered for Cross-Examination by	
	Mr. Fischer	692
17	Cross-Examination by Mr. Opitz	692
	Questions by Commissioner Holsman	697
18	Recross-Examination by Ms. Aslin	706
	Recross-Examination by Mr. Clizer	707
19	Redirect Examination by Mr. Fischer	709
	Questions by Commissioner Holsman	722
20	Further Redirect Examination by Mr. Fischer	736
21	MARISOL MILLER	
	Direct Examination by Mr. Fischer	741
22		
	Staff Witness:	
23		
	SARAH LANGE	
24	Ms. Lange tendered for Cross-Examination by	
	Ms. Aslin	743
25	Cross-Examination by Mr. Clizer	744

I N D E X
(Continued)

		Page
1		
2	Staff's Witness:	
3	SARAH LANGE	
4	Cross-Examination by Mr. Fischer	757
	Questions by Judge Hatcher	772
5	Recross-Examination by Mr. Clizer	781
	Recross-Examination by Mr. Fischer	781
6	Redirect Examination by Ms. Aslin	782
	Questions by Commissioner Holsman	789
7	Further Recross-Examination by Mr. Fischer	790
8	OPC's Witness:	
9	DR. GEOFF MARKE	
	Dr. Marke tendered for Cross-Examination by	
10	Mr. Clizer	792
	Cross-Examination by Ms. Aslin	792
11	Redirect Examination by Mr. Clizer	796
12	MECG's Witness:	
13	KAVITA MAINI	
	Direct Examination by Mr. Opitz	798
14	MIEC's exhibits offered by Mr. Opitz	802
15	Certificate of Reporter	807
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

E X H I B I T I N D E X

1			
2			Received
3	Company Exhibits:		
4	Evergy Missouri Metro		
5	12	Rebuttal Testimony of Craig Brown	685
	13	Surrebuttal Testimony of Craig Brown	685
6	58	Direct Testimony of Marisol Miller (Confidential)	742
7	59	Direct Testimony of Marisol Miller (Public)	742
8	60	Rebuttal Testimony of Marisol Miller	742
	61	Surrebuttal Testimony of Marisol Miller	742
9	Evergy Missouri West		
10	118	Direct Testimony of Marisol Miller (Confidential)	742
11	119	Direct Testimony of Marisol Miller (Public)	742
12			
13	MECG Exhibits:		
14	403	Direct Testimony of Kavita Maini in Case ER-2022-0130	800
15	404	Direct Testimony of Kavita Maini in Case ER-2022-0129	800
16	405	Rebuttal Testimony of Kavita Maini in Case ER-2022-0130	800
17	406	Rebuttal Testimony of Kavita Maini in Case ER-2022-0129	800
18	407	Surrebuttal Testimony of Kavita Maini in Case ER-2022-0130	800
19	408	Surrebuttal Testimony of Kavita Maini in Case ER-2022-0129	800
20	MIEC Exhibits:		
21	600	Direct Testimony of Maurice Brubaker	803
22	601	Rebuttal Testimony of Maurice Brubaker	803
23	602	Surrebuttal Testimony of Maurice Brubaker	803
24			
25			

1 The following proceedings began at 8:30 a.m.:

2 JUDGE HATCHER: Let's come to order and go on
3 the record. Today is Wednesday, September 7, 2022. The
4 Missouri Public Service Commission has set this day
5 aside to continue the hearing for the Evergy general
6 rate cases for Evergy Missouri Metro that is file number
7 ending in 0129 and for Evergy Missouri West that is file
8 number ending in 0130. Both of those file numbers are
9 ER-2022. Let's go ahead and get started.

10 I do have a couple of announcements to make.
11 Renew Missouri has requested and been granted to be
12 excused for the remainder of the hearing and MECG has
13 requested and been granted to appear on WebEx for
14 today's hearing. Let's do our introduction of parties.
15 For the company, please.

16 MR. STEINER: Roger Steiner and Jim Fischer
17 appearing for the company.

18 JUDGE HATCHER: Thank you. And for staff.

19 MS. ASLIN: Casi Aslin for staff.

20 JUDGE HATCHER: And Office of the Public
21 Counsel.

22 MR. CLIZER: John Clizer.

23 JUDGE HATCHER: I'm going to skip over the
24 parties that have been excused. MECG.

25 MR. OPITZ: Tim Opitz on behalf of MECG.

1 JUDGE HATCHER: Are there any other parties
2 that are here that I did not call that would like to be
3 recognized as being in attendance?

4 All right. Hearing none, we will move on. I
5 have two issues on the schedule for today. I don't have
6 any designated time. Are we set to begin with
7 electrification tariffs? I have picked up from an email
8 -- yes.

9 MR. CLIZER: Your Honor, the electrification
10 tariffs have been resolved by the stipulation filed last
11 night.

12 MR. STEINER: We filed it last night.

13 MR. CLIZER: Yes, those have been resolved,
14 and then I believe, again other people correct me, that
15 we have a settlement, an agreement in principle as to
16 the allocation factors and would therefore be prepared
17 to start rate design. Sorry. I believe we have an
18 agreement in principle as to allocation factors and that
19 we are prepared to start rate design. I invite other
20 parties to correct me if I've misspoke.

21 MR. STEINER: You have it right, John. We
22 haven't filed the agreement yet, but we hope to today
23 sometime and we'd be ready to start with Mr. Brown on
24 rate design issues.

25 JUDGE HATCHER: Let's go that direction.

1 Mr. Brown.

2 MR. STEINER: We have mini openings.

3 JUDGE HATCHER: I'm sorry. Yes.

4 MR. STEINER: You can't forget about mini
5 opening statements.

6 JUDGE HATCHER: Okay. Mini opening
7 statements. Everygy.

8 MR. FISCHER: Thank you, Judge. May it please
9 the Commission. I'm Jim Fischer. And today we're going
10 to be talking about rate design and class cost of
11 service studies, and that will include the important
12 issue of time of use rate proposals. And for purposes
13 of the court reporter I will sometimes refer to time of
14 use proposals as just TOU.

15 Everygy believes that optional TOU rates for
16 residential customers are an important choice for
17 utilities to offer its customers. And this rate offer
18 was the foundational part of Everygy's development of
19 tools and education that customers need to understand
20 pricing and cost causation.

21 Everygy currently has over 7,200 customers on
22 its optional time of use rate doubling its enrollment
23 target of 3,500 customers as was agreed to in a 2018
24 rate design stipulation and agreement. Everygy is
25 proposing to expand its existing singular three-period

1 time based rate to the addition of a two-period time of
2 use rate and two options that include the same
3 three-period high differential TOU rate that is designed
4 particularly with EV, electric vehicle charging --
5 electric vehicle drivers in mind. However, one option
6 provides for the EV charger customer to install a
7 separate meter to measure EV charging so that they may
8 choose a different program that is more suitable for
9 their whole house usage.

10 Evergy's proposed TOU rates are designed with
11 a price differential to incent behavior changes and it's
12 designed for various customer lifestyles.

13 Brian, could you move to the next slide. In
14 June of '22, Evergy conducted a survey of its on line
15 panel of customers to update Evergy's rate choice
16 research. This survey, which is on the slide, is also
17 attached to the direct testimony of Chuck Caisley in
18 Schedule CAC-5. This was an on line panel of nearly a
19 thousand Missouri residential customers. Results show
20 that customers are interested in more rate options. 90
21 percent said Evergy should offer more rate options and
22 only 9 percent said no. And 52 percent said if more
23 rate options were available, they would very likely
24 consider changing rate plans. In addition, this survey
25 also gazed residential customer residential perspectives

1 on the possibility of mandating time of use rates for
2 all Missouri customers by the Missouri Public Service
3 Commission.

4 Nearly three-quarters of all respondents said
5 they did not support the move toward mandatory time of
6 use rates and fully 95 percent said they preferred that
7 customers have the ability to choose the rate plan that
8 is best for them. I want to emphasize that. 95 percent
9 said they preferred to have the ability to choose the
10 rate plan that was best for them.

11 Staff witness Sarah Lange recommended that
12 Evergy's three-period opt-in time of use rate be
13 modified to a low differential default time of use rate.
14 The company finds staff's proposal to be highly
15 undesirable for any time of use rate, especially in
16 comparison with the existing rate structures that are
17 offered to Evergy's residential customers that were
18 launched in October 2019.

19 The company has embraced the time of use
20 opt-in rate option and through customer research and
21 surveys Evergy has concluded that the rate design --
22 that this rate design is a good option for residential
23 customers who choose to participate. They enjoy this
24 rate option because it allows more control to manage
25 their energy usage versus the standard block rate

1 structure. Now, most time of use participants were
2 highly successful in shifting behaviors to off peak to
3 lower their bill. The company has demonstrated success
4 against all defined metrics with that time of use rate
5 which was designed with a significant differential in
6 mind across three periods: On peak, off peak, and super
7 off peak and by season, summer and winter.

8 The company's TOU on peak to super off peak
9 price differential is the most notable with the on peak
10 price being approximately six times higher than the
11 super off peak in both seasons. So that's what I'll
12 refer to as a six-to-one differential. The on peak to
13 off peak price differential is also notable with the on
14 peak price being three times and two point five times
15 higher in the summer and winter seasons respectively.

16 As Evergy's witness Kim Winslow testifies,
17 ultimately an ultra low differential, essentially a
18 nonexistent differential, TOU rate as proposed by staff
19 defeats the fundamental purpose of a TOU rate. A one
20 cent per kWh change proposed by staff would not send any
21 meaningful price signal to the customers such that they
22 would be motivated to effect their usage through a
23 behavioral change.

24 A one penny per kWh change is slightly greater
25 than a one-to-one differential. Staff's proposed ultra

1 low differential is contrary to the industry's time of
2 use rate design that are normally used. Industry
3 research shows that half of the TOU rates have price
4 differential of at least 10 cents per kWh.

5 In fact, Evergy's research indicates that
6 Missouri's ultra low differentials is an extreme outlier
7 to other utilities across the country that have
8 implemented time of use rates. To make things worse,
9 staff is proposing that the ultra low rate differential
10 TOU rate should be a mandatory default rate on the
11 customers.

12 Ms. Winslow also testifies about one well
13 known mandatory default TOU rate that was offered by the
14 Puget Sound Energy Company in 2001, which had a slight
15 peak to off peak differential. Following a backlash
16 related to limited customer bill savings because of this
17 low differential, the result was an immediate opt out of
18 10 percent of the 300,000 customers and Puget Sound
19 terminated that program in 2002. So they tried it out,
20 didn't find it worked very well, and they ended it in
21 2002.

22 And I've already discussed the company's
23 survey results which were on the screen which show that
24 customers do not want a mandatory time of use rate in
25 Evergy's service territory. The purpose of the time of

1 use rate is to provide a price signal to create
2 behavioral change to move certain activities from on
3 peak to off peak. Staff is designing a default time of
4 use rate that does not provide any real price signal to
5 effect behavioral change and it will not minimize grid
6 impacts.

7 Evergy believes that its approach to give
8 customers a choice of TOU rates is a much better way
9 than mandating an ultra low differential that will fail
10 to deliver on the potential of time of use plans used
11 around the country on an opt-in basis. For these
12 reasons, Evergy does not believe the staff's approach
13 should be adopted but the Commission should approve
14 Evergy's proposed time of use rate proposals.

15 Now, from our perspective this issue presents
16 a very important choice between a one-size-fits-all
17 approach, which is just a new variation of what we've
18 been doing for a hundred years in electric rate design,
19 or giving consumers additional choice of rate
20 structures.

21 Every mandatory rate has a negative impact on
22 some customers. This is a policy choice for the
23 Commission between a one-size-fits-all mandating the
24 state's judgment for all consumers or allowing multiple
25 rate options for customers to roll into and pick what

1 fits their situation best.

2 Mr. Chuck Caisley is available not only to
3 discuss these policy issues regarding the company's rate
4 modernization plan as opposed to a mandatory time of use
5 approach, but he's also available to answer the
6 Commissioner questions that were posed to me in my
7 opening on Tuesday by Commissioner Rupp and Commissioner
8 Holsman. I believe Commissioner Rupp, if I recall,
9 asked some questions about subscription payment plans
10 and energy efficiency and the very studies that the
11 company has done on time of use rates and Commissioner
12 Holsman also raised some questions regarding the voltage
13 optimization studies.

14 With that, I will conclude unless you have
15 questions.

16 JUDGE HATCHER: Are there any Commissioner
17 questions for Mr. Fischer? Just a reminder.

18 COMMISSIONER HOLSMAN: No questions, Judge.

19 JUDGE HATCHER: Thank you, Commissioner
20 Holsman. That reminds me. We were not on the record
21 when I made that announcement earlier. Chairman Ryan
22 Silvey is on the WebEx as is Commissioner Jason Holsman
23 and Commissioner Maida Coleman. Thank you, sir. The
24 bench has no questions.

25 Let's move on to our next opening statement.

1 Staff.

2 MS. ASLIN: Good morning. May it please the
3 Commission. My name is Casi Aslin, and I represent
4 Commission staff.

5 Staff has an overall goal of streamlining
6 Evergy's rate design. Staff recommends this case be
7 taken as an opportunity to begin the modernization of
8 Evergy's rate structures. To achieve this, all non-
9 lighting rate schedules should be transitioned to simple
10 time based time of use rate structures with a plan to
11 transition to more complex time variant rate structures
12 that better reflect cost causation in the future.

13 Staff further recommends elimination of
14 end-use distinctions and customer rate schedules with
15 regard to appliance configurations. This process will
16 not be revenue neutral and the resulting revenue
17 increase will need to be netted from the applicable
18 revenue requirement increase for each class.

19 Staff recommends elimination of duplicative
20 rate codes because most are the legacy of prior
21 territorial mergers and rate schedule consolidation that
22 have become obsolete with the passage of time and prior
23 rate consolidations. Staff also recommends that the
24 residential customer charge for both utilities be
25 established by increasing the current Evergy Missouri

1 Metro residential customer charge by the percentage
2 adjustment to the Metro residential class revenue
3 requirement. Rounded to the nearest quarter, staff
4 estimates this value to be \$12.

5 It would be in the best interest of Evergy's
6 customers as a whole to eliminate the opt-in time of use
7 as presently designed. Staff's proposed time of use
8 rate schedules should be implemented on a default basis
9 consistent with the Ameren Missouri default time of use
10 approach in which a modest on-peak overlay was included
11 in the default residential rate design in the Empire
12 default time of use approach in which a modest off-peak
13 discount overlay was included in the default residential
14 rate design.

15 In this case staff recommends the Evergy
16 Missouri Metro and Evergy Missouri West rate structures
17 for each residential and nonresidential rate schedule
18 incorporate an on-peak overlay as a result of this rate
19 case to operate in conjunction with an off-peak discount
20 overlay. Staff witness Sarah Lange will be available
21 for any questions, and I will do my best to answer any
22 questions you may have. Thank you.

23 JUDGE HATCHER: Thank you, Ms. Aslin. Any
24 Commissioner questions for staff? Hearing none, the
25 bench has none. Thank you. We'll move on. I have

1 Mr. Opitz with MCEG.

2 MR. OPITZ: May it please the Commission. My
3 name is Tim Opitz on behalf of MCEG. I would summarize
4 the issue we're talking about today in rate design as
5 one, what rates should look like coming out of this case
6 and two, how we should approach changing these rates in
7 the future.

8 For the LGS and LPS classes, MCEG supports
9 continuing the current design which includes a
10 facility's charge, a customer charge, demand and energy
11 charges, as well as demand and energy charges that are
12 seasonally differentiated. When it comes to how the
13 revenue that's assigned to those classes is built into
14 rates, we support the company's proposal to allocate 125
15 percent of the revenue to the fixed cost components
16 being the customer charge and demand charge and 75
17 percent to the variable components. We find that to be
18 a reasonable approach and we encourage the Commission to
19 do that.

20 With respect to the Commission staff's
21 proposal for a mandatory time-based overlay on top of
22 those existing charges for the LGS and LPS classes, we
23 oppose that. It's our view that this approach is not
24 tested. We need a fuller evaluation of the impacts of
25 this overlay so that we can inform and educate the MCEG

1 companies who would be forced on to that rate. If the
2 Commission does want to see movement towards time of use
3 rates for large general service and industrial classes,
4 we think that it should order the company to meet with
5 stakeholders after this case to work towards quantifying
6 impacts of various proposals on customers.

7 We might not agree on what is ultimately going
8 to be proposed by the company or other parties in a
9 future case, but I think if we get together and are
10 ordered to evaluate the impacts on customers for each
11 proposal, that would go a long way in educating and
12 informing customers about what they can expect in future
13 rate cases.

14 With respect to the second point of how rates
15 should look in the future, within the company's
16 testimony they reference their rate modernization plan
17 and they testify their goal is to implement changes in
18 the future to simplify rate design while making efforts
19 to moderate rate impacts for its customers including LGS
20 and LPS classes.

21 MECG's witness Kavita Maini responded to the
22 company's proposals that they outlined in their direct.
23 Again, these aren't proposals. They're seeking to
24 incorporate in this case but wanted feedback. And our
25 feedback is we're generally supportive of the company's

1 approach but we do have a few points that we would like
2 to continue discussing with the company in evaluating
3 and to include evaluate shifting fixed costs from energy
4 charges to demand charges but not eliminating the energy
5 charge differentials, evaluate introducing an on-peak
6 provision where the maximum demand is set in the
7 specified on-peak hours is the billing demand for the
8 month, evaluate a time differentiated on and off-peak
9 energy rate to recognize the cost differentials and
10 provide better pricing signals than a flat energy rate
11 and lastly, as I indicated earlier, to set up a working
12 group of interested stakeholders to evaluate these
13 alternatives and assess the rate impacts.

14 Those were our recommendations about how we
15 should move forward in the future. Again, within this
16 case we support continuing the company's I'll call it
17 the rate modernization path but we'd like to see a
18 little more involvement with stakeholders in the time
19 periods between the rate cases so that when we get to
20 the rate case we're not presenting each other with just
21 competing rate designs with no real opportunity to
22 evaluate and educate the customers who will be subject
23 to those rates. I'm happy to answer any questions.

24 JUDGE HATCHER: Thank you, Mr. Opitz. Are
25 there any Commissioner questions for MECG? Hearing

1 none, the bench also has no questions. Thank you, sir.

2 MR. OPITZ: Thank you, Your Honor.

3 JUDGE HATCHER: And MIEC has previously
4 requested to have their opening statement waived on this
5 issue. I just want to offer her the opportunity if she
6 is on the line. I know she was planning on joining us.
7 Ms. Plescia, are you on our WebEx? Okay. No answer.

8 We'll move on to our next party's opening
9 statements which I believe is Mr. Clizer.

10 MR. CLIZER: Good morning. I have to lean
11 into this mike apparently. If it would please the
12 Commission. John Clizer on behalf of the Missouri
13 Office of the Public Counsel.

14 So the first part of this you already heard
15 twice. You heard it for AMI meters on Friday of last
16 week. You heard it yesterday for subscription pricing.
17 The company has spent an enormous quantity of money
18 setting the groundwork to have time of use rates. We've
19 spent hundreds of millions of dollars on AMI, 300
20 million on a billing system, and we're in the process of
21 spending hundreds of millions more to replace the
22 existing AMI before they're fully recovered. If you
23 count up all the dollars spent, factor in the impact of
24 time, we've easily spent half a billion if not a full
25 billion dollars at this point getting things ready for

1 time of use rates.

2 Customers need to see the dividends of this
3 investment. They deserve to see some benefit from all
4 of that money. That is the primary reason why we are
5 supporting time of use rates.

6 Now, counsel for Evergy got up here and said
7 customers don't want a mandatory default time of use
8 rate. Let's break down some of the problems with that.
9 First of all, the idea that we don't want a default rate
10 is ridiculous, because you always have a default rate.
11 Default just means this is what you get unless you opt
12 in to something else.

13 Every customer who joins an electric utility
14 doesn't tell the company right off the bat I want to be
15 on this rate or the other. They go on to the default
16 rate which is the volumetric charge plus customer charge
17 and have the option to switching to something else.

18 The goal here for staff and OPC is to set a
19 new default rate with a one cent differential at certain
20 point in time, and the purpose of that is to get the
21 customers acquainted to the idea of time of use rates.
22 The company has made a huge deal about customers wanting
23 choice. I want to stress this to you Your Honor and to
24 the Commissioners, these are not mutually exclusive
25 options. It is entirely possible for the company to

1 both have the one cent differential time of use rate
2 proposed by staff as a default and to offer an optional
3 time of use rate with higher differentials.

4 You do not have to tell the company pick one
5 or the other. You can, in fact, have default time of
6 use rates and offer optional time of use rates with
7 higher differentials. If you would like more
8 information on the specifics of which part of the
9 company's optional plan works best and which don't,
10 direct those questions to Dr. Marke. I again stress you
11 don't have to pick one or the other. You can, in fact,
12 do both.

13 Now, much was said regarding the fact that
14 staff's proposal is only a one cent differential and the
15 company believes that this is not going to have a
16 significant effect on customer behavior. This one cent
17 differential, which I will refer to as the training
18 wheels approach, was adopted primarily because the
19 company has utterly failed to properly educate its
20 customer base on time of use rates.

21 In the last rate case, agreements were made
22 that the company would spend money educating customers,
23 and the company did, in fact, spend money, nearly \$3
24 million in fact trying to educate customers, but in the
25 opinion of OPC and I believe staff they have utterly

1 failed to accomplish that goal.

2 The result is that this one cent differential
3 is ultimately the most that we think customers can
4 currently handle. We believe, and I'm speaking here
5 mostly for OPC at this point, that the Commission should
6 not only approve Staff's one cent differentials but
7 should order the company in the next rate case to
8 propose higher differentials.

9 We are also asking to disallow at least \$1
10 million, and I believe that might be per company, of the
11 education costs that were prior incurred simply because
12 of how poor a job Evergy did educating its customers as
13 to time of use rates.

14 Finally, we are also asking the Commission to
15 order Evergy to conduct a third-party education and
16 marketing campaign or to hire a third-party consultant,
17 sorry, to perform an education and marketing campaign to
18 again prepare customers in future for higher rate
19 differentials.

20 I guess in closing I would just wrap up Ameren
21 and Empire have both already moved to default time of
22 use rates. We are -- We have already spent, as I've
23 said, an enormous sum of money setting the ground for
24 this. There is no reason why we cannot test the waters,
25 let customers begin to get acquainted with the concept

1 in this rate case by offering a small one cent
2 differential as a default. That will allow customers to
3 opt out if they so choose. They can go to the average
4 bill pay that was discussed yesterday. They can go to
5 the company's higher differential option. They can take
6 the EV charging rate, et cetera.

7 If you don't make default here, the company is
8 never going to move to default. Their actions have
9 spoken far louder than their words ever could. Unless
10 this Commission orders the company, there will be no
11 forward movement on time of use rates. Are there any
12 questions?

13 JUDGE HATCHER: Thank you. Are there any
14 Commissioner questions for Mr. Clizer? Just a reminder,
15 it's *6 if you have dialed in on a phone. Hearing none,
16 the bench also has no questions. Thank you very much,
17 Mr. Clizer.

18 Let's move on to our first witness for the
19 company. Go ahead.

20 MR. FISCHER: Thank you, Judge. The company
21 would call Craig Brown.

22 JUDGE HATCHER: Mr. Brown, please raise your
23 right hand.

24 Do you solemnly swear or affirm that the
25 testimony you are about to give shall be the truth, the

1 whole truth, and nothing but the truth?

2 THE WITNESS: I do.

3 JUDGE HATCHER: Thank you. Please go ahead
4 and have a seat. Everyy.

5 CRAIG BROWN,
6 having been first duly sworn, was examined and testified
7 as follows:

8 DIRECT EXAMINATION

9 BY MR. FISCHER:

10 Q. Please state your name and address for the
11 record.

12 A. My name is Craig Brown. By business address
13 is 9400 Ward Parkway, Kansas City, Missouri 64114.

14 Q. By whom are you employed and in what capacity?

15 A. I'm employed by 1898 & Co., which is the
16 consulting division of Burns & McDonnell Engineering
17 Company, and I serve as a project manager in their rates
18 and finance department.

19 Q. Mr. Brown, did you cause to be filed in this
20 case rebuttal testimony that I'll tell you has been
21 premarked as Exhibit 12 and surrebuttal testimony which
22 has been marked as Exhibit 13 and that would be in the
23 Metro case. Do you have any -- Did you cause that to be
24 filed in that case?

25 A. Yes, I did.

1 Q. Do you have any corrections or changes that
2 you need to make?

3 A. I do not.

4 Q. If I were to ask you the questions that are
5 contained in Exhibit 12 and 13 today, would your answers
6 be the same and are they true and correct, to the best
7 of your knowledge and belief?

8 A. They are true and correct, to the best of my
9 knowledge.

10 MR. FISCHER: Judge, with that I would move
11 for the admission of Exhibits 12 and 13 and tender the
12 witness for cross-examination.

13 JUDGE HATCHER: Thank you. You've heard the
14 motion by counsel. Does anyone have any objection to
15 the admission of Exhibit 12 and 13 into the hearing
16 record? Hearing none, it is so admitted.

17 (COMPANY EXHIBITS 12 AND 13 WERE RECEIVED INTO
18 EVIDENCE AND MADE A PART OF THIS RECORD.)

19 JUDGE HATCHER: I believe Everyg tendered the
20 witness.

21 MR. FISCHER: Yes, I tendered him, yes.

22 JUDGE HATCHER: Thank you. Let's go to
23 cross-examination. The order of cross I have is going
24 to be MECG, staff, and OPC. So Mr. Opitz.

25 MR. OPITZ: No questions, Your Honor.

1 JUDGE HATCHER: Ms. Aslin.

2 MS. ASLIN: No questions.

3 JUDGE HATCHER: Mr. Clizer.

4 MR. CLIZER: No questions. Thank you.

5 JUDGE HATCHER: Thank you. Are there any
6 Commissioner questions for Mr. Brown?

7 COMMISSIONER HOLSMAN: No questions at this
8 time, Judge.

9 JUDGE HATCHER: Thank you, Commissioner. The
10 bench also has no questions. That will take us back to
11 redirect.

12 MR. CLIZER: Your Honor, there is no redirect.

13 MR. FISCHER: I'll take my chance. Thank you,
14 Judge. I have no questions.

15 JUDGE HATCHER: Thank you. Mr. Brown, you are
16 excused.

17 THE WITNESS: Thank you.

18 (Witness excused.)

19 JUDGE HATCHER: Everyy, go ahead.

20 MR. STEINER: The company calls Bradley Lutz.

21 JUDGE HATCHER: And as Mr. Lutz makes his way
22 to the stand, I will remind him he has already been
23 sworn in. That is still applicable. You can go ahead
24 and have a seat.

25 THE WITNESS: Thank you.

1 JUDGE HATCHER: Mr. -- Everyy. Well, I
2 couldn't tell who was going to be going. Go ahead.

3 BRADLEY LUTZ,
4 having been previously sworn, was examined and testified
5 as follows:

6 MR. STEINER: Mr. Lutz's testimony has already
7 been entered into the record. So I tender him for
8 cross-examination.

9 JUDGE HATCHER: All right. And our
10 aforementioned order. Mr. Opitz.

11 MR. OPITZ: No questions, Your Honor.

12 JUDGE HATCHER: Staff.

13 MS. ASLIN: No questions.

14 JUDGE HATCHER: Mr. Clizer.

15 MR. CLIZER: No questions. Thank you.

16 JUDGE HATCHER: Are there any Commissioner
17 questions for Mr. Lutz?

18 COMMISSIONER HOLSMAN: Judge, I have brief
19 questions. Commissioner Holsman.

20 JUDGE HATCHER: Yes, Commissioner Holsman. Go
21 ahead.

22 COMMISSIONER HOLSMAN: Thank you. Thank you,
23 Mr. Lutz.

24 QUESTIONS

25 BY COMMISSIONER HOLSMAN:

1 Q. On the time of use issue dealing with the net
2 metered customer, you mentioned in your testimony that
3 it would require a statutory change. Can you let us
4 know what that statutory change might be and how it
5 would differ from what's allowed in the tariff?

6 A. Yes. In my review of that statutory language,
7 the problematic phrase is around billing period. And
8 the way that that has been interpreted to be the 30-day
9 period, you know, associated with the normal billing
10 cycles. I think some language has been drafted and
11 floated between the utilities. I think maybe even you
12 might be aware of some of that proposed language. But
13 that would be the fix would be to address the billing
14 period, insert some language that anticipated the
15 structures associated with the time of use rate, the
16 time period basis instead of billing period basis. And
17 further I would also mention I think as part of our
18 settlement we've agreed to work on that with the
19 parties.

20 COMMISSIONER HOLSMAN: Okay. Thank you.
21 Thank you, Judge.

22 JUDGE HATCHER: Thank you, Commissioner. Any
23 other Commissioner questions for Mr. Lutz? All right.
24 Hearing none, the bench has no questions. However,
25 since you were asked, that will go back around. Let's

1 do our recross-examination. My short list I have MECCG.
2 Mr. Opitz.

3 MR. OPITZ: No, thank you, Your Honor.

4 JUDGE HATCHER: Counsel for staff.

5 RECROSS-EXAMINATION

6 BY MS. ASLIN:

7 Q. Mr. Lutz, are you aware that staff has
8 recommended that a statutory change is not necessary for
9 time of use rates -- for its time of use rates?

10 A. For the rates proposed by staff?

11 Q. Correct.

12 A. Correct, I'm aware of that testimony from Ms.
13 Lange, yes.

14 MS. ASLIN: Okay. Thank you.

15 JUDGE HATCHER: Mr. Clizer.

16 MR. CLIZER: No questions. Thank you.

17 JUDGE HATCHER: And redirect.

18 MR. STEINER: Briefly.

19 REDIRECT EXAMINATION

20 BY MR. STEINER:

21 Q. Mr. Lutz, you were asked by counsel for staff
22 if you were aware of a statutory change was not needed
23 for staff's time of use rates. Do you remember that?

24 A. I do.

25 Q. And that relates to the net metering issue; is

1 that correct?

2 A. Yes. Yes, and the ability of net metered
3 customers to participate on these time based rates.

4 Q. Do you agree that nothing would be needed for
5 staff's proposal?

6 A. Under staff's proposal, yes, because their
7 approach is more about an adder than to treat the full
8 billing under a time period basis which we've
9 interpreted can fit within the statute.

10 MR. STEINER: That's all I have. Thanks.

11 JUDGE HATCHER: Thank you, Mr. Lutz. You are
12 excused.

13 (Witness excused.)

14 JUDGE HATCHER: Mr. Steiner or Mr. Fischer.

15 MR. STEINER: Company calls Kimberly Winslow.

16 JUDGE HATCHER: As Ms. Winslow makes her way
17 to the stand, I will remind her she's already been sworn
18 in. That is still applicable. You may go ahead and be
19 seated. Go ahead.

20 KIMBERLY WINSLOW,
21 having been previously sworn, was examined and testified
22 as follows:

23 MR. STEINER: Judge, I believe Ms. Winslow's
24 testimony has already been admitted into the record and
25 would tender her for cross-examination.

1 JUDGE HATCHER: Thank you. And that would go
2 to Mr. Opitz.

3 MR. OPITZ: No questions, Your Honor.

4 JUDGE HATCHER: Counsel for staff.

5 MS. ASLIN: No questions, Judge.

6 JUDGE HATCHER: Public counsel.

7 MR. CLIZER: No questions. Thank you.

8 JUDGE HATCHER: Are there any questions from
9 Commissioners? Any Commissioner question for Ms.
10 Winslow? I don't hear any. The bench also has no
11 questions. Thank you very much.

12 THE WITNESS: Thank you.

13 (Witness excused.)

14 JUDGE HATCHER: I just want to stop for a
15 second and make sure that I'm counting right. Do we
16 have two more company witnesses?

17 MR. FISCHER: Yes, we have Mr. Caisley and Ms.
18 Marisol Miller.

19 JUDGE HATCHER: That sounds good. Please go
20 ahead.

21 MR. FISCHER: We would call Mr. Caisley to the
22 stand.

23 JUDGE HATCHER: Again, Mr. Caisley has already
24 been sworn in. I'll just remind him that it's still
25 applicable. Please, sir, go ahead and have a seat. Go

1 ahead.

2 CHUCK CAISLEY,
3 having been previously sworn, was examined and testified
4 as follows:

5 MR. FISCHER: Judge, the testimony of
6 Mr. Caisley has been already introduced into the record
7 and so I would just tender him for additional
8 cross-examination on the issues today.

9 JUDGE HATCHER: Mr. Opitz.

10 MR. OPITZ: Good morning, Mr. Caisley.

11 THE WITNESS: Good morning, Mr. Opitz.

12 CROSS-EXAMINATION

13 BY MR. OPITZ:

14 Q. You testified yesterday; is that correct?

15 A. I think it was last week actually. All kind
16 of blurs together.

17 Q. And in your testimony you kind of lay out the
18 plans from the company to offer different options for
19 customers; is that right?

20 A. That is correct.

21 Q. And were you listening to the hearing
22 yesterday if you weren't here, specifically the
23 testimony of Ms. Kremer?

24 A. I did not hear Ms. Kremer's testimony. I
25 listened to a significant portion, but I did not listen

1 to hers.

2 Q. I'll ask it this way.

3 A. I've read her testimony.

4 Q. With the company's options that it's proposing
5 to implement in its rate modernization plan, has there
6 been any outreach to customers to educate them or get
7 input on those plans?

8 A. There has been.

9 Q. And is the proposal by staff for a mandatory
10 time-based adder for commercial and industrial customers
11 associated with any of the outreach that you've done?

12 A. Is staff's proposal?

13 Q. The staff's proposal, yeah.

14 A. No.

15 Q. And so it's fair to say that the staff's
16 proposal in this case is not one that commercial and
17 industrial customers I guess would have been aware of
18 prior to this case ensuing?

19 A. No, it's certainly not something, because the
20 company isn't proposing it and the company doesn't
21 believe in it, it's not something we would have reached
22 out and specifically said was something commercial or
23 industrial customers should anticipate. In fact, in
24 fact, what I would say is, you know, we were having
25 dinner last night as a regulatory team after the

1 proceedings and we were just thinking about -- we were
2 talking about how difficult it would be for commercial
3 customers to react to something like that. You can't
4 change when you're serving customers dinner, for
5 example, just to shift load for off peak and most
6 customers are like that in the business and commercial
7 sense.

8 Q. Okay. So I guess switching gears now. So
9 your counsel talked about how you would talk more about
10 the rate modernization plan, and you're aware that the
11 company's testimony in this case asks for feedback,
12 correct?

13 A. That's correct.

14 Q. And MCEG provided feedback. You understand
15 that, correct?

16 A. Yep.

17 Q. And would the company I guess agree to set up
18 a working group with interested parties after this rate
19 case to evaluate the alternatives the company is
20 proposing in its plan, assess the rate impacts before
21 the next rate case is filed?

22 A. Absolutely. We think that customer feedback
23 in particular is very important in designing rates.

24 Q. And so the company is open to evaluating
25 shifting fixed costs from energy charges to demand

1 charges?

2 A. Yes.

3 Q. And you're open to evaluating, not
4 eliminating, the energy charge differentials?

5 A. Yes.

6 Q. And you're open to evaluating a time
7 differentiated on and off-peak energy rate to recognize
8 the cost differentials to provide better pricing signals
9 than flat energy rate?

10 A. Yeah. I mean, one of our underlying premises
11 for this whole rate modernization plan is the idea that
12 different customers have different needs in use cases
13 and to be able to send real price signals, not just an
14 almost undifferentiated price signal, which we can get
15 into in the future this morning, but tailoring that to
16 different entities whether it's different industry
17 sectors, whether it's different classes of clients or
18 customers, all those we think are important for a
19 sustained modern rate structure.

20 Q. So the company is not opposed to time
21 differentiated rates. It's just that the time
22 differentiated adder proposed by staff is not
23 appropriate in this case?

24 A. We think first of all it's ineffective and I'd
25 love to talk a little bit more about that this morning

1 at some point, and second of all, we think that
2 one-size-fits-all as a policy is not a good policy for
3 the state. We do support time differentiated rates,
4 whether it's time of use, real time pricing, or a myriad
5 of other types of rates that are being tried around the
6 United States.

7 MR. OPITZ: That's all I have. Thank you,
8 Your Honor.

9 JUDGE HATCHER: Thank you. That will take us
10 to counsel for staff.

11 MS. ASLIN: No questions.

12 JUDGE HATCHER: Public counsel.

13 MR. CLIZER: No questions. Thank you.

14 JUDGE HATCHER: Thank you. And I would also
15 like to note for the record the attendance of
16 Commissioner Glen Kolkmeyer. He is also on line.

17 Let's move to, speaking of, let's move to
18 Commissioner questions. Are there any Commissioner
19 questions for Mr. Caisley?

20 COMMISSIONER HOLSMAN: Judge, this is
21 Commissioner Holsman.

22 JUDGE HATCHER: Yes, Commissioner Holsman. Go
23 ahead.

24 COMMISSIONER HOLSMAN: Thank you. Thank you,
25 Mr. Caisley.

1 THE WITNESS: Good morning.

2 QUESTIONS

3 BY COMMISSIONER HOLSMAN:

4 Q. In Evergy's opening today they had mentioned
5 that you were going to talk a little bit about the
6 voltage optimization study that is I believe in the
7 stipulation that we're unaware of. Can you talk a
8 little bit about, and specifically if the company is
9 held harmless from liability without willful misconduct
10 according to 3.09 of the tariff how the voltage then
11 will affect the customers if the surge itself is what
12 caused damage but was unintentional, and wouldn't it be
13 in the best interest of the customer that the company
14 has such a high standard for responsibility that it
15 invests in making sure that that voltage is optimized as
16 possible?

17 A. So I think a couple of things, Commissioner.
18 First of all, I do believe one of the more recent
19 stipulations and agreements does address one of the
20 voltage study issues that's out there. A couple are
21 not. What you're talking about, I believe, would be
22 voltage optimization and its application both generally
23 to customers and the benefits thereof, and there's
24 several of them, as well as your specific situation
25 which while specific to you is representative of things

1 that happen on the grid on an annual basis. So if
2 you'll indulge me for a couple of minutes, I'd like to
3 talk a little bit about voltage optimization.

4 First of all, while not captured and
5 specifically required in the stipulation and agreements
6 that have been signed so far, Evergy is currently
7 working on voltage optimization. Principally where this
8 is coming from is with the deployment of our new AMI
9 meters which have the ability to record and to send us
10 in intervals of our choosing at different levels voltage
11 problems whether they're swags or swells and then
12 communicate that both back to us as well as to interact
13 with other equipment on our distribution service. And
14 so what we are doing, we're doing a couple things with
15 that.

16 I'm sure, as you know, when the company
17 delivers power to an end use consumer, we have what's
18 called a utilization threshold or band of the voltage
19 tolerance that has to be delivered to that customer.
20 And typically what happens out of a substation is we
21 send power out. Mind you I'm not a double E so this is
22 kind of the layman's lawyer version of this. But the
23 way I understand it is we send it out at the highest
24 possible voltage from the substation so that by the time
25 it gets to the end of the circuit and in some places in

1 our rural service territory that can be a considerable
2 distance, it's still within the utilization threshold
3 but it's at the lower end which means if you're closer
4 to that substation as an end user you're going to have a
5 higher voltage level than somebody, say, in a rural area
6 or at the end.

7 With the ability now in the new meters that
8 we're installing that have this voltage monitoring and
9 feedback, we can do a couple of things. One, we can
10 spot problems where there are voltage issues a lot
11 quicker. Before if we had voltage issues, there wasn't
12 a lot we could do without a lot of work to go look at
13 those.

14 Now we can ping the area, we can ping the
15 meters, and we can go in and we can see if there are
16 issues. The second thing we can do though is we can
17 work with the voltage regulators and the voltage
18 detectors that are put out on the system to fine tune or
19 to optimize the voltage on a circuit particularly where
20 we're seeing problems. Now, that's not done in an
21 automated fashion today. We need some additional back
22 end IT infrastructure to do that in an automated kind of
23 automatic way. But wherever we're having issues, that's
24 something we're doing.

25 Ultimately we believe that we can see between

1 1 to 3 percent overall savings on circuits and perhaps
2 even system wide from reducing and optimizing voltage,
3 you know, with significant deployment of that. Again,
4 that's something that depends on this mesh network and
5 this ability to use the AMI meters to do that.

6 Now, in your particular situation
7 unfortunately, after extensive conversations with our
8 transmission and distribution team yesterday on this,
9 they do not believe your particular situation would have
10 been solved by voltage optimization, and the reason for
11 that is because it's most likely caused by something we
12 call transients on our electrical system which is very,
13 very short, very, very significant spikes in voltage
14 that can be caused by a number of different things.

15 Sometimes it's contact with a transmission
16 line. Sometimes it's a transmission line contacting a
17 distribution line. Sometimes it could be something like
18 restoration where you have a high concentration of heavy
19 users like EVs or you have a high concentration of
20 distributed generation like solar. Transients can be
21 caused by a lot of different things. Probably the most
22 notable transients causer on our entire system is Nucor,
23 and Nucor we actually know that it can cause harmonics
24 and transients issues. So there's actually something we
25 can do which is put in what's called a static VAR

1 compensator which within an electrical cycle or two, and
2 again as I'm sure you're aware, on our system there's 60
3 cycles to a second. Transients is a one-cycle or
4 two-cycle kind of an interruption. And static VAR
5 compensators can actually eliminate that.

6 Now, generally in application those are put
7 out where there are specific issues, and again our
8 voltage reading meters can point to where we're having
9 issues in a neighborhood and perhaps -- or on a circuit
10 and perhaps put up a static VAR compensator in the
11 future.

12 Obviously where we have heavy users with big
13 spikes in their demand like Nucor, we are able to put
14 those in proactively. At the end of the day however,
15 through most of our service territory transients is
16 something that happens so quickly that without other
17 proactive equipment like a static VAR compensator even
18 voltage optimization isn't going to completely eliminate
19 that risk that you're talking of.

20 Q. Now, on the AMI meters, is there any benefit
21 of those for this transient issue, because obviously
22 outages are going to happen. I mean, this is part of
23 it. And restoration is what was believed -- the
24 restoration surge is what was believed to cause the
25 damage to the equipment. So I know we had a whole

1 discussion on surge protectors a few months back. Is
2 the surge protector the only device that would
3 potentially protect against this transient issue that
4 you just spoke of?

5 A. So that would probably be the most cost
6 effective thing for a consumer both surge protection at
7 the meter, which we offer and others offer as well, and
8 we actually for sensitive devices behind the meter or
9 that are plug in, again, we recommend plug-in surge
10 protection as well, particularly on computer systems,
11 TVs, things like that. Where the AMI meters with the
12 voltage detection and reporting could potentially come
13 into issue is as we start to see greater saturation of
14 distributed generation, which we believe is going to
15 occur, as we start to see greater saturation of one and
16 two-car EV charging homes, which we believe is going to
17 occur probably more rapidly than anything else has
18 occurred in the last decade over the next five, six,
19 seven years, we could start to see some voltage issues
20 in neighborhoods and on circuits that were not
21 originally designed to have that kind of concentration
22 of heavy users or heavy solar generators. And as that
23 occurs, we will start to see voltage differences and
24 that's where those AMI meters will come in. We'll be
25 able to use those AMI meters in the voltage detection

1 within a circuit to see where issues are starting to
2 occur and start to proactively either optimize the
3 voltage in there or in some cases there may be things
4 that we have to deploy to help deal with that at a
5 circuit level.

6 Q. Okay. Speaking to the tariff, would such a
7 high standard of willful misconduct, which clearly would
8 indicate intent, from a customer service standpoint when
9 you have damage occurred due to a surge, what is the
10 company's, you know, percentage of time that they
11 actually assist with the customer on, you know, a clear
12 surge incident and how often does the company actually
13 assist with customers who have the circumstance?

14 A. So I don't have the number of claims and the
15 payout percentage off the top of my head today. That's
16 something that we absolutely can give the Commission and
17 would readily disclose. I think though from a customer
18 service standpoint I think we think about it a couple of
19 different ways. Clearly there are surges that happen on
20 our system and particularly transients that happens on a
21 daily basis. There's not a day that goes by that we
22 don't have surges caused by somebody running into a pole
23 and an outage, or restoration in an area where they're,
24 for example, if we restore power in the middle of a peak
25 time and everybody's air-conditioner kicks back on

1 again, if we have a transmission line come into contact
2 with distribution facilities. There's just a myriad of
3 things, almost an endless number of things that can
4 cause those surges.

5 If it's during a storm or a restoration,
6 that's not something that we would generally compensate
7 for. If we did, you know, that would be an incredibly
8 expensive issue that would ultimately be reflected in
9 rates. That said, where we have situations where we
10 clearly could have maintained equipment better even
11 though it doesn't necessarily rise to the level of
12 willful or negligence, if there are times where we do
13 something and it doesn't work out the right way and, you
14 know, it causes a surge which causes damage, those are
15 times where even if it doesn't fit into the four letters
16 of what the statute or the rule requires, we still try
17 to give the benefit of the doubt. Sometimes that is
18 awfully hard to see or to prove or to understand and so
19 again the level of telemetry and analysis that we have
20 from AMI meters should help with some of those cases and
21 being able to ferret out what really happened, not
22 always though.

23 Q. So then this is my last question. If these
24 transient events, these surges due to storms, all of
25 these issues are known and the surge protection program

1 is an optional purchase money add-on program, why
2 wouldn't the company move towards surge protectors being
3 just an integral part of infrastructure that is
4 necessary to the end consumer?

5 A. That is something that we wouldn't have an
6 issue with. If the Commission wanted to consider adding
7 surge protection as a standard part of service, I think
8 that's something that absolutely could be considered in
9 the future. It's something that isn't now. It isn't
10 part of -- it's not in our cost of service but it's
11 something we could certainly look at and are certainly
12 willing to look at. And I think as a general rule as we
13 go further and further into a time when technology and
14 analytics can give us more information and better
15 operation of the grid, I think we're going to start
16 seeing, you know, a lot of different equipment be
17 discussed as potentially necessary for a resilient and a
18 healthy grid.

19 Again, I'll give an example. Right now you
20 have lightning arresters across a significant part of or
21 all of our substation and transmission system. But
22 we're not putting out distribution level static VAR
23 compensators almost at all. That's something that we
24 may decide in the future is necessary particularly with
25 some of the emerging technology around distributed

1 generation and as we look at retrofitting the grid for
2 more concentrated EV charging. So I think what was good
3 in 1950 or what was considered good in 1950 may not be
4 good and we were certainly open to looking at things as
5 surge protection as part of service and many other
6 things.

7 COMMISSIONER HOLSMAN: Thank you very much for
8 your answers. I appreciate it. Thank you, Judge. No
9 more questions.

10 JUDGE HATCHER: Thank you, Commissioner
11 Holsman. Are there any other Commissioner questions for
12 Mr. Caisley? All right. Hearing none. You'll have to
13 go through recross and redirect anyway. So I just want
14 to clarify EE, electrical engineer?

15 THE WITNESS: That's right, I'm not an
16 engineer.

17 JUDGE HATCHER: Thank you. Just wanted to get
18 the abbreviation. I really want to compliment OPC and
19 staff from the day I was out for catching those
20 abbreviations and getting them on the record. I have no
21 more questions. Let's go back to recross. Mr. Opitz.

22 MR. OPITZ: No, thank you, Your Honor.

23 JUDGE HATCHER: Ms. Aslin.

24 RECROSS-EXAMINATION

25 BY MS. ASLIN:

1 Q. Mr. Caisley, are you aware of in Missouri
2 Public Service Commission rules a rule in Chapter 10
3 that requires utilities to maintain voltage within a
4 certain range?

5 A. Yes.

6 Q. And when you were answering questions from
7 Commissioner Holsman, you were mentioning voltage
8 optimization studies. You used the terms swag and
9 swell. Could you define those?

10 A. Yeah, and I probably -- swag. I meant sag.
11 if I said swag, I apologize. Hanging around my
12 15-year-old son too much who uses that word quite a bit.
13 And so it's sag and swell. Sag would just be voltage
14 that is, you know, goes below the utilization threshold
15 or a swell which is something that would go above.

16 MS. ASLIN: Thank you. No further questions.

17 JUDGE HATCHER: Thank you. That takes us to
18 Office of the Public Counsel.

19 MR. CLIZER: Good morning, Mr. Caisley.

20 THE WITNESS: Good morning.

21 RE CROSS-EXAMINATION

22 BY MR. CLIZER:

23 Q. Obviously you just had an extended
24 conversation with Commissioner Holsman regarding voltage
25 optimization. I assume you recall that?

1 A. I do, at least so far.

2 Q. I'm going to briefly read you a passage from
3 the direct testimony filed by Dr. Geoff Marke. As it
4 stands now, consistent with stipulations and agreements
5 entered into by both OPC and staff, from the most recent
6 Ameren Missouri and Empire District Electric rate cases,
7 I recommend that the Commission order Evergy to issue a
8 request for proposals for an independent third-party
9 consultant to conduct a study of its distribution system
10 designed to gauge the costs and benefits of a voltage
11 optimization program in both Evergy Metro and Evergy
12 West service territories. And for the record that is I
13 am quoting from the direct testimony filed in Case No.
14 0130, which is Evergy West, page 28, lines 2 through 7.
15 My question to you quite simply is, is the company
16 currently intending to issue a request for proposals for
17 an independent third-party consultant to conduct a study
18 of its distribution system designed to gauge the costs
19 and benefits of a voltage optimization program in both
20 Evergy Metro and Evergy West service territories as Dr.
21 Marke recommends?

22 A. We are currently proactively and actively
23 looking at voltage optimization across our distribution
24 system. And so no, we are not planning on issuing an
25 RFP to get a third party to come in and help with that.

1 If as we go forward with this that is something that is
2 necessary to do or we think 1898, Burns & McDonnell,
3 Brattle, any of the folks that we work with on a
4 consistent basis have something to add, we would bring
5 them in. I would say with respect to our distribution
6 system generally, its operation, its efficiency, its
7 resiliency, all of those things, we are in ongoing
8 conversations not just about voltage optimization but a
9 host of other things. And I understand that from the
10 Public Counsel's perspective, you know, more independent
11 is good and thoughts are necessary but we've got a host
12 of folks who are experts in this and we're working on
13 things like this and this every single day.

14 MR. CLIZER: Thank you. I have no further
15 questions.

16 JUDGE HATCHER: Thank you. That will take us
17 to redirect.

18 MR. FISCHER: Thank you, Judge.

19 REDIRECT EXAMINATION

20 BY MR. FISCHER:

21 Q. Let's continue that discussion about voltage
22 optimization for just a few minutes. Staff counsel
23 pointed out that there are requirements in Chapter 10 of
24 the Commission's rules. Is surge protection an
25 industry-wide issue do you believe?

1 Mr. Clizer here.

2 Q. Okay. Let's go back to your questioning by
3 Mr. Opitz about the C & I customers. Do you recall
4 having a conversation about whether you think the C & I
5 folks are aware of possibility of having mandatory time
6 of use rates?

7 A. Well, again, it's not something that we talked
8 to or advocated for with our customers. In this
9 particular situation, I think there's a
10 mischaracterization of our position. We are not against
11 time of use or price signals for time. We are merely
12 saying that from our perspective and from talking to
13 customers, instead of changing the default rate we go to
14 a myriad of different price signals and a myriad of
15 different rate options to address grid efficiency and to
16 address kind of a modern grid, rate modernization.
17 That's why we call it rate modernization. So no, I
18 don't think those customers are anticipating that. I
19 don't think that it's something that they are well
20 equipped to react to. When we have talked to customers,
21 industrial and business customers about rates, most of
22 them do not respond to price signals unless they're
23 really, really severe.

24 So let me give you an example. We have talked
25 to some of the auto manufacturers in Missouri, as well

1 as large industrial customers that refine, make cement,
2 or also the aerospace industry in Kansas. I know that
3 we're in Missouri, but in Kansas we've got large
4 manufacturers as well. They make equipment 24/7 a day.
5 And so if you raise the price for them on a peak time
6 period, they are not going to stop making what they're
7 doing. If you're a business customer, you're not going
8 to stop selling beer or greeting cards or groceries
9 between three and eight o'clock because you send a price
10 signal. In fact, those are some of the most lucrative
11 times when people get off of work. And so we don't
12 believe that forcing those customers into a default rate
13 when they can't do anything about it or they can do very
14 little about it is the right way to go.

15 The only time we see these customers stopping
16 or curtailing or really reacting to a price signal is in
17 a situation like Winter Storm Uri where, for example,
18 natural gas got so high and so cost prohibitive that
19 companies like Ford Motor Company shut down production
20 because to continue production even with firm natural
21 gas would have put every F-150 off the line underneath
22 what they could sell it for from a cost of goods sold.
23 So we don't believe for commercial customers, for
24 business customers this is right. We don't think they
25 are expecting it. We don't think it is something

1 they'll be able to react to.

2 Frankly, the same thing is true for
3 residential customers. When you look at mandated time
4 of use or opt-out time of use across the United States,
5 several things are clear. One is that it's not as
6 effective, and most of the goals that this Commission
7 has articulated, whether it is behavioral change,
8 savings, grid optimization, Brattle Group, one of the
9 folks that did a -- that informed our rate modernization
10 in February of 2021, did an entire landscape of the body
11 of time of use rates and found that again savings,
12 knowledge, behavioral change, grid effectiveness all
13 less under the less than half a dozen jurisdictions that
14 have mandated time of use. So if that's what you're
15 going for, that's not going to be achieved by a mandated
16 time of use and for industrial and commercial customers
17 it's something that is very difficult to actually
18 respond to and react to.

19 Again, I would encourage everybody to look at
20 the Brattle study that was attached as part of the work
21 that we did for rate modernization. It paints a very
22 clear picture as to the effectiveness of mandated time
23 of use in the very few places that it's happened in the
24 United States versus programs like ours with a bigger
25 price differential, bigger price ratio like a six-to-one

1 in the summertime or four-to-one in the wintertime.

2 Q. Mr. Opitz was asking you about the education
3 and outreach to C & I customers. What outreach has
4 occurred and what education has occurred with your other
5 classes?

6 MR. CLIZER: I'm going to object. That's
7 outside the scope of the cross questions as he so
8 pointed out. Cross was directed at C & I customers. We
9 don't need additional discussion of non C & I customers.

10 MR. FISCHER: Judge, it went to education what
11 he's doing with his customer classes.

12 JUDGE HATCHER: I'll allow it.

13 THE WITNESS: So both residential and business
14 or commercial and industrial classes were part of our
15 AMI education and outreach campaigns. I think one of
16 the big misconceptions and probably most unsupported
17 positions that have been taken in this case is that our
18 outreach was not effective in this area. So let me just
19 give you some facts instead of assertions.

20 We presented I believe eight times to parties
21 on TOU. At least three of them explicitly had times
22 where we carved out very specific times and purposeful
23 about what we were going to do both to market and to
24 educate. In those presentations, we didn't get feedback
25 that was negative or other suggestions from parties that

1 would alter what we did. Having said all that, the
2 assertion has been made that we do not have good
3 customer awareness and Ameren and Liberty have been held
4 out. So year to date J.D. Power & Associates, which now
5 adds customer awareness about TOU onto all of its
6 surveys and has done this since the end of 2019, which
7 is about the time that we embarked on this process, just
8 came out with its second quarter results. For the
9 second quarter Midwest large utilities, Evergy is ranked
10 number three year to date in 2022 in terms of general
11 customer awareness about and the attributes of time of
12 use rates. That's higher than Ameren. That's higher
13 than MidAmerican. That's higher than Xcel. That's
14 higher than DTE. It's higher than all of those
15 companies, and Ameren and Xcel have the mandated time of
16 use that staff and OPC tout.

17 In addition, if you look at that same data
18 set, again an independent well-known third party, we
19 were number two at the end of 2021 and our awareness
20 from customers from the time that we started our
21 education on time of use until today has more than
22 doubled, more than doubled.

23 So in the midwest, we have what is top
24 quartile awareness better than others that use mandatory
25 time of use rates and have doubled, doubled our

1 awareness amongst customers. Having said that, I don't
2 think any of those customers, particularly the business
3 customers, are ready for a mandatory time of use. And
4 when we asked our customers specifically about it,
5 Mr. Fischer, you gave in your opening what the
6 statistics are on that.

7 BY MR. FISCHER:

8 Q. I was going to ask you did your outreach
9 include surveying your own customers to get their
10 feeling, not your own feeling but their feelings about
11 how they felt about rate structures and options and
12 choices?

13 A. Absolutely.

14 MR. CLIZER: For the record, I'd like to renew
15 my objection. This is far outside the scope of the
16 cross-examination.

17 MR. FISCHER: It's all going to education and
18 outreach, Judge.

19 MR. CLIZER: Specific cross-examination was
20 exclusive to issues related to C & I.

21 JUDGE HATCHER: I see Mr. Clizer's point.
22 Personally it sounds a little repetitive to me. But if
23 we're about finished, I'll let it wrap up.

24 MR. FISCHER: I'll change to a different
25 subject, Judge.

1 JUDGE HATCHER: Excellent.

2 MR. FISCHER: Thank you.

3 BY MR. FISCHER:

4 Q. I believe in answer to one of the questions
5 you indicated that, I believe I got it right, different
6 customers have different needs. What did you mean by
7 that?

8 A. Well, you know, look, one of the things that
9 we have if you're going to change the default rate
10 meaning something that customers exists today, there's
11 no penalty for using electricity at different times. If
12 you are going to change -- I'm sorry. Could you repeat
13 the question again.

14 Q. The question was, you said that different
15 customers have different needs and I asked you just what
16 did you mean by that?

17 A. If you're going to change a rate as multiple
18 parties have pointed out when we talked about
19 subscription pricing and other things, if you're going
20 to change a rate, there are always people who will do a
21 little bit better and a little bit worse. So we are not
22 in favor of one size fits all, because when you have one
23 size that attempts to fit everybody, there are always
24 going to be people whose lives or businesses cannot
25 adapt. You can always come up with a hypothetical. You

1 can always come up with a reason or an example of
2 somebody who doesn't do as well under a new default
3 rate. So we would like to keep the default rate as it
4 is but then offer multiple different choices that fit
5 and tailor to different circumstances whether they're
6 residential or business.

7 Mr. Opitz gave a lot of different examples of
8 how that could be approached on the business side, which
9 is why we do not want something that is one size fits
10 all, because one business, one industry doesn't fit the
11 same rate. And going forward, the trend across the
12 United States markedly is not to go to new mandatory
13 time of use or time price signal rates that one size
14 fits all but a host of different rates that fit
15 different business needs all within the purpose of using
16 new technology, using new data analytics, using new
17 communication and reflecting things like EV distributed
18 generation, things like that. The answer across the
19 United States is more all of the above, not one, and
20 certainly one, not one that has a very low differential
21 that doesn't even achieve the things that are laid out
22 as goals of the state and goals that this Commission has
23 articulated.

24 Q. More choices, is that what you mean?

25 A. More choices.

1 Q. I believe you said that the company is not
2 opposed to TOU rates; is that right? Do you recall
3 that?

4 A. Yep, that is correct. That's why we're
5 offering five in this rate proceeding.

6 Q. But I believe you said that some are
7 ineffective. What did you mean by that, ineffective?

8 A. Well, so a couple of things. First of all,
9 again, and this is informed by the Brattle study that
10 was given to us looking at TOU across the United States
11 in February of 2021. It's attached to multiple, I
12 think, DRs and multiple witnesses here. But they showed
13 that mandatory time of use rates in general have lower
14 understanding from customers with respect to what the
15 rate is and how it works on them, lower behavioral
16 change and therefore lower grid impact, higher attrition
17 than opt-in rates or non-mandatory rates and a lower
18 percentage of customer savings. So in general, we don't
19 like mandatory because it's not as good as things that
20 people opt into and really understand.

21 From our perspective and what the studies bear
22 out, is the biggest single factor that affects
23 somebody's behavioral change in a time of use rate is
24 the ratio of the price between off peak and on peak.
25 And for staff's plan that we're talking about mandating

1 in this case, it's almost a one to one where just the
2 original programs that we did coming out of the last
3 case and that we have more than 7,200 folks enrolled in
4 today are six to one in the summertime and four to one
5 in the wintertime and have demonstrated significantly
6 better behavioral change and knowledge and savings than
7 a one to one or a mandated very little difference time
8 of use rate.

9 Q. If the company is not opposed to time of use
10 rates, why are you concerned about this mandatory
11 default low differential rate that's being proposed in
12 this case?

13 A. Because we think some people fall through the
14 cracks and we think in general people ought to have
15 choice to tailor their rates and tailor their usage to
16 what fits them, particularly with business and
17 commercial customers where you can't change your
18 operations to match time of use but absolutely for
19 residential customers as well.

20 Q. If the company supports time of use rates for
21 those people that want to get on a time of use rate, do
22 you see benefits to the customers?

23 A. Absolutely. And let me give you a great
24 example. I'm probably a candidate myself for time of
25 use rates, but that's because I'm highly educated, I

1 live in a single family home, I can take a lot of
2 different actions with disposable income whether it's to
3 automate, get on the internet, use the rate modeling
4 programs that we have on our system and choose a rate
5 that I can't really react to. My kids are basically out
6 of the house now, and so time of use rates fits me
7 really well. And the greatest future for time of use
8 rates is in automation, right, appliances, EV charging,
9 things like that that will automatically adopt. Who
10 does that favor? That favors people with disposable
11 income. That favors people with lifestyles that match
12 time of use.

13 You know who it hurts, mandated time of use?
14 It hurts people who don't have the ability to do that
15 who work multiple jobs that don't conform to those time
16 periods, that have lots of kids in the house that may
17 not have the automation or the efficiency that other
18 folks do. So there's an equity issue when you say we're
19 going to mandate this for everybody and it's
20 significantly different than a default rate that
21 somebody doesn't have to consider that now.

22 I'll say one other thing about that, which is
23 I get it, today the story is that it's roughly one to
24 one, there's very little change, so let's just move that
25 way and it will be better. I just gave you stats that

1 awareness, not better, right, utilization and benefits,
2 not better, and OPC and staff admit in their openings
3 and in their testimony that they want to move to a
4 higher differential. This is just the first step. So I
5 think there's a significant equity issue here and would
6 encourage the Commission not to look at something that
7 could be mandated and ultimately hurt consumers.

8 MR. FISCHER: Judge, I think that's all I
9 have. Thank you, Mr. Caisley.

10 JUDGE HATCHER: Thank you, Mr. Caisley. You
11 are excused.

12 COMMISSIONER HOLSMAN: Judge, this is
13 Commissioner Holsman. I have a follow up based on that
14 exchange.

15 JUDGE HATCHER: Yes, go ahead, Commissioner
16 Holsman.

17 COMMISSIONER HOLSMAN: Okay. Thank you.

18 QUESTIONS

19 BY COMMISSIONER HOLSMAN:

20 Q. Mr. Caisley, OPC had said in their testimony
21 that the lead-up, the money expended leading up to this
22 could be upwards a billion dollars and there were a
23 couple specific study costs that were given. Would you
24 say that's a fair characterization of how much money has
25 been spent getting to this point?

1 A. No. So I believe the first characterization
2 was hundreds of millions on AMI. To get to hundreds
3 plural, you'd have to have at least a couple hundred at
4 a minimum; and all in if we continue full deployment of
5 the current system we have, it will be at about \$180
6 million.

7 Now, it is true, it is true that our CIS
8 system and not just what we called our CIS program, our
9 customer information system redo that took place over a
10 series of about six years, all total all jurisdictions,
11 not just Missouri, we're talking two jurisdictions,
12 three jurisdictions in -- two jurisdictions now in
13 Kansas, because two have been consolidated, two
14 jurisdictions in Missouri. So not Missouri
15 jurisdictional but all of it is a little in excess of
16 \$300 million. But here's the thing. Where we differ
17 with Office of the Public Counsel and sometimes staff,
18 mostly Office of the Public Counsel, is the notion that
19 the only reason and the only use of that is to enable
20 mandatory TOU.

21 Do you know there's not a regulatory
22 jurisdiction in the United States that we can find that
23 has held that. There are only six jurisdictions in the
24 United States that we see right now that have a true
25 mandatory time of use as a default rate. So the notion

1 that the only value and the only way to get out of that
2 is to have mandatory time of use rates is not supported
3 by the record nationally, not supported by the testimony
4 that we've put in here.

5 I'll say one other thing since you brought up
6 this issue of hundreds of millions of dollars and time
7 of use. We are not against time of use. We believe in
8 grid efficiency. We believe in sending price signals.

9 We just don't believe that a mandated very low
10 threshold moving to a higher threshold time of use is
11 the solution here and neither do most jurisdictions in
12 the United States. So to say, and this has been alleged
13 time and time again, to say that there have been 14
14 studies and that we're stonewalling on this issue is
15 absolute hogwash. And if you look at what OPC has put
16 forward, specifically Dr. Marke, he lists 12 studies.
17 Those 12 studies go back as far as 2010. Most of them,
18 over half of them have nothing to do with time of use
19 rates but are things like the green impact zone in
20 Kansas City where time of use rates was an also ran, it
21 was a tiny part of it, or energy efficiency potential
22 studies for IRPs where of course you're going to study
23 time of use rates but it's not time of use rates in its
24 application to a full time of use rate and mandatory
25 time of use.

1 This Commission starting I believe in our 2016
2 rate case asked us to look at time of use and said that
3 they were interested in potential time of use as a
4 mandatory. At that time we said two things. One, we
5 don't believe mandatory would be good. Two, we don't
6 want to go to mandatory right now because we're in the
7 middle of a customer information system redo. And
8 three, we will study it. Since that time, we've done
9 two studies out of both rate cases, and one of them
10 resulted in implementing the time of use rates we have
11 today.

12 We are at a little over 2 percent of our
13 Missouri jurisdictional residential customers. 7,200
14 right now are on time of use rates. They are
15 differentiated time of use rates, they are showing
16 better savings, they are showing better effectiveness
17 than what staff has proposed and OPC supports, and those
18 have been used to inform four other rates that are opt
19 in as well as a host of other rate modernization that
20 we're doing in this area. We are not stonewalling.
21 That is a story that the great storyteller himself
22 Donald Trump would be proud of, just repeat it and maybe
23 it's true. Well, it's not true, and what the OPC has
24 put out in testimony that 12 going back to 2010 is
25 evidence of stonewalling is utter hogwash. We are for

1 rate modernization, we are for grid efficiency, and we
2 are in the mainstream of what is going on around the
3 United States on a host of these issues where there's
4 only a handful of jurisdictions that are doing mandatory
5 opt-out time of use rates.

6 Q. So if mandatory time of use rates are not
7 adopted, do you believe that the value of the 300
8 million has been delivered to the customer, because the
9 testimony there is that all this money has been spent
10 and if time of use is not mandated, then the customer is
11 not receiving the return on investment for that money.
12 How would you characterize the money that's been spent
13 and the return on investment for the customer if time of
14 use mandates are not implemented?

15 A. So all of the -- both systems that you talk
16 about, Commissioner, AMI as well as all of the IT
17 systems that were swapped out as part of our customer
18 information system revamp, so that includes meter data
19 management, that's DataRaker, that is the ability to
20 notify customers, that is our ability to restore during
21 storms, that is outage maps. I mean, there's a list of
22 I think 27 plus discrete IT systems, not just billing,
23 but 27 discrete systems that modernize the entire
24 infrastructure, the entire infrastructure of our utility
25 that was done over six years that are already playing

1 out. We have been able to reduce hundreds of millions
2 of dollars as a result of implementing these systems
3 over the last five years. We have increased -- AMI and
4 CIS together are increasing safety, reducing cost.
5 There is significant grid automation. One of the things
6 I find incredibly ironic out of all this is if you look
7 at the report that we gave this Commission as to the
8 results of our TOU program so far, you will see
9 incredible engagement with the very system that we're
10 talking about here on time of use rates.

11 One of the things we would do and is enabled
12 by this system is to send the customers emails and those
13 emails would become a time of use rate coach. We have
14 industry leading interaction with our portals just in
15 this area. So for example, you get an email. Now, an
16 industry average for opening something like that is in
17 the 10 percent range. Our customers when we marketed to
18 them, because we did such a good job targeting them,
19 again all of that is in the information that's been
20 provided to the Commission, the open rates are between
21 45 and 60 percent.

22 And then significant engagement with the rate
23 modeling rate comparison tools that are on our portal,
24 nowhere does OPC talk about that. But you know what, we
25 got 50 percent plus people interacting with them at

1 63,000, 63,000 hours of interaction on those system.
2 That's just one example of what the portals can do. If
3 you don't have, you know, OPC witnesses are real worried
4 about going away and just providing customer service on
5 line. 64 percent of our customers choose to do it on
6 line. Again, that is consistent with the top quartile
7 if not top decile in the United States but they're
8 concerned about that. Well, those same systems give all
9 of our CSRs the ability to verbally go through rate
10 modeling with customers when they call in. So nobody is
11 left behind. I could go on literally all day about the
12 value that CIS and AMI provide. I won't do that, but
13 nowhere in the United States is CIS and AMI investments
14 justified on a mandatory time of use rate and we are
15 already earning back for customers value and safety
16 cost, grid operations, and a host of other things.

17 Q. Does Evergy have a mobile application where
18 the end user can check, view, control, interact with the
19 company?

20 A. Yes. And as a matter of fact, we just put in
21 a second generation app for approval last week to Google
22 and Apple so that a lot of the stuff will now be
23 available on mobile phones and other mobile
24 applications. Again, that gets back to some of the very
25 investments we're talking about making in this case and

1 we've actually settled on but will allow us to use our
2 CIS system to rapidly deploy things like mobile apps and
3 then rapidly deploy enhancements to them over the coming
4 years.

5 Q. You're at 2 percent penetration right now with
6 7,200 end users. If mandated TOU is not adopted, what
7 penetration do you foresee in the next one to three
8 years, you know, on your own accord?

9 A. Well, so I would, you know, we probably should
10 talk to another witness about if we modeled out what to
11 expect. But we are committed to significantly and
12 aggressively marketing every rate option that we have
13 away from just the default rate because of the benefits
14 it has for customers. And to put in perspective though
15 where we are today, 7,200 doesn't sound like very much
16 but it's 2 percent of Missouri jurisdictional customers
17 and growing every single quarter. Again, 2021, February
18 2021, Brattle survey said 60 percent of the
19 investor-owned utilities across the United States had
20 less than 1 percent of their customers enrolled in time
21 of use rates where it was available. 75 percent are 3
22 percent or under. So we are already trending to be
23 outside of that, and I would expect over the next year
24 or so if we get additional options and the accounting
25 treatment we've asked for in order to market to

1 customers is accepted, I would expect that number to
2 considerably grow and put us in the top quartile of
3 utilities, if not higher than that.

4 The other thing I would say is that number of
5 -- the average is about 3 percent, but that's skewed by
6 about a half a dozen or more companies that have
7 mandatory use rates. If you took all of the mandatory
8 time of use, mostly in California, a little bit in
9 Michigan and a little bit in Colorado, if you took those
10 out of the equation, the average across the United
11 States would be much lower than 1 percent. So we're
12 already doing well, we want to get better, and the trend
13 is more options, not less, more options, not mandatory.

14 Q. Because time of use has a behavioral component
15 to it, is there a model or circumstance that you have
16 come to where you would support? If you're not seeing
17 the results, the education, the marketing is not
18 penetrating the market to the extent that you want to
19 see that behavior change, is there a circumstance that
20 you would support mandating some form -- I guess maybe
21 I'll ask the question this way. Are you opposed to all
22 mandating or are you opposed to mandating that as a
23 one-to-one exchange?

24 A. We don't like a one-to-one exchange for sure
25 because it's not effective. We don't like a one-to-one

1 exchange because it trains somebody on something that
2 even advocates for the rate, a mandatory rate say needs
3 to be ratcheted up and changed. So if you're not, if
4 you are not actually teaching the behavior that you're
5 seeking to get in the future, then, you know, I'm not
6 sure why you would start there. Are we against a
7 mandated rate? No. One of the things that Office of
8 the Public Counsel said in their opening, which is
9 undeniably true, is we have default rates today. When
10 you become a customer, there is a default rate that you
11 get into.

12 So having a default rate is not something in
13 and of itself that the company opposes. What we do
14 oppose is changing that rate when most other
15 jurisdictions aren't, when the rate that is being
16 proposed is not as effective as what the other rate
17 options that the company is proposing, and when there
18 isn't an overwhelming immediate as in today we've got a
19 problem on the grid motivating factor.

20 So let me give you an example about that. In
21 California, I just read this morning where during peak
22 time periods they don't think they can support energy
23 usage. Okay. That's California.

24 We are years away from that. Under 99 percent
25 of our normal operating conditions and are continuing to

1 build and to use energy efficiency and a host of other
2 things to mitigate that. Whether it's time of use for
3 EV charging, whether it is implementing a DERM system
4 that hopes to utilize AMI, utilize some of the grid
5 automation we've put out there and manage the grid
6 proactively. We are ahead of the game here in Missouri
7 and there's not an impetus today to change. If the
8 situation changed, sure, but we're not there yet, and
9 our belief is that right now if we offer people options
10 and try a whole bunch of other things that we can get to
11 -- we don't necessarily ever have to get to a point
12 where we change that default rate. If we do though, it
13 will be after years of people really understanding and
14 choosing rates that make sense for them, they'll be more
15 effective, they'll be more comfortable, and they'll be
16 more satisfaction with it.

17 Q. If the one-to-one mandate were to be enforced,
18 do you think the greater percentage of customers would
19 pay more or less over a given annual cycle?

20 A. You know, I would hate to go back and look.
21 There's a whole bunch of analysis that's been done. I
22 think it's roughly revenue neutral. So this is not
23 something that we are necessarily fighting on an
24 economics ground. I do think though that there probably
25 are some minor winners and losers in this, and again I

1 think it disproportionately will skew towards people who
2 aren't able to either financially or job related or
3 family situation change their behavior. Again, it's not
4 hard for me to change my behavior. That's why I would
5 probably opt into a time of use rate like this were it
6 available in Kansas.

7 I can automate. My house is already
8 relatively automated. My appliances can -- some of them
9 can take time of use signals and settings. So there's a
10 high degree of desirability for something like this with
11 me. Why not concentrate on the people like me on the
12 people most of whom are sitting in this room today who
13 can do this now rather than mandating somebody who works
14 two jobs, lives in an energy inefficient house, doesn't
15 have disposable income, and this is going to cause
16 stress and worry to. They're not going to understand
17 it, it's not going to be sending real price signals, and
18 the opportunity to lose even just a little bit is an
19 equity issue.

20 Q. I appreciate this exchange very much and last
21 question I have will be focused on the environmental
22 impact. Obviously if behavioral changes do occur, you
23 would hope that the behavior would skew towards less
24 consumption and more conservation. Do we have modeled
25 studies to what the end I guess carbon footprint would

1 be if time of use is mandated across the service
2 territory as opposed to just the 2 percent?

3 A. So I don't know the answer if there are
4 studies in this that look specifically at carbon. I
5 will acknowledge that if you mandate a time of use
6 across residential and business customers, there is more
7 aggregate. At the aggregate level, there is more
8 behavioral change than something where you opt in and
9 the numbers are significantly lower. So at an aggregate
10 level, there would be more behavioral change.

11 On an individual level, however, meaning the
12 people who are enrolled in an opt-in versus an opt-out,
13 there is dramatically more behavioral change, savings
14 and the attenuated environmental benefits from going to
15 an opt-in rather than an opt-out. And we would rather
16 grow in that environment than we would say today get
17 very minimal change but at an aggregate level something
18 a little bit more. In other words, we really do want to
19 move towards educating people into changing behavior and
20 to driving awareness. And there is absolutely
21 positively no evidence that a party in this case can
22 show otherwise but that that is done better at an
23 individual level under an opt-in situation where the
24 price signals are greater and the ratio is greater
25 between off peak and on peak.

1 Q. So one of the terms that we often use in the
2 legislature, sunset, to give a program an opportunity to
3 play itself out to see how well it does and then sunset
4 allows for revisit, in this circumstance it would be
5 another rate case coming forward. What do you think is
6 an appropriate time to see if the marketing and the
7 education will increase that 2 percent? How long do you
8 think the company would require before you can suggest
9 that that is or is not working a working strategy?

10 A. Well, Commissioner, I think it's proper for
11 the Commission to look every single time we come in for
12 a rate case at these issues. I think it's something
13 that we should evaluate on an ongoing basis and it's
14 something that the company looks at on an ongoing basis.
15 And again, you can point, there are all sorts of --
16 people can always point to aggregate results that are
17 higher when everybody has to do something. We would
18 rather go for better results on an individual basis now
19 and work with customers rather than mandate something.
20 At the end of the day, if that's not working, if we are
21 not at or above peers who have opt in, for example, on
22 time of use, if the other rate structures that we're
23 proposing and hopefully we'll get approval for, you
24 know, aren't effective, then of course we have to go
25 back and evaluate the situation and again our position

1 today isn't our position forever. That would be a
2 foolish position to take.

3 COMMISSIONER HOLSMAN: I appreciate your
4 answers. Thank you very much for the testimony. Judge,
5 I have no more questions.

6 JUDGE HATCHER: Thank you, Commissioner
7 Holsman. I do intend to go back through recross and
8 redirect and I do want to limit that just to the
9 exchange between the Commissioner and the witness.
10 However, the Judge really needs to stretch his legs.

11 MR. CLIZER: Your Honor --

12 JUDGE HATCHER: Yes.

13 MR. CLIZER: Do you have cross?

14 JUDGE HATCHER: Excellent.

15 MR. CLIZER: I don't either.

16 JUDGE HATCHER: Excellent. I was a little
17 timid to ask that question.

18 MR. CLIZER: Thank you.

19 JUDGE HATCHER: We don't have any cross. So
20 let's stay here for a second.

21 MR. FISCHER: Would you like some redirect?

22 JUDGE HATCHER: Yes. Go ahead.

23 MR. FISCHER: Thank you. Thank you, Judge.

24 FURTHER REDIRECT EXAMINATION

25 BY MR. FISCHER:

1 Q. Let me go to -- Let's see. Commissioner
2 Holsman was asking you about the study costs and the \$1
3 billion that was discussed. Does your direct testimony
4 go into great detail about the investments that this
5 company has made in things like reliability, customer
6 service, and sustainability?

7 A. Yes.

8 Q. He also asked you about the environmental
9 impacts and carbon footprints particularly. I don't
10 know. Did you happen to hear the opening statement the
11 company counsel gave where he included a slide about
12 those topics? Let me ask it this way. Are you aware
13 that Evergy has a record of emissions reductions?

14 A. Yes, significant.

15 Q. And that I think the slide showed that carbon
16 was down 46 percent, CO2 was down 98 percent, and
17 nitrogen oxide was down 88 percent. Are those
18 consistent with what you understand the record has been?

19 A. Yes. I believe absent maybe one
20 investor-owned utility in an adjacent state nobody has
21 reduced carbon more over the last 10 to 15 years than
22 Evergy has.

23 Q. And is it true that Evergy is targeting a 70
24 percent reduction of carbon by 2030?

25 A. Yes, and net zero by 2045. So we would not

1 take any action that would be countervailing to that
2 because that is a plan and a goal we have put out there.

3 Q. He also asked you about sunsets in the
4 legislature. Would the company be willing to sunset
5 some of your programs, maybe the pilot program we talked
6 about yesterday?

7 A. As I said, we're willing to look at changing
8 programs every single time we come in here. We think
9 that's a part of a vibrant and good conversation with
10 stakeholders and the Commission. Our situation is not
11 static and our programs and our rates shouldn't be
12 static.

13 Q. You talked about with Commissioner Holsman
14 about the benefits of the AMI. You discuss those in
15 your testimony to your written testimony; is that right?

16 A. That is correct.

17 Q. You do that at quite some length?

18 A. Yes, I believe in direct, rebuttal, and
19 surrebuttal, all of them.

20 Q. I think you mentioned both AMI and the CIS
21 system. Why is CIS upgrades needed to implement time of
22 use?

23 A. Well, so I mean, all of our legacy companies
24 that make up brand name Evergy had 20, 25, 30-year-old
25 billing systems, customer information systems, and a

1 variety of other IT backbone that supported grid
2 operations. So it was unsupported. From a security
3 perspective, it was less than optimal. In many cases
4 some of the original software providers were no longer
5 in business or their successors didn't support it any
6 more. So we had to redo everything. Outside of
7 anything else, we would not have been able to continue
8 to support the billing systems and the grid operation
9 systems that we had. It had to be done.

10 Q. I actually meant to ask you what other
11 benefits besides TOU would the CIS upgrades provide?

12 A. They're myriad. Again, as you suggest,
13 they're replete in my testimony; but again just to
14 mention a few, upgrades to our customer portals and the
15 way we interact with customers on line, notifications.
16 There's a ton of automation around processes that have
17 allowed us to reduce cost. There's a ton of automation
18 and AI that goes into this when you interact with the
19 grid. So grid planning, reliability, the way we
20 actually approach transmission and distribution planning
21 and resiliency and reliability, safety, grid automation.
22 I mean, when you talk about CIS, what we called customer
23 forward, it's not just the billing and customer
24 information system but again 26, 27 discrete items that
25 go all the way over onto the operation side as well.

1 MR. FISCHER: Judge, I appreciate the
2 testimony and particularly the questions from the bench
3 and Commission. I have no other questions.

4 JUDGE HATCHER: Thank you. We are going to
5 take a break here. Mr. Caisley, you are excused. Thank
6 you, sir.

7 (Witness excused.)

8 JUDGE HATCHER: Let's come back -- it is
9 10:17. Let's call it 10:30. 10:30. We are at recess
10 and off the record.

11 (Recess from 10:17 a.m. to 10:30 a.m.)

12 JUDGE HATCHER: Let's go back on the record
13 recess having expired. Let's move on. We have one more
14 company witness. Everyy.

15 MR. FISCHER: Yes, Judge. At this time I
16 would call to the stand Marisol Miller.

17 JUDGE HATCHER: And Ms. Miller, if you would
18 please raise your right hand.

19 Do you solemnly swear or affirm that the
20 testimony you are about to present shall be the truth,
21 the whole truth and nothing but the truth?

22 THE WITNESS: I do.

23 JUDGE HATCHER: Thank you. Please have a
24 seat.

25 MARISOL MILLER,

1 having been first duly sworn, was examined and testified
2 as follows:

3 DIRECT EXAMINATION

4 BY MR. FISCHER:

5 Q. Please state your name and address for the
6 record.

7 A. My name is Marisol Miller. I work at 1200
8 Main Street, Kansas City, Missouri.

9 Q. Ms. Miller, did you cause to be filed in this
10 case testimony, direct testimony in the Metro case which
11 I'll tell you has been premarked as Exhibit 58, direct
12 confidential, 59, direct public, 60, your rebuttal and
13 61, surrebuttal and then in the Missouri West case
14 Exhibit 118, which is your direct testimony
15 confidential, 119, your direct testimony public version,
16 and I think that's it?

17 A. I did.

18 Q. Do you have any corrections that you need to
19 make to any of those testimonies?

20 A. I don't.

21 Q. If I were to ask you the questions that are
22 contained in those testimonies today, would your answers
23 be the same and are they true and accurate to the best
24 of your knowledge and belief?

25 A. They are.

1 MR. FISCHER: Judge, with that I would move
2 for the admission of Ms. Miller's testimony in both of
3 those cases.

4 JUDGE HATCHER: Thank you. I will repeat the
5 exhibit numbers for the record and as is my habit will
6 combine them all into one question. Are there any
7 objections to the admissions of Exhibits 58, 59, 60, 61,
8 and those are related to the file number ending 0129; or
9 any objections to the admission of Exhibit 118 or 119 to
10 the file ending in number 0130? I'll repeat that
11 question. Are there any objections? Hearing none. All
12 of those aforementioned exhibits are admitted onto the
13 hearing record.

14 (COMPANY EXHIBITS 58, 59, 60, 61, 118, AND 119
15 WERE RECEIVED INTO EVIDENCE AND MADE A PART OF THIS
16 RECORD.)

17 MR. FISCHER: With that then I would tender
18 the witness for cross-examination.

19 JUDGE HATCHER: And I believe Mr. Opitz is up.

20 MR. OPITZ: No questions, Your Honor.

21 JUDGE HATCHER: Staff.

22 MS. ASLIN: No questions.

23 JUDGE HATCHER: Public Counsel.

24 MR. CLIZER: No questions. Thank you.

25 JUDGE HATCHER: Thank you. That will take us

1 to Commissioner questions. Are there any Commissioner
2 questions for Ms. Miller?

3 CHAIRMAN SILVEY: No questions, Judge.

4 JUDGE HATCHER: Thank you, Chairman. The
5 bench also has no questions. Thank you very much, Ms.
6 Miller. You are excused.

7 (Witness excused.)

8 JUDGE HATCHER: Correct me if I'm wrong, I
9 believe we are going to staff.

10 MS. ASLIN: Correct.

11 JUDGE HATCHER: Ms. Lange, please come on up.
12 As you approach the stand, I will remind you you have
13 already testified and been sworn in and that is still
14 applicable today. Please go ahead and have a seat.

15 THE WITNESS: Thank you.

16 JUDGE HATCHER: Your witness.

17 SARAH LANGE,
18 having been previously sworn, was examined and testified
19 as follows:

20 MS. ASLIN: We have already entered all of Ms.
21 Lange's testimony. So I tender the witness for cross.

22 JUDGE HATCHER: Public Counsel is first on my
23 list for any cross-examination.

24 MR. CLIZER: Thank you. Good morning, Ms.
25 Lange.

1 THE WITNESS: Good morning.

2 CROSS-EXAMINATION

3 BY MR. CLIZER:

4 Q. There's been much talk today about staff
5 proposal being mandatory. I want to make sure I
6 understand staff's proposal clearly. Am I correct in
7 understanding that staff is requiring every residential
8 customer to use time of use rates under all
9 circumstances?

10 A. Staff's recommendation is to incorporate a
11 time-related element -- sorry, two-time related elements
12 into each nonlighting non -- let me get the right names
13 of the schedules -- TRP or RTP rate structure. The
14 effect of that would be that if you are an Evergy
15 customer in Missouri your rate will include a
16 time-related element, yes.

17 Q. Will customers be able to opt out of that
18 time-related element if they were switched to something
19 like the average pay?

20 A. Well, the time-related element is still
21 present in the average pay. It would be that your bill
22 under average pay is based on an averaging of your
23 expected bills with a reconciliation or true-up. So
24 yes, that element would still be present. The signal
25 would be muted by the passage of time and the averaging

1 effect.

2 Q. Mr. Caisley described your proposal as a
3 one-size-fits-all proposal. Is that a fair assessment?

4 A. Are you referring to the end-use rate
5 elimination or are you referring to the time-variant
6 rate structure elements or both?

7 Q. Let's take one after the other. Start with
8 the time variant.

9 A. So under the time variant -- well, it's
10 probably easier to go in the other direction. So
11 currently Evergy West and Evergy Metro both have
12 multiple rate schedules and rate codes available to
13 similarly situated customers that charge those customers
14 different rates based on certain end-use characteristics
15 or how that customer states or stated in the past, which
16 may not be followed up by the company, that they use
17 energy. Those end-use characteristics are out of
18 studies in the '90s or even earlier about the time that
19 certain end uses tended to use energy.

20 So staff's proposal is two fold. Staff's
21 proposal we'd recommend that the Commission remove those
22 end-use distinctions where end use was used as a
23 surrogate for time of use when time-based metering was
24 not economically available and impose a -- sorry, impose
25 two rate structure elements that are related to time

1 which we think are, A, good in and of themselves that
2 they're cost based and, B, in that they clean up some of
3 that treatment between similarly situated customers that
4 was in place under those end-use distinguished rates.

5 Q. Following on to make sure I understand what
6 the proposal is, as far as the time elements, am I
7 correct in understanding that it is a summer on peak
8 premium of one cent for 4:00 p.m. to 8:00 p.m. and an
9 off-peak discount of one cent from midnight to 6:00
10 a.m.?

11 A. That is true during the summer months,
12 correct.

13 Q. And during the winter months, it does not
14 affect customers?

15 A. So during the winter months the discount
16 remains at one cent overnight. The premium that is
17 incurred for charges during the day is one-quarter of a
18 cent, not one quarter, one-quarter of a cent.

19 Q. So Everygy has made much about the lack of an
20 impact here. My understanding is that staff did not
21 feel comfortable recommending a higher differential due
22 to a lack of communication, education with customers; is
23 that understanding correct?

24 A. No, staff and OPC I think are in substantial
25 disagreement on this front. Staff's position is that at

1 this time based on our study of the relevant costs these
2 differentials represent the maximum amount that is a
3 cost-based differential. That amount is likely to
4 change as time goes on. I think energy markets, we're
5 all learning things about the situation that's
6 developing with the energy markets. At this time
7 staff's position is that that is the cost-based
8 differential and based on the determinates that we have
9 studied for that -- based on the determinates that we
10 have studied for the time periods that Evergy selected
11 for its time of use designs, we cannot support, A,
12 differential in excess of these differentials for the
13 foreseeable future unless market conditions change.

14 Q. If I understand what you said correctly, are
15 you saying that Evergy's proposal does not use cost
16 based?

17 A. Evergy's proposal is not cost based, correct.
18 None of the opt-in time of use rates are cost based.

19 Q. So I appreciate that you disagree with the OPC
20 regarding the education having an impact on the -- you
21 have a disagreement with the OPC regarding the impact
22 education had on the differential selection, but you do
23 agree with OPC on the lack of significant or sufficient
24 education for customers regarding time of use rates?

25 A. The position -- let me refer to my testimony

1 so that I don't misstate. I believe the position that I
2 laid out, and I'm looking for the citation, is that
3 given the agreements that Evergy made in the last case
4 and given their statements that they have followed
5 through on those agreements, customers should be
6 prepared for what staff is recommending here, and I have
7 not done the sort of deep dive that Dr. Marke has, you
8 know, beyond those assertions which I can locate if
9 necessary; but if you'll take my word for it that
10 they're in there, I'm sure it can be found for briefing.

11 Q. I'm sure it's in there if you say it's there.
12 I won't bother dragging it out. I believe when
13 Mr. Caisley was on the stand he insinuated or suggested
14 that the OPC has been claiming, and staff to that end,
15 that company has been stonewalling regarding time of use
16 rates and he characterized that as hogwash. Just to
17 help establish the facts, you were active in the last
18 general rate case for Evergy, correct?

19 A. Correct.

20 Q. And time of use rates was an issue in the last
21 rate case, correct?

22 A. It was.

23 Q. Staff's proposal was to implement time of use
24 rates in the last rate case, correct?

25 A. It was a similar recommendation to this

1 recommendation. I think the time periods may have been
2 a little different. I think it was a two-period, not a
3 three-period we were considering there, able it was a
4 one cent differential between those two time periods.

5 Q. Would you agree me that the OPC also supported
6 time of use implementation in the last rate case?

7 A. I believe OPC supported -- could you ask that
8 in more -- I guess could you ask that a little
9 differently or with more detail? I think there were
10 different options, but I'm a little fuzzy on who
11 supported what.

12 Q. I'm just not going to touch it just so you
13 don't have to worry about remembering it. Did the
14 company file testimony in the last rate case regarding
15 time of use?

16 A. I believe the company opposed staff's proposal
17 in the last rate case. I don't recall at what point
18 their high differential came in, if that was in their
19 direct or rebuttal. I just don't recall. I do know
20 that they had agreed in that rate case to file their
21 recommended default time of use design in this case and
22 they failed to do so.

23 Q. One of the questions that was asked by the
24 bench to Mr. Caisley was whether or not the proposal by
25 staff, the default time of use rate was revenue neutral.

1 Is staff's proposal, or rather I apologize. The
2 question that was posed was what was the impact, and I
3 believe the response was that it was revenue neutral.
4 Do you agree that staff's proposal will be revenue
5 neutral?

6 A. So the wild card is we don't know how
7 customers will respond; but as the rates are designed in
8 this case, as the overlays were designed in this case,
9 the intent is that they would be revenue neutral. As
10 that applies to particular customer segments, if you
11 look at staff's recommendation as a whole, which
12 includes that elimination of the end-use rates,
13 retention of the summer incline, decrease of the
14 non-summer decline, if as you move to how this will hit
15 individual customers, first I'll deal with RES and then
16 move to C & I, I think that smaller usage customers will
17 be able to see savings from that overnight discount that
18 may not currently be using enough energy to get into
19 that decline. We were unable in this case to get the
20 sort of hourly load information that we anticipated be
21 available at the AMI metering to do more customer
22 specific research on impacts. I did provide some tables
23 in my direct testimony indicating the range of impacts
24 that are possible if a customer used energy entirely off
25 peak, on peak, at various levels of usage in

1 transitioning from various rate schedules.

2 Moving to C & I, I think on a customer level
3 the expectation how it will work. So the hours use
4 design in place for C & I customers today is an
5 outgrowth of a study done in the '90s that looked at the
6 times at which customers used energy. And because
7 hourly energy usage was not economically available for
8 those customers, these time of use designs were
9 introduced as a surrogate for that time of consumption
10 information and that it relates the monthly customers
11 peak to the energy consumed by that customers over the
12 month and some math is done that I'm happy to walk
13 through but I suspect most will not appreciate to end up
14 with how those declining blocks are applied. So in the
15 example Mr. Caisley gave of a restaurant, you know, as
16 we move to a time variant element and off of an hours
17 use element, as that hours use declines in importance
18 due to the shift of revenue recovery to the hours, the
19 time-based consumption portion, you know, customers
20 aren't going to see a huge change because staff's design
21 isn't dramatic. But customers who use energy on peak
22 will pay a little bit more. Customers who use energy
23 off peak will pay a little bit less. And it gets us
24 away from that no longer meaningful hours of use design
25 that I'm confident that if commercial, you know, if

1 retail and restaurant type customers understood hours
2 use design, I'm confident they wouldn't like that. In
3 part I say that because of past interventions in rate
4 cases where they advocate against the current hours use
5 design.

6 Q. Evergy is currently proposing to include a
7 promotional cost for each of its optional rates
8 including the optional TOU rate, correct?

9 A. That is my understanding of Ms. Winslow's
10 testimony, correct.

11 Q. And I believe either you or Ms. Winslow has
12 testified that that would work out to about \$150 per
13 individual?

14 A. I believe her testimony is that Evergy is
15 requesting to defer up to \$150 per participant, but that
16 \$150 is determined by the company net of any savings
17 realized by the company. And I'm not aware of any
18 further detail on how that calculation would be done,
19 who would do it, when they would do it. It appears from
20 that testimony that the company's intent is that they
21 would like the Commission to find it prudent to lose up
22 to -- I'm sorry, more than \$150 per TOU participant on
23 their opt-in TOU rates.

24 Q. Obviously there isn't a similar promotional
25 cost related to the default TOU staff is proposing,

1 correct?

2 A. Staff is not proposing that the company spend
3 \$150 more than is saved for every Evergy customer,
4 correct.

5 Q. During the openings I believe counsel for
6 Evergy mentioned Puget Sound as a situation that's
7 comparable to this one. Do you agree -- well, first of
8 all, are you familiar with the situation regarding Puget
9 Sound?

10 A. I have some awareness of the situation, not
11 heavy on the details.

12 Q. To the extent that you know, do you believe
13 it's a comparison, a viable comparison to the proposal
14 before the Commission here?

15 A. I think that two key differences are that the
16 differentials that were reviewed or that were present
17 there were larger than staff is recommending here and I
18 think more importantly that case was not preceded by the
19 history with time of use rates that exist for Evergy.
20 Now that I think about it, I think KCPL, I believe, had
21 time of use rates starting in 1979. I'm not aware if
22 Puget Sound stretched back that far with time of use
23 rates.

24 Q. One of the items that was kind of discussed
25 previously in other persons' testimonies concerned this

1 idea that there might be some harm to individuals.
2 Specifically I think it was effectively low income
3 individuals related to time of use rates. Do you
4 believe that the proposal being offered by staff in this
5 case poses a threat to residential customers?

6 A. That, as I testified earlier, the differential
7 staff found is the cost-based differential. I will say
8 that having been at the staff and been at the Commission
9 before the hot weather rule was a thing, I was relieved
10 at where the differential worked out because the impact
11 of this on customers, particularly seniors who may be in
12 their homes who may be concerned about running
13 air-conditioning, that is at the forefront of my mind.
14 That is how -- That is in part why the coupling of the
15 end-use distinction proposal with the time of use allows
16 some of that benefit of that winter decline to be
17 preserved to kind of give that safety cushion to
18 customers in the summer. You know, I'll put it this
19 way. Staff's proposal causes no more concern for
20 customers in those vulnerable situations than would the
21 company's original rate request.

22 Q. I'm sorry. When you say the company's
23 original rate request, are you referring to their
24 overall revenue request or their proposal for the
25 optional time of use rate?

1 A. I'm referring to the overall rate request, and
2 I haven't done the math down to the penny with where the
3 stipulations came out, but effectively, you know, what
4 the company requested, you know, if you had imposed the
5 total company rate request on customers, I think staff
6 would have the same level of concern about customers
7 avoiding air-conditioning and avoiding heating at
8 vulnerable times as is what is caused by the staff -- I
9 should say the more or less agreed to revenue
10 requirement understanding there's still some components
11 outstanding plus or minus the staff differential.

12 Q. Would the company's time of use proposal pose
13 any potential threat to low income individuals or in
14 general to residential customers?

15 A. So proposals like the company's proposal
16 whether on an opt-in or a mandatory basis are not cost
17 based and are not good for -- In the case of opt-in, the
18 company's proposal is not good for non-participants and
19 in the case of default, the company's proposal would be
20 bad. It would cause significant overrecovery or
21 underrecovery just depending on weather effects and
22 other factors that are influencers on customers
23 consumption of energy. I truly, truly, truly cannot
24 caution enough against either of the company's opt-in
25 designs. There's basically three, I guess. None of

1 those designs should be imposed on a default or
2 mandatory basis.

3 Q. I think you mentioned cost base a couple of
4 times. Would you agree with me that avoiding rates at
5 the wholesale level would be the proper way to design
6 rates?

7 A. Given where we are with Evergy's distribution
8 system, given the opposite impact of capacity demands --
9 given the opposite capacity position for Evergy West and
10 Evergy Metro in the interest and ensuring some level of
11 consistency between those two utilities for customer
12 confusion purposes as well as the company's stated
13 desires, I think the only thing we can really look at
14 right now is the wholesale cost of energy adjusted to
15 the appropriate voltage as the basis for differential in
16 the TOU rates.

17 MR. CLIZER: I have no further questions.
18 Thank you.

19 JUDGE HATCHER: Thank you, Mr. Clizer. That
20 takes us to Mr. Opitz.

21 MR. OPITZ: No questions, Your Honor.

22 JUDGE HATCHER: Thank you, sir. That will
23 take us to the company.

24 MR. FISCHER: Yes, Judge. Thank you very
25 much.

CROSS-EXAMINATION

1

2 BY MR. FISCHER:

3 Q. Ms. Lange, I was intrigued by one of your
4 answers. Maybe I didn't understand it correctly. But
5 did you testify that the staff has concluded that there
6 is a one cent differential in cost between on peak and
7 off peak in this state or here in our territory; is that
8 what you said, in answer to Public Counsel?

9 A. I apologize. It will take me a minute to
10 direct you to the actual number values. I printed my
11 testimony four on a page to conserve paper.

12 Q. I don't know --

13 A. It turns out my eyes have declined.

14 Q. You can give me those numbers. I don't need
15 to know the numbers. Is that what you were testifying
16 to?

17 A. Well, I provided extensive testimony on the
18 diurnal and seasonal and time period based
19 differentials.

20 Q. Let's not get in the weeds. I'm just asking
21 are you saying there's only a difference in cost of one
22 cent per kWh from off peak to on peak?

23 A. I'm confused how you would consider the
24 statements that I made as getting into the weeds.

25 Q. I'm sorry. I didn't mean that pejoratively.

1 I just want to keep it at a high level so we all
2 understand. Is that what you were testifying to that
3 there's really only a one cent differential between
4 on-peak and off-peak cost?

5 A. If you'll give me a moment, I was about to
6 read those exact values to you.

7 Q. Okay. Go ahead. Thank you.

8 A. So there's a discussion in my CCOS direct
9 testimony that begins at page 16. On pages 20, I graph
10 the most extreme LMPs differences that were established
11 on a 24-hour schedule for the period during June 13 and
12 14 when we saw some very extreme pricing events occur.
13 Page 21, I provide the hour-weighted and cost of energy
14 by time period for summer and non-summer by utility and
15 provide the cost causation. Page 22 continues those
16 results and looks at whether there's a difference
17 between weekends and weekdays. And these are using the
18 time periods -- this is the important distinction that I
19 think when you call it getting into the weeds. The
20 question is are you looking at over the course of a day
21 or are you looking at averages for time period and
22 season as is necessary in doing a rate design. Whether
23 it's the company's design or staff's design, both of
24 them use the same time periods. And what those results
25 indicated -- I'm trying to find my number. I really

1 printed too small.

2 MS. ASLIN: Judge, could I hand Ms. Lange a
3 larger copy of her testimony.

4 JUDGE HATCHER: Yes.

5 THE WITNESS: I think I found it actually
6 right as you said that. It's at the bottom of page 18
7 to the top of page 19. States we know that with very
8 limited exceptions energy costs for the customers of
9 Evergy at wholesale range from between about negative 4
10 cents per kWh to about 17.5 cents per kWh which each of
11 those being an exceptional rarity. And then if you
12 continue down to those tables that I discussed at page
13 21 through 20, you find what those ranges average out to
14 and they are in that range of plus one cent during the
15 day in the summer minus one cent during the overnight
16 hours during the summer minus one cent during the
17 overnight hours in the non-summer and plus a little bit
18 less than a quarter of a cent during the on-peak, I
19 finger quoted that for the benefit of the court
20 reporter, hours in the winter.

21 Q. Okay. So your analysis shows that there is
22 not a great differential between on-peak and off-peak
23 costs for the Evergy system. Is that what you're
24 telling us?

25 A. Using the time periods Evergy has selected and

1 recognizing that Evergy relies on a non-summer season
2 that is eight months in length and spans three seasons,
3 that is correct.

4 Q. Okay. If that is true, why would staff look
5 to the future to increase the differentials if there's
6 only a one cent differential between on peak and off
7 peak?

8 A. I believe I testified moments ago that we
9 don't expect that to change unless market conditions
10 change or unless the manner in which Evergy builds out
11 its distribution system or production facilities
12 changes.

13 Q. Okay. Well, if there's not much difference
14 between on-peak and off-peak costs and you're trying to
15 have rates based on costs, wouldn't time of use rates be
16 a much to do about nothing?

17 A. Well, the intent is to capture the difference
18 that does exist, and there are elements that staff has
19 indicated it may be beneficial to incorporate in the
20 future that merit further study that are intended to
21 capture the cost causation of investments that increase
22 distribution, transmission, or production capacity.

23 Q. In your preparation for this case, did you
24 happen to review the Brattle study that the company
25 submitted on time of use rates?

1 A. Which one? There's a lot of studies.

2 Q. The one I was actually talking about was
3 February 18, 2021. It was prepared by -- it was called
4 Residential Rate Benchmarking and Market Research. Did
5 you happen to look at that one?

6 A. That does little to refresh my recollection,
7 sir.

8 Q. I think maybe this would help. It was also
9 submitted -- filed as a result of the 2016 GMO rate case
10 stipulation. If you don't recall what that exact study
11 is, let me just ask --

12 A. Is that the one where you asked customers if
13 they wanted mandatory high default TOU, because I think
14 in each of the studies you've only asked about mandatory
15 high differential TOU.

16 Q. That wasn't the survey I was talking about. I
17 was just talking about a Brattle study of time of use
18 rates. Let me just ask you about a couple of
19 conclusions and ask you if you agree or not. Do you
20 agree that the design choice that most affects the
21 impacts of time of use rates is the ratio of peak to
22 off-peak prices?

23 A. I'm sorry. Could you state that again?

24 Q. Do you agree that the design choice that most
25 affects the impacts of time of use rates is the ratio of

1 peak to off-peak prices?

2 A. Without defining what impacts you're seeking,
3 I can't answer that question.

4 Q. If we define those impacts as consumers
5 changing their behavior.

6 A. I would not choose that as impacts to study,
7 sir.

8 Q. You would not be interested in how TOU changes
9 the behavior of customers?

10 A. Interested, yes. As a driver for design, not
11 at this time, no.

12 Q. So is it true that staff in designing your
13 default rate was not really interested in designing a
14 rate that would be designed to change customer behavior?

15 A. Staff's rate is designed to reasonably relate
16 revenue recovery to cost causation. That may cause some
17 customers to change their behavior, but we do not
18 believe it's appropriate to punish customers for failing
19 to change that behavior. We believe it's appropriate to
20 charge customers rates based on cost.

21 Q. Okay. So from your perspective, time of use
22 rates are not really designed to move people from
23 on-peak usage to off-peak usage. You would want them to
24 get charged rates that you believe were based on cost?

25 A. I'm sorry. Which time of use rates? Your

1 question was very vague, sir.

2 Q. I'm sorry. I'm often vague. I'm talking
3 about the staff's mandatory time of use proposal in this
4 case.

5 A. Staff's time of use proposal is to introduce
6 time-related elements to the default rate structure to
7 better align cost causation and revenue recovery and to
8 accomplish the elimination of discriminatory end-use
9 rates.

10 Q. And it's not to encourage customers to move
11 their usage from on peak to off peak?

12 A. I expect that could be a latent benefit, but
13 that is not the intended design, correct.

14 Q. Would you expect -- I know you have reviewed
15 the company's optional time of use rates that have a
16 six-to-one differential. If the Commission adopted that
17 six-to-one differential on a mandatory basis, which the
18 company is not proposing now, right?

19 A. I hope not.

20 Q. Nobody is, correct?

21 A. Some of Mr. Caisley's testimony on that point
22 was a little concerning this morning. If that's the
23 company's position that they're not, I appreciate that
24 because those would be a horrible design to impose on a
25 system-wide basis.

1 Q. I can stipulate we're not in favor of
2 mandatory time of use in this case. Let me ask you, if
3 you did have a six-to-one differential, wouldn't that
4 more likely to have an impact of having customers shift
5 their usage from on peak to off peak?

6 A. I think that if you went with that
7 differential you would have customers deprived of
8 energy.

9 Q. And that's a good reason why you shouldn't
10 mandate it on anybody, correct?

11 A. The company's designed time of use rates
12 should be mandated on no one, correct.

13 Q. Because customers could make the choice there
14 are different situations than -- one size does not fit
15 all, right, you agree with that?

16 A. No, they're terribly designed rates that are
17 not cost based and do not adequately mitigate the risks
18 of bill impacts and overall revenue recovery.

19 Q. So customers are in different situations.
20 They use energy differently, correct? You don't
21 disagree with that?

22 A. Different situations than what?

23 Q. Your one neighbor is different from the next
24 neighbor?

25 A. Yes.

1 Q. Okay. Would you agree that despite the fairly
2 widespread availability of various forms of time of use
3 rates across most states, enrollment in time of use
4 rates is still very low nationwide?

5 A. I agree that opt-in rates tend to be selected
6 by those who will benefit from self-selection.

7 Q. And do you agree that only a few utilities
8 have substantial participation, say, above 10 percent in
9 time of use rates?

10 A. This gets a good question as to what you
11 include as time of use. I think that there are
12 utilities that have default demand charges which may be
13 on-peak demand charges. For example, a number of the
14 cooperatives in Missouri have a demand element of
15 residential customer bills that is time related. So to
16 me that is a time of use rate. That's where we just
17 have to be very careful with the terminology. So in
18 answer to your question, I think there are companies
19 with 100 percent in Missouri time-based time of use if
20 you will enrollment. As to nationwide on various
21 designs of that, I can't speak reliably.

22 Q. So you're saying that there are some rate
23 structures that have time elements related to it and if
24 you define that to be time of use, then maybe you do
25 have companies that have a substantial portion of their

1 customers on time of use rates?

2 A. Yes.

3 Q. Okay. If you define time of use rates a
4 little differently and indicate that you have different
5 periods with different energy rates based upon the time
6 of the day and perhaps even define it as on peak and off
7 peak, would you agree that that kind of a time of use
8 rate there are very few utilities that have a
9 substantial participation in time of use rates?

10 A. I haven't had the luxury of time to study
11 these sorts of things and I haven't seen reliable
12 non-biased information that I would rely on for this
13 case to assert that's true or false.

14 Q. Okay. If the Brattle study said that, you
15 don't have any information that would contradict that
16 because you haven't studied it, right?

17 A. I'm sorry. There were a number of pronouns in
18 that question. Could you run it by me in a smaller
19 truck, as my dad would say?

20 Q. In a smaller truck? I was just -- Since you
21 haven't looked at it on a nationwide basis, you couldn't
22 contradict what a Brattle study would say that --

23 MS. ASLIN: Objection. Ms. Lange has stated
24 that she's not familiar with the study.

25 MR. FISCHER: Okay. I'll withdraw the

1 question then, sure.

2 BY MR. FISCHER:

3 Q. Would you agree that most time of use rates
4 are offered on an opt-in basis?

5 A. No. I think in Missouri there's a number of
6 electric utilities that have an on-peak demand element
7 that is default for their customers.

8 Q. Okay. You're talking about the overall rate
9 structure rather than a tariff that was entitled like
10 time of use rates?

11 A. That's staff's proposal in this case is to
12 implement these elements into its overall rate
13 structure. Yes, analogous to staff's recommendation I'm
14 aware of a number of electric cooperatives that have
15 that on-peak demand charge as the default rate structure
16 for their customers without the ability to opt out.

17 Q. As far as the investor-owned ones in this
18 state, is there -- there's not -- I guess Ameren has
19 your one cent differential; is that right?

20 A. We were able to work productively with both
21 Ameren and Liberty to implement similar recommendations
22 to this in both of their service territories, that's
23 correct, sir.

24 Q. Okay. Did you happen to hear the testimony of
25 Mr. Caisley about the J.D. Power analysis?

1 A. To be honest, I did not pay great attention to
2 that. I was here. It was rather lengthy testimony so I
3 don't know that I got all of the details, sir.

4 Q. I appreciate that. You don't have any reason
5 to disagree with what he said there, right?

6 A. To be blunt, given the liberties that
7 Mr. Caisley took with other portions of his testimony,
8 yes, I do, and that I would not rely on his
9 representations.

10 Q. Would you agree that you would expect a lower
11 customer savings for a rate that was on a one cent
12 differential compared to say a six-to-one differential
13 if you moved your usage from peak to off peak?

14 A. For that customer? I'm sorry. I need you to
15 define the question a little better.

16 Q. If I was wanting to move my dishwasher usage
17 from the on-peak period to the off-peak period, would I
18 get a greater savings on a time of use rate that had a
19 six-to-one differential than the one like the staff is
20 proposing, a one cent differential per kWh?

21 A. All else being equal and if you could make
22 that movement, yes, your customer bill would be reduced
23 in the immediate time period which would translate to
24 company revenue loss over the time period which would
25 then be reimplemented into your bill as an increase to

1 the overall rate in a future rate case. So the temporal
2 aspect matters a lot there.

3 Q. It's my understanding that the staff did not
4 complete a full cost of service study in this case; is
5 that right?

6 A. Are we broaching into issues that are subject
7 to a pending settlement? I think that my answer to that
8 question will impact the ability of staff to finalize
9 the pending settlement.

10 Q. I'm sorry. I don't want to do that. I'm just
11 asking I thought that's what you said on page 3 of your
12 direct testimony.

13 A. If you are -- I would suggest you tread
14 lightly given the pending settlement. I will defer to
15 what was in my prefiled testimony.

16 Q. Well, okay. One of the issues that's not part
17 of that testimony or part of that stipulation is
18 customer service charge; is that right?

19 A. Man, maybe we couldn't have settled that then.

20 Q. Did we settle it?

21 A. No -- I suppose ask your question. What
22 happens happens, sir.

23 MR. FISCHER: Judge, I don't want to do
24 anything to disrupt our settling issues here. If that's
25 the possibility, I'll withdraw that question.

1 BY MR. FISCHER:

2 Q. Ms. Lange, have you seen that J.D. Power
3 survey that Mr. Caisley talked about?

4 A. I do my best to avoid reading J.D. Power
5 surveys.

6 Q. Okay. So you haven't seen it?

7 A. That's what I thought I just said.

8 Q. I just want to go back to where we started.
9 Is it staff's testimony that there is only a one cent
10 differential in costs in Missouri between peak and
11 off-peak times?

12 A. So on a given day, a higher differential --

13 MS. ASLIN: Objection. I think Ms. Lange has
14 already answered this question.

15 JUDGE HATCHER: She has. However, I'm
16 certainly interested in maybe one more do-over of the
17 explanation. So I'm going to allow that. I think that
18 would be beneficial for the record. If I could -- I'll
19 allow it. Go ahead.

20 THE WITNESS: Okay. So this is where you have
21 to look at averages versus literal peaks. And I will
22 use frankly made-up numbers for this explanation to
23 defer to the actual numbers that are contained in my
24 testimony. On a given day in the SPP, it wouldn't
25 surprise me to, so today I haven't been outside since

1 6:30 this morning, is it -- I'm guessing it's in the mid
2 80s. So today with it being in the mid 80s we might hit
3 a peak of, I'll make up the number of \$50 a mWh this
4 afternoon. Overnight with it being somewhat mild,
5 customers running the air-conditioning but it not being,
6 you know, unseasonably mild if you will, I would say it
7 wouldn't surprise me if overnight we were in the
8 neighborhood of \$10. Okay. So that is for today from
9 the highest of the high to the lowest of the low a four
10 cent differential. However, no one is proposing
11 hour-by-hour pricing other than in the RTP tariff, I
12 suppose. But what we're looking at are time periods.
13 So if I took that average from -- again, let me make
14 sure I don't give you the wrong numbers here. If I took
15 that average price from 4:00 p.m. today to 8:00 p.m.
16 today, we might see an average in the neighborhood of
17 \$25, \$30 for mWh. If I took that average from midnight
18 to 6:00 a.m., we would probably see something like \$10.
19 So that is 20 cents above and 10 cents below. I'm
20 sorry. I said that wrong.

21 The difference of that 25 to 30 down to the 10
22 is 20 cents, correct? 30 minus 10 is 20. You've got to
23 remember we have that time period in there which isn't
24 subject to either time structure or to time-based rate
25 structure, and so if we call that price is oh, say, an

1 average of \$20, then here today during the summer we're
2 looking at where the average price for that four to
3 eight o'clock period is about a cent higher than it is
4 outside that period and the average price of that
5 midnight to 6:00 a.m. period is about a cent lower.

6 MR. FISCHER: I appreciate your testimony.
7 Thank you very much.

8 JUDGE HATCHER: Thank you, Mr. Fischer. Let's
9 move to Commissioner questions. Are there any
10 Commissioner questions for Ms. Lange?

11 CHAIRMAN SILVEY: No questions, Judge.

12 JUDGE HATCHER: Thank you, Chairman.

13 COMMISSIONER HOLSMAN: No questions, Judge.

14 JUDGE HATCHER: Thank you, Commissioner
15 Holsman. The bench does have a few questions.

16 QUESTIONS

17 BY JUDGE HATCHER:

18 Q. Your proposal differentiates by the total
19 amount, and what I mean to ask is why does it make sense
20 for the over/under to be 15 million and not 14 million
21 or 16 million? I have up to 15 million as treated one
22 way.

23 A. This is the area that is subject to the
24 pending settlement.

25 Q. Awesome. I'll move on.

1 A. I guess I'll ask to be corrected if wrong. My
2 understanding is that the settlement was to resolve
3 class cost of service studies and revenue allocations.
4 So if I misunderstood that.

5 Q. That certainly could be. I don't have the
6 questions organized by sub topic.

7 A. Fair. I'll do my best.

8 Q. Thank you. I appreciate it. Would you
9 respond to Mr. Caisley's testimony on one point he
10 testified that following staff's proposal would make
11 customers accustomed to a one cent differential and it
12 would thereafter be difficult to change that or change
13 the behavior that might come from an understanding of a
14 one cent differential. Do you think that's true?

15 A. I think that a lot of customers won't be aware
16 of the one cent differential, which to be clear is
17 actually a two cent differential in the summer and a
18 cent and a quarter differential in the non-summer. I
19 don't see -- I don't agree with Mr. Caisley that that is
20 a cause of concern. Right now customers are accustomed
21 to no differential. I think that how the company
22 implements its education and marketing out of this case
23 is an important factor in how well this does or doesn't
24 work. I think that properly educated customers are
25 properly educated customers. I think that poorly

1 marketed to customers might remember a slogan or an ad
2 but may not get a lot of information out of it. So if
3 the company coming out of this case puts out ads that
4 say use energy whenever you want, it doesn't make a
5 difference, then that's what customers will take away.
6 So I'm not sure if that fully answered your question.

7 Q. I think what I'm stumbling on is the common
8 perception that time of use rates are to solve somewhat
9 of a regulatory issue. I would draw the example of an
10 airport before deregulation there was talk about having
11 airplanes take off at 1:00 a.m. because the airport just
12 sits there unused and it makes higher seat prices for
13 all of the people flying because they all want to fly
14 during the day. Gosh darn it, if we just had people fly
15 during the night we would level that out.

16 I want to differentiate that common
17 understanding from the very detailed work that you did
18 in studying this and setting that up and looking at the
19 averages over blocks of time.

20 A. That clarification is helpful. So that
21 phenomenon that you're referring to is called peak
22 shaving and valley filling. So under staff's proposal,
23 I know I've been keeping my eye on the review and
24 availability. You know, if you have that ability to
25 charge your EV a little bit later, I think customers

1 will be aware of that and will charge their EV a little
2 bit later. If they have to charge it in the afternoon,
3 it's not going to break the bank. I think that under
4 the staff proposal if a customer remembers to turn on
5 their dishwasher at a certain time, it might save \$3 or
6 \$4 a month. That is a choice they can make. That is
7 not -- Those are latent benefits of staff's proposal.
8 Staff's recommendation is to align cost causation with
9 revenue recovery and if that cost causation had been --
10 had indicated a greater differential was necessary, I
11 don't think staff would have gone that far in this case
12 because we're also tempering that with customer
13 abilities to modify their energy usage and customer
14 reception to big swings in how they're billed for their
15 electricity.

16 So you know, I think I have somewhere in
17 testimony that there's two approaches. One is to try to
18 make big changes from a few customers and one is to try
19 to make small changes from a lot of customers. Frankly
20 these rates probably won't make changes from customers
21 but they'll start to get that information out there and
22 it will also get us the billing determinates for these
23 time periods that are necessary to do any sort of
24 further work in this arena.

25 Q. Is your approach, is your time of use

1 calculations based on cost of service? Is that approach
2 unique?

3 A. It's not unique in Missouri. And I struggle.
4 Dr. Faruki was the Ameren consultant who fought us tooth
5 and nail on a very similar proposal in their rate case.
6 The last I heard from Dr. Faruki he was on the speaker
7 circuit touting how this was a great way to implement
8 time of use rates, it's cost based, it's moderate, it
9 gives customers a feel for things.

10 Q. I'm wanting to know if your cost of -- The
11 cost of service approach seems to be more pointed to the
12 company that this will be revenue neutral and through
13 accounting we can back up these numbers. But my
14 question is is it lacking on the customer side?

15 A. No. I'm glad you phrased it that way. I'm
16 following you now. It's a very good concern. So if
17 what we're looking at is wholesale cost of energy, which
18 we are, that is the same whether it's from the
19 perspective of the customer or the perspective of the
20 utility. So if I right now go home and turn on my
21 electric smoker, it is going to cost my electric
22 provider dollar for dollar the kWh I consumed grossed up
23 for losses. If I go home and unplug my freezer at
24 midnight, which I don't recommend anyone do, it is going
25 to save my electric provider dollar for dollar. So the

1 cost causation and the revenue responsibility are
2 aligned between the customer and the company on the
3 issue of wholesale energy costs. There is a disparity
4 there if you start getting into distribution cost
5 recovery and given the RTO in which Evergy participates
6 if you start getting too far down the capacity road.
7 And what I -- The way I would look at it is is the cost
8 literally avoidable and purely variable. And at this
9 time the only cost that is literally avoidable and
10 purely variable that is a component of the electric bill
11 is that wholesale cost of energy. It's one for one once
12 you adjust for losses customer to company.

13 Q. I'd also like to make sure I'm separating
14 issues in my mind. The summer heat wave request from
15 energy companies everybody do your laundry at night, the
16 time of use -- or the peak and off peak, the same terms
17 that we're using there don't really apply here because
18 those are very specific movements from a peak usage to
19 off peak?

20 A. Yes and no. So the example you gave during
21 the summer, I would expect there to be pretty good
22 alignment with these time periods. We may be getting
23 some into that two o'clock time period that isn't
24 covered by this peak. Certainly the midnight period you
25 might actually see some of those utility things saying

1 do it after ten o'clock or something. So that would put
2 you in the non-peak but not super off-peak period under
3 this design. During the non-summer months, particularly
4 during the winter seasonal months, what you're saying is
5 very accurate. That is a concern that staff would like
6 to address going forward. But to leverage the existing
7 company time periods, we did not address this in this
8 case, and that's the issue that for Evergy during the
9 true winter periods you do see a spike in usage that
10 occurs in the midmorning hours and in the early
11 afternoon hours -- I'm sorry, early evening hours.

12 Q. So circling back around, are other, I do not
13 want to include customer-owned utilities, the co-ops --

14 A. Sure.

15 Q. -- or the cities. In Missouri and nationwide,
16 the utilities, the IOUs that have investor-owned
17 utilities is IOUs, that have a time of use rate, do you
18 have a sense of how many use a cost of service
19 calculation similar or the same as yours versus either a
20 some other type of methodology?

21 A. I'm most familiar with the Missouri
22 investor-owned utilities. The designs that are in place
23 for the default rate structures for Ameren and for
24 Liberty are very similar to this design. Those are each
25 two period. In this case we move to a three period to

1 accommodate a larger differential than there would be
2 appropriate under a two period and that's in response to
3 some concerns that Commissioners seemed to raise in
4 those cases in interest of larger differential.

5 Those two utilities also have various opt-in
6 time-based rate structures. They are not identical.
7 Some are similar. Some are dissimilar to those proposed
8 by Evergy. My understanding is at Ameren there are a
9 lot more customers on the low differential rate than
10 there are on the opt-in rates. Evergy I think is
11 mid-deployment. I don't have numbers -- I'm sorry. Not
12 Evergy. Empire is mid-deployment. I don't have numbers
13 on Empire Liberty on that deployment at this time.
14 Nationwide I frankly focus on Missouri.

15 Q. So when staff was assisting in setting up that
16 rate structure, staff used a cost of service approach?

17 A. In those cases staff did studies similar to
18 were done in this case. We also in those cases looked
19 at distribution system utilization. We did not -- we
20 did not put a cap on the differential that existed on
21 those cases. We found that the range of differential we
22 were comfortable with from a customer impact perspective
23 was well within the range of cost based. So we
24 described those as a movement towards cost based. And I
25 think that that's an accurate characterization.

1 BY MR. CLIZER:

2 Q. There was questions about moving to a
3 cost-based system. It's staff's intent with a
4 cost-based system to send a clear price signal to
5 customers, correct?

6 A. Mitigated by customer impact, revenue
7 stability, bill stability and a list of seven to twelve
8 items that I enunciate in my testimony, correct.

9 Q. You would at least agree that it's important
10 to try and send a clear price signal to customers where
11 possible?

12 A. Where possible, yes.

13 MR. CLIZER: No further questions. Thank you.

14 JUDGE HATCHER: Next I have Mr. Opitz.

15 MR. OPITZ: No, thank you, Judge.

16 JUDGE HATCHER: Company.

17 MR. FISCHER: Just briefly, Judge.

18 RE CROSS-EXAMINATION

19 BY MR. FISCHER:

20 Q. Ms. Lange, if I understood your testimony to
21 the Judge, you were saying that, correct me if I'm
22 wrong, that staff's TOU default rates are not expected
23 to make changes in customers' behavior or something to
24 that effect?

25 A. I stated it could be a latent benefit but that

1 wasn't the driving design criteria.

2 Q. Okay. If the Commission wants to encourage
3 consumers to make behavior changes and move their usage
4 from on peak to off peak, would you agree the Commission
5 would not adopt the staff's TOU default rate?

6 A. No, I believe the staff would adopt the
7 staff's default rate and would incorporate in a future
8 case a critical peak pricing element or an on-peak
9 demand charge.

10 Q. Why would you do that if you only have a one
11 cent differential between peak and off peak?

12 A. Why would you do things to accomplish the
13 thing you stated was the goal? I'm confused by your
14 question.

15 MR. FISCHER: I'll withdraw the question.
16 Thank you very much.

17 JUDGE HATCHER: Thank you, Mr. Fischer. Thank
18 you, Ms. Lange. You are excused.

19 MS. ASLIN: Redirect.

20 JUDGE HATCHER: Oh, gosh. Yes, stand for
21 redirect.

22 REDIRECT EXAMINATION

23 BY MS. ASLIN:

24 Q. So we -- Let's start with questions from OPC.
25 You discussed with Mr. Clizer how end-use distinctions

1 have acted as a surrogate for time of use rates. Could
2 you explain that?

3 A. Sure. I believe in my surrebuttal I pulled
4 some information from some cases that occurred in the
5 '90s with Evergy. And what occurred in those cases is
6 that the company, industrials, staff, got together and
7 looked at overall load shapes for various classes for
8 various end uses and allocated and assigned costs out to
9 those and then they sat down and looked at determinates
10 and they said what rate structures and rate designs can
11 we get that achieve those results for individual
12 customers without having cost effective hourly
13 measurements. Similarly, I think that the legacy all
14 electric space heating other end-use rates were
15 developed by making assumptions about when those
16 customers used energy based on the time electric
17 resistance heating would have been prevalent which is
18 very different operationally from air to air and ground
19 source heat pumps that a prevalent source of electric
20 heating today. And they said okay, where would we make
21 block break points and what would we set the block
22 amounts at to do a declining rate that approximates for
23 individual customers the costs we've allocated to these
24 time-based hourly class loads. All of that was done
25 because we did not have cost efficient metering. All of

1 the studies that you see from RAP or other sources that
2 may say if you're going to do time of use, if you're
3 going to pay for AMI and the systems to support AMI to
4 do time of use, you need to make sure that you're
5 getting the bang for your buck with that meter
6 investment and customer system investment. We already
7 have that. At this point we can move towards cost-based
8 rates. We don't need to use those end-use surrogates.
9 We don't need to look at are we going to induce massive
10 changes plus or minus \$150 loss per customer to make it
11 economical to install AMI metering and the associated
12 billing systems. We have it. Let's do it.

13 Q. You just mentioned, and I believe you also
14 mentioned it in response to a question from OPC, the
15 proposal from Evergy, their opt-in TOU comes with a
16 request to defer losses of over \$150 per participating
17 customer. Will non-participants be affected by that as
18 well?

19 A. Yes. And since it is a net proposal, you are
20 saying that Evergy is prepared to spend \$150 more than
21 it saves, and saves is in quotation marks because we
22 don't know how they're going to measure that. For each
23 customer they would add TOU service on one of their
24 opt-in designs. So if you think about the idea of well
25 it doesn't hurt to have these out there, because if

1 customers benefit they benefit, well, A, that benefit
2 gets made up by everybody else when you get to the next
3 rate case but, B, Evergy's proposal is to recoup -- or
4 to spend more than \$150 to experience a cap in quotation
5 marks of \$150 loss per participant. So we can't even
6 say in this case well, you know, we'll give it a try.
7 If customers opt into it because it benefits their
8 existing usage patterns, you know, so much the better
9 for them, you know, that's inapplicable in this case
10 because of that \$150 per customer net loss request.

11 Q. Also in response to OPC you discussed hours
12 use. Is staff's TOU proposal relatively easier to
13 understand than the determination of a given customer's
14 hours use?

15 A. I have struggled to walk customers through
16 hours use calculations. Yes, this is infinitely easier
17 and importantly I think Mr. Lutz acknowledged this
18 morning that staff's time of use rate structure is
19 compatible with the current net metering statute. An
20 area that we've really seen customer issues has been
21 commercial customers who install solar and it disrupts
22 their hours use profile. What comes to mind is a
23 laundromat. They generated a ton during the day. They
24 still ran their machines out flat during the night
25 because that was their consumption pattern. So even

1 though that customer was better for the system to start
2 with from a valley filling load shaving perspective,
3 because their peak was at night, under the hours use
4 structure they paid just as much as if their peak had
5 been during the day. This would at least give that
6 customer the benefit of that usage at night occurring at
7 a discount and so I think that this time of day you use
8 energy it costs a penny more, this time of day you use
9 energy it costs a penny less is a lot easier for
10 customers to understand than if you flip on this machine
11 the same time as that machine it's going to change what
12 you pay for energy last month even if you use the exact
13 same amount as you did a month ago.

14 Q. Now, moving on to questions you received from
15 counsel from Evergy, you were asked if the company's
16 proposed six-to-one TOU differential rate would result
17 in greater savings to customers. Do you recall that?

18 A. I do recall that.

19 Q. How would that rate affect low income
20 customers?

21 A. Well, it's tough to make generalizations about
22 exactly how customers use energy and when they use it.
23 To the extent that those customers are unable to shift
24 usage significantly, they would pay a lot more. To the
25 extent that customers self select in because they're

1 going to save money and the company looks to recoup that
2 money in the next rate case, all customers will pay more
3 to make up for the discounts provided to those customers
4 who self select in.

5 Q. There was a lot of discussion about there
6 being no one-size-fits-all rate. Do you recall that?

7 A. Yes.

8 Q. And a utility will always have a default rate;
9 is that correct?

10 A. Yes. That's a little bit of a strange
11 situation with Evergy because they have these end-use
12 rates in which similarly situated customers currently
13 pay different rates based on some archaic definitions
14 and based on the company's decision to follow up or not
15 follow up on current plans installations in the
16 customers' homes.

17 Q. So if there is no one-size-fits-all rate and
18 there will always be a default rate, what should the
19 goal be of a default rate?

20 A. Well, you want the default rate to be cost
21 base and you want it to align cost causation with
22 revenue responsibility to the extent is practical to do
23 so. In the past, that's been done through declining
24 block. In most of the months inclining block in certain
25 months for certain utilities and that was as a surrogate

1 for the assumption about when customers would use energy
2 and when they would hit those block break points related
3 to that time of use.

4 Q. Would staff recommend rate differential change
5 if the defined peak and off-peak periods were altered?

6 A. Yes. The idea is just to simply do the math
7 and then make reasonable judgments about what is
8 appropriate for customers. So these are the
9 appropriate, these being the plus or minus one cent in
10 the summer, minus one cent plus quarter of a cent in the
11 non-summer, these are the values that fall out of the
12 time period selected by the company.

13 Q. And would your answer be the same if the
14 defined seasons were altered?

15 A. Yes. And I think that's really something we
16 need to look at, you know. The non-summer season is
17 they call it winter in their tariff but it's not. It's
18 eight months long. And there's definitely different LMP
19 activity and different system utilization occurring
20 during true winter months versus the shoulder periods of
21 spring and fall.

22 MS. ASLIN: I have no further questions.

23 Thank you.

24 JUDGE HATCHER: Now you are dismissed, Ms.
25 Lange. Thank you.

1 intentionally misleading?

2 A. I'm without knowledge as to Mr. Caisley's
3 knowledge. I apologize that I can't give you a better
4 answer than that.

5 COMMISSIONER HOLSMAN: Okay. Thank you.
6 Thank you, Judge.

7 JUDGE HATCHER: Thank you, Commissioner.
8 While we're there, any other Commissioner questions?
9 Okay. Let's circle back around. We'll do the recross
10 and redirect. Mr. Clizer.

11 MR. CLIZER: No questions. Thank you.

12 MR. OPITZ: No questions. Thank you.

13 JUDGE HATCHER: Company.

14 FURTHER RECROSS-EXAMINATION

15 BY MR. FISCHER:

16 Q. Ms. Lange, you've been around the Commission a
17 long time. Would you agree that there often times we
18 have disagreements about views of the facts or whatever
19 and that's what the Commission does is resolve those
20 issues?

21 A. Sorry. Could you state that again?

22 MR. FISCHER: That's all right. I'll withdraw
23 it. Thank you, Judge. No questions.

24 JUDGE HATCHER: Thank you, Mr. Fischer.
25 Redirect.

1 MS. ASLIN: No questions.

2 JUDGE HATCHER: Thank you, Ms. Aslin. You are
3 excused, Ms. Lange.

4 (Witness excused.)

5 JUDGE HATCHER: I could use some help
6 counting. I have Dr. Marke as a witness. I see
7 Mr. Brubaker in the crowd, but I am not aware if you
8 will be testifying. Ms. Plescia, are you on our WebEx?
9 And Mr. Opitz, Ms. Maini?

10 MR. OPITZ: Maini. She's available to testify
11 via WebEx. She's on the list, yes, sir.

12 JUDGE HATCHER: You said available.
13 Scheduled?

14 MR. OPITZ: She is scheduled, yes.

15 JUDGE HATCHER: Sorry. I thought we were
16 diverting. Okay. I have nine minutes until noon and I
17 suspect we will have -- Does everyone think that we can
18 get Dr. Marke done in ten minutes? Let's go ahead and
19 go to lunch. We are at recess. We'll come back at one
20 o'clock. We are off the record.

21 (Thereupon, a lunch recess was taken from
22 11:50 a.m. until 1:00 p.m., after which the following
23 proceedings were had:)

24 JUDGE HATCHER: Okay. Let's come to order and
25 go back on the record the time for our noon meal having

1 expired. Again we are in the middle of testimony on
2 September 7, a Wednesday, in the Evergy general rate
3 cases ending in file numbers 0129 and 0130 relative to
4 respectively Evergy Missouri Metro and Evergy Missouri
5 West.

6 The next party on my list for witnesses is the
7 Office of the Public Counsel, subject to correction.
8 Dr. Marke, come on up.

9 As Dr. Marke makes his way to the stand, I
10 will remind him that he has already been sworn in and
11 that is still applicable today. Go ahead and have a
12 seat. And Mr. Clizer.

13 DR. GEOFF MARKE,
14 having been previously sworn, was examined and testified
15 as follows:

16 MR. CLIZER: Dr. Marke's testimony has already
17 been offered and accepted. I therefore tender the
18 witness for cross-examination.

19 JUDGE HATCHER: Thank you, sir. And Ms.
20 Aslin.

21 MS. ASLIN: Good afternoon.

22 THE WITNESS: Good afternoon.

23 CROSS-EXAMINATION

24 BY MS. ASLIN:

25 Q. Evergy has referenced today multiple surveys

1 expressing their customers thoughts on time of use
2 rates. Is it possible that those results of that survey
3 or any survey can be skewed based on how the question is
4 asked?

5 A. Absolutely.

6 Q. Would that be a concern here?

7 A. Yes.

8 Q. Do you know if in these surveys that Evergy
9 was asking its customers how they felt about staff's
10 proposed time of use rates or its own high differential
11 time of use rates?

12 A. So to be clear, there's a number of different
13 surveys, a number of different studies that we're
14 talking about. For Evergy specific surveys that have
15 been included in this rate docket, there are no examples
16 where customers were explicitly asked about staff's rate
17 design.

18 Q. You had mentioned a lot of the studies that
19 have been mentioned here today. Are you familiar with
20 those, specifically maybe the Brattle study or the J.D.
21 Power?

22 A. I'm familiar with all of them.

23 Q. And do you have concerns with the results of
24 those studies?

25 A. I do. So I listened to Mr. Caisley earlier

1 today. I went and left the courtroom and got a copy of
2 the study that was filed in EO-2021-0349 and 0350 which
3 was the rate design docket. I looked at what, you know,
4 for one example was customer satisfaction. I'll read
5 verbatim from that study. Customer satisfaction under
6 time of use remains high. Either opt in or opt out.
7 The majority of customers who started and also completed
8 time of use pilots expressed a high level of
9 satisfaction in their experiences with the new rates and
10 continue taking service under the rate after the study
11 ended provided such opportunities were available. The
12 study also included a list of studies that had already
13 been done, customer research that had been conducted in
14 this case. In that same docket we filed comments that
15 listed I believe 12 studies at the time and more studies
16 have been added. So there have been a number of rate
17 design studies that looked at the economics behind this.
18 There have been customer surveys and customer
19 information. There has been studies that have looked at
20 empirical like a literature review of other states.

21 We have data galore. We've got so many
22 studies over this eight-year period roughly that we're
23 talking about. Brattle, who's one of the biggest
24 proponents of time of use rates, I know Ms. Lange spoke
25 about the economist Faruki. Listen to any conversation

1 that he has. Overwhelmingly he'll talk about how, you
2 know, why or the frustration of not having -- being able
3 to utilize time of use rates. So I would disagree with
4 his characterization.

5 Q. When you say you would disagree with his
6 characterization, are you referring to Mr. Caisley or
7 Mr. Faruki?

8 A. Mr. Caisley.

9 Q. Thank you. As an employee of the Office of
10 the Public Counsel, do you speak with utility customers?

11 A. I do.

12 Q. And have you heard concerns from customers of
13 Evergy or any other Missouri utility, Ameren or Empire,
14 concerning time of use rates customers having concerns?

15 A. I have not.

16 MS. ASLIN: No further questions.

17 JUDGE HATCHER: This seems like a good time to
18 inquire of Ms. Plescia. If she is on the WebEx, if she
19 could please speak up. This is for the Midwest
20 Industrial Electric Consumers group.

21 Okay. We will go on. Mr. Opitz, your
22 opportunity for cross.

23 MR. OPITZ: No, thank you, Your Honor.

24 JUDGE HATCHER: And the company.

25 MR. FISCHER: No thanks, Judge.

1 JUDGE HATCHER: Are there any Commissioner
2 questions for Dr. Marke?

3 COMMISSIONER HOLSMAN: No questions, Judge.

4 JUDGE HATCHER: Thank you, Commissioner
5 Holsman. The bench also has no questions.

6 MR. CLIZER: Redirect.

7 JUDGE HATCHER: Yes, redirect.

8 REDIRECT EXAMINATION

9 BY MR. CLIZER:

10 Q. Although I don't know that I have very much in
11 the way of redirect. You were asked a question
12 regarding the Brattle study by counsel for staff. Do
13 you recall?

14 A. Yes.

15 Q. You mentioned the list of studies in that
16 study?

17 A. Yes.

18 Q. I want to make sure I understood that
19 correctly. The study has a list of studies?

20 A. The study has a list of studies. That's on
21 page 33 and 34.

22 Q. That substantiates the OPC's position
23 regarding the number of studies that have been
24 performed?

25 A. There are studies that are missing from the

1 Brattle study, but yes, it would be in excess of double
2 digits.

3 Q. You were asked a question regarding surveys by
4 counsel for staff. Do you recall?

5 A. Yes.

6 Q. In your opinion based on the information that
7 you've seen, do you feel like there is a disinclination
8 to move towards default time of use rates from
9 customers?

10 A. In the surveys or in general?

11 Q. In general.

12 A. No.

13 MR. CLIZER: All right. I have no further
14 redirect. Thank you.

15 JUDGE HATCHER: Thank you, Dr. Marke. You are
16 excused.

17 (Witness excused.)

18 JUDGE HATCHER: I'm not sure of the order. I
19 have two more witnesses. We do have one available now
20 with her counsel. Would Mr. Opitz like to go ahead and
21 proceed with Ms. Maini?

22 MR. OPITZ: Let me check if she is -- I can't
23 see if she's on there. Yeah, we can proceed with her.
24 Kavita, can you hear me? Are you ready if we go now?

25 THE WITNESS: Yes, I'm here, I'm here. Can

1 you hear me?

2 MR. OPITZ: Yes.

3 JUDGE HATCHER: Excellent. I'll go ahead and
4 swear Ms. Maini in. If you would be so kind, please
5 raise your right hand.

6 Do you solemnly swear that the testimony you
7 are about to give will be the truth and the whole truth
8 and nothing but the truth?

9 THE WITNESS: I do.

10 JUDGE HATCHER: Thank you. Mr. Opitz.

11 KAVITA MAINI,
12 having been first duly sworn, was examined and testified
13 as follows:

14 DIRECT EXAMINATION

15 BY MR. OPITZ:

16 Q. Ms. Maini, can you state and spell your name
17 for the record, please?

18 A. Sure. My name is Kavita spelled K-a-v-i-t-a,
19 and the last name is Maini spelled M-a-i-n-i, Maini.

20 Q. And where are you employed and in what
21 capacity?

22 A. I'm the principal and sole owner of KM Energy
23 Consulting. So I'm just an independent consultant.

24 Q. Did you prepare prefiled testimony in these
25 cases that has been premarked as Exhibits 403, your

1 direct testimony, in ER-2022-0130; 404, your direct
2 testimony that was filed in ER-2022-0129; 405, which was
3 your rebuttal testimony filed in ER-2022-0130; 406,
4 which was your rebuttal testimony filed in ER-2022-0129;
5 407, which was your surrebuttal testimony filed in
6 ER-2022-0130; and 408, which was your surrebuttal
7 testimony filed in ER-2022-0129?

8 A. Yes.

9 Q. And do you have any corrections to that
10 testimony?

11 A. No, I do not.

12 Q. If I were to ask you the questions in those
13 documents today, would your answers be the same?

14 A. Yes, they would.

15 Q. And the information contained therein is true
16 and correct to the best of your knowledge and belief?

17 A. Yes, that's true, yes, correct.

18 MR. OPITZ: Your Honor, at this time I would
19 offer MECG Exhibits 403, 404, 405, 406, 407, and 408
20 into the record.

21 JUDGE HATCHER: You've heard the motion. Are
22 there any objections to the admission of the six
23 exhibits of Ms. Maini? Hearing no objections, it's so
24 admitted.

25 (MECG EXHIBITS 403, 404, 405, 406, 407, AND

1 408 WERE RECEIVED INTO EVIDENCE AND MADE A PART OF THIS
2 RECORD.)

3 MR. OPITZ: Your Honor, at this time I tender
4 the witness for cross-examination.

5 JUDGE HATCHER: Thank you. That will take us
6 to staff.

7 MS. ASLIN: No questions.

8 JUDGE HATCHER: Office of the Public Counsel.

9 MR. CLIZER: No questions. Thank you.

10 JUDGE HATCHER: Everyy.

11 MR. FISCHER: No, thank you, Judge.

12 JUDGE HATCHER: Are there any Commissioner
13 questions for this witness? All right. Hearing none,
14 the bench also has no questions. Now I think Ms. Maini
15 is excused. Okay. Thank you, ma'am, for taking the
16 time to be here and for submitting your testimony.

17 THE WITNESS: Of course. Thank you. Thank
18 you.

19 (Witness excused.)

20 JUDGE HATCHER: For those not familiar with
21 the process, Ms. Maini submitted prefiled written
22 testimony which is why her oral testimony could be so
23 short.

24 Let's move to our last witness of the day.
25 I'd like to ask our WebEx attendees if Ms. Plescia is on

1 WebEx? Let the record reflect that the Judge's staff is
2 looking through and not locating anybody by that name.

3 I'd like to let the parties know Mr. Brubaker
4 is in the room. He has submitted testimony in this
5 case. Ms. Plescia emailed the presiding officer and
6 requested to appear by WebEx and to waive her opening
7 statements this morning indicating to me that she would
8 join us later on. It might appear that we're moving
9 more quickly than she anticipated. So I'm opening this
10 up to the parties. I understand that we do have counsel
11 in the room who would be willing to assist with the
12 adoption of Mr. Brubaker's testimony. By that I took it
13 to mean asking the correct questions on direct.

14 MR. OPITZ: Your Honor, this is Tim Opitz,
15 MEEG. Since Mr. Brubaker has traveled here, I would
16 volunteer to ask his direct questions so that the
17 Commissioners or the bench may ask him questions that
18 they may have.

19 JUDGE HATCHER: I don't want to speak for the
20 Commissioners. The bench doesn't have any questions.
21 All I'm trying to get at is does anybody have any cross
22 for Mr. Brubaker or shall we just make a motion for his
23 testimony? I think we'll go ahead and call him up.

24 MR. FISCHER: Judge, from the company's
25 perspective, we don't have any cross.

1 MR. CLIZER: The OPC I do not believe has
2 cross prepared.

3 MS. ASLIN: Staff doesn't have any cross.

4 JUDGE HATCHER: I'd like to ask the
5 Commissioners are there any Commission questions if we
6 called Mr. Maurice Brubaker? Hearing none, I'm taking
7 that as a no. I would take a motion to enter
8 Mr. Brubaker's testimony into evidence. Go ahead.

9 MR. OPITZ: Your Honor, I would make that
10 motion and I believe MIEC's exhibits are 600; is that
11 correct? I guess if I'm offering it would it need to be
12 an MECG number?

13 JUDGE HATCHER: No. Let's keep it the way it
14 is the numbering it is. I just would like it in the
15 record. I don't have a number. Can somebody with
16 faster electronic skills and then I'll read off the
17 numbers for the record.

18 MR. OPITZ: I've got 600 through 649 as MIEC
19 according to the order. I guess for the record I would
20 offer the direct testimony of Maurice Brubaker as
21 Exhibit 600, I'd offer the rebuttal testimony of Morris
22 Brubaker as Exhibit 601, and I'd offer the surrebuttal
23 testimony of Maurice Brubaker as 602.

24 JUDGE HATCHER: The bench is pausing for a
25 second. I do not have a number on the exhibit. Yes, I

1 do not have an exhibit number on the exhibit. We will
2 take your numbers 600, 601, 602.

3 MR. OPITZ: That's correct, Your Honor.

4 JUDGE HATCHER: Okay. After great pause and a
5 little discussion, are there any objections to the
6 admission of Exhibits 600, 601, and 602 which have been
7 assigned to the various testimonies of Mr. Brubaker?
8 Any objections to the admission of his prefiled
9 testimony?

10 MR. FISCHER: No objection, Judge.

11 JUDGE HATCHER: Hearing none, it is so
12 admitted.

13 (MIEC EXHIBITS 600, 601, AND 602 WERE RECEIVED
14 INTO EVIDENCE AND MADE A PART OF THIS RECORD.)

15 JUDGE HATCHER: Thank you, Mr. Brubaker, for
16 being here. Occasionally with the schedules and the
17 ever-changing situation sometimes these things happen.
18 I do appreciate you making the trip.

19 MR. BRUBAKER: Thank you, Judge, for
20 arranging.

21 JUDGE HATCHER: It's really hard to see
22 yourself off screen and keep your concentration. I
23 believe we are at the end of today's issues. Anyone
24 wish to correct me?

25 Okay. Are there any announcements before we

1 adjourn before three o'clock?

2 MR. CLIZER: One very briefly. I had sent out
3 an email requesting parties if there's interest in
4 waiving the cross of Dr. Geoff Marke for tomorrow. I
5 have not heard back from all parties. So I will hold
6 off on formalizing that request for the bench, but as it
7 currently stands I am hoping to request the bench waive
8 cross of Dr. Marke for tomorrow's issue on street
9 lighting.

10 JUDGE HATCHER: Okay. That is a good
11 announcement. Thank you very much. Tomorrow is
12 Thursday. Just to review, on my updated list tomorrow
13 has three issues. The first is rate base with Company
14 Witness Messamore and Sierra Club Witness Glick.

15 And then we have a second issue resource
16 planning, same two witnesses.

17 And then we have street lighting which will
18 lead into my next announcement, street lighting, which
19 has three witnesses, Witness Lutz, Witness Carter from
20 St. Joseph, and then Dr. Marke.

21 MR. STEINER: We will waive all cross of
22 Witness Marke tomorrow. I don't know if you're waiting
23 on me. I haven't checked emails.

24 MR. CLIZER: No, I haven't gotten the final
25 verification.

1 THE STENOGRAPHER: Could you speak in the
2 microphone?

3 MR. CLIZER: I have not gotten final
4 verification. I just wanted to bring to the
5 Commission's attention that that was my intention so I
6 didn't spring it on the Commission tomorrow.

7 JUDGE HATCHER: I appreciate the heads up.
8 That is not a question that we're going to ask tonight
9 just to be clear.

10 I do want to ask about the street lighting
11 issue.

12 MS. ASLIN: Judge, I've been told that Ms.
13 Lange should also be on the witness list for street
14 lighting.

15 JUDGE HATCHER: Yes, it was in the email and I
16 was so busy I only wrote the correction for the one day.
17 Thank you. Still on my second announcement, street
18 lighting. All of the counsel and myself have been
19 copied on an email last sent 12:02. Mr. Steinmeier just
20 wanted to confirm that his witness whose only
21 availability is the afternoon will be able to appear
22 tomorrow afternoon. I think what he's wanting to know
23 is if we finish issues one and two before lunch that we
24 do go ahead and take lunch and come back at 1:00.

25 MR. CLIZER: The OPC has no problem holding

1 over the witness until afternoon.

2 JUDGE HATCHER: I'm just waiting for
3 objections. That sounds good. Okay. I will email
4 Mr. Steinmeier and copy everyone. That takes care of my
5 announcements.

6 One last call. Any announcements for
7 tomorrow, Thursday? Okay. We have our assignments. Go
8 forth and I will see you here at -- yes, let's keep the
9 same time, 8:30 a.m. tomorrow. Thank you all. We're
10 off the record and in recess.

11 CHAIRMAN SILVEY: Thank you, Judge.

12 JUDGE HATCHER: Thank you, Chairman.
13 Adjourned for the day. Thank you, Commissioner Holsman
14 and Kolkmeier and Coleman.

15 (Thereupon, the proceedings concluded for the
16 day at 1:23 p.m., and will continue in Volume 12.)

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STATE OF MISSOURI)
COUNTY OF COLE)

I, Beverly Jean Bentch, RPR, CCR No. 640, do hereby certify that I was authorized to and did stenographically report the foregoing Public Service Commission evidentiary hearing and that the transcript, pages 660 through 807, is a true record of my stenographic notes.

I FURTHER CERTIFY that I am not a relative, employee, attorney, or counsel of any of the parties, nor am I a relative or counsel connected with the action, nor am I financially interested in the action.

Dated this 26th day of September, 2022.

Beverly Jean Bentch
Beverly Jean Bentch, RPR, CCR No. 640