



Respectfully submitted,

**/s/ Casi Aslin**

Casi Aslin

Missouri Bar No. 67934

Attorney for the Staff of the

Missouri Public Service Commission

P.O. Box 360

Jefferson City, MO 65102

(573) 751-8517

[casi.aslin@psc.mo.gov](mailto:casi.aslin@psc.mo.gov)

**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed or hand-delivered, transmitted by facsimile or electronically mailed to all parties and or counsel of record on this 12<sup>th</sup> day of August, 2021.

**/s/ Casi Aslin**

## MEMORANDUM

**TO:** Missouri Public Service Commission Official Case File  
File No. HT-2021-0351 and Tariff Tracking No. YH-2021-0008  
Evergy Missouri West, Inc. d/b/a Evergy Missouri West

**FROM:** Nancy L. Harris, Utility Regulatory Auditor  
Michael L. Stahlman, Regulatory Economist

/s/ Robin Kliethermes 08/12/2021      /s/ Casi Aslin 08/12/2021  
Regulatory Compliance Manager/Date      Staff Counsel Division / Date

**SUBJECT:** Staff Recommendation to Approve the Tariff Sheet Filed to Add the Quarterly Cost Adjustment for the Second Quarter of 2021 to the Quarterly Cost Adjustment Rider – Steam of Evergy Missouri West, Inc. d/b/a Evergy Missouri West to go into effect on September 1, 2021, or to go into effect by operation of law that same date.

**DATE:** August 12, 2021

On July 15, 2021, Evergy Missouri West, Inc. d/b/a Evergy Missouri West (“EMW”) filed with the Commission one (1) tariff sheet for steam service to add the quarterly cost adjustment (“QCA”) for the first quarter of 2021. The adjustment is required by EMW’s Quarterly Cost Adjustment Rider, which the Commission approved in Case No. HR-2005-0450, and modified in Case Nos. HR-2009-0092, HR-2010-0028, and HR-2018-0231.<sup>1</sup>

Evergy Missouri West, Inc.’s filing included the proposed tariff sheet and supporting work papers consisting of electronic worksheets showing EMW’s calculation of the QCA for the first quarter of 2021.

On July 15, 2021, the Commission directed Staff to file a recommendation on the pending tariff no later than August 13, 2021.

The procedure for the calculation of the QCA for steam service sales is set out in EMW’s Tariff Sheet Nos. 6.6 through 6.10, which are titled “Quarterly Cost Adjustment Rider – Steam.” The QCA calculation components as described in Tariff Sheet Nos. 6.6 and 6.7 include the Current Quarterly Cost Adjustment (“CQCA”), the Reconciliation Rate or “R factor” plus any applicable reconciling adjustments.

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<sup>1</sup> Tariff Sheets effective January 1, 2020 as a result of Case No. HR-2018-0231 no longer include Coal Performance Standards.

The QCA Rider for this 49<sup>th</sup> revision of Tariff Sheet No. 6.10 reflects a negative charge per million British Thermal Units (“BTU”) of (\$0.2369) as compared to a negative charge per million BTU of (\$0.3425) that was reflected on the previous revision of Tariff Sheet No. 6.10.

For a steam service customer, this would mean a billing credit reduction which is effectively a billing increase of \$105.60 for every thousand MMBTUs used. The QCA Rider negative charge is a reduction to customer bills to reflect the customer share of the variation in fuel cost for the most recent quarter. The QCA Rider rate reflects an increase of \$399,751 in the quarterly adjusted fuel costs when compared to the same quarter last year. The Reconciliation Rate or R factor component reflects an increase of \$47,685 when compared to the same quarter last year.<sup>2</sup>

Staff reviewed the data and mathematical calculations EMW provided in its worksheets and found EMW’s calculations related to the filed tariff sheet to be correct, and that the calculations satisfy the standards set forth in EMW’s Tariff Sheet Nos. 6.6 through 6.10. The calculations are also consistent with previous EMW QCA filings.

#### **Staff Recommendation**

Staff has reviewed the filed tariff sheet and recommends approval of the following tariff sheet to go into effect for service on and after September 1, 2021, the requested effective date:

**P.S.C. MO. No. 1**

49th Revised Sheet No. 6.10 Canceling 48th Revised Sheet No. 6.10

Staff has verified that EMW has filed its Annual Report and is current on its submission of its Surveillance Monitoring reports as required in 20 CSR 4240-20.090(6) and its monthly reports as required by 20 CSR 4240-20.090(5). Staff is not aware of any other matter pending before the Commission that affects or is affected by this tariff filing. Staff’s recommendation for approval of the QCA change in this case is solely based on the accuracy of EMW’s calculations and R factor adjustments outlined above and is not indicative of the prudence of the fuel costs included in the QCA.

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<sup>2</sup> Boiler 5 being offline for tube leak repairs and a rise in natural gas prices contributed to increased fuel costs for the second quarter of 2021. A physical inventory adjustment reduced coal costs in June.

**BEFORE THE PUBLIC SERVICE COMMISSION**

**OF THE STATE OF MISSOURI**

In the Matter of Evergy Missouri West, Inc., )  
d/b/a Evergy Missouri West's Tariffs ) Case No. HT-2021-0351  
Changing the Steam QCA for Service ) Tariff No. YH-2021-0008  
Provided to Customers in its Service Territory )

**AFFIDAVIT OF NANCY L. HARRIS**

STATE OF MISSOURI )  
 ) ss.  
COUNTY OF COLE )

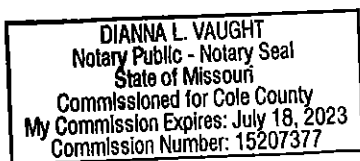
**COMES NOW NANCY L. HARRIS** and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation* in memorandum form; and that the same is true and correct according to her best knowledge and belief.

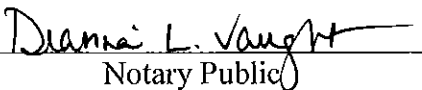
Further the Affiant sayeth not.

  
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NANCY L. HARRIS

**JURAT**

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 11<sup>th</sup> day of August 2021.



  
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Notary Public

