

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

In the Matter of KCP&L Greater Missouri	)	
Operations Company's Tariffs Changing	)	<b><u>File No. HT-2019-0319</u></b>
the Steam QCA for Service Provided to	)	Tariff No. YH-2020-0058
Customers in its Service Territory	)	

**STAFF RECOMMENDATION TO APPROVE TARIFF SHEET**

**COMES NOW** the Staff of the Missouri Public Service Commission (“Staff”), through the undersigned counsel, and hereby respectfully submits this *Staff Recommendation to Approve Tariff Sheet* as follows:

1. On October 15, 2019, Evergy Missouri West, Inc. d/b/a Evergy Missouri West (“Evergy West”), formerly KCPL&L Greater Missouri Operations Company filed a tariff sheet, 42nd Revised Sheet No. 6.10, Canceling 41st Revised Sheet No. 6.10, providing its current Quarterly Cost Adjustment (“QCA”) pursuant to the approved *Non-Unanimous Stipulation and Agreement* in File No. HR-2005-0450, and modified in File Nos. HR-2009-0092 and HR-2010-0028.

2. Evergy West’s filing included the proposed tariff sheet and supporting workpapers consisting of electronic worksheets showing Evergy West’s calculation of the QCA for the third quarter of 2019.

3. On October 16, 2019, the Commission directed Staff to file a recommendation regarding the proposed tariff sheet no later than November 5, 2019.

4. The proposed tariff sheet reflects a negative charge per million British Thermal Units (“BTU”) of (\$1.4539)<sup>1</sup> as compared to a negative charge per million

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<sup>1</sup> A “(bracketed amount)” represents a credit to the customer. The credit is also referred to as a “negative charge” as reflected by the brackets. In this instance, the customer will receive a credit in the amount of \$1.4539 per million BTU.

BTU of (\$1.4327) that was reflected on the previous Tariff Sheet No. 6.10. The change resulting from this filing causes an increase of the customer credit in the QCA Rider rate and reflects the net effect of:

- a. A \$332,192 decrease in the quarterly adjusted fuel costs when compared to the same quarter last year; and
- b. An increase of the Reconciliation Rate (“R Factor”) component of \$2,649 when compared to the same quarter last year.

5. For a steam service customer, this would mean a decrease of approximately \$21.20 for every thousand MMBTUs used. As more fully detailed in Staff’s Memorandum, attached hereto as Appendix A, Staff has reviewed the data and calculations provided by Evergy West related to its proposed tariff sheet and has determined that such calculations are correct and satisfy the standards set forth in Every West’s Tariff Sheet Nos. 6.6 through 6.10.

6. Staff has verified that Evergy West is current on its submissions and filings pursuant to 20 CSR 4240-20.090(5) and (6). 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 Evergy West’s calculations and is not indicative of the prudence of the fuel costs included in the QCA.

**WHEREFORE**, Staff recommends that the Commission issue an order approving the following tariff sheet as filed by Evergy West on October 15, 2019 to go into effect on and after December 1, 2019:

P.S.C. MO. No. 1  
42nd Revised Sheet No. 6.10 Canceling 41st Revised Sheet No. 6.10

Respectfully submitted,

**/s/ Travis J. Pringle**

Travis J. Pringle

Legal Counsel

Missouri Bar No. 71128

Attorney for the Staff of the

Missouri Public Service Commission

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### **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served by electronic mail, or First Class United States Postal Mail, postage prepaid, on this 5<sup>th</sup> day of November 2019, to all counsel of record.

**/s/ Travis J. Pringle**

## MEMORANDUM

**TO:** Missouri Public Service Commission Official Case File  
File No. HT-2019-0319 and Tariff Tracking No. YH-2020-0058  
Every Missouri West, Inc. formerly KCP&L Greater  
Missouri Operations Company

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

/s/Robin Kliethermes 11/5/2019                      /s/Travis Pringle 11/5/2019  
Manager Tariff/Rate Design Manager                      Staff Counsel Division

**SUBJECT:** Staff Recommendation to Approve the Tariff Sheet Filed to Add the  
Quarterly Cost Adjustment for the Third Quarter of 2019 to the Quarterly  
Cost Adjustment Rider – Steam of Every Missouri West, Inc. formerly  
KCP&L Greater Missouri Operations Company to go into effect on  
December 1, 2019, or to go into effect by operation of law that same date.

**DATE:** November 5, 2019

On October 15, 2019, Every Missouri West, Inc. formerly KCP&L Greater Missouri Operations Company (“GMO”) filed with the Commission one (1) tariff sheet for steam service to add the quarterly cost adjustment (“QCA”) for the third quarter of 2019. The adjustment is required by Every Missouri West, Inc.’s Quarterly Cost Adjustment Rider, which the Commission approved in Case No. HR-2005-0450, and modified in Case Nos. HR-2009-0092 and HR-2010-0028.

Every Missouri West, Inc.’s filing included the proposed tariff sheet and supporting work papers consisting of electronic worksheets showing Every Missouri West, Inc.’s calculation of the QCA for the third quarter of 2019.

On October 16, 2019, the Commission directed Staff to file a recommendation on the pending tariff no later than November 5, 2019.

The procedure for the calculation of the QCA for steam service sales is set out in Every Missouri West, Inc.’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 MO

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. Additionally, Tariff Sheet 6.8 includes Coal Performance Standards.

The QCA Rider for this 42<sup>nd</sup> revision of Tariff Sheet No. 6.10 reflects a negative charge per million British Thermal Units (“BTU”) of (\$1.4539) as compared to a negative charge per million BTU of (\$1.4327) that was reflected on the previous revision of Tariff Sheet No. 6.10.

For a steam service customer, this would mean a decrease of approximately \$21.20 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 a decrease of \$332,192 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 \$2,649 when compared to the same quarter last year.

Staff reviewed the data and mathematical calculations Evergy Missouri West, Inc. provided in its worksheets and found Evergy Missouri West, Inc.’s calculations related to the filed tariff sheet to be correct, and that the calculations satisfy the standards set forth in Evergy Missouri West, Inc.’s Tariff Sheet Nos. 6.6 through 6.10. The calculations are also consistent with previous Evergy Missouri West, Inc. 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 December 1, 2019, the requested effective date:

P.S.C. MO. No. 1

42<sup>nd</sup> Revised Sheet No. 6.10 Canceling 41<sup>st</sup> Revised Sheet No. 6.10

Staff has verified that Evergy Missouri West, Inc. has filed its Annual Report and is current on its submission of its Surveillance Monitoring reports as required in 4 CSR 240-20.090(6) and its monthly reports as required by 4 CSR 240-20.090(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 Evergy Missouri West, Inc.'s calculations, R factor adjustments, and an adjustment for Coal Performance Standards outlined above and is not indicative of the prudence of the fuel costs included in the QCA.

**BEFORE THE PUBLIC SERVICE COMMISSION**

**OF THE STATE OF MISSOURI**

In the Matter of KCP&L Greater Missouri )  
Operations Company's Tariffs Changing the ) **Case No. HT-2019-0319**  
Steam QCA for Service 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 and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

Nancy L. Harris  
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 4<sup>th</sup> day of November 2019.

D. SUZIE MANKIN  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for Cole County  
My Commission Expires: December 12, 2020  
Commission Number: 12412070

D. Suzie Mankin  
Notary Public

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


In the Matter of KCP&L Greater Missouri )  
Operations Company's Tariff Changing the ) Case No. HT-2019-0319  
Steam QCA for Service Provided to )  
Customers in its Service Territory )

**AFFIDAVIT OF MICHAEL L. STAHLMAN**

STATE OF MISSOURI     )  
  )     ss.  
COUNTY OF COLE     )

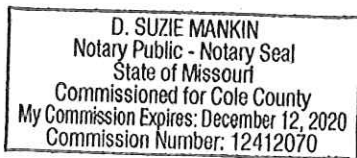
**COMES NOW** Michael L. Stahlman and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing Staff Memorandum; and that the same is true and correct according to his best knowledge and belief.

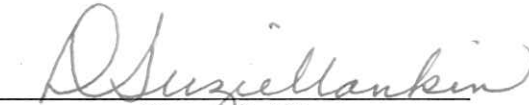
Further the Affiant sayeth not.

  
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Michael L. Stahlman

**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 4<sup>th</sup> day of November 2019.



  
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Notary Public