

**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 Changing)	<u>File No. HT-2021-0351</u>
the Steam QCA for Service Provided to)	Tariff No. YH-2022-0075
Customers in Service Territory)	

STAFF RECOMMENDATION TO APPROVE TARIFF

COMES NOW the Public Service Commission Staff ("Staff"), by and through counsel, and recommends that the Commission approve the tariffs filed by Evergy Missouri West Inc., d/ba Evergy Missouri West.

1. On October 15, 2021, Evergy Missouri West filed its Tariff Revision, Tracking No. YH-2022-0075.

2. On October 18, 2021, the Commission issued its *Order Directing Staff to File a Recommendation and Setting Deadline for Responses*. The *Order* directed Staff to file a recommendation regarding Evergy Missouri West's tariff sheets no later than 9 a.m. on November 15, 2021.

3. As more fully explained in the attached Memorandum, Staff has reviewed the proposed tariff sheets and recommends their approval.

WHEREFORE, Staff respectfully submits this *Staff Recommendation to Approve Tariffs*, and respectfully requests the Commission approve the tariffs filed by Evergy Missouri West.

Respectfully submitted,

/s/ Casi Aslin

Casi Aslin

Missouri Bar No. 67934

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Missouri Public Service Commission

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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 15th day of November, 2021.

/s/ Casi Aslin

MEMORANDUM

TO: Missouri Public Service Commission Official Case File No. HT-2021-0351
and Tariff Tracking No. YH-2022-0075

FROM: Michael L. Stahlman, Regulatory Economist

/s/Robin Kliethermes 11/15/2021 /s/Casi Aslin 11/15/2021
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 Third 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 December 1, 2021.

DATE: November 15, 2021

On October 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 third 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-2018-0231.¹

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 third quarter of 2021.

On October 18, 2021, the Commission directed Staff to file a recommendation on the pending tariff no later than November 15, 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.

The QCA Rider for this 50th revision of Tariff Sheet No. 6.10 reflects a positive charge per

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

million British Thermal Units (“BTU”) of \$0.3389 as compared to a negative charge per million BTU of (\$0.2369) that is the current charge per Tariff Sheet No. 6.10.

For a steam service customer, this would mean moving from a billing credit to a charge, which is an effective bill increase of \$575.80 for every thousand MMBTUs used. The QCA Rider charge will be a charge 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 \$1,496,261 in the quarterly adjusted fuel costs when compared to the same quarter last year. This increase is primarily due to the large increase in natural gas prices since the same quarter the prior year.² The Reconciliation Rate or R factor component reflects an increase of \$45,986 when compared to the same quarter last year.

Staff reviewed the data and mathematical calculations EMW provided in its worksheets and determined that 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 December 1, 2021, the requested effective date:

P.S.C. MO. No. 1
50th Revised Sheet No. 6.10 Canceling 49th 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.

² Approximately \$4.11 per mmBtu in Q3 2021 compared to \$1.78 per mmBtu in Q3 2020.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Evergy Missouri West, Inc.)
d/b/a Every Missouri West's Tariffs Changing the) **File No. HT-2021-0351**
Steam QCA for Service Provided to Customers)
in 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 Recommendation, in Memorandum form*; and that the same is true and correct according to his best knowledge and belief, under penalty of perjury.

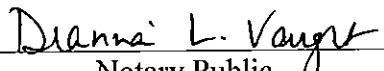
Further the Affiant sayeth not.



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 15th day of November, 2021.



Notary Public

DIANNA L. VAUGHT
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: July 18, 2023
Commission Number: 15207377