

Exhibit No.:
Issue: EEI and MEDA Dues
Witness: Jason Klindt
Type of Exhibit: Rebuttal Testimony
Sponsoring Party: Evergy Missouri Metro and Evergy
Missouri West
Case No.: ER-2022-0129 / 0130
Date Testimony Prepared: July 13, 2022

MISSOURI PUBLIC SERVICE COMMISSION

CASE NOS.: ER-2022-0129 / 0130

REBUTTAL TESTIMONY

OF

JASON KLINDT

ON BEHALF OF

EVERGY MISSOURI METRO and EVERGY MISSOURI WEST

**Kansas City, Missouri
July 2022**

REBUTTAL TESTIMONY

OF

JASON KLINDT

Case Nos. ER-2018-0145 and ER-2018-0146

1 **Q: Please state your name and business address.**

2 A: My name is Jason Klindt. My business address is 1200 Main, Kansas City, Missouri
3 64105.

4 **Q: By whom and in what capacity are you employed?**

5 A: I am employed by Evergy Metro, Inc. and serve as Sr. Director – Government Affairs and
6 Economic Development for Evergy Metro, Inc. d/b/a as Evergy Missouri Metro (“Evergy
7 Missouri Metro”), Evergy Missouri West, Inc. d/b/a Evergy Missouri West (“Evergy
8 Missouri West”), Evergy Metro, Inc. d/b/a Evergy Kansas Metro (“Evergy Kansas
9 Metro”), and Evergy Kansas Central, Inc. and Evergy South, Inc., collectively d/b/a as
10 Evergy Kansas Central (“Evergy Kansas Central”) the operating utilities of Evergy, Inc.

11 **Q: On whose behalf are you testifying?**

12 A: I am testifying on behalf of Evergy Missouri Metro and Evergy Missouri West.

13 **Q: Please state your educational background and describe your professional training
14 and experience.**

15 A: I have a Bachelor of Science degree from Northwest Missouri State University as well as
16 my Masters of Business Administration from Northwest. I’ve worked in the utility industry
17 for 8 years in the public affairs sector. I currently manage our government affairs and
18 economic development departments at Evergy, which includes coordinating our
19 relationship with the Edison Electric Institute across every business unit.

1 **Q: Have you previously testified in a proceeding at the Missouri Public Service**
2 **Commission (“Commission” or “MPSC”) or before any other utility regulatory**
3 **agency?**

4 A: No.

5 **Q: What is the purpose of your rebuttal testimony?**

6 A: The purpose of my rebuttal testimony is to respond to Staff witness Antonija Nieto’s
7 removal of Edison Electric Institute (“EEI”) and Missouri Energy Development
8 Association (“MEDA”) dues claiming that they are primarily legislative in nature and
9 include lobbying activities.

10 **Q: Staff eliminated dues associated with EEI? What is EEI?**

11 A: EEI is the association that represents all U.S. investor-owned electric utilities. EEI provides
12 essential services and resources, industry best practices and products as well as national
13 leadership that contribute to the long-term viability and service of the electric power
14 industry.

15 **Q: Does the Commission provide guidance on how to handle EEI dues in previous cases?**

16 A: Yes. In Case Nos. EO-85-185 and EO-85-224, KCP&L rate cases, the Commission stated
17 in its *Report and Order* regarding the need for the utility to allocate EEI benefits between
18 customers and shareholders:

19 ... The argument that allocation is not necessary if the benefits lessen the
20 cost of service to the ratepayers by more than the cost of the dues, misses
21 the point. It is not determinative that the quantification of benefits to the
22 ratepayer is greater than the EEI dues themselves. The determining factor is
23 what proportion of those benefits should be allocated to the ratepayer as
24 opposed to the shareholder. It is obvious that the interests of the electric
25 industry are not consistently the same as those of the ratepayers. The
26 ratepayers should not be required to pay the entire amount of EEI dues if
27 there is benefit accruing to the shareholders from EEI membership as well.
28 The Commission finds this to be the case. The Company has been informed

1 in prior rate cases that it must allocate its quantified benefits from
2 membership in EEI. That has not been done herein. Therefore, no portion
3 of EEI dues will be allowed in this case.

4 **Q: Has the Company already allocated some of the EEI dues below the line attributing**
5 **them to shareholders and excluded those costs from the revenue requirement**
6 **calculation?**

7 A: Yes. The Company records approximately 15% of the EEI annual membership dues
8 invoice below the line. This represents the portion of time that EEI is engaged in lobbying
9 activities for the electric utility industry. This percentage is based off the invoice that is
10 received from EEI on an annual basis which separates out any amounts that are related to
11 lobbying activities. As such, the Company has already eliminated costs that should not be
12 charged to customers. This is consistent with what the Commission stated in its Report and
13 Order in Case Nos. ER-85-185 and EO-85-224. The Company has adhered to the guidance
14 provided by this previous Commission Order and has allocated EEI dues between the
15 customers and shareholders.

16 **Q: Should Staff's EEI adjustment and dues and donations disallowance be accepted by**
17 **the Commission?**

18 A: No. As indicated above, the Company has already removed donations that were recorded
19 below the line. In addition, the EEI membership dues provide access to services that assist
20 the Company in providing more reliable and efficient services and provide benefits to
21 Evergy Missouri Metro and Evergy Missouri West customers. They provide valuable
22 forums and information-sharing for nearly every department in the company including
23 customer experience, security and preparedness, energy supply, human resources, legal and
24 health and safety. The costs associated with lobbying which benefit only shareholders are

1 already recorded below the line during the test year and not included in the cost of service
2 for this rate case. Staff's attempt to eliminate the beneficial costs of EEI should be
3 rejected by the Commission.

4 **Q: Did Staff also eliminate MEDA dues?**

5 A: Yes, Staff removed them as it believes the organization's purpose is primarily lobbying
6 and that costs associated with lobbying are not included in customer rates.

7 **Q: Will the Company eliminate the MEDA adjustment in the true-up revenue**
8 **requirement filed in this case?**

9 A: Yes, the Company will eliminate MEDA costs from the true-up revenue requirement
10 calculation.

11 **Q: Does that conclude your testimony?**

12 A: Yes, it does.

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

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

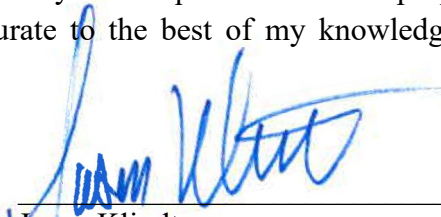
In the Matter of Evergy Missouri West, Inc. d/b/a)
Evergy Missouri West's Request for Authority to) Case No. ER-2022-0130
Implement A General Rate Increase for Electric)
Service)

AFFIDAVIT OF JASON KLINDT

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)


Jason Klindt, being first duly sworn on his oath, states:

1. My name is Jason Klindt. I work in Kansas City, Missouri, and I am employed by Evergy Metro, Inc. as Sr. Director – Government Affairs and Economic Development.
2. Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony on behalf of Evergy Missouri Metro and Evergy Missouri West consisting of four (4) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.
3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.



Jason Klindt

Subscribed and sworn before me this 13th day of July 2022.



Notary Public

My commission expires: 4/26/2025

