

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

In the Matter of the Application of Evergy)
Missouri West, Inc. d/b/a Evergy Missouri for) File No. EO-2022-0061
Approval of a Special High Load Factor Market Rate)

**VELVET’S RESPONSE TO PUBLIC COUNSEL’S MOTION FOR CLARIFICATION,
REHEARING, AND RECONSIDERATION**

Velvet Tech Services, LLC ("Velvet"), for its response to Motion for Clarification, Rehearing, and Reconsideration filed by the Office of Public Counsel (OPC), state as follows:

1. The Commission issued its Report and Order in this case on March 2, 2022.

2. On March 11, 2022, OPC filed a Motion for Clarification, Rehearing and Reconsideration identifying two issues: (1) one issue for “clarification or possible rehearing” related to the renewable energy standard and (2) one issue for “rehearing or reconsideration” related to the economic development rider.

3. Because the Commission’s Report and Order is clear, lawful, just and reasonable, OPC’s Motion should be denied.

Renewable Energy Standard (RES)

4. OPC claims the Report and Order as to the RES requirement variances is unclear enough to warrant clarification or possible rehearing. OPC suggests there is ambiguity as to the “trigger” for the exclusion and as to the amount or level of exclusion.

5. The Report and Order summarized the variances requested by Evergy and Velvet as to the RES as follows:

The first variance would exclude an MKT customer’s load from the definition of “total retail electric sales” under 20 CSR 4240-20.100(1)(W), when the MKT customer demonstrates it has retired, or had retired on its behalf, Renewable Energy Credits greater than or equal to the then existing RES requirement that would have been applied to the MKT customer load. The second variance would exclude the RES compliance costs needed to serve an MKT customer from being characterized as part of EMW’s RES revenue requirement under 20 CSR 4240-20.100(1)(S)(1), when the MKT customer demonstrates it has retired, or had retired on its behalf, Renewable Energy Credits greater than or equal to the then existing RES requirement that would have been applied to the MKT customer load.

6. Contrary to OPC's claims, the Report and Order makes clear that an MKT customer is required to only procure RECs sufficient to cover 15% (the current RES statute minimum) of its own load to trigger the exemption from RESRAM charges.

7. The Report and Order is also clear that the Commission, in approving the variances as requested by Evergy and Velvet, was approving the reduction of Evergy's electric sales in an amount equal to the MKT customer's entire load. This is consistent with the RES statute and rule. This ensures Evergy's RES requirement would not be increased because of the addition of an MKT Customer who is already meeting the state's existing renewable energy goals. OPC claims the language in the Commission's order sets up two possible scenarios –“ Option 1” or “Option 2” – but it is clear from the Commission's Report and Order that its decision is consistent with “Option 2.”

8. Finally, OPC claims the Commission did not “directly approve” the variances requested by Evergy and Velvet. To the extent the Commission determines it has not already approved the variances, Velvet supports the Commission “directly” approving such variances as requested in the Evergy/Velvet Stipulation. *See* Exhibit 8, p. 3, ¶6.

Economic Development Rider (EDR)

9. The Commission's decision on the EDR issue is not unlawful, unjust, or unreasonable.

10. OPC Complains that its proposed modification to the application of Evergy's EDR is “unambiguously” included in the second issue: “[W]hat if any modifications to the Schedule MKT tariff proposed by EMW or other conditions should the Commission order?”

11. If it was so clear that EDR was within the scope of the second issue, then why did OPC not address the issue in its position statement? To wit, OPC's position as to the second question was as follows:

The Commission should order the modifications proposed by witnesses for Staff and the OPC. Dr. Geoff Marke, witness of the OPC, outlined several “redline” style changes to Evergy's proposed Schedule MKT on pages eleven through sixteen of his rebuttal testimony. Dr. Geoff Marke, Rebuttal Testimony, pgs. 11 – 16. In addition, the OPC's witness Ms. Lena Mantle offered three additional modifications in her surrebuttal testimony. Lena Mantle, Surrebuttal Testimony, pgs. 3, 5 – 6. Many of these changes either mirror or compliment the proposed modifications offered by Staff witnesses. *See* Robin Kliethermes, Surrebuttal Testimony, Schedule RK-s1 pg. 4 of 5. They are also primarily taken directly from Evergy West's existing Schedule SIL tariff sheet. *See, e.g.,* Lena

Mantle, Surrebuttal, pg. 5 lns. 7 – 8. The Commission should therefore order these modifications.

OPC did not raise the EDR issue in its position statement and the EDR issue was not raised in any of the testimony cited by OPC. In fact, no party raised the EDR issue in testimony or a position statement. While the issue was raised in the OPC Stipulation, Evergy, Velvet and Google all objected to the late inclusion and presentation of evidence on the EDR issue and opposed OPC's position on the EDR issue.

12. The Commission did give OPC a reasonable opportunity to address the EDR matter and, given the objections by the other parties, to explain if, it was such an important issue to OPC, why it was not addressed in rebuttal testimony, surrebuttal testimony or its position statement. The Commission considered the testimony adduced and arguments made by OPC and rendered a just and lawful decision.

Conclusion

Velvet respectfully requests that the Commission deny OPC's Motion for Clarification, Rehearing, and Reconsideration.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was serve upon all of the parties of record or their counsel, pursuant to the Service List maintained by the Data Center of the Missouri Public Service Commission, on this 21st day of March, 2022.

/s/ Stephanie S. Bell

Stephanie S. Bell