Issue: Renewable Energy Credit Revenues

and the FAC,

Witness: Linda J. Nunn

Type of Exhibit: True-Up Rebuttal Testimony

Party: Evergy Missouri Metro and Evergy

Missouri West

Case No.: ER-2022-0129 / 0130

Date Testimony Prepared: August 25, 2022

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2022-0129 / 0130

TRUE-UP REBUTTAL TESTIMONY

OF

LINDA J. NUNN

ON BEHALF OF

EVERGY MISSOURI METRO and EVERGY MISSOURI WEST

Kansas City, Missouri August 2022

TRUE-UP REBUTTAL TESTIMONY

OF

LINDA J. NUNN

Case No. ER-2022-0129 / 0130

1	Q:	Please state your name and business address.		
2	A:	My name is Linda J. Nunn. My business address is 1200 Main, Kansas City,		
3		Missouri 64105.		
4	Q:	Are you the same Linda J. Nunn who submitted direct, rebuttal, surrebuttal,		
5		and true-up direct testimony in these dockets?		
6	A:	Yes.		
7	Q:	On whose behalf are you testifying?		
8	A:	I am testifying on behalf of Evergy Metro, Inc. d/b/a Evergy Missouri Metro		
9		("EMM") and Evergy Missouri West, Inc. d/b/a Evergy Missouri West ("EMW")		
10		(collectively, the "Company").		
11	Q:	What is the purpose of your True-up Rebuttal testimony?		
12	A:	The purpose of my testimony is to respond to the true-up direct testimony of Office		
13		of Public Counsel ("OPC") witness Lena Mantle regarding the Fuel Adjustment		
14		Clause ("FAC") base factors.		
15	Q:	Please briefly summarize Ms. Mantle's testimony.		
16	A:	Ms. Mantle notes that EMM and EMW sold Renewable Energy Credits ("RECs")		
17		in the months of February 2022 through May 2022 and that neither Staff nor the		
18		Company included these REC revenues in the revenue requirement or FAC base		

1		factor. Ms. Mantle recommends that a normalized level of REC revenues, which			
2		she argues is equal to the actual REC revenues received for the 12-months ending			
3		May 2022, be included in each company's revenue requirement and FAC base			
4		factor calculation. (True-up direct testimony OPC witness Mantle at 4-5).			
5	Q:	Do you agree with Ms. Mantle?			
6	A:	No,			
7	Q:	Why shouldn't RECs be included in the FAC base or the revenue requirement			
8		calculation?			
9	A:	First, REC sales are unpredictable and non-repetitive.			
10		Second, the REC sales that Ms. Mantle references were for RECs related to			
11		prior years and not forward looking.			
12		Finally, the market value for RECs varies wildly.			
13		It would be irrational to set a base level for revenues that are inconsistent,			
14		non-repeatable, and unpredictable. Ms. Mantle's proposal should be rejected.			
15	Q:	If REC sales revenues are not included in the FAC base factor and revenue			
16		requirements in this case will customers appropriately receive the benefit of			
17		future REC sales made by EMM and EMW?			
18	A:	Yes, absolutely. Even though REC sales should not be reflected in the FAC base			
19		factor or revenue requirements in this case for the reasons I outlined, consistent			
20		with what has occurred for the REC sales that have already been made by the			
21		companies, including those listed by Ms. Mantle, customers receive the benefit of			
22		REC sales through inclusion in the FAC accumulation filings made every 6 months			
23		by the companies. Ms. Mantle's argument that the 95%/5% sharing between			

- 1 customers and the Company of net FAC costs could benefit the Company, is
- 2 irrelevant.
- 3 Q: Does that conclude your true-up rebuttal testimony?
- 4 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 Implement A General Rate Increase for Electric)	Case No. ER-2022-0129
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)	
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AFFIDAVIT OF LINDA J. NUNN

STATE OF MISSOURI) ss COUNTY OF JACKSON)

Linda J. Nunn, being first duly sworn on his oath, states:

- 1. My name is Linda J. Nunn. I work in Kansas City, Missouri, and I am employed by Evergy Metro, Inc. as Manager Regulatory Affairs.
- 2. Attached hereto and made a part hereof for all purposes is my True-Up Rebuttal Testimony on behalf of Evergy Missouri Metro and Evergy Missouri West consisting of three (3) 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.

Linda J. Nunn

Subscribed and sworn before me this 25th day of August 2022.

Notary Public

My commission expires:

ANTHONY R. WESTENKIRCHNER NOTARY PUBLIC - NOTARY SEAL STATE OF MISSOURI MY COMMISSION EXPIRES APRIL 26, 2025 PLATTE COUNTY COMMISSION #17279952