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Subscription Pilot
Program*
Witness: *Kory J. Boustead*
Sponsoring Party: *MoPSC Staff*
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Case No.: *ER-2022-0129/30*
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MISSOURI PUBLIC SERVICE COMMISSION
INDUSTRY ANALYSIS DIVISION
ENERGY RESOURCES DEPARTMENT

REBUTTAL TESTIMONY

OF

KORY J. BOUSTEAD

**EVERGY MISSOURI WEST, INC. d/b/a EVERGY MISSOURI WEST
AND EVERGY METRO, INC. d/b/a EVERGY MISSOURI METRO**

CASE NO. ER-2022-0129 and CASE NO. ER-2022-0130

Jefferson City, Missouri
July 2022

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EXECUTIVE SUMMARY1
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1 (2) the proposal in regards to Income-Eligible Programs as in the
2 Direct Testimony of the Office of Public Counsel (“OPC”) witness Dr. Geoff Marke; and

3 (3) the proposal in regards to the Low-Income Solar Subscription Pricing Pilot
4 Program in the Direct Testimony of Company witness Ms. Winslow and the OPC witness
5 Mr. Jordan Seaver.

6 **INCOME-ELIGIBLE WEATHERIZATION – DOLLAR-AIDE ROLLOVER**

7 Q. Briefly describe the proposed tariff change to the IEW program.

8 A. In the Direct Testimony of Company witness Kimberly H. Winslow, Section V.
9 INCOME-ELIGIBLE WEATHERIZATION (“IEW”) PROGRAM, Ms. Winslow proposes a
10 tariff change to allow for the unspent IEW program funds, accumulating since the last rate case
11 in May 2018 to the completion of this current rate case, to annually rollover to its
12 Dollar-Aide program.

13 Q. What is the Dollar-Aide program?

14 A. Dollar-Aide is a non-tariffed voluntary program where employees and
15 customers can provide tax-deductible donations to the Company to help eligible individuals and
16 families with their utility bills to avoid loss of service. The Company matches every dollar
17 donated with an additional 50-cent energy credit donation.

18 Q. Is the Company proposing this as a one-time request of unspent IEW funds to
19 be applied to Dollar Aide?

20 A. No, the Company is seeking approval to establish an annual roll-over of excess
21 unspent funds to Dollar-Aide to keep from potentially accruing a large unspent balance in roll-
22 over budget accumulations.

1 Q. Does the Company plan to match the IEW funds rolled-over to Dollar-Aide as
2 they do with the donated funds?

3 A. No, the Company will not match the roll-over funds because the match funds
4 come directly from the charitable budget, and the intent of the match is for customer and
5 employee contributions made directly to Dollar-Aide.²

6 Q. Where do the program funds for the IEW annual budget come from?

7 A. The IEW annual program funds are rate-payer funded since the inception of the
8 program to help eligible customers receive weatherization of their home and reduce the amount
9 of energy usage by up to 35%.

10 Q. Since the implementation of the IEW program,³ has there been a history of
11 accumulated unspent funds, and what actions were taken to bring that balance down?

12 A. Yes, throughout the programs history, it has traditionally carried an unspent
13 balance of program funds. The most recent action to make use of said funds was in
14 Case No. ER-2016-0285 where, due to an accumulation of unspent program funds, the
15 Company proposed to use accrued funds set aside in the liability account instead of collecting
16 additional funds in rates, and thus set the annualized level to zero for the weatherization
17 program. In that case, as of September 30, 2016, the liability account for the IEW program had
18 a balance of \$1,296,861.94. At the annual program cost of \$573,888, it would have taken
19 over 2.25 program years to utilize the unspent funding level. In lieu of the Company's proposal
20 to not fund the IEW program through rates but rather use the unspent funds, Staff recommended
21 the Commission approve the funding through rates at a reduced level. A reduced level of

² Direct testimony of Kimberly H. Winslow, page 66 line 16.

³ The IEW program was established in 2007, in Case No EO-2005-0329, by Stipulation and Agreement, approved by the Commission on August 23, 2005, and was known as the Low-Income Weatherization Assistance Program.

1 ratepayer funding allowed the Company to utilize the balance of unspent funds and avoid any
2 future continuity problems.⁴

3 Q. Does Staff support the proposed tariff change to rollover to Dollar-Aide?

4 A. No, while Staff is supportive of low-income programs providing relief to
5 customers overall, Staff does not support the proposal to roll-over unspent program funds or
6 ratepayer funds collected for a specific low-income program that provides more long-term relief
7 from high energy bills overall by reduced energy usage through weatherization. There are
8 currently programs that exist to provide bill payment relief. Staff acknowledges the potential
9 for funding for weatherization efforts to come in from other sources that can prohibit the utility
10 weatherization funds from being fully expended each program year. Staff recommends the
11 Commission order a reduced level by half (\$286,944) of ratepayer funding to allow the unspent
12 balance to be utilized, as previously done in Case No. ER-2016-0285.

13 **INCOME-ELGIBLE PROGRAMS**

14 Q. Please provide an overview of OPC Witness Dr. Geoff Marke's
15 recommendations for the Income Eligible Programs.

16 A. OPC witness Dr. Marke, has three recommendations. He recommends the
17 addition of two programs, (1) a Critical Needs Program and (2) a Rehousing Pilot Program. He
18 recommends a change to the IEW tariff to allow the customer service representatives to seek
19 permission to forward the customer's contact information to their local Community Action
20 Agency ("CAA") to be contacted about weatherizing their home.

⁴ Case No. ER-2016-0285 STAFF REPORT, REVENUE REQUIREMENT COST OF SERVICE, page 131-133
Paragraph 18. Income Eligible Weatherization Program (formally Low Income Weatherization Program).

1 **Critical Needs Program**

2 Q. What is the Critical Needs Program (“CNP”)?

3 A. The Critical Needs Program is a pilot program modeled after Baltimore
4 Gas & Electric’s (“BG&E”) Critical Needs Program. The program helps vulnerable customers
5 who may not have the capacity to research and apply for assistance, negotiate reasonable
6 payment plans, or properly navigate the energy-assistance application process. However due
7 to their circumstances, they are particularly vulnerable to harm if they become disconnected.
8 To help with that, the CNP streamlines and expedites the processes to help customers stay
9 connected by allowing immediate access to existing resources for customers seeking assistance
10 in non-traditional utility customer service representative (“CSR”) venues (e.g., hospitals, public
11 and private assistance agencies, shelters, etc.)

12 The CNP is a voluntary program that trains representatives who work in non-traditional utility
13 CSR venues and utilizes a simple form under a “fast-track” protocol that provides an expedited
14 process that should:

- 15 • Maintain or restore utility services;
- 16 • Avoid negative impacts on residents with serious medical and/or crisis conditions;
- 17 • Address build-up of utility arrears; and
- 18 • Provide a streamlined process to complementary services.

19 This program has been implemented in the most recent rates cases of Spire, Ameren Missouri,
20 Empire District Electric, and Empire District Gas companies⁵. Dr. Marke is recommending

⁵ See Case No. GR-2021-0108 for Spire; ER-2021-0240 for Ameren Missouri; ER-2021-0312 for Empire District Electric and GR-2021-0320 for Empire District Gas.

1 a 50/50 sharing of costs between ratepayers and shareholders for this program for a minimum
2 of three years at a total of \$600K per year (or \$300K per utility).

3 Q. Does Staff find this recommendation reasonable?

4 A. Yes, Staff finds the recommendation reasonable given the importance of a
5 program like this to the Company's most vulnerable customers and the fact other Missouri
6 investor-owned utilities have recently received approval of this program in their most recent
7 rate cases.

8 **Rehousing Pilot Program**

9 Q. What is the Rehousing Pilot Program?

10 A. The Rehousing Pilot Program ("RPP") is a low-income program targeted at
11 transitional housing customers based on recommendations from Apprise, an independent third
12 party, who conducted a study on Ameren Missouri's low-income programs. The RPP includes
13 a select group of homeless agencies in the greater St. Louis and St. Charles area and includes
14 500 targeted participants a year. Each participant will receive \$1,000 to be allocated towards
15 arrearages and/or future bill credit to help these agencies' clients transition into stable housing
16 arrangements with new utility accounts.

17 Q. Is Dr. Marke recommending EMM and EMW implement the same
18 pilot program?

19 A. Yes, he is recommending the pilot program be implemented under the same
20 funding level and ratio (\$500K allocated 50/50 between ratepayers and shareholders).

21 Q. Does Staff find this recommendation reasonable?

22 A. Staff finds OPC's recommendation reasonable and is not opposed, given that
23 Staff agreed to the Ameren Missouri Rehousing Pilot Program and has been an active

1 participant in discussions with the other parties in the development of the pilot program, and
2 would anticipate the same for an EMM and EMW program.

3 **Income-Eligible Weatherization Assistance Program (“IEWAP”)**

4 Q. What are the recommended changes to Evergy’s IEWAP program by OPC?

5 A. Dr. Marke recommends the CSRs receiving calls from customers about their
6 bills be allowed to ask for consent from the customer to forward their contact information to
7 the relevant CAA so a representative from the CAA may contact them about getting their home
8 weatherized free of charge and other assistance if eligible.

9 Q. Does Staff find this recommendation reasonable?

10 A. Staff finds the recommendation reasonable as it provides income-eligible
11 customers with ease of another source of assistance, and has recently been undertaken by other
12 investor owned utilities within their program.

13 **Low-Income Solar Subscription Pilot Program (“Schedule LCS”)**

14 Q. Please provide a brief overview of the Schedule LCS.

15 A. The Schedule LCS is a solar subscription pilot program to provide clean energy
16 access at an affordable and stable rate to underserved customers who otherwise might not be
17 able to participate in renewables programs. The Schedule LCS is similar to the currently active
18 program, the Schedule SSP. For the low-income program, the Company has proposed 1 MWac⁶
19 of solar PV array to provide subscription blocks for any participating low-income customers.
20 The design is somewhat similar to solar subscription in that each subscriber would elect some
21 percentage of their energy usage to offset. A participant’s share of the solar resource production
22 would be subtracted from the metered energy, which is billed under the standard rate. To make

⁶ Direct testimony of Kimberly H. Winslow, page 34, line 7.

1 it affordable for low income subscribers Everygy is proposing a rate escalation to shift cost
2 savings forward. The intention is to fall just below the average retail rates.⁷

3 Q. Does Staff find the Company’s proposal for the Low-Income Solar Subscription
4 Pilot Program as detailed in Company witness Kimberly H. Winslow’s testimony reasonable?

5 A. Staff finds the program reasonable as a pilot program. This was agreed upon by
6 the signatories in the 2018 Rate Design Stipulation and Agreement,⁸ where the Company
7 “agreed to consider building required solar with the understanding that that solar may be used
8 for separate (low-income) projects”.

9 Q. Does Staff find the recommendation of OPC witness Jordan Seaver to add a
10 Shareholder Cost Sharing Component to the program for the unsubscribed blocks of
11 a 90-10 split for shareholders and participating customers reasonable?

12 A. Staff finds the recommendation reasonable as there are other low-income
13 programs currently approved where the shareholders cover a portion of the program cost.

14 Q. Does this conclude your testimony?

15 A. Yes.

⁷

⁸ Case Nos. ER-2018-0145/0146 *In the Matter of Kansas City Power & Light Company’s Request/KCP&L Greater Missouri Operations Company’s Request for Authority to Implement A General Rate Increase for Electric Service, NON-UNANIMOUS PARTIAL STIPULATION AND AGREEMENT CONCERNING RATE DESIGN ISSUES, page 13, paragraph 11. SOLAR SUBSCRIPTION RIDER.*

Tariff Issue

Low Income Program

BEFORE THE PUBLIC SERVICE
OF THE STATE OF MI

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) Case No. ER-2022-0130
Authority to Implement a General Rate)
Increase for Electric Service)

AFFIDAVIT OF KORY J. BOUSTEAD

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW KORY J. BOUSTEAD and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Rebuttal Testimony of Kory J. Boustead*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

Kory J. Boustead
KORY J. BOUSTEAD

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 6th day of July, 2022.

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: April 04, 2025
Commission Number: 12412070

D. Suzie Mankin
Notary Public