

Exhibit No.:
Issue(s): *Income Eligible
Weatherization,*
Witness: *Kory J. Boustead*
Sponsoring Party: *MoPSC Staff*
Type of Exhibit: *Direct Testimony*
Case Nos.: *ER-2022-0129 and
ER-2022-0130*
Date Testimony Prepared: *June 6, 2022*

MISSOURI PUBLIC SERVICE COMMISSION

COMMISSION STAFF DIVISION

ENERGY RESOURCES DEPARTMENT

DIRECT TESTIMONY

OF

KORY J. BOUSTEAD

**Evergy Metro, Inc. d/b/a Evergy Missouri Metro
Case No. ER-2022-0129**

**Evergy Missouri West, Inc. d/b/a Evergy Missouri West
Case No. ER-2022-0130**

*Jefferson City, Missouri
June 2022*

1
2
3
4
5
6
7
8
9
10
11
12
13

**TABLE OF CONTENTS OF
DIRECT TESTIMONY OF
KORY J. BOUSTEAD**

Evergy Metro, Inc. d/b/a Evergy Missouri Metro

Case No. ER-2022-0129

Evergy Missouri West, Inc. d/b/a Evergy Missouri West

Case No. ER-2022-0130

EXECUTIVE SUMMARYError! Bookmark not defined.

INCOME ELIGIBLE WEATHERIZATION PROGRAM OVERVIEW3-6

STAFF RECOMMENDATION6

1 responsible for maintaining personal telephone statistics and call volume in excess of company
2 average. Prior to my employment with Ameren Missouri, I worked for Sprint Telephone in
3 customer service, KRCG-TV in advertising, and was the retail store manager for Alamosa PCS
4 (a Sprint PCS affiliate) in Jefferson City.

5 I started my employment with the Missouri Public Service Commission as a
6 Rate & Tariff Examiner, in the Natural Gas Rate & Tariff Division in July 2012. In this role, I
7 was responsible for filing testimony on behalf of Staff on various issues within the natural gas
8 rate cases, reviewing tariff sheets/tariff books when changes/additions to rates or tariffed
9 programs were filed and Commission approved.

10 In 2013, I began to participate as a regulatory stakeholder in investor owned
11 natural gas companies' individual Energy Efficiency Advisory Group ("EEAG") meetings.
12 My role was to provide feedback and suggest changes in the design, implementation, and
13 overall success of the low-income programs within the energy efficiency portfolio.
14 That included the Low-Income Programs designed to help customers catch up on their bill
15 arrearages and with low-income weatherization programs. I participated in rate cases dealing
16 with these programs by filing testimony relating to changes and/or the continuation of
17 these programs.

18 In 2015, I transitioned to the Energy Resources Department, where I continued
19 the same duties while adding my participation in the investor owned electric companies'
20 individual EEAGs as a regulatory stakeholder with the same involvement as a regulatory
21 stakeholder as my role on the natural gas side.

22 In addition to my regulatory stakeholder role, I am currently serving my third
23 three-year term as a council member on the Missouri Weatherization Policy Advisory Council

1 (“MWPAC”), representing Staff in the state annual plan for the Low-Income Weatherization
2 Assistance Program, federally funded through the U.S. Department of Energy’s Low-Income
3 Weatherization Assistance Program,.

4 Q. Have you testified previously before the Commission?

5 A. Yes. Please refer to Schedule KJB1, attached to this Direct Testimony, for a list
6 of the cases in which I have filed testimony.

7 **EXECUTIVE SUMMARY**

8 Q. What is the purpose of your direct testimony?

9 A. The purpose of my testimony is to provide an overview of Evergy Metro, Inc.
10 d/b/a Evergy Missouri Metro’s (“EMM”) and Evergy Missouri West, Inc. d/b/a
11 Evergy Missouri West’s (“EMW”) currently approved Income-Eligible Weatherization
12 Programs (“IEWP”) and to provide recommendations on the program going forward.

13 Q. Please provide a brief overview of Staff’s recommendation.

14 A. Staff recommends the Commission approve the continuation of the IEWPs for
15 EMM and EMW as currently structured and funded.

16
17
18 **INCOME ELIGIBLE WEATHERIZATION PROGRAMS (“IEWP”)**

19 Q. Please provide a brief background of the IEWP.

20 A. The IEWP is a voluntary program assisting residential customers in reducing
21 their energy usage by weatherizing the homes of qualified customers.

1 Per the *Non-Unanimous Partial Stipulation and Agreement*¹ in Case Nos.
2 ER-2018-0145 and ER-2018-0146, the annual budget for IEWPs was set at \$573,888 and
3 \$500,000 for EMM and EMW, respectively. EMM and EMW committed to secure contracts
4 with the local Community Action Agencies (“CAAs”) to spend down unspent amounts.
5 Any unspent funds accrue interest at the allowance for funds used during construction
6 (“AFUDC”) rate and be carried over for use in future program years. EMM and EMW also
7 agreed to not recover throughput disincentive² under the Companies’ Energy Efficiency
8 Investment Charge on these programs, a carryover from when the program was part of the
9 Companies’ Missouri Energy Efficiency Investment Act (“MEEIA”) portfolios, and agreed to
10 amortize the unspent funds over a four-year period.

11 Q. What is the amount of unspent programs funds for EMM and EMW?

12 A. As of December 31, 2021, the unspent funds in the IEWPs amounted to
13 \$274,018 for EMM and \$914,524 for EMW, respectively.

14 Q. Why does Staff support a funding level of \$573,888 for EMM’s IEW program?

15 A. This funding level was established over 12 years ago and EMM has
16 demonstrated in the past that it can expend at this level. EMM’s service area is sufficient to
17 support this funding level as it serves 260,202 residential customers³ in communities across
18 13 counties. This equates to \$2.20 annually per customer (\$573,888/254,755).

19 Q. Why does Staff support a funding level of \$500,000 for EMW’s IEW program?

¹ Case No. ER-2018-0145/ER-2018-0146, *In the Matter of Kansas City Power & Light Company/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, page 10, Paragraph 19, INCOME ELIGIBLE WEATHERIZATION.*

² Throughput disincentive means the electric utility’s lost margin revenues that result from decreased retail sales volumes due to its demand-side programs.

³ Company’s Minimum Filing Requirements, EFIS No. 2

1 A. The current funding level of \$500,000 is a change from the previously approved
2 \$400,000 with another \$100,000 allowed to be tracked in a deferral account for future
3 recovery.⁴ EMW has demonstrated in the past that it can expend close to this amount.
4 EMW’s service area is sufficient to support this funding level, as it serves 292,148 residential
5 customers⁵ in communities across 31 counties. This equates to \$1.71 annually per
6 customer (\$500,000/292,148).

7 Q. What are the barriers or specific causes allowing the unspent funds to
8 accumulate?

9 A. Staff submitted data requests regarding the IEWP and utilization of the program
10 funds. In Data Request 0431 to EMM Staff requested:

11 “Please list any barriers the weatherization agencies have faced or are currently
12 facing in being able to weatherize home and spend the budget provided by the company.”

13 Staff received a response stating the most common observed barriers today are
14 the following:

- 15 • Agencies’ inability to hire and keep qualified employees due to starting rate of
- 16 pay and a competitive/limited job pool – specifically Building Performance
- 17 Institute (“BPI”) certified staff;
- 18 • Procuring of materials due to pandemic and supply shortages;
- 19 • Lack of qualified contractors interested in supporting the program;

⁴ ⁸ Missouri Public Service Commission Case No. ER-2016-0156. *In the Matter of KCP&L Greater Missouri Operations Company’s Request for Authority to Implement A General Rate Increase for Electric Service.* Non-Unanimous Stipulation and Agreement, Section 9, page 5.

⁵ Company’s Minimum Filing Requirements, EFIS No. 2.

1 • Due to health & safety repairs needed and the extensive work required prior to
2 weatherization, the weatherization work is deferred until those repairs can be
3 done. (i.e., foundation repairs, roof repairs or replacement, mold mitigation, pest
4 infestations, etc.)⁶. Many of these issues have a higher cost than weatherization
5 measures; and

6 • A common theme for some agencies not spending down the budget provided by
7 the Company is due to the Department of Energy (“DOE”) requirement to spend
8 federal funding first. While Evergy cannot change this DOE requirement, the
9 Company can, and has, changed what the funding can be spent on to allow a
10 more comprehensive project upgrade and more homes to be eligible to proceed.⁷

11 Q. Does Staff agree with the barriers listed and/or have knowledge of such barriers?

12 A. Yes. Staff agrees. Since the Covid-19 pandemic, Staff has participated in
13 monthly conference calls held by DOE for weatherization directors of the CAAs all over the
14 state. During those calls, the weatherization directors would provide status updates on what is
15 working and what is not, and if they are still having supply issues or difficulty attracting
16 applicants for their open positions.

17 Q. What is Staff’s recommendation for the IEW programs going forward?

18 A The IEW programs for EMM and EMW have accumulated a surplus in program
19 funding due to the weatherization efforts being delayed or stopped altogether during the

⁶ Until recent approved tariff changes the utility funded IEWP followed the strict guidelines for how the program funds could be spent. Due to the DOE requirement homes in need of extensive work to be completed before it can be approved for weatherization due to health & safety hazards were deferred or put on a wait list and not weatherized until the homeowner completed the repairs needed. As such, the DOE funds were not permitted to be used for such repairs.

⁷ Company response to Staff’s data request 0431.

1 COVID-19 Pandemic. Due to past program performance demonstrating that EMM and EMW
2 can perform at or near the current funding levels, Staff recommends the Commission continue
3 the IEWPs at the current funding levels \$573,888 for EMM and \$500,000 for EMW,
4 respectively, with the program structured as currently approved.

5 Q. Does this conclude your testimony?

6 A. Yes.

7

8

9

10

11

12

13

14

15

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) 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 *Direct Testimony of Kory J. Boustead*; and that the same is true and correct according to her best knowledge and belief.

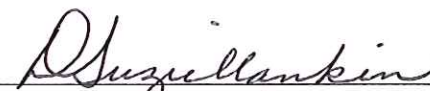
Further the Affiant sayeth not.


KORY J. BOUSTEAD

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 June 2022.

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


Notary Public

List of Previous Testimony Filed

Kory J. Boustead

Date Filed	Issue	Case Number	Case Name
05/30/2014	Direct - Staff Report - Low Income Weatherization Programs, Energy Efficiency, Service Line Extension	GR-2014-0086	Summit Natural Gas of Missouri, Inc.
06/06/2014	Direct - Staff Report - Low Income Weatherization Programs, Energy Efficiency, Main Line Extension	GR-2014-0152	Liberty Utilities
07/11/2014	Rebuttal - Energy Efficiency, Low Income Weatherization Program	GR-2014-0086	Summit Natural Gas of Missouri, Inc.
07/30/2014	Rebuttal - Low Income Weatherization Programs, Energy Efficiency, Main Line Extension	GR-2014-0152	Liberty Utilities
08/08/2014	Surrebuttal - Low Income Weatherization Program	GR-2014-0086	Summit Natural Gas of Missouri, Inc.
12/05/2014	Direct - Staff Report - Low Income Keeping Current Pilot Program	ER-2014-0258	Ameren Missouri
02/06/15	Surrebuttal – Low Income Keeping Current Pilot Program	ER-2014-0258	Ameren Missouri

cont'd Kory J. Boustead

Date Filed	Issue	Case Number	Case Name
04/03/2015	Direct - Staff Report - Economic Relief Pilot Program, Low Income Weatherization Program	ER-2014-0370	Kansas City Power & Light Company
03/25/2016	Direct - Staff Report - Low Income Programs, Low Income Weatherization Program	ER-2016-0023	The Empire District Electric Company
05/12/2016	Rebuttal - Low Income Weatherization Program	ER-2016-0023	The Empire District Electric Company
07/15/2016	Direct- Staff Report – Income-Eligible Weatherization, Economic Relief Pilot Program	ER-2016-0156	KCP&L Greater Missouri Operations Company
09/02/2016	Surrebuttal – Income-Eligible Weatherization, Economic Relief Pilot Program	ER-2016-0156	KCP&L Greater Missouri Operations Company
11/30/2016	Direct – Staff Report – Income-Eligible Weatherization, Economic Relief Pilot Program	ER-2016-0258	Kansas City Power & Light Company
12/09/2016	Direct – Staff Report - Low Income Keeping Current Pilot Program, Low Income Weatherization Assistance Program	ER-2016-0179	Ameren Missouri
01/20/2017	Rebuttal – Low Income Weatherization Program	ER-2016-0179	Ameren Missouri

Date Filed	Issue	Case Number	Case Name
02/28/2018	Staff Report - Emission Allowances and Interest	EO-2018-0067	Staff's Sixth Fuel Adjustment Clause Prudence Review Report – Ameren Missouri
03/16/2018	Direct – Staff Report – Tariff Organization	GR-2018-0013	Liberty Utilities
06/19/2018	Direct – Staff Report – Income Eligible Weatherization	ER-2018-0245	Kansas City Power & Light Company
04/30/2018	Direct – Staff Report – Interest	EO-2018-0155	First Prudence Review for Cycle 2 of Costs Related to the Demand-Side Programs for the Electric Operations of Union Electric Company, d/b/a Ameren Missouri
06/19/2018	Direct – Staff Report - Income Eligible Weatherization	ER-2018-0246	KCP&L Greater Missouri Operations Company
08/30/2018	Rebuttal – Low-Income Programs and Tariff design	EO-2018-0122	Ameren Missouri's 3 rd Filing to Implement Regulatory Changes in Furtherance of Energy Efficiency as Allowed by MEEIA
09/05/2018	Staff Report – Interest, Renewable Energy Credit Revenue and Plant Outages	EO-2018-0244	In the Matter of the Seventh Prudence Review of Costs Subject to the Commission Approved Fuel Adjustment Clause of The Empire District Electric Company
09/17/2018	Surrebuttal – Low-Income Programs and Tariff design	EO-2018-0122	Ameren Missouri's 3 rd Filing to Implement Regulatory Changes in Furtherance of Energy Efficiency as Allowed by MEEIA

Date Filed	Issue	Case Number	Case Name
02/28/2019	Staff Report – Renewable Energy Credits	EO-2019-0067	In the Matter of the Eighth Prudence Review of Costs Subject to the Commission-Approved Fuel Adjustment Clause of KCP&L Greater Missouri Operations Company
02/28/2019	Staff Report – Renewable Energy Credits	EO-2019-0068	In the Matter of the Second Prudence Review of Costs Subject to the Commission-Approved Fuel Adjustment Clause of Kansas City Power and Light Company
4/19/2019	Staff Direct Cost of Service Report – Energy Efficiency, Low-Income Programs & Low-Income Weatherization	GR-2019-0077	In the Matter of Union Electric Company d/b/a Ameren Missouri’s Tariffs to Increase its Revenues for Natural Gas Service
6/6/2019	Rebuttal Testimony - Renewable Energy Credits	EO-2019-0067	In the Matter of the 8 th Prudence Review of Costs Subject to the Commission-Approved Fuel Adjustment Clause of KCP&L Greater Missouri Operations Company

Date Filed	Issue	Case Number	Case Name
6/7/2019	Rebuttal Testimony – Energy Efficiency, Low-Income Programs and Low-Income Weatherization	GR-2019-0077	In the Matter of Union Electric Company d/b/a Ameren Missouri’s Tariffs to Increase its Revenues for Natural Gas Service
7/10/2019	Surrebuttal Testimony - Energy Efficiency, Low-Income Programs & Low-Income Weatherization	GR-2019-0077	In the Matter of Union Electric Company d/b/a Ameren Missouri’s Tariffs to Increase its Revenues for Natural Gas Service
7/22/2019	Cross-Rebuttal Testimony – Renewable Energy Credits	EO-2019-0067	In the Matter of the 8 th Prudence Review of Costs Subject to the Commission-Approved Fuel Adjustment Clause of KCP&L Greater Missouri Operations Company
12/04/2019	Staff Direct Cost of Service Report – Energy Efficiency, Low-Income Programs & Low-Income Weatherization	ER-2019-0335	In the Matter of Union Electric Company d/b/a Ameren Missouri’s Tariffs to Decrease Its Revenues for Electric Service

Date Filed	Issue	Case Number	Case Name
01/15/2020	Staff Direct Cost of Service Report – Low-Income Programs & Low-Income Weatherization	ER-2019-0374	In the Matter of The Empire District Electric Company's Request for Authority To File Tariffs Increasing Rates for Electric Service Provided to Customers in its Missouri Service Area
01/21/2020	Rebuttal Testimony – Energy Efficiency, Low-Income Programs and Low-Income Weatherization	ER-2019-0335	In the Matter of Union Electric Company d/b/a Ameren Missouri's Tariffs to Decrease Its Revenues for Electric Service
05/12/2021	Staff Direct Cost of Service Report – Energy Efficiency Programs, Low-Income Weatherization & Low-Income Programs	GR-2021-0108	In the Matter of Spire Missouri Inc.'s d/b/a Spire Request for Authority to Implement a General Rate Increase for Natural Gas Service Provided in the Company's Missouri Service Area
06/17/2021	Rebuttal Testimony – Energy Efficiency, Low-Income Programs	GR-2021-0108	In the Matter of Spire Missouri Inc.'s d/b/a Spire Request for Authority to Implement a General Rate Increase for Natural Gas Service Provided in the Company's Missouri Service Area
09/03/2021	Staff Direct Cost of Service – Low Income Weatherization & Low Income Programs	ER-2021-0240	In the Matter of Union Electric Company d/b/a Ameren Missouri's Tariffs to Adjust Its Revenues for Electric Service

Date Filed	Issue	Case Number	Case Name
10/15/2021	Rebuttal Testimony – Low Income Programs	ER-2021-0240	In the Matter of Union Electric Company d/b/a Ameren Missouri's Tariffs to Adjust Its Revenues for Electric Service
09/03/2021	Staff Direct Cost of Service Report – Energy Efficiency, Low Income Weatherization	GR-2021-0241	In the Matter of Union Electric Company d/b/a Ameren Missouri's Tariffs to Adjust its Revenues for Natural Gas Service
10/15/2021	Rebuttal Testimony – Low Income Programs	GR-2021-0241	In the Matter of Union Electric Company d/b/a Ameren Missouri's Tariffs to Adjust its Revenues for Natural Gas Service
10/29/2021	Staff Direct Cost of Service Report – Energy Efficiency, Low Income Weatherization and Low Income Programs	ER-2021-0312	In the Matter of the Request of The Empire District Electric Company d/b/a Liberty for Authority to File Tariffs Increasing Rates for Electric Service Provided to Customers in its Missouri Service Area
12/22/2021	Rebuttal Testimony - Low Income Programs	ER-2021-0312	In the Matter of the Request of The Empire District Electric Company d/b/a Liberty for Authority to File Tariffs Increasing Rates for Electric Service Provided to Customers in its Missouri Service Area
1/24/2022	Direct Testimony – Low Income Programs	GR-2021-0320	In the Matter of The Empire District Gas Company's d/b/a Liberty Request to File Tariffs to Change its Rates for Natural Gas Service

cont'd Kory J. Boustead

Date Filed	Issue	Case Number	Case Name
3/17/2022	Rebuttal Testimony – Low Income Programs	GR-2021-0320	In the Matter of The Empire District Gas Company's d/b/a Liberty Request to File Tariffs to Change its Rates for Natural Gas Service