

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

In the Matter of the Application of Evergy)	
Metro, Inc. d/b/a Evergy Missouri West for)	
Approval of a Transportation Electrification)	Case No. ET-2021-0151
Portfolio)	
)	

MIDWEST ENERGY CONSUMERS GROUP STATEMENT OF POSITIONS

COMES NOW the Midwest Energy Consumers Group (“MECG”) and for its *Statement of Positions*, states as follows:

Issue 1: Should the Commission approve Evergy’s proposed Residential Customer EV Outlet Rebate Program?

Sub-Issue A: If the Commission approves Evergy’s proposed Residential Customer EV Outlet Rebate Program, should the Commission require that participants also sign up for the Company’s existing whole house, opt-in TOU rate?

Position: No. Evergy’s Residential Customer EV Outlet Rebate Program will inevitably lead to higher future rates. Specifically, Evergy seeks to provide rebates to existing EV drivers to install chargers that will allow them to charge their electric vehicles quicker. Inevitably these rebates will be included in Evergy’s retail rates, thus resulting in higher rates.

Despite the certainty that these rebates will lead to higher retail rates, there is no certainty of offsetting benefits associated with this program. Currently Evergy has a Time of Use (“TOU”) residential rate schedule. This TOU rate schedule is designed to provide a financial incentive for customers to move energy usage from peak hours to off-peak hours. This has the effect of increasing the system load factor, lowering fuel costs, and may result in postponed future generating additions. Given the existence of a TOU rate, Staff and OPC have insisted that any EV Outlet Rebate Program include a requirement that the customer be served off of a TOU program. Despite the logic of Staff and OPC’s proposals, Evergy has steadfastly refused to tie its EV Outlet Rebate Program to a TOU rate. Instead, Evergy suggests that it can create benefits for customers from this rebate program through its ability to “educate” these customers on the existence of TOU rates. Absent definitive benefits to all other customers, the Commission should reject Evergy’s Residential Customer EV Outlet Rebate Program.

Sub-Issue B: If the Commission approves Evergy’s proposed Residential Customer EV Outlet Rebate Program, should the Commission modify the program consistent with ChargePoint’s recommendations?

Position: No. MECG supports OPC’s position on this subissue.

Issue 2: Should the Commission approve Evergy’s proposed Residential Developer EV Outlet Rebate Program?

Position: No. Evergy’s proposed Residential Developer EV Outlet Rebate Program should be rejected. As OPC points out, this program is meant “to incentivize developers to pre-wire new homes with adequate circuit capacity to accommodate L2 EV charging by future residents.” As Staff points out, however, the benefits of such a program are highly questionable.

Not only is it more attenuated to believe that a customer will voluntarily stumble into a “managed” charging pattern without requirement, it is not reasonable to assume the plug will ever be used for charging at all. Not only is there is no apparent way for Evergy’s intended eventual “education” component to reach the future homeowners – who may or may not own an EV and who may or may not pursue installation of a Level 2 charger of any particular demand capability - there is no apparent way for the future homeowners nor Evergy to even know the plug was installed as a result of the subsidy.¹

Issue 3: Should the Commission approve Evergy’s proposed Commercial EV Charger Rebate Program?

Sub-issue A: If the Commission approves Evergy’s proposed Commercial EV Charger Rebate Program, should the Commission modify the program consistent with ChargePoint’s recommendations?

Position: No. MECG supports the position set forth by OPC.

Sub-issue B: If the Commission approves Evergy’s proposed Commercial EV Charger Rebate Program, should the Commission require that 20 percent of Commercial Rebates be reserved for multi-family locations?

Position: MECG does not have a position on this issue.

Sub-issue C: If the Commission approves Evergy’s proposed Commercial EV Charger Rebate Program, should the Commission order rebate incentive amounts be capped on a percentage basis to not exceed 20% of the total costs for a charger station?

¹ *Staff Rebuttal Report*, page 16.

Position: Yes. As OPC explains, Evergy’s proposed program would inevitably lead to high numbers of free riders. Specifically, numerous companies are already making sustainability commitments regardless of the existence of such rebate programs. In this regard, commercial EV charging will occur regardless of the existence of such a rebate program. Placing a 20% cap on the amount of such rebates will limit the benefits to free riders, but will provide some incentive to those commercial customers that don’t have a sustainability program or that may be undecided about the benefits of EV charging for its customers.

Issue 4: Should the Commission approve Evergy’s proposed Electric Transit Service Rate?

Position: MECG does not have a position on this issue.

Sub-issue A: Is it lawful for the Commission to approve a rate for this new service outside of a general rate case?

Position: No. It is well established that the Commission must consider “all relevant factors” in establishing Evergy’s electric rates. Given that Evergy has not considered “all relevant factors” it is unlawful for the Commission to approve any new rates in this case. MECG will shed more light on this issue in its briefing following the evidentiary hearing.

Sub-issue B: Is it lawful for the Commission to approve a rate for this new rate at this time given the Company has elected PISA?

Position: Section 393.1655.2 imposes a rate moratorium on any utility that has opted in to the Plant In Service Accounting provisions contained in Section 393.1400.

Notwithstanding any other provision of law and except as otherwise provided for by this section, an electrical corporation’s base rates shall be held constant for a period starting on the date new base rates were established in the electrical corporation’s last general rate proceeding concluded prior to the date the electrical corporation gave notice under subsection 5 of section 393.1400 and ending on the third anniversary of that date, unless a force majeure event as determined by the commission occurs.

The statute then provides guidance on what constitutes “base rates” by itemizing those rates that are considered “nonbase rates”. Specifically, the statute defines “nonbase rates” as the utility’s fuel adjustment clause (Section 386.266); renewable energy standard rate adjustment mechanism (Section 393.1030) and MEEIA (Section 393.1075) rates.

This subsection shall not affect the electrical corporation’s ability to adjust its nonbase rates during the three-year period provided for in this subsection as authorized by its commission-approved rate adjustment mechanisms arising under section 386.266, 393.1030, or 393.1075, or as authorized by any other rate adjustment mechanism authorized by law.

In its Notice filed in Case No. EO-2019-0045 and 0046, Evergy West and Evergy Metro provided notice of its election to make deferrals set forth in Section 393.1400 effective January 1, 2019. Evergy's base rates were last established immediately prior to this election on December 6, 2018.² Given this, Evergy is precluded from changing base rates (i.e., everything other than its FAC, RESRAM and MEEIA rates) any time prior to December 6, 2021. Given this, Evergy is precluded from setting any new rates, other than FAC, RESRAM and MEEIA rates, prior to December 6, 2021. Importantly, as reflected in the position on the previous issue, Evergy is precluded from setting any new rates after that date except in a case in which "all relevant factors" are considered.

Sub-issue C: If the Commission does approve the new rate, should the Company use the revenue received from the rate schedule to offset the costs Evergy is requesting to defer to a regulatory asset account?

Position: Yes.

Issue 5: Should the Commission approve Evergy's proposed Business EV Charging Service Rate?

Position: MECG does not have a position on this issue.

Sub-issue A: Is it lawful for the Commission to approve a rate for this new service outside of a general rate case?

Position: See the position set forth in response to Issue 4, subissue A.

Sub-issue B: Is it lawful for the Commission to approve a rate for this new rate at this time given the Company has elected PISA?

Position: See the position set forth in response to Issue 4, subissue B.

Sub-issue C: If the Commission does approve the new rate, should the Company use the revenue received from the rate schedule to offset the costs Evergy is requesting to defer to a regulatory asset account?

Position: Yes.

² See, *Order Approving Tariffs*, Case No. ER-2018-0145 and 0146, issued November 26, 2016, page 8.

Issue 6: Should the Commission approve Evergy’s proposed cap increase for the Clean Charge Network Expansion?

Position: Only in part. The Commission should approve the increase in the cap for Evergy’s Clean Charge Network only to the extent that it is needed to accommodate the 50 additional stations associated with the U.S. Department of Energy’s grant to the Metropolitan Energy Center and the City of Kansas City for a pilot streetlight-charging program in the city’s right of way.

Sub-issue A: Should the Commission approve Evergy’s request to expand its CCN along the highway corridors?

Position: No. MECG supports the position set forth by OPC on this issue.

Sub-issue B: Should the Commission approve Evergy’s request to partner with the Metropolitan Energy Center and the City of Kansas City, Missouri to pilot streetlight charging installations in the city’s right of way?

Position: As reflected in the position in response to Issue 6, this is the only portion of the expansion to the Clean Charge Network that should be approved. MECG supports the positions set forth in testimony by OPC and Staff on this issue.

Sub-issue C: Should the Commission approve Evergy’s request to utilize some of the charging stations under the cap towards use by transportation network companies (“TNCs”)/rideshare companies?

Position: No. Evergy has failed to provide any reasonable level of detail on this program by which the parties or the Commission can consider the viability of this proposal.

Sub-issue D: Should the Commission approve Evergy’s request that the Commission find that the limited and targeted CCN expansion plans Evergy has proposed in this filing are prudent from a decisional perspective?

Position: No. It is well established that the decision to expand its Clean Charge Network is a management decision. Questions regarding the prudence of such decisions are then considered in a rate case in which the utility seeks to recover those costs.

Sub-issue E: Should the Commission direct Evergy to allow site hosts at new CCN sites to choose the EV charging hardware and network service provider and to set the prices paid by drivers?

Position: No.

Issue 7: Should the Commission approve Evergy’s proposed Customer Education and Program Administration proposal?

Position: No. As with many of its proposals in this case, Evergy’s proposed Customer Education and Program Administration proposal, and the costs contained therein, are lacking in detail.

Issue 8: Should the Commission approve Evergy’s proposal to administer the new pilot rebate programs over a five-year period, beginning in the first quarter of 2022 and concluding in the first quarter of 2027, including periodic reporting to the Commission and stakeholders?

Position: MECG does not have a position on this issue.

Issue 9: Should the Commission approve Evergy’s request that the Commission authorize the Company to use a regulatory asset tracking mechanism to track and defer the pilot program costs which include rebate incentives and certain associated customer education and administrative costs?

Position: No. It is well established that the Commission’s authority to engage in deferral accounting, and the establishment of regulatory assets and liabilities, is limited to “extraordinary” events. There has been no showing that Evergy’s proposals in this case are “extraordinary.” Instead, the record clearly indicates that Evergy has had a Clean Charge Network in place for several years. Given this, the proposals in this case appear to be within the normal operations for Evergy.

Sub-issue A: Should the Commission approve the requested 5-year amortization timeframe requested as part of this case?

Position: No. In the event that the Commission does establish a regulatory asset / liability in this case, then issues such regarding the amortization period should be made in Evergy’s next rate case. This is the position adopted by the Commission in Evergy’s recent case to defer costs associated with the Covid pandemic.

Issue 10: Should the Commission approve Evergy’s requests for a variance of subsections 4 CSR 240-14.020(1)(B), (1)(D), and (1)(E) only as those subsections are applied to the pilot programs as described in any approved compliance tariffs resulting from this case?

Position: No.

Respectfully submitted,



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ATTORNEY FOR THE MIDWEST ENERGY
CONSUMERS' GROUP

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing pleading by email, facsimile or First Class United States Mail to all parties by their attorneys of record as provided by the Secretary of the Commission.



David L. Woodsmall

Dated: March 1, 2021