

Exhibit No.: _____
Issue(s): Securitized Utility Tariff Charge
Witness/Type of Exhibit: Marke/Surrebuttal
Sponsoring Party: Public Counsel
Case No.: EF-2022-0155

SURREBUTTAL TESTIMONY

OF

GEOFF MARKE

Submitted on Behalf of the Office of the Public Counsel

**EVERGY MISSOURI WEST, INC. D/B/A
EVERGY MISSOURI WEST**

CASE NO. EF-2022-0155

July 22, 2022

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OF
GEOFF MARKE
EVERGY MISSOURI WEST
CASE NO. EF-2022-0155

1 **I. INTRODUCTION**

2 **Q. Please state your name, title, and business address**

3 A. Geoff Marke, PhD, Chief Economist, Office of the Public Counsel (“OPC” or “Public
4 Counsel”), P.O. Box 2230, Jefferson City, Missouri 65102.

5 **Q. What are your qualifications and experience?**

6 A. I have been in my present position with OPC since 2014 where I am responsible for
7 economic analysis and policy research in electric, gas, water, and sewer utility operations.

8 **Q. Have you testified previously before the Missouri Public Service Commission?**

9 A. Yes. A listing of the Commission cases in which I have previously filed testimony and/or
10 comments is attached in Schedule GM-1.

11 **Q. What is the purpose of your surrebuttal testimony?**

12 A. To respond to the rebuttal testimony of Missouri Public Service Commission Staff (“Staff”)
13 witness Sarah L.K. Lange regarding her recommendations on the Securitized Utility Tariff
14 Charges (“SUTC”).

15 **Q. Do you support Staff’s language and rate design of the SUTC mechanism?**

16 A. Yes. Schedule SLKL-r2 attached to the rebuttal testimony of Staff witness Ms. Lange should
17 be approved with applicable modifications to accommodate any specific changes to the
18 financing amount ordered by the Commission. This amount should be recovered from all
19 applicable customers on the basis of loss-adjusted energy sales.

1 **Q. Why do you support Ms. Lange’s recommendations?**

2 A. Simply put, Ms. Lange’s Schedule SLKL-r2 adheres to the requirements authorized in the
3 recovery of a securitized balance pursuant to RSMo. Section 393.1700. This includes
4 explicitly billing all applicable current customers and future customers (e.g., customers
5 receiving service under a MKT Tariff) through a “Securitized utility tariff charge.”¹

6 **Q. Why is it important that the SUTC be recovered from all applicable existing or future**
7 **retail customers, except for customers receiving electrical service under special**
8 **contracts on August 28, 2021, even if a retail customer elects to purchase electricity**
9 **from an alternative electricity supplier following a fundamental change in regulation**
10 **of public utilities in this state?**

11 A. Because this is what the statute states.²

12 **Q. What customers would be exempt from the SUTC?**

13 A. Only NuCor.

14 **Q. Do you support Staff’s true-up provisions and rate design?**

15 A. Yes. An energy-based recovery design will minimize the potential of wild fluctuations from
16 rate switching or from the sudden loss of a large customer. Staff’s approach negates the
17 need for a class-level reconciliation.

18 **Q. Does that conclude your testimony?**

19 A. Yes.

¹ RSMo Section 393.1700.1.(16) “Securitized utility tariff charge”,
the amounts authorized by the commission to repay, finance, or refinance securitized utility tariff costs
and financing costs and that are, except as otherwise provided for in this section, nonbypassable charges
imposed on and part of all retail customer bills, collected by an electrical corporation or its successors
or assignees, or a collection agent, in full, separate and apart from the electrical corporation’s base rates,
and paid by all existing or future retail customers receiving electrical service from the electrical
corporation or its successors or assignees under commission-approved rate schedules, except for
customers receiving electrical service under special contracts as of August 28, 2021, even if a retail
customer elects to purchase electricity from an alternative electricity supplier following a fundamental
change in regulation of public utilities in this state.

² Section 393.1700. 2.(3)(c)d.