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November 21, 2022

Mr. Morris Woodruff  
Secretary/Chief Regulatory Law Judge  
Missouri Public Service Commission  
200 Madison Street, Suite 100  
Jefferson City, MO 65102

**Re: Tariff Filing (Case No. ER-2023-0011) - Tariff Schedule to Adjust FAC Rate of Evergy Missouri West**

Dear Mr. Woodruff:

On July 1, 2022, Evergy Missouri West, Inc. d/b/a Evergy Missouri West (formerly KCP&L Greater Missouri Operations Company or “KCP&L-GMO”) or the “Company” filed proposed rate schedules to adjust charges related to the Company’s approved Fuel Adjustment Clause (“FAC”), Case No. ER-2023-0011. In the Company’s original filing, Evergy Missouri West proposed to defer \$31 million from recovery through the Fuel Adjustment Rate (“FAR”) and record this amount to a Plant in Service Accounting (“PISA”) regulatory asset account for consideration in a subsequent general rate case.

On July 28, 2022, Staff for the Missouri Public Service Commission (“Staff”) filed its *Staff Recommendation* recommending the Commission issue an order rejecting the proposed tariff and directed Evergy Missouri West to file a tariff sheet that includes the \$31 million in fuel and purchased power costs in this AP 30 filing.

On August 24, 2022, the Commission issued its Order Rejecting Tariff to Change Fuel Adjustment Rates and directed parties to file a proposed procedural schedule by September 12, 2022. In addition, Evergy Missouri West may file any revised tariff sheets necessary to implement interim fuel adjustment rates consistent with any uncontested components of Evergy Missouri West’s proposed fuel adjustment rates.

On August 31, 2022 the Company filed an interim FAC tariff revision, which the Commission approved on September 24 with rates effective October 1, 2022. An evidentiary hearing was held on September 30, 2022 for the \$31 million amount in dispute.

In its Report and Order issued on November 9, 2022, the Commission denied the Company’s request to defer the \$31 million pursuant to Section 393.1655, RSMo to be included in a PISA regulatory asset and recovered in rates in a subsequent general rate case. Further, the Commission ordered Evergy Missouri West to file, no later than November 21, 2022, a tariff sheet that includes the full Fuel and Purchased Power Adjustment (“FPA”) of \$44.6 million in the FAR in its FAC with an expedited effective date of December 5, 2022. The Company is making this

tariff filing as ordered with a FPA of \$44.6 million. The proposed rate schedule bears an issue date of November 21, 2022, and an effective date of December 1, 2022.

The Company is requesting a December 1 effective date rather than the expedited effective date of December 5 stated in the Order which is consistent with the treatment of all other Evergy Missouri West rider tariff updates. Evergy Missouri West's billing cycle starts on the first of each month as there is no proration of rider rates such as the FAR. In addition, any further delay in the implementation of the FAR rates, for instance January 1, 2023, would reduce the amount of time to collect the additional \$31 million in FPP costs, resulting in a larger true-up once the recovery period has ended. Therefore, Evergy Missouri West is seeking an expedited effective date of December 1, 2022 for this tariff update. The Company has provided updated workpapers, letter and tariff to both MPSC Staff and Office of Public Counsel ("OPC") for review and approval prior to this filing. Staff has indicated that they do not have any issues or concerns with the change in effective date to December 1, 2022.

In this filing, the Company has updated the workpapers and performed PISA calculations. In Case No. EO-2019-0045, the Company elected to make the plant in service accounting ("PISA") deferrals permitted under section 393.1400 RSMo, effective January 1, 2019. While the change in the FAC charge proposed in this filing does not exceed the average overall rate, the proposed FAC charge applicable to Large Power customers exceeds the class average overall rate for this rate class by \$7.9 million. Therefore, the FPA for the Large Power customer class has been reduced by this amount and included for recovery by all other Non-Large Power ("Non-LP") customer classes per section 393.1655.6 RSMo.

Please see the updated table below for the proposed change in rates as compared to the current interim rates that became effective on October 1, 2022.

<b>ER-2023-0011</b>		<b>Interim</b>	
	<b>Proposed 8th Revised Sheet No. 127.23</b>	<b>Now Effective 7th Revised Sheet No. 127.23</b>	
<b>Voltage</b>			<b>Impact</b>
Secondary	\$0.01238	\$0.00737	\$0.00501
Primary	\$0.01220	\$0.00726	\$0.00494
Substation	\$0.01203	\$0.00716	\$0.00487
Transmission	\$0.01200	\$0.00715	\$0.00485

The revised proposed FAC charge for residential customers is \$0.01238 per kWh. Based on usage of 1,000 kWh per month, the customer will see a monthly charge of \$12.38. This represents an increase of \$5.01 to an Evergy Missouri West residential customer's monthly bill compared to the current interim FAC rates. In comparison to the prior 29<sup>th</sup> AP, this revised 30<sup>th</sup> AP FAC charge represents an increase of \$5.88 over the previous 29<sup>th</sup> AP FAC charge of \$6.50 per month.

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Copies of the proposed FAC-related rate schedules and all supporting materials described in this letter will be served electronically, this date, on the Commission's General Counsel, the Office of Staff Counsel, the Office of Public Counsel, and each party to Case No. ER-2018-0146.

Please provide a copy of all correspondence, notices, orders, and other communications that relate to this filing to the following as well as undersigned counsel:

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Respectfully submitted,

*/s/ Roger W. Steiner*

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cc: Office of the General Counsel  
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