

*Exhibit No.:*  
*Issue(s):* *Fuel Adjustment  
Clause*  
*Witness:* *Amanda C. Conner*  
*Sponsoring Party:* *MoPSC Staff*  
*Type of Exhibit:* *Direct Testimony*  
*Case Nos.:* *ER-2022-0129 and  
ER-2022-0130*  
*Date Testimony Prepared:* *June 22, 2022*

**MISSOURI PUBLIC SERVICE COMMISSION**

**INDUSTRY ANALYSIS DIVISION**

**ENERGY RESOURCES DEPARTMENT**

**DIRECT TESTIMONY**

**OF**

**AMANDA C. CONNER**

**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  
2022*

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1 1. Continue EMM's and EMW's FACs with the modifications discussed below:

- 2 a. Include a new Base Factor ("BF") for EMM and a new BF for EMW in the  
3 FAC tariff sheets calculated from the Net Base Energy Cost<sup>1</sup> that the  
4 Commission includes in the revenue requirement upon which it sets EMM's  
5 and EMW's general rates in this case;
- 6 b. Clarify that the only transmission costs that are included in EMM's and  
7 EMW's FACs are those that EMM and EMW incur for purchased power<sup>2</sup>  
8 and off-system sales ("OSS"), as the current FAC tariff sheets allow for;
- 9 c. Add language in regards to the Purchase Power Agreement ("PPA") to  
10 include shareholder sharing in the cost of losses for PPAs entered into after  
11 May 2019;

12 **FUEL ADJUSTMENT CLAUSE TARIFF SHEETS MODIFICATIONS**

13 **Q. What Modifications does Staff propose in this case?**

14 A. Staff reviewed the current EMM FAC tariff sheets that were approved by the  
15 Commission in Case No. ER-2018-0145 and became effective December 6, 2018, and EMW's  
16 FAC tariff sheets that were approved by the Commission in Case No. ER-2018-0146 and  
17 became effective December 6, 2018. The current FAC tariff sheets reflect EMM's and EMW's  
18 participation in the Southwest Power Pool's ("SPP") Integrated Marketplace ("IM") and  
19 account for transmission costs in a manner consistent with the way transmission costs are  
20 treated in Ameren Missouri's and Empire's current FACs.

21 In summary, Staff proposes the following modifications to the EMM and EMW FACs:

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<sup>1</sup> Net Base Energy Cost is defined in EMM's 2<sup>nd</sup> Revised Sheet No. 50.18 and defined in EMW's 5<sup>th</sup> Revised Sheet No. 127.10 as Net base energy costs ordered by the Commission in the last general rate case for EMM and EMW and consistent with the costs and revenues included in the calculation of the FPA.

<sup>2</sup> Purchased power for native load that is served by power that EMM and EMW did not generate.

- 1 1. Replace the current BF<sup>3</sup> with the revised BF of \$0.01033 per kWh for EMM  
2 and \$0.04924 per kWh for EMW that is based upon Staff's revenue requirement  
3 for this case;
- 4 2. Replace the current pass-through percentage of SPP transmission costs <sup>4</sup>with the  
5 revised pass-through percentage of SPP transmission costs of 32.8% for  
6 EMM and 75.16% for EMW as Staff calculated for this case, as described in  
7 the Revised Transmission Percentage section of this report;
- 8 3. Include language to EMM and EMW's tariffs regarding the burden of the costs  
9 of PPAs that have losses to be shared by customers and shareholders equally;

10 **Q. What recommendations and modifications in regards to EMM and EMW's**  
11 **FAC will your testimony address?**

12 A. My testimony will address Staff's proposals to replace the current FAC BF, to  
13 replace the current pass-through percentage of SPP transmission costs, and for  
14 EMM and EMW to continue to provide the additional information in its monthly reports  
15 as was previously ordered.

16 **Q. Is any other Staff member providing testimony in regards to EMM and**  
17 **EMW's FAC?**

18 A. Yes. Staff witness Brad Fortson is providing testimony which provides Staff's  
19 proposed additional FAC tariff sheet language in regards to PPA cost-sharing.

20 **REVISED BASE FACTOR**

21 **Q. What is Staff recommending for EMM's and EMW's Base Factors?**

22 A. Staff calculated the BF rate based upon the following information in Staff's COS Report  
23 in this case: (1) net base energy costs (fuel and purchased powercosts less OSS revenue)

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<sup>3</sup> The existing Base Factors are \$0.01657 per kWh for EMM and \$0.02186 per kWh for EMW.

<sup>4</sup> The existing SPP pass through percentages are 27.5% for EMM and 47.5% for EMW.

1 including Staff's accounting adjustments to test year; and (2) normalized net system  
2 inputs (NSI):

3                                   ▪ EMM Base Factor:

4                   Net Fuel and PP       \$225,020,464

5                   NSI                       \$21,791,889,323

6                   BF                       \$0.01033 per kWh

7                                   ▪ EMW Base Factor: \$0.02186 per kWh

8                   Net Fuel and PP       \$248,254,960

9                   NSI                       \$5,042,226,235

10                  BF                       \$0.04924 per kWh

11 **REVISED TRANSMISSION PERCENTAGE**

12 **Q.     What are percentages Staff recommends for EMM's and EMW's transmission**  
13 **costs?**

14 A.     As provided in Staff witness Shawn E. Lange's workpapers,<sup>5</sup> Staff calculated the  
15 pass-through percentage of SPP transmission costs<sup>6</sup> in the FAC as 32.8% for EMM.  
16 As provided in Staff witness Charles T. Poston's workpapers,<sup>7</sup> Staff calculated the pass-through  
17 percentage of SPP transmission costs<sup>8</sup> in the FAC as 75.16% for EMW. This calculation is  
18 based on the output from Staff's fuel models that were used to develop the revenue requirements  
19 found in Staff's COS report for this case. The calculations are appropriate because they are

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<sup>5</sup> Workpaper titled "EMM DIRECT FUELSummary 53121d" tab "FAC%".

<sup>6</sup> The pass-through percentage of SPP transmission costs are a representation of transmission expenses that are associated with energy purchases from the SPP IM in excess of energy generation by EMM's and EMW's respective generation units.

<sup>7</sup> Workpaper titled "EMW Direct Fuel Model Results – Direct" tab "FAC%".

<sup>8</sup> The pass-through percentage of SPP transmission costs are a representation of transmission expenses that are associated with energy purchases from the SPP IM in excess of energy generation by EMM's and EMW's respective generation units.

1 consistent with the method used to calculate the pass-through percentage of SPP transmission  
2 costs for EMM's and EMW's current FAC.

3 **FAC VOLTAGE ADJUSTMENT FACTORS**

4 **Q. What is Staff recommending as the FAC Voltage Adjustment Factors at this time?**

5 Staff is currently reviewing a line loss study which was received in January 2022. At  
6 this time, Staff witness Alan J. Bax continues to use the voltage adjustment factors presently  
7 included in the FAC tariff sheets for EMM's and EMW's most recent general rate cases in the  
8 current general rate case as provided in the following table.

9

	<b>EMM</b>	<b>EMW</b>
<b>Voltage Level</b>	<b>Voltage Adjustment Factor</b>	
Transmission	1.03	1.03
Primary	1.0493	1.0503
Secondary	1.0686	1.0766

10  
11 These voltage adjustment factors adjust for the energy losses experienced in the delivery of  
12 electricity from the generator to customers with transmission, primary, and secondary voltage  
13 levels. These factors will be utilized in Staff's determination of a Fuel Adjustment Rate  
14 ("FAR"), for each voltage service classification. The voltage adjustment factors may change  
15 based on Staff's recommendation after the review of the line loss study is completed.

16 **Q. Does this conclude your testimony?**

17 A. Yes it does.





**Educational Background**  
**and Work Experience of**  
**Amanda C. Conner**

My educational background includes a Bachelor of Science degree in Accounting/Finance from Columbia College in Columbia, Missouri where I graduated in May of 2012.

In February 2016, I started a new career as a Utility Regulatory Auditor I with the Missouri Office of Public Counsel, where I worked for five years providing support and testimony for several rate cases before accepting my position as Regulatory Auditor with the Energy Resources Department of the Missouri Public Service Commission. Since that point, my experience includes Fuel Adjustment Clause Prudence Reviews, Missouri Energy Efficiency Investment Act Prudence Reviews, and Fuel Adjustment Rate filings.

My prior work experience includes eight years with the Missouri Department of Revenue first in the Taxation Division, and then in the General Counsel's Office where I handled taxation issues regarding Bankruptcy.

CASE PROCEEDING PARTICIPATION  
AMANDA C. CONNER, UTILITY REGULATORY AUDITOR

OPC PARTICIPATION		ISSUE	TESTIMONY TYPE	LEAD STAFF	STATUS
COMPANY	CASE NUMBER				
EMPIRE	ER-2016-0023	GENERAL RATE CASE	DIRECT, REBUTTAL, SURREBUTTAL		
KCPL	ER-2016-0285	GENERAL RATE CASE	DIRECT, REBUTTAL, SURREBUTTAL		
LACLEDE GAS COMPANY	GR-2017-0215	GENERAL RATE CASE	DIRECT, REBUTTAL, SURREBUTTAL, TESTIFIED AT HEARING		
MGE	GR-2017-0216	GENERAL RATE CASE	DIRECT, REBUTTAL, SURREBUTTAL, TESTIFIED AT HEARING		
MAWC	WR-2017-0285	GENERAL RATE CASE	DIRECT, REBUTTAL, SURREBUTTAL		
LIBERTY	GR-2018-0013	GENERAL RATE CASE	DIRECT, REBUTTAL, SURREBUTTAL		
GMO	ER-2018-0146	GENERAL RATE CASE	DIRECT, REBUTTAL, SURREBUTTAL		
KCPL	ER-2018-0145	GENERAL RATE CASE	DIRECT, REBUTTAL, SURREBUTTAL		
EMPIRE	ER-2019-0374	GENERAL RATE CASE	DIRECT, REBUTTAL, SURREBUTTAL, TESTIFIED AT HEARING		
SPIRE	GR-2021-0108	GENERAL RATE CASE	DIRECT		
EMPIRE	ER-2021-0097	FAR FILING-9th REVISED (24th AP)	STAFF REPORT		
EMPIRE	ER-2022-0095	FAR FILING-11TH REVISED (26th AP)	STAFF REPORT		
PSC PARTICIPATION		ISSUE		LEAD STAFF	STATUS
COMPANY	CASE NUMBER				
EVERGY MO METRO (prior KCPL)	EO-2021-0417	MEEIA PRUDENCE REVIEW (3rd)	STAFF REPORT, DIRECT		*
EVERGY MO METRO (prior KCPL)	EO-2022-0129	GENERAL RATE CASE	COS Direct	*	**
EVERGY MO WEST (prior GMO)	EO-2022-0130	GENERAL RATE CASE	COS Direct	*	**

Status:       \*       In Hearing  
                 \*\*       In Process (working on case)