Exhibit No.:

Issue: Nucor SIL; Capacity Costs; and SPP

Charges

Witness: John R. Carlson Type of Exhibit: Surrebuttal Testimony Sponsoring Party: Evergy Missouri West
Case No.: ER-2022-0130
Date Testimony Prepared: August 16, 2022

### MISSOURI PUBLIC SERVICE COMMISSION

**CASE NOS.: ER-2022-0130** 

#### SURREBUTTAL TESTIMONY

**OF** 

JOHN R. CARLSON

ON BEHALF OF

**EVERGY MISSOURI WEST** 

Kansas City, Missouri August 2022

## SURREBUTTAL TESTIMONY

# OF

# JOHN R. CARLSON

# Case No. ER-2022-0130

1		I. INTRODUCTION
2	Q.	Please state your name and business address.
3	A:	My name is John R. Carlson. My business address is 1200 Main, Kansas City, Missouri
4		64105.
5	Q:	Are you the same John R. Carlson who previously filed rebuttal testimony in these
6		dockets?
7	A:	Yes.
8	Q:	On whose behalf are you testifying?
9	A:	I am testifying on behalf of Evergy Missouri West, Inc. d/b/a Evergy Missouri West
10		("Evergy Missouri West" or the "Company").
11	Q:	What is the purpose of your surrebuttal testimony?
12	A:	The purpose of my surrebuttal testimony is to further address revenue requirement
13		adjustments recommended by Commission Staff ("Staff") regarding the non-unanimous
14		stipulation and agreement ("Stipulation") between Nucor Steel Sedalia, LLC ("Nucor"),
15		Evergy Missouri West, and Staff.

1	Q:	Has the Company's position regarding purchased power costs and customer event			
2		balancing, detailed in your rebuttal testimony, changed since the filing of that rebuttal			
3		testimony?			
4	A:	No. First, it is still appropriate to correct the Nucor load data used in any revenue			
5		requirement calculation by removing duplicate lines from the Nucor load data. Second, it			
6		is still appropriate to accurately calculate revenue from the Cimarron Bend III ("CBIII")			
7		wind farm by taking the locational marginal price ("LMP") at the Evergy Missouri West			
8		load node, as specified in the CBIII contract, versus the CBIII pricing node, as calculated			
9		by Staff witness J Luebbert. Lastly, it is still appropriate to calculate customer event			
10		balancing by looking at times when there was a 25% deviation for more than 4 hours and			
11		accounting for the Nucor load included in Evergy Missouri West's day-ahead load forecast.			
12		All of these are discussed in detail in my rebuttal testimony.			
13	Q:	Company witness Linda Nunn discusses weather normalized costs in her surrebuttal			
14		testimony. How would the CBIII revenues change in your rebuttal analysis if you			
15		normalized for Winter Storm Uri?			
16	A:	Removing February 2021 from my analysis would reduce the 2021 CBIII revenue from			
17		** to **.			
18	Q:	With regards to your customer event balancing analysis, how would that change if			
19		you removed the impacts of Winter Storm Uri?			
20	A:	The customer event balancing number would change from a benefit of **			
21		** if February 2021 was removed from the analysis.			



- Q: 1 Did your rebuttal testimony suggest that an adjustment to the Company's revenue 2 requirement was warranted? 3 A: No, it did not. The revenue received from the CBIII wind farm and the customer event balancing impact from purchasing all of Nucor load in the RT market resulted in no 4 5 under collection from Nucor. 6 Q: Does the same hold true, that no adjustment to revenue requirement is warranted, when normalizing for Winter Storm Uri? 7 8 Yes, it does. This is discussed in more detail in the testimony of Company witness Linda A: 9 Nunn.
- 11 A: Yes, it does.

Does that conclude your testimony?

10

Q:

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

In the Matter of Evergy Missouri West, Inc. d/b/a	)	
Evergy Missouri West's Request for Authority to	)	Case No. ER-2022-0130
Implement A General Rate Increase for Electric	)	
Service	)	

#### AFFIDAVIT OF JOHN R. CARSLON

STATE OF MISSOURI	)	
	)	S
COUNTY OF JACKSON	)	

John R. Carlson, being first duly sworn on his oath, states:

- My name is John R. Carlson. I work in Kansas City, Missouri, and I am employed by Evergy Metro, Inc. as Senior Manager – Market Operations.
- 2. Attached hereto and made a part hereof for all purposes is my Surrebuttal Testimony on behalf of Evergy Missouri West consisting of three (3) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.
- 3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.

John R. Carlson

Subscribed and sworn before me this 16th day of August 2022.

Notary Public

My commission expires:

ANTHONY R. WESTENKIRCHNER
NOTARY PUBLIC - NOTARY SEAL
STATE OF MISSOURI
MY COMMISSION EXPIRES APRIL 26, 2025
PLATTE COUNTY
COMMISSION #17279952