

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

In the Matter of the Application of Evergy)
Missouri Metro, Inc. d/b/a Evergy Missouri) **File No. EO-2023-0029**
Metro Containing its Semi-Annual Fuel)
Adjustment Clause True-Up)

In the Matter of the Application of Evergy)
Missouri Metro, Inc. d/b/a Evergy Missouri) **File No. ER-2023-0030**
Metro for Authority to Implement Rate) Tracking No. JE-2023-0021
Adjustments Required by)
20 CRS 4240-20.090(8) and the Company's)
Approved Fuel and Purchased Power Cost)
Recovery Mechanism)

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its Staff Recommendation states as follows:

1. On July 29, 2022, Evergy Missouri Metro, Inc. d/b/a Evergy Missouri Metro filed a proposed revised tariff sheet, P.S.C. MO. No. 7 8th Revised Sheet No 50.31, with a revised fuel adjustment rate and bearing an effective date of October 1, 2022.

2. Also on July 29, 2022, Evergy Missouri Metro initiated a rate adjustment mechanism true-up under File No. EO-2023-0029 to identify the true-up amount of (\$993,412) for the eleventh recovery period (“RP11”), to be included in the proposed revised fuel adjustment rate

3. On August 1, 2022, the Commission issued its *Order Directing Notice and Setting Deadlines for Intervention Applications and Staff’s Recommendation*. The Order stated that no later than August 26, 2022, Staff shall file recommendations regarding its analysis of Evergy Missouri Metro’s application and proposed tariff sheet.

3. In this tariff sheet, Evergy Missouri Metro proposes to revise its Fuel Adjustment Rates (“FARs”) of its Fuel Adjustment Clause (“FAC”) for Accumulation Period 14 (“AP14”). AP14 was January 1, 2022 through June 30, 2022.

4. Based on its examination and analysis of the information Evergy Missouri Metro filed and submitted in these cases, Staff recommends the Commission issue an order approving Evergy Missouri Metro’s proposed P.S.C. MO. No. 7 8th Revised sheet No. 50.31 effective October 1, 2022.

5. Further explanation of this recommendation is provided in the memos attached to this pleading.

WHEREFORE, Staff submits this recommendation for the Commission’s information and consideration.

Respectfully submitted,

/s/ Casi Aslin

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CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing were mailed, electronically mailed, or hand-delivered to all counsel of record this 26th day of August, 2022.

/s/ Casi Aslin

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
File No. EO-2023-0029

FROM: Cynthia M. Tandy, Senior Utility Regulatory Auditor

DATE: /s/ Cynthia M. Tandy / 08-26-2022 /s/ Casi Aslin / 08-26-2022
Energy Resources Department / Date Staff Counsel's Office / Date

SUBJECT: Staff's Analysis of and Recommendation Concerning Evergy Metro, Inc.,
d/b/a Evergy Missouri Metro Fuel Adjustment Clause True-up Filing
Under the Provisions in 20 CSR 4240-20.090(9).

DATE: August 26, 2022

Staff Recommendation

Staff recommends that the Missouri Public Service Commission ("Commission") approve the true-up filing for Evergy Metro, Inc., d/b/a Evergy Missouri Metro ("Evergy Missouri Metro"), for Recovery Period 11 ("RP11") during which Evergy Missouri Metro over-collected \$1,160,865¹ from its customers. There was one ordered adjustment and one correction due to Winter Storm Uri in the True-Up for RP11.

Discussion

On July 29, 2022, Evergy Missouri Metro filed with the Commission its fuel adjustment clause ("FAC") true-up² for RP11 under the provisions of its FAC tariff sheets and 20 CSR 4240-20.090(9). RP11 began April 1, 2021 and ended March 31, 2022. It was preceded by Accumulation Period 11 ("AP11"), which began July 1, 2020 and ended December 31, 2020.

Evergy Missouri Metro's filing is supported by the direct testimony and supporting schedules of Lisa A. Starkebaum, Manager - Regulatory Affairs at Evergy Missouri Metro. The Missouri Public Service Commission Staff ("Staff") reviewed Ms. Starkebaum's direct testimony and supporting

¹ Lisa A. Starkebaum's testimony, on page 6, lines 4-7, discusses a total true-up of (\$1,160,865) to be refunded to customers, which includes AP11 True-Up of (\$494,160), an ordered adjustment of (\$152,165) plus interest of (\$7,947) and a correction for Winter Storm Uri of (\$499,252) plus interest of (\$7,341). The difference of the true-up amount on line 8 in the proposed tariff sheet of (\$993,412) compared to the over-collected true-up amount stated here of (\$1,160,865), is explained further below on page 2.

² True-ups are defined on Evergy Missouri Metro, P.S.C.MO. No. 7, Original Sheet No. 50.30 as,

After completion of each RP, the Company shall make a true-up filing by the filing date of its next FAR filing. Any true-up adjustments shall be reflected in component "T" above. Interest on the true-up adjustment will be included in component "I" above. The true-up amount shall be the difference between the revenues billed and the revenues authorized for collection during the RP as well as any corrections identified to be included in the current FAR filing. Any corrections included will be discussed in the testimony accompanying the true-up filing.

schedules, as well as the monthly information Evergy Missouri Metro submitted to the Commission in accordance with 20 CSR 4240-20.090(9).

The RP11 true-up amount is the result of an over-collection (due to the customers) of \$494,160 during RP11. However, this over-collected amount was added by a correction due to the extraordinary costs for Winter Storm Uri that created an amount due to the customers of \$499,252 and interest was added to this correction of \$7,341. Along with this correction, a Commission Order was included in the true-up from a prior FAC prudence review in Case No. EO-2020-0263 (later consolidated in Case No. EO-2020-0262) for an amount due to the customers of \$152,165 and interest was added to this order of \$7,947 for a total proposed true-up adjustment due to customers of \$1,160,865. Since this interest correction and interest from the order of \$7,341 and \$7,947 respectively is included on line 9 of the 8th Revised Sheet No. 50.31, the true-up amount on line 8 of the 8th Revised Sheet No. 50.31 is the combination of the proposed true-up (\$494,160) along with the Winter Storm Uri (\$499,252) correction, for a total of (\$993,412), and the Commission Order is included on line 10 of the 8th Revised Sheet No. 50.31 as a Prudence Adjustment Amount for (\$152,165).

The interest of (\$248,018) on line 9 of P.S.C. MO. No. 7 8th Revised Sheet No. 50.31 includes all interest³ for RP11 and Accumulation Period 14 (“AP14”) of (\$232,729). As stated in the paragraph above, it also includes interest of (\$7,341), resulting from a correction related to extraordinary amounts resulting from Winter Storm Uri and interest of (\$7,947) for the Commission Order. Ms. Starkebaum provides supporting work papers for the true-up amount of (\$1,160,865). Staff agrees with Evergy Missouri Metro’s calculations for this over-collection of \$1,160,865 during RP11.

Staff Review

Based on its review and analysis of the information Evergy Missouri Metro filed and submitted for RP11, Staff determined that Evergy Missouri Metro’s calculations for the true-up amount for RP11 are correct. However, Staff reserves its right to pursue this issue in other cases before the Commission.

Staff recommends the Commission approve Evergy Missouri Metro’s true-up filing for RP11, during which Evergy Missouri Metro over-collected \$1,160,865 from its customers. The over-collection amount is included in Evergy Missouri Metro’s proposed changes to its current period fuel adjustment rates in its semi-annual FAC filing in File No. ER-2023-0030, also filed on July 29, 2022, for AP14, which began January 1, 2022 and ended June 30, 2022.

³ Interest is defined on Evergy Missouri Metro, P.S.C.MO. No. 7, Original Sheet No. 50.28 as: Interest applicable to (i) the difference between Missouri Retail ANEC and B for all kWh of energy supplied during an AP until those costs have been recovered; (ii) refunds due to prudence reviews (“P”), if any; and (iii) all under- or over-recovery balances created through operation of this FAC, as determined in the true-up filings (“T”) provided for herein. Interest shall be calculated monthly at a rate equal to the weighted average interest paid on the Company’s short-term debt, applied to the month-end balance of items (i) through (iii) in the preceding sentence.

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Official Case File Memorandum

August 26, 2022

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Staff verified that Evergy Missouri Metro filed its 2021 Annual Report and is not delinquent on any assessment. Evergy Missouri Metro is current on its submission of its Surveillance Monitoring reports, as required by 20 CSR 4240-20.090(6), and its periodic reports, as required by 20 CSR 4240-20.090(5). With the exception of Evergy Missouri Metro's proposed changes to its current period fuel adjustment rates in its semi-annual FAC filing in File No. ER-2023-0030, Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

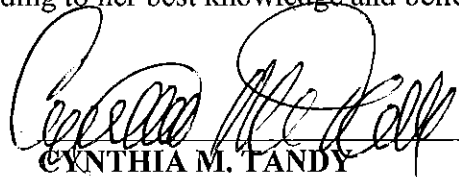
In the Matter of the Application of Evergy)
Metro, Inc. d/b/a Evergy Missouri Metro) File No. EO-2023-0029
Containing Its Semi-Annual Fuel)
Adjustment Clause True-Up)

AFFIDAVIT OF CYNTHIA M. TANDY

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

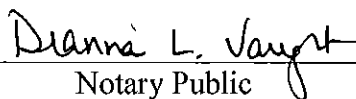
COMES NOW CYNTHIA M. TANDY and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation in Memorandum form*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.


CYNTHIA M. TANDY

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 24th day of August, 2022.


Notary Public

DIANNA L VAUGHT
Notary Public - Notary Seal
STATE OF MISSOURI
Cole County
My Commission Expires: July 18, 2023
Commission #: 15207377