

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

In the Matter of the Eleventh Prudence Review)
of Costs Subject to the Commission-Approved) **File No. EO-2023-0277**
Fuel Adjustment Clause of Evergy Missouri)
West, Inc. d/b/a Evergy Missouri West)

STAFF’S ELEVENTH PRUDENCE REVIEW REPORT

COMES NOW Staff of the Missouri Public Service Commission and submits Staff’s Eleventh Prudence Review Report (incorporated by reference) of costs related to the Fuel Adjustment Clause (“FAC”) for the electric operations of Evergy Missouri West, Inc. d/b/a Evergy Missouri West (“Company”) In support thereof, Staff states as follows:

1. On March 3, 2023, Staff filed *Staff’s Notice of Start of Eleventh Prudence Review* (“Notice”) informing the Commission that it had begun its review of the costs subject to Evergy Missouri West’s FAC. Also on March 3, 2023, the Commission issued its *Order Directing Notice, Acknowledging Automatic Parties, and Establishing Deadlines for Intervention and Requesting a Hearing* (“Order”).

2. The Notice described Staff’s plan to conduct a prudence review of the costs and revenues associated with Evergy Missouri West’s FAC for the period June 1, 2021 through November 30, 2022. This Review Period corresponds to the 29th, 30th, and 31st FAC accumulation periods (each accumulation period is 6 months) of Evergy Missouri West FAC.

3. Staff has completed its prudence review and provides a detailed discussion of its findings in Staff’s *Eleventh Prudence Review of Costs Related To The Fuel Adjustment Clause For The Electric Operations Of Evergy Missouri West, Inc. d/b/a Evergy Missouri West* (“Prudence Review Report”) submitted concurrently herewith.

As a result of its prudence review, and as more fully explained in the Prudence Review Report, Staff found evidence of imprudence by Evergy Missouri West when it chose to do nothing about the substantial ratepayer harm caused by the PPAs it chose to sign into approximately ten years ago. This is especially concerning when the losses the ratepayers have incurred roughly halfway through the life of the contract of the long-term PPAs is very likely to continue for the remaining years of the life of the agreements. Staff also found evidence of imprudence by Evergy Missouri West when it included SPP administrative fees for transmission cost. Staff recommends the Commission order an Ordered Adjustment in the amount of \$2,076.20, plus interest, for transmission SPP administrative fees, and \$13,989,508, plus interest, for purchased power costs, to be applied to Evergy Missouri West's next Fuel Adjustment Rate filing.

WHEREFORE, Staff requests the Commission accept its Prudence Review Report of Evergy Missouri West's FAC, issue an Ordered Adjustment as set forth therein, and issue such further orders as the Commission deems proper.

Respectfully submitted,

/s/ Casi Aslin

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand delivered, transmitted by facsimile or electronically mailed to all counsel of record this 30th day of August, 2023.

/s/ Casi Aslin