

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Evergy Metro, Inc. d/b/a)
Evergy Missouri Metro 2020 Biennial) **File No. EE-2021-0237**
Parallel Generation Tariff) Tariff No. JE-2021-0144

In the Matter of Evergy Missouri West, Inc.)
d/b/a Evergy Missouri West 2020 Biennial) **File No. EE-2021-0238**
Parallel Generation Tariff) Tariff No. JE-2021-0145

ORDER DIRECTING STAFF TO PROVIDE ADDITIONAL CLARIFICATION

Issue Date: February 17, 2021

Effective Date: February 17, 2021

On February 16, 2021, the Staff of the Commission (Staff) filed its recommendations concerning the 2020 Biennial Parallel Generation Tariff filings submitted by Evergy Missouri Metro and Evergy Missouri West (collectively “Evergy”).

Staff’s memorandums attached to its recommendations noted that “it did not have time to perform a thorough and in depth review of all of the underlying data utilized to produce these rates or the assumptions used to produce that data given the time available between the filing date and tariff effective dates.”

Staff also noted that Evergy did not provide the levels of purchases in blocks as required by Commission Rule 20 CSR 4240-3.155(4)(A), and because of that, it could not tell if the missing information would then be subject to adjustments for factors in Commission Rule 20 CSR 4240-20.060(4)(E).

The Commission’s Net Metering Rule, 20 CSR 4240-420.065(1)(B), states that “avoided fuel cost means the incremental costs to the electric utility of electric energy ...[that] the utility would generate itself or purchase from another source.” The avoided fuel cost is used to evaluate the utility’s standard rate for purchases from systems less

than 100 kilowatts. Staff's opinion is that the proposed rates seem to be reasonable estimates of avoided energy costs. However, those costs are premised on market costs, which "Staff would describe as the avoided fuel and purchased power cost."

The Commission requires additional clarification of the following questions arising from Staff's memorandum:

1. If Evergy did not provide the levels of purchases in blocks as required by Commission Rule 20 CSR 4240-3.155(4)(A), should the tariff sheets be rejected for failure to comply with the rule or does Staff think Evergy should seek a waiver from that rule provision?
2. Does the failure to provide the levels of purchases in blocks affect Staff's confidence in Evergy's avoided fuel costs and resulting rates?
3. Is it appropriate to base the avoided energy costs on a market cost?
4. Can Staff clarify why the "avoided fuel and purchased power cost" seems to be a reasonable estimate of avoided energy costs?
5. Should Evergy's tariff sheets be suspended to allow Staff to perform additional review? If so how much additional time would Staff need?

The Commission will order Staff to answer the above questions.

THE COMMISSION ORDERS THAT:

1. Staff shall answer the questions contained in the body of this order no later than February 22, 2021.

2. This order is effective when issued.



BY THE COMMISSION

A handwritten signature in black ink that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

John T. Clark, Senior Regulatory Law Judge,
by delegation of authority pursuant
to Section 386.240, RSMo 2016.

Dated at Jefferson City, Missouri,
on this 17th day of February, 2021.