# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Ninth Prudence Review of Costs	)	
Subject to the Commission-Approved Fuel Adjustment	)	File No. EO-2020-0262
Clause of Evergy Missouri West Inc., d/b/a Evergy	)	
Missouri West	)	
In the Matter of the Third Prudence Review of Costs	)	
Subject to the Commission-Approved Fuel Adjustment	)	File No. EO-2020-0263
Clause of Evergy Metro, Inc., d/b/a Evergy Missouri	)	
Metro	)	

#### PARTIAL STIPULATION AND AGREEMENT

COME NOW, Evergy Metro, Inc. d/b/a Evergy Missouri Metro ("Evergy Missouri Metro") and Evergy Missouri West, Inc. d/b/a Evergy Missouri West ("Evergy Missouri West") (collectively referred to as "Evergy" or the "Company") and, by and through its counsel, and for this Stipulation and Agreement ("Stipulation"), respectfully states as follows to the Missouri Public Service Commission ("Commission"):

#### **BACKGROUND**

- 1. This docket was established pursuant to the provisions of 20 CSR 4240-20.090(11)(B) so Staff ("Staff") for the Commission could conduct a prudence review of the costs and revenues associated with the Company's Fuel Adjustment Clause ("FAC").
- 2. Parties to this docket have engaged in settlement discussions and, as a result of said settlement discussions Evergy, Staff, and the Office of the Public Counsel ("OPC") (the "Signatories") have negotiated and authorized the filing of this Stipulation and the Signatories request that the Commission approve it to resolve certain issues in this proceeding, as detailed below. Counsel for the Sierra Club has indicated that it does not oppose the Stipulation.

3. The negotiation of this Stipulation as a resolution of these issues does not constitute a waiver, dismissal, or admission by any party to this agreement as to any claim that the costs involved were either prudently or imprudently incurred or included in the FAC of either Evergy Missouri Metro or Evergy Missouri West.

#### **AGREEMENTS**

- 4. Evergy Missouri West agrees to remove Sibley retirement costs included in Accumulation Period ("AP") AP23 (Case No. ER-2019-0198) from its FAC calculation through an Ordered Adjustment ("OA") amounting to \$1,039,646, or \$984,898 Missouri jurisdictional and 95% sharing applied. Evergy Missouri West will remove \$984,898, with interest, from the FAC in Evergy Missouri West's first fuel adjustment rate ("FAR") case following a Commission order approving this Stipulation. The Company will record the retirement costs of \$1,039,646 to the Sibley AAO regulatory liability FERC Account 254081 established in Case No. EC-2019-0200 for consideration in Evergy Missouri West's next general rate case. <sup>1</sup>
- 5. Evergy Missouri Metro agrees to remove Montrose fuel residual costs identified in AP8 (Case No. ER-2020-0025) from its FAC calculation amounting to \$15,492. Evergy Missouri Metro will remove this amount, with interest, from the FAC in Evergy Missouri Metro's first FAR case following a Commission order approving this Stipulation.
- 6. Evergy Missouri Metro agrees to remove the Missouri retail Montrose costs amounting to \$183,612 from its FAC calculation from FERC account 501 and will record this amount to Cost of Removal FERC Account 108 for consideration in Evergy Missouri Metro's next

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<sup>&</sup>lt;sup>1</sup> An appropriate Missouri jurisdictional amount will be calculated in the rate case if it is determined that these costs are recoverable.

general rate case. <sup>2</sup> Evergy Missouri Metro will remove this amount, with interest, from the FAC in Evergy Missouri Metro's first FAR case following a Commission order approving this Stipulation.

### **GENERAL PROVISIONS**

- 7. Contingent upon Commission approval of this Stipulation without modification, the Signatories hereby stipulate to the admission into the evidentiary record of the testimony of their witnesses, and the witnesses of the parties who do not oppose this Stipulation, on the issues that are resolved by this Stipulation.
- 8. This Stipulation is being entered into solely for the purpose of settling the issues in this case explicitly set forth above. Unless otherwise explicitly provided herein, none of the Signatories of this Stipulation shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation, any cost of service methodology or determination, method of cost determination or cost allocation or revenue-related methodology.
- 9. This Stipulation is a negotiated settlement. Except as specified herein, the Signatories of this Stipulation shall not be prejudiced, bound by, or in any way affected by the terms of this Stipulation: (a) in any future proceeding; (b) in any proceeding currently pending under a separate docket; and/or (c) in this proceeding should the Commission decide not to approve this Stipulation, or in any way condition its approval of same. No Signatory shall assert the terms of this agreement as a precedent in any future proceeding.
- 10. This Stipulation has resulted from extensive negotiations among the Signatories, and the terms hereof are interdependent. If the Commission does not approve this Stipulation

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<sup>&</sup>lt;sup>2</sup> Only the Missouri jurisdictional costs will be recorded in account 108 since the non-Missouri jurisdictional portion of these costs have been accounted for. If a determination is made that these costs are recoverable, no changes to this amount will be made.

unconditionally and without modification, then this Stipulation shall be void and no Signatory shall be bound by any of the agreements or provisions hereof.

- 11. This Stipulation embodies the entirety of the agreements between the Signatories in this case on the issues addressed herein, and may be modified by the Signatories only by a written amendment executed or authorized in writing by all of the Signatories.
- 12. If approved and adopted by the Commission, this Stipulation shall constitute a binding agreement among the Signatories. The Signatories shall cooperate in defending the validity and enforceability of this Stipulation and the operation of this Stipulation according to its terms.
- 13. If the Commission does not approve this Stipulation without condition or modification, and notwithstanding the provision herein that it shall become void, (1) neither this Stipulation nor any matters associated with its consideration by the Commission shall be considered or argued to be a waiver of the rights that any Signatory has for a decision in accordance with RSMo. §536.080 or Article V, Section 18 of the Missouri Constitution, and (2) the Signatories shall retain all procedural and due process rights as fully as though this Stipulation had not been presented for approval, and any suggestions, memoranda, testimony, or exhibits that have been offered or received in support of this Stipulation shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any purpose whatsoever.
- 14. If the Commission accepts the specific terms of this Stipulation without condition or modification, only as to the issues in these cases explicitly set forth above, the Signatories each waive their respective rights to present oral argument and written briefs pursuant to RSMo.

§536.080.1, their respective rights to the reading of the transcript by the Commission pursuant to §536.080.2, their respective rights to seek rehearing pursuant to §536.500, and their respective rights to judicial review pursuant to §386.510. This waiver applies only to a Commission order approving this Stipulation without condition or modification issued in this proceeding and only to the issues that are resolved hereby. It does not apply to any matters raised in any prior or subsequent Commission proceeding nor any matters not explicitly addressed by this Stipulation.

WHEREFORE, the Company respectfully requests the Commission to issue an order in this case approving the Stipulation subject to the specific terms and conditions contained therein. Respectfully submitted,

## |s| Roger W. Steiner

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# |s| Travis J. Pringle

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#### **Attorney for Staff for the Commission**

# |s| John Clizer

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## Attorney for the Office of the Public Counsel

# **CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the foregoing document has been hand-delivered, emailed or mailed, postage prepaid, to the Staff of the Commission and to the Office of Public Counsel this 18<sup>th</sup> day of December 2020.

|s| Roger W. Steiner

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