

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

In the Matter of Every Missouri Metro and)
Every Missouri West’s Notice of Intent to)
File Applications for Authority to Establish) **File No. EO-2019-0132**
a Demand-Side Programs Investment)
Mechanism)

**STAFF RECOMMENDATION REGARDING APPROVAL OF COMPLIANCE
TARIFF SHEETS AND REVISED TECHNICAL RESOURCE MANUAL**

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”), by and through counsel, and for its recommendation respectfully states:

1. On December 16, 2019, Every Missouri Metro and Every Missouri West (“Every Missouri”) filed compliance tariffs as ordered by the Commission in its *Report and Order* (“Order”), with an effective date of January 1, 2020.

2. Every Missouri filed an application for approval of modifications to its Technical Resource Manual (“TRM”) that same day, bearing an effective date of January 1, 2020.

3. The Commission, in its Order, had previously ordered Staff to file a recommendation regarding the compliance tariffs by December 20, 2019.

4. On December 17, 2019, the Commission ordered Staff to make a recommendation regarding approval of Every Missouri’s modifications to its TRM by December 20, 2019.

**STAFF’S RECOMMENDATION REGARDING APPROVAL OF
COMPLIANCE TARIFF SHEETS**

5. Staff has reviewed the tariff sheets filed on December 16, 2019 as well as the sheets that were ordered filed on December 18, 2019 for compliance with Section 393.140(11) RSMo.

6. The Commission's Order directed parties to calculate avoided costs using the average of bids Evergy Missouri West received for capacity in 2017.¹ Staff complied with the Commission's directive, and attached as Schedule 1 are the Total Resource Cost ("TRC") results for Evergy Missouri's programs.

7. The Commission's Order states "Under Evergy Missouri's market-based approach calculations, the only program that would not be cost-effective is the business thermostat program. Evergy Missouri is willing to make changes to that program so that it is cost-effective."² The Order further states, "Using a market based equivalency for avoided costs, Evergy Missouri calculates that all but one of its MEEIA Cycle 3 programs is cost-effective, and Evergy Missouri is willing to modify that program so it becomes cost effective."³ Staff interprets this to mean that programs that are not cost-effective at the time the Commission approves the tariff sheets or their effective date should be modified by Evergy Missouri to become cost-effective. To that end, Staff notes, based on the analysis represented in Schedule 1, that the TRC for the Residential Heating, Cooling, & Home Comfort Program, Residential Home Energy Report Program,⁴ and the Business Smart Thermostat Program for both Evergy Metro and Evergy West is not greater than one (1).⁵

WHEREFORE, Staff respectfully requests the Commission issue an order allowing the following tariff sheets to become effective January 1, 2020 by operation of law:

¹ Order, p. 24.

² Order, p. 13.

³ Order, p. 21.

⁴ Evergy West Residential Home Energy Report Program TRC = 1.006

⁵ 20 CSR 4240-20.094(4)(I)

**STAFF'S RECOMMENDATION REGARDING APPROVAL OF
REVISED TECHNICAL RESOURCE MANUAL**

8. The Commission ordered that “The MEEIA Cycle 3 plans, as put forth by Evergy Missouri Metro and Evergy Missouri West, and modified by the Commission, are approved for a period of three years from the effective date of this order.”⁶

9. Staff interprets this to mean the Commission approved Every Missouri’s MEEIA Cycle 3 Plans as filed with modification to the avoided cost and with implementation of a Pay as You Save (“PAYS”) program.

10. After reviewing Evergy Missouri’s revised TRM, as filed on December 16, 2020, Staff recommends the Commission allow the revised TRM to become effective January 1, 2020, by operation of law, as it appears to not be inconsistent with the Order. Staff reserves the right to express concerns with any part of the TRM in future proceedings.

WHEREFORE, Staff respectfully requests the Commission issue an order allowing the revised TRM to become effective by operation of law on January 1, 2020, and to grant any such further relief as is just in these circumstances.

Respectfully submitted,

/s/ Nicole Mers

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⁶ Order, p. 26.

/s/ Travis Pringle

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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 parties and/or counsel of record on this 20th day of December, 2019.

/s/ Nicole Mers

MEMORANDUM

TO: Missouri Public Service Commission Official Case Files
File No. EO-2019-0132, Tariff Tracking Nos.
YE-2020-0100, YE-2020-0101, JE-2020-0102, and YE-2020-0103

FROM: Brad J. Fortson, Utility Regulatory Manager

DATE: /s/ Natelle Dietrich 12/20/2019 /s/ Nicole Mers 12/20/2019
Industry Analysis Director / Date Staff Counsel Department / Date

SUBJECT: Staff Recommendation for Substituted Original and Revised Tariff Sheets to be Effective on January 1, 2020, for Evergy Metro, Inc., d/b/a Evergy Missouri Metro and Evergy Missouri West, Inc., d/b/a Evergy Missouri West

DATE: December 20, 2019

On December 11, 2019, the Commission filed its *Report and Order* (“Order”) approving the Evergy Metro, Inc., d/b/a Evergy Missouri Metro (“Evergy Metro”) and Evergy Missouri West, Inc., d/b/a Evergy Missouri West (“Evergy West”) (collectively “Companies”) MEEIA Cycle 3 Plans as modified by the Commission. In its Order, the Commission ordered that if Evergy Metro and Evergy West offer a MEEIA Cycle 3 Plan, they shall file tariff sheets in compliance with the Order no later than December 16, 2019. The Commission also ordered the Staff of the Missouri Public Service Commission (“Staff”) to file a recommendation on the sufficiency of the Companies compliance tariff sheets no later than December 20, 2019, at 10:00 AM.

On December 16, 2019, the Companies filed with the Commission original and/or revised tariff sheets reflecting their MEEIA Cycle 3 Plans bearing an effective date of January 1, 2020. Also on December 16, 2019, the Companies filed their *Application for Approval of Modification to its Technical Resource Manual (Exhibit A, B, and C – Public and Confidential)* to be effective January 1, 2020.

On December 17, 2019, the Commission filed its *Order Directing Filing* ordering the Companies to file substitute tariffs with a statutorily compliant effective date of January 15, 2020, no later than December 18, 2019, at 10:00 AM, and if the Companies want the tariffs to take effect sooner than January 15, 2020, directed them to file a motion for expedited treatment. Also on December 17, 2019, in its *Order Directing Responses*, the Commission ordered Staff to make a recommendation regarding approval of the Companies revised Technical Resource Manual (“TRM”) no later than December 20, 2019, at 10:00 AM.

On December 18, 2019, the Companies filed substitute tariffs bearing an effective date of January 15, 2020. Also on December 18, 2019, the Companies filed their *Motion for Expedited Treatment* requesting an effective date of January 1, 2020.

STAFF RECOMMENDATION

The Commission ordered that “The MEEIA Cycle 3 Plans, as put forth by Evergy Missouri Metro and Evergy Missouri West, and modified by the Commission, are approved for a period of three years from the effective date of [the] order.” Staff interprets this to mean the Commission approved the Companies’ MEEIA Cycle 3 Plans as filed with modification to the avoided cost and with implementation of a Pay as You Save (“PAYS”) program.

Staff has reviewed the Companies revised TRM, as filed on December 16, 2019, and recommends the Commission allow the revised TRM to become effective January 1, 2020, as it appears to not be inconsistent with the Commission’s Order. Staff reserves the right to express concerns with any part of the TRM in future proceedings.

The Commission’s Order states, “Using Evergy Missouri’s 2017 market-based approach to calculate avoided costs, all but one of the Companies’ MEEIA Cycle 3 programs would be cost effective.”¹ The Order goes on to state, “Under Evergy Missouri’s market-based approach calculations, the only program that would not be cost-effective is the business thermostat program. Evergy Missouri is willing to make changes to that program so that it is cost-effective.”² The Order further states, “Using a market based equivalency for avoided costs, Evergy Missouri calculates that all but one of its MEEIA Cycle 3 programs is cost-effective, and Evergy Missouri is willing to modify that program so it becomes cost effective.”³

In its Order, the Commission ordered that “Avoided costs shall be calculated using the average cost of the seven bids to supply capacity which Evergy Missouri West received in response to a 2017 Request for proposal and described in testimony.”⁴ Based on Staff’s analysis, using a fixed average cost of the seven bids, it finds that the Total Resource Cost (“TRC”) test for the Residential Heating, Cooling, & Home Comfort Program, Residential Home Energy Report Program,⁵ and the Business Smart Thermostat Program for both Evergy Metro and Evergy West is not greater than one (1).⁶ This is represented in Schedule 1 attached hereto.

Staff has reviewed the filed substituted original and revised tariff sheets. Assuming Staff’s interpretation of the order is correct, and so long as the Commission’s Order intended for the above mentioned programs with a TRC not greater than one be modified by the Companies to become cost-effective at a date after their approval and effective date, and the Companies modify the above mentioned programs to become cost-effective, Staff recommends the Commission allow the following tariff sheets as filed on December 16, 2019, and substituted on December 18, 2019, to become effective for service on the requested effective date of January 1, 2020, as they do not appear to be inconsistent with the Commission’s Order.

¹ File No. EO-2019-0132, *Report and Order*, pg. 12.

² File No. EO-2019-0132, *Report and Order*, pg. 13.

³ File No. EO-2019-0132, *Report and Order*, pg. 21.

⁴ File No. EO-2019-0132, *Report and Order*, pg. 26.

⁵ Evergy West Residential Home Energy Report Program TRC = 1.006.

⁶ 20 CSR 4240-20.094(4)(I).

EVERGY METRO

P.S.C. MO. No. 2 Sheet No. 1.04B

Ninth Revised Sheet No. 1.04B Canceling Eighth Revised Sheet No. 1.04B

P.S.C. MO. No. 2 Sheet No. 1.72 – 1.95

First Revised Sheet No. 1.72 Canceling Original Sheet No. 1.72
First Revised Sheet No. 1.73 Canceling Original Sheet No. 1.73
First Revised Sheet No. 1.74 Canceling Original Sheet No. 1.74
First Revised Sheet No. 1.75 Canceling Original Sheet No. 1.75
First Revised Sheet No. 1.76 Canceling Original Sheet No. 1.76
First Revised Sheet No. 1.77 Canceling Original Sheet No. 1.77
Second Revised Sheet No. 1.78 Canceling First Revised Sheet No. 1.78
Second Revised Sheet No. 1.79 Canceling First Revised Sheet No. 1.79
First Revised Sheet No. 1.80 Canceling Original Sheet No. 1.80
First Revised Sheet No. 1.81 Canceling Original Sheet No. 1.81
First Revised Sheet No. 1.82 Canceling Original Sheet No. 1.82
Original Sheet No. 1.82A
Original Sheet No. 1.82B
Original Sheet No. 1.82C
Original Sheet No. 1.82D
First Revised Sheet No. 1.83 Canceling Original Sheet No. 1.83
Original Sheet No. 1.83A
First Revised Sheet No. 1.84 Canceling Original Sheet No. 1.84
First Revised Sheet No. 1.85 Canceling Original Sheet No. 1.85
First Revised Sheet No. 1.86 Canceling Original Sheet No. 1.86
Second Revised Sheet No. 1.87 Canceling First Revised Sheet No. 1.87
Original Sheet No. 1.87A
Original Sheet No. 1.87B
Second Revised Sheet No. 1.88 Canceling First Revised Sheet No. 1.88
Second Revised Sheet No. 1.89 Canceling First Revised Sheet No. 1.89
First Revised Sheet No. 1.90 Canceling Original Sheet No. 1.90
First Revised Sheet No. 1.91 Canceling Original Sheet No. 1.91
First Revised Sheet No. 1.92 Canceling Original Sheet No. 1.92
Second Revised Sheet No. 1.93 Canceling First Revised Sheet No. 1.93
Original Sheet No. 1.93A
Second Revised Sheet No. 1.94 Canceling First Revised Sheet No. 1.94
Original Sheet No. 1.94A
Original Sheet No. 1.94B
Second Revised Sheet No. 1.95 Canceling First Revised Sheet No. 1.95

P.S.C. MO. No. 7 Sheet No. 49Q – 49Z

Original Sheet No. 49Q
Original Sheet No. 49R
Original Sheet No. 49S
Original Sheet No. 49T
Original Sheet No. 49U
Original Sheet No. 49V
Original Sheet No. 49W
Original Sheet No. 49X
Original Sheet No. 49Y
Original Sheet No. 49Z

EVERGY WEST

P.S.C. MO. No. 1 Sheet No. R-3

Eighteenth Revised Sheet No. R-3 Canceling Seventeenth Revised Sheet No. R-3

P.S.C. MO. No. 1 Sheet No. R-63 – R-64

Eighth Revised Sheet No. R-63 Canceling Seventh Revised Sheet No. R-63
Sixth Revised Sheet No. R-63.01 Canceling Fifth Revised Sheet No. R-63.01
Fifth Revised Sheet No. R-63.01.1 Canceling Fourth Revised Sheet No. R-63.01.1
Third Revised Sheet No. R-63.01.2 Canceling Second Revised Sheet No. R-63.01.2
Fourth Revised Sheet No. R-63.02 Canceling Third Revised Sheet No. R-63.02
Fifth Revised Sheet No. R-63.03 Canceling Fourth Revised Sheet No. R-63.03
Fourth Revised Sheet No. R-63.04 Canceling Third Revised Sheet No. R-63.04
Fourth Revised Sheet No. R-63.05 Canceling Third Revised Sheet No. R-63.05
Fourth Revised Sheet No. R-63.06 Canceling Third Revised Sheet No. R-63.06
Third Revised Sheet No. R-63.07 Canceling Second Revised Sheet No. R-63.07
Third Revised Sheet No. R-63.08 Canceling Second Revised Sheet No. R-63.08
Fourth Revised Sheet No. R-63.09 Canceling Third Revised Sheet No. R-63.09
Fourth Revised Sheet No. R-63.10 Canceling Third Revised Sheet No. R-63.10
Original Sheet No. R-63.10.1
Fourth Revised Sheet No. R-63.11 Canceling Third Revised Sheet No. R-63.11
Fourth Revised Sheet No. R-63.12 Canceling Third Revised Sheet No. R-63.12
Fourth Revised Sheet No. R-63.13 Canceling Third Revised Sheet No. R-63.13
Fourth Revised Sheet No. R-63.14 Canceling Third Revised Sheet No. R-63.14
Fourth Revised Sheet No. R-63.15 Canceling Third Revised Sheet No. R-63.15
Fourth Revised Sheet No. R-63.16 Canceling Third Revised Sheet No. R-63.16
Third Revised Sheet No. R-63.17 Canceling Second Revised Sheet No. R-63.17
Third Revised Sheet No. R-63.18 Canceling Second Revised Sheet No. R-63.18
Third Revised Sheet No. R-63.19 Canceling Second Revised Sheet No. R-63.19
Fourth Revised Sheet No. R-63.20 Canceling Third Revised Sheet No. R-63.20
Third Revised Sheet No. R-63.21 Canceling Second Revised Sheet No. R-63.21
Fifth Revised Sheet No. R-63.22 Canceling Fourth Revised Sheet No. R-63.22

Fifth Revised Sheet No. R-63.23 Canceling Fourth Revised Sheet No. R-63.23
Fifth Revised Sheet No. R-63.24 Canceling Fourth Revised Sheet No. R-63.24
Original Sheet No. R-63.24.1
Fifth Revised Sheet No. R-63.25 Canceling Fourth Revised Sheet No. R-63.25
Sixth Revised Sheet No. R-63.26 Canceling Fifth Revised Sheet No. R-63.26
Fifth Revised Sheet No. R-64 Canceling Fourth Revised Sheet No. R-64
Sixth Revised Sheet No. R-64.01 Canceling Fifth Revised Sheet No. R-64.01
Fifth Revised Sheet No. R-64.02 Canceling Fourth Revised Sheet No. R-64.02
Sixth Revised Sheet No. R-64.03 Canceling Fifth Revised Sheet No. R-64.03
Sixth Revised Sheet No. R-64.04 Canceling Fifth Revised Sheet No. R-64.04
Sixth Revised Sheet No. R-64.05 Canceling Fifth Revised Sheet No. R-64.05
Fourth Revised Sheet No. R-64.06 Canceling Third Revised Sheet No. R-64.06
Fourth Revised Sheet No. R-64.07 Canceling Third Revised Sheet No. R-64.07
Fourth Revised Sheet No. R-64.08 Canceling Third Revised Sheet No. R-64.08
Third Revised Sheet No. R-64.09 Canceling Second Revised Sheet No. R-64.09
Third Revised Sheet No. R-64.10 Canceling Second Revised Sheet No. R-64.10
Third Revised Sheet No. R-64.11 Canceling Second Revised Sheet No. R-64.11
Third Revised Sheet No. R-64.13 Canceling Second Revised Sheet No. R-64.13
Third Revised Sheet No. R-64.14 Canceling Second Revised Sheet No. R-64.14
Third Revised Sheet No. R-64.16 Canceling Second Revised Sheet No. R-64.16
Third Revised Sheet No. R-64.17 Canceling Second Revised Sheet No. R-64.17
Original Sheet No. R-64.18
Third Revised Sheet No. R-64.19 Canceling Second Revised Sheet No. R-64.19
Third Revised Sheet No. R-64.20 Canceling Second Revised Sheet No. R-64.20
Third Revised Sheet No. R-64.21 Canceling Second Revised Sheet No. R-64.21

P.S.C. MO. No. 1 Sheet No. 138.09 – 138.18

Original Sheet No. 138.09
Original Sheet No. 138.10
Original Sheet No. 138.11
Original Sheet No. 138.12
Original Sheet No. 138.13
Original Sheet No. 138.14
Original Sheet No. 138.15
Original Sheet No. 138.16
Original Sheet No. 138.17
Original Sheet No. 138.18

Staff has verified that the Companies are current on their annual report filings and are not delinquent on any assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

**Evergy Metro
and
Evergy Missouri West
File No. EO-2019-0132**

EVERGY METRO	
Program	TRC
Energy Saving Products	1.995
Heating, Cooling & Weatherization	0.979
Home Energy Report	0.830
Residential Demand Response	1.190
Business Standard	1.140
Business Custom	1.842
Business Process Efficiency	1.294
Business Demand Response	3.852
Business Smart Thermostat	0.915

EVERGY WEST	
Program	TRC
Energy Saving Products	1.974
Heating, Cooling & Weatherization	0.958
Home Energy Report	1.006
Residential Demand Response	1.151
Business Standard	1.075
Business Custom	1.850
Business Process Efficiency	1.305
Business Demand Response	3.802
Business Smart Thermostat	0.850

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

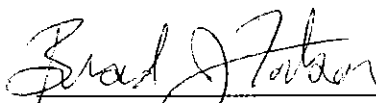
In the Matter of Evergy Missouri Metro and)
Evergy Missouri West's Notice of Intent to File) File No. EO-2019-0132
Applications for Authority to Establish a)
Demand-side Programs Investment Mechanism)

AFFIDAVIT OF BRAD J. FORTSON

State of Missouri)
County of Cole) ss.
County of Cole)

COMES NOW Brad J. Fortson, and on his oath declares that he is of sound mind and lawful age; that he contributed to the attached *Staff Recommendation in Memorandum form*; and that the same is true and correct according to his best knowledge and belief.

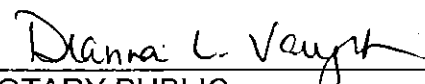
Further the Affiant sayeth not.



Brad J. Fortson

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 20th day of December, 2019.



NOTARY PUBLIC

DIANNA L. VAUGHT
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: July 18, 2023
Commission Number: 15207377