

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

In the Matter of Evergy Missouri West,)	
Inc., d/b/a Evergy Missouri West's)	
Demand Side Investment Mechanism)	<u>File No. ER-2020-0389</u>
Rider Rate Adjustment and True-Up)	Tariff No. JE-2020-0211
Required by 20 CSR 4240-20.093(4))	

STAFF RECOMMENDATION TO APPROVE PROPOSED TARIFF SHEET

COMES NOW the Staff of the Missouri Public Service Commission ("Staff") and for its *Staff Recommendation to Approve Proposed Tariff Sheet* respectfully states as follows:

1. On June 1, 2020, Evergy Missouri West, Inc., d/b/a Evergy Missouri West ("Evergy Missouri West" or "Company"), filed with the Commission one (1) tariff sheet bearing an issue date of June 1, 2020, and an effective date of August 1, 2020, proposing to adjust charges related to Evergy Missouri West's Demand Side Investment Mechanism ("DSIM") Rider. These adjustments are required under Commission Rule 20 CSR 4240-20.093(4).

2. Evergy Missouri West's filing also included the Direct Testimony of Lisa A. Starkebaum and work papers consisting of electronic worksheets showing its calculation of the proposed rates.

3. As a result of the Company's proposed change, the DSIM Rider Rate of a residential customer using 1,000 kWh would decrease \$0.26 per month. For a non-residential customer using 1,000 kWh, this would mean a \$0.28 decrease for Small General Service, a \$0.33 decrease for Large General Service, and an \$0.82 increase for Large Power Service per month. The proposed change, and Staff's review, is further detailed in *Staff's Memorandum*, attached hereto as Appendix A.

4. After completing its review of the proposed tariff sheet, testimony and workpapers, it is Staff's recommendation that the Commission issue an order approving the following tariff sheet, filed on June 1, 2020, for service on and after August 1, 2020, the requested effective date:

P.S.C. MO. No. 1
Second Revised Sheet No. 138.17, Cancelling First Revised Sheet No. 138.17

WHEREFORE, Staff respectfully submits its *Staff Recommendation to Approve Proposed Tariff Sheet* for the Commission's information and consideration.

Respectfully Submitted,

/s/ Travis J. 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 counsel of record this 1st day of July, 2020.

/s/ Travis J. Pringle

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
Case No. ER-2020-0389 and Tariff Tracking No. JE-2020-0211

FROM: Nancy L. Harris, Utility Regulatory Auditor II

/s/ Robin Kliethermes / 07-01-20 /s/ Travis Pringle / 07-01-20
Manager, Rate & Tariff Examination/ Date Staff Counsel's Office / Date

SUBJECT: Staff Recommendation to Approve Evergy Missouri West, Inc., d/b/a Evergy Missouri West's ("Evergy Missouri West") Proposed Tariff Sheet to Adjust Demand Side Investment Mechanism ("DSIM") Rider Rate effective August 1, 2020.

DATE: July 1, 2020

Evergy Missouri West Operations Filing

On June 1, 2020, Evergy Missouri West filed with the Commission one (1) tariff sheet bearing an issue date of June 1, 2020, and an effective date of August 1, 2020, proposing to adjust charges related to Evergy Missouri West's DSIM Rider. Evergy Missouri West's filing also included the Direct Testimony of Lisa A. Starkebaum and work papers consisting of electronic worksheets showing its calculation of the proposed rates.

On June 2, 2020, the Commission issued its *Order Directing Notice, Establishing Intervention Date, and Directing Filing of Staff Recommendation* which directed Staff to file its recommendation no later than July 1, 2020.

Change in Evergy Missouri West's DSIM Rates

Per 20 CSR 4240-20.093(4), Evergy Missouri West is required to make annual adjustments of DSIM rates to reflect the amount of revenue that has been over/under collected.

The current Missouri Energy Efficiency Investment Act ("MEEIA") mechanism rate per class of customer is collected through a line item on current bills and is based on an annual level of projected costs and incentives with reconciliations from actual prior periods and any ordered adjustments with interest. In addition to reconciliations for prior periods, this adjustment includes Evergy Missouri West's MEEIA Cycle 2 extension request through March 1, 2020, filed in Case No. EO-2020-0155 and Evergy Missouri West's Cycle 2 earnings opportunity ("EO").

Listed below are the current MEEIA rates and the new MEEIA rates for the proposed DSIM Rider. The proposed DSIM Rider rate changes are applicable to all non-lighting kWh of energy supplied to customers under the Evergy Missouri West’s retail rates schedules, excluding kWh of energy supplied to “opt-out” customers.

Rate Class	Current MEEIA Rate/kWh	Proposed MEEIA Rate/kWh
Residential Service	\$0.00504	\$0.00478
Non-Residential – SGS	\$0.00449	\$0.00421
Non-Residential – LGS	\$0.00363	\$0.00330
Non-Residential – LPS	\$0.00240	\$0.00322

The proposed change will decrease residential customers’ DSIM Rider rate from \$0.00504 to \$0.00478 per kWh.¹ For a residential customer using 1,000 kilowatt-hours (kWh), this would mean a decrease of \$.26 per month. For a non-residential customer using 1,000 kilowatt-hours (kWh), this would mean a \$.28 decrease for Small General Service, a \$.33 decrease for Large General Service, and an \$.82 increase for Large Power Service per month.²

Staff’s recommendation to approve this Second Revised Sheet No. 138.17 does not constitute a review of the prudence of Evergy Missouri West’s actions in relation to its DSIM.

Staff Recommendation

The Commission Staff’s Tariff/Rate Design Department has reviewed the filed tariff sheet and recommends the Commission issue an order approving the following tariff sheets, filed on June 1, 2020 for service on and after August 1, 2020, the requested effective date:

P.S.C. MO. No. 1
Second Revised Sheet No. 138.17, Cancelling First Revised Sheet No. 138.17

Staff has verified that Evergy Missouri West is not delinquent on any assessment and has filed its Annual Report. Evergy Missouri West is current on its submission of its Quarterly Surveillance

¹ Inclusion of MEEIA Cycle 3 projected Program Costs (“PC”) and Throughput Disincentive (“TD”) in addition to projected MEEIA Cycle 2 PC, TD and EO for the 12-months ending December 31, 2020.
² The rate decrease for the Residential, SGS and LGS classes are due to the ending of MEEIA Cycle 2 programs.

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July 1, 2020

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Monitoring reports as required in 20 CSR 4240-20.090(10). Staff is not aware of any other matter before the Commission that affects or is affected by this filing. Staff's recommendation for approval of the DSIM Rider rate changes in this case are solely based on the accuracy of Evergy Missouri West's calculations and is not indicative of prudence.

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OF THE STATE OF MISSOURI

In the Matter of Evergy Missouri West, Inc.)
d/b/a Evergy Missouri West's Demand)
Side Investment Mechanism Rider Rate)
Adjustment and True-Up Required by)
20 CSR 4240-20.093(4))

Case No. ER-2020-0389

AFFIDAVIT OF NANCY L. HARRIS

STATE OF MISSOURI)
)
COUNTY OF COLE) ss.

COME NOW NANCY L. HARRIS 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, under penalty of perjury.

Further the Affiants sayeth not.

/s/ Nancy L. Harris
NANCY L. HARRIS