

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

In the Matter of the Application of Evergy)
Metro, Inc. d/b/a Evergy Missouri Metro) **File No. EO-2021-0243**
Containing its Semi-Annual Fuel)
Adjustment Clause True-Up)

STAFF RECOMMENDATION TO APPROVE TRUE-UP FILING

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”), by and through counsel, and for its *Staff Recommendation to Approve True-Up Filing* respectfully states:

1. On January 29, 2021, Evergy Metro, Inc. d/b/a Evergy Missouri Metro (“Evergy Missouri Metro”) filed an application concerning its eighth true-up filing for Recovery Period 8 (“RP8”),¹ as allowed by Commission Rule 20 CSR 4240-20.090(9), in order to remedy an under-collection of \$996,289 from its customers.

2. Rule 20 CSR 4240-20.090(9)(D) requires the Commission’s Staff to examine and analyze the information Evergy Missouri Metro has submitted and to submit a recommendation to the Commission no later than 30 days after Evergy Missouri Metro made its filing—in this case, no later than February 28, 2020.

3. As explained in Staff’s *Memorandum*, attached hereto as Appendix A and incorporated herein by reference, Staff recommends the Commission approve Evergy Missouri Metro’s eighth true-up filing for RP8, during which Evergy Missouri Metro under-collected \$996,289 from its customers.

4. Staff reviewed and analyzed the direct testimony, supporting schedules and work papers of Evergy Missouri Metro witness Lisa A. Starkebaum. Staff has determined that

¹ October 1, 2019 through September 30, 2020.

Evergy Missouri Metro's calculations for the true-up amount for RP8 are correct. The under-collected amount will be recovered from customers as it will be included in Evergy Missouri Metro's proposed changes to its current period fuel adjustment rates in its semi-annual Fuel Adjustment Clause ("FAC") filing in File No. ER-2021-0244 for Accumulation Period 11.²

5. Staff has verified that Evergy Missouri Metro has filed its 2019 annual report and is not delinquent on any assessment. Evergy Missouri Metro is current on its submission of its Surveillance Monitoring reports as required in 20 CSR 4240-20.090(6), and its periodic monthly reports as required by 20 CSR 4240-20.090(5). With the exception of Evergy Missouri Metro's proposed changes to its current annual fuel adjustment rates in its semi-annual FAC filing in File No. ER-2021-0244, Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

WHEREFORE, Staff submits its analysis and recommends that the Commission approve Evergy Missouri Metro's eighth true-up filing for RP8 during which Evergy Missouri Metro under-collected \$996,289 from its customers.

Respectfully Submitted,

/s/ Travis J. Pringle

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² July 1, 2020 through December 31, 2020.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by electronic mail, or First Class United States Postal Mail, postage prepaid, on this 26th day of February 2021, to all parties and/or counsel of record.

/s/ Travis J. Pringle

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
File No. EO-2021-0243
Evergy Metro, Inc., d/b/a Evergy Missouri Metro

FROM: Lisa Wildhaber, Senior Utility Regulatory Auditor
Brooke Mastrogiannis, Utility Regulatory Supervisor
Cynthia M. Tandy, Senior Utility Regulatory Auditor

/s/ Brad J. Fortson / 02-26-2021
Energy Resources Dept. / Date

/s/ Travis Pringle / 02-26-2021
Staff Counsel's Office / Date

SUBJECT: Staff's Analysis of and Recommendation Concerning Evergy Metro, Inc.,
d/b/a Evergy Missouri Metro Fuel Adjustment Clause True-up Filing Under
the Provisions in 20 CSR 4240-20.090(9).

DATE: February 26, 2021

Staff Recommendation

Staff recommends that the Missouri Public Service Commission ("Commission") approve the true-up filing for Evergy Metro, Inc., d/b/a Evergy Missouri Metro ("Evergy Missouri Metro"), f/k/a Kansas City Power & Light Company ("KCP&L") for Recovery Period 8 ("RP8") during which Evergy Missouri Metro under-collected \$996,289¹ from its customers.

Discussion

On January 29, 2021, Evergy Missouri Metro filed with the Commission its fuel adjustment clause ("FAC") true-up² for RP8 under the provisions of its FAC tariff sheets and 20 CSR 4240-20.090(9). RP8 began October 1, 2019 and ended September 30, 2020. It was preceded by Accumulation Period 8 ("AP8"), which began January 1, 2019 and ended June 30, 2019.

Evergy Missouri Metro's filing is supported by the direct testimony and supporting schedules of Lisa A. Starkebaum, Manager - Regulatory Affairs at Evergy Missouri Metro. The Missouri Public Service Commission Staff ("Staff") reviewed Ms. Starkebaum's direct testimony and

¹ Lisa A. Starkebaum's testimony on page 4, lines 22 & 23, mentions a total true-up of \$996,065. This is comprised of the true-up adjustment of \$996,289 listed on line 8 of the proposed tariff sheet, plus a \$(224) interest adjustment, which is included within the interest amount listed on line 9 of the proposed tariff sheet.

² True-ups are defined on Evergy Missouri Metro, P.S.C.MO. No. 7, Original Sheet No. 50.30 as,

After completion of each RP, the Company shall make a true-up filing by the filing date of its next FAR filing. Any true-up adjustments shall be reflected in component "T" above. Interest on the true-up adjustment will be included in component "I" above. The true-up amount shall be the difference between the revenues billed and the revenues authorized for collection during the RP as well as any corrections identified to be included in the current FAR filing. Any corrections included will be discussed in the testimony accompanying the true-up filing.

supporting schedules, as well as the monthly information Evergy Missouri Metro submitted to the Commission in accordance with 20 CSR 4240-20.090(9).

The RP8 true-up amount without interest is the result of an under-collection of \$996,289 during RP8. There was also an interest charge of \$(224) during RP8, resulting from a previous accounting correction.

The interest of \$3,156 on line 9 of P.S.C. MO. No. 7 5th Revised Sheet No. 50.31³ includes all interest⁴ for RP8 and Accumulation Period 11 (“AP11”) of \$13,661. It also includes interest of \$(10,281) on the Montrose Prudence Adjustment, as well as \$(224) interest on a prior accounting adjustment. Ms. Starkebaum provides supporting work papers for the true-up amount of \$996,289. Staff agrees with Evergy Missouri Metro’s calculations for this under-collection of \$996,289 during RP8.

Staff Review

Based on its review and analysis of the information Evergy Missouri Metro filed and submitted for RP8, Staff determined that Evergy Missouri Metro’s calculations for the true-up amount for RP8 are correct. However, Staff reserves its right to pursue this issue in other cases before the Commission.

Staff recommends the Commission approve Evergy Missouri Metro’s true-up filing for RP8, during which Evergy Missouri Metro under-collected \$996,289 from its customers. The under-collection amount is included in Evergy Missouri Metro’s proposed changes to its current period fuel adjustment rates in its semi-annual FAC filing in File No. ER-2021-0244, filed on January 29, 2021, for AP11, which began July 1, 2020 and ended December 31, 2020.

Staff verified that Evergy Missouri Metro filed its 2019 Annual Report and is not delinquent on any assessment. Evergy Missouri Metro is current on its submission of its Surveillance Monitoring reports, as required by 20 CSR 4240-20.090(6), and its periodic reports, as required by 20 CSR 4240-20.090(5). With the exception of Evergy Missouri Metro’s proposed changes to its current period fuel adjustment rates in its semi-annual FAC filing in File No. ER-2021-0244, Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

³ File No. ER-2021-0244 and Tariff Tracking No. JE-2021-0155.

⁴ Interest is defined on Evergy Missouri Metro, P.S.C.MO. No. 7, Original Sheet No. 50.28 as: Interest applicable to (i) the difference between Missouri Retail ANEC and B for all kWh of energy supplied during an AP until those costs have been recovered; (ii) refunds due to prudence reviews (“P”), if any; and (iii) all under- or over-recovery balances created through operation of this FAC, as determined in the true-up filings (“T”) provided for herein. Interest shall be calculated monthly at a rate equal to the weighted average interest paid on the Company’s short-term debt, applied to the month-end balance of items (i) through (iii) in the preceding sentence.

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Evergy Metro, Inc. d/b/a Evergy Missouri)
Metro Containing Its Semi-Annual Fuel)
Adjustment Clause True-Up)
File No. EO-2021-0243

**AFFIDAVIT OF LISA WILDHABER,
BROOKE MASTROGIANNIS, CYNTHIA M. TANDY**

STATE OF MISSOURI)
)
COUNTY OF COLE) ss.

COME NOW Lisa Wildhaber, Brooke Mastrogiannis, Cynthia M. Tandy, and on their oath declares that they are of sound mind and lawful age; that they contributed to the foregoing *Staff Recommendation* in memorandum form; and that the same is true and correct according to their best knowledge and belief, under penalty of perjury.

Further the Affiants sayeth not.

/s/ Lisa Wildhaber
Lisa Wildhaber

/s/ Brooke Mastrogiannis
Brooke Mastrogiannis

/s/ Cynthia M. Tandy
Cynthia M. Tandy