

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

In the Matter of the Application of Evergy)
Missouri West, Inc. d/b/a Evergy Missouri) **Case No. EO-2022-0173**
West Containing its Semi-Annual Fuel)
Adjustment Clause True-Up.)

In the Matter of the Application of Evergy)
Missouri West, Inc. d/b/a Evergy Missouri) **Case No. ER-2022-0174**
West for Authority to Implement Rate) Tracking No. JE-2022-0193
Adjustments Required by 20 CSR 4240-)
20.090(8) and the Company's Approved)
Fuel and Purchased Power Cost Recovery.)

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its *Recommendation*, states herein as follows:

Case No. EO-2022-0173:

1. On December 30, 2021, Evergy Missouri West, Inc., d/b/a Evergy Missouri West ("Evergy Missouri West"), filed with the Commission, along with the direct testimony and supporting schedules of Evergy Missouri West witness Lisa A. Starkebaum, its Fuel Adjustment Clause ("FAC") true-up filing under the provisions in 20 CSR 4240-20.090(9). According to Evergy Missouri West's true-up filing, in the aggregate for Recovery Period 26 ("RP26") (September 1, 2020 through August 31, 2021), Evergy Missouri West over-collected from its customers \$567,444 following its Accumulation Period 26 ("AP26") (December 1, 2019 through May 31, 2020).

2. Staff reviewed the direct testimony of Evergy Missouri West witness Lisa A. Starkebaum, the supporting schedules Evergy Missouri West provided with its

application in this case, and the monthly information Evergy Missouri West submitted to the Commission in accordance with 20 CSR 4240-20.090(9).

3. Based on its review and analysis of the information Evergy Missouri West filed and submitted for RP26, Staff has determined that Evergy Missouri West's calculations for the true-up amounts for RP26, including the calculation of monthly interest, are correct.

4. Therefore, Staff recommends the Commission **APPROVE** Evergy Missouri West's twenty-sixth true-up filing for RP26 during which Evergy Missouri West over-collected \$567,444 from its customers. The over-collected amount will be refunded to the customers as it will be included in Evergy Missouri West's proposed changes to its current period fuel adjustment rates in its semi-annual FAC filing in File No. ER-2022-0174, filed on December 30, 2021, for Accumulation Period 29 (June 1, 2021 through November 30, 2021).

Case No. ER-2022-0174:

5. Also on December 30, 2021, Evergy Missouri West filed one (1) proposed tariff sheet, 6th Revised Sheet No. 127.23, Canceling 5th Revised Sheet No. 127.23, bearing a proposed effective date of March 1, 2022, to revise Evergy Missouri West's current annual Fuel Adjustment Rates ("FARs") (lines 16, 19, 22, and 25 on 6th Revised Sheet No. 127.23) of its Fuel Adjustment Clause ("FAC"). Evergy Missouri West also filed the direct testimony of Lisa A. Starkebaum on December 30, 2021, and submitted to Staff workpapers in support of the direct testimony and proposed tariff sheet. Subsequently, Evergy Missouri West filed a substitute tariff sheet on January 20, 2022, and submitted to Staff workpapers in support of the substitute tariff sheet. In Evergy Missouri West's

substitute filing letter, it explained the Company had erroneously excluded updating the amounts approved in the 28th Accumulation Period, Case No. ER-2022-0005, in the Plant-In-Service Accounting (“PISA”) calculation of the Average Overall Rate and Class Average Overall Rate for Large Power (“LP”) customers. As a result of this correction, there is no PISA adjustment to the LP customer class.

6. Staff reviewed Evergy Missouri West’s proposed 6th Revised Sheet No. 127.23, as substituted on January 20, 2022, Canceling 5th Revised Sheet No. 127.23, the direct testimony of Evergy Missouri West witness Lisa A. Starkebaum and the work papers in this filing, in addition to Evergy Missouri West’s monthly information reports filed in compliance with 20 CSR 4240-20.090(5) for AP29. Staff verified that the actual fuel and purchased power costs less off-system sales revenues match the fuel and purchased power costs less off-system sales revenues in Evergy Missouri West’s proposed 6th Revised Tariff Sheet No. 127.23. Staff reviewed Evergy Missouri West’s monthly interest rates that are applied to 95% of the jurisdictional monthly cumulative under-/over- recovery of base fuel and purchased power costs for AP29 and verified that the monthly interest rates and calculations of monthly interest amounts are correct.

7. The information filed with the proposed tariff sheet and workpapers includes sufficient data to calculate Evergy Missouri West’s FARs based on the actual fuel, purchased power, emission allowance and transmission costs net of off-system sales revenue and renewable energy credit revenue provided by Evergy Missouri West for AP29.

8. Attachment A to Staff's accompanying memorandum includes three charts providing a summary of Evergy Missouri West's twenty-nine (29) FAC rate adjustment filings. Chart 1 illustrates a) Evergy Missouri West's actual net energy cost, net base energy cost and under- (over-) recovery amounts for each accumulation period, and b) that there have been twenty-four (24) accumulation periods with under-recovered amounts and five (5) accumulation periods with over-recovered amounts (AP10, AP16, AP17, AP18, and AP26). Chart 2 illustrates Evergy Missouri West's FAC cumulative under-recovered amount at the end of each accumulation period with the cumulative under-recovered amount through AP29 of approximately \$372 million. Chart 3 illustrates Evergy Missouri West's FAC cumulative under-recovered percentage at the end of each accumulation period with the cumulative under-recovered percentage through AP29 of approximately 12%.

9. Staff concludes that the tariff sheet as substituted on January 20, 2022, complies with the Commission's *Report and Order* in Case No. ER-2018-0146, Commission Rule 20 CSR 4240-20.090, Section 393.1400.5, RSMo, and Evergy Missouri West's FAC as embodied in its tariff. Therefore, Staff recommends the Commission **APPROVE** the proposed 6th Revised Sheet No. 127.23, as substituted on January 20, 2022, canceling 5th Revised Sheet No. 127.23 of the FAC for Evergy Missouri West, for service rendered on and after March 1, 2022.

PSC Mo. No. 1

6th Revised Sheet No. 127.23, canceling 5th Revised Sheet No. 127.23

WHEREFORE, Staff prays that the Commission will
accept *Staff's Recommendation* in fulfillment of its *Orders* of January 3, 2022, in Case No. EO-2022-0173 and of January 3, 2022, in Case No. ER-2022-0174.

Respectfully,

/s/ Kevin A. Thompson
KEVIN A. THOMPSON
Missouri Bar No. 36288
Chief Staff Counsel

Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

Attorney for the Staff of the Missouri
Public Service Commission.

Certificate of Service

I hereby certify that a true and correct copy of the foregoing was served, electronically or by First Class United States Mail, upon the parties hereto pursuant to the Service List maintained by the Commission's Data Center, **on this 28th day of January, 2022.**

/s/ Kevin A. Thompson

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
File No. EO-2022-0173

FROM: Cynthia M. Tandy, Senior Utility Regulatory Auditor

/s/ Cynthia M. Tandy 01-28-2022 */s/ Kevin A. Thompson 01-28-2022*
Energy Resources Department / Date Staff Counsel Department / Date

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

DATE: January 28, 2022

Recommendation

Staff of the Missouri Public Service Commission ("Staff") recommends the Commission approve Evergy Missouri West, Inc., d/b/a Evergy Missouri West's ("Evergy Missouri West") twenty-sixth true-up filing for Recovery Period 26 ("RP26") during which Evergy Missouri West over-collected \$567,444 from its customers.

Discussion

On December 30, 2021, Evergy Missouri West filed with the Commission, along with direct testimony and supporting schedules of Evergy Missouri West witness Lisa A. Starkebaum, its fuel adjustment clause ("FAC") true-up filing under the provisions in 20 CSR 4240-20.090(9). According to Evergy Missouri West's true-up filing, in the aggregate for RP26 (September 1, 2020 through August 31, 2021), Evergy Missouri West over-collected from its customers \$567,444 following its Accumulation Period 26 ("AP26") (December 1, 2019 through May 31, 2020).

Staff Review and Recommendation

Staff reviewed the direct testimony of Evergy Missouri West witness Lisa A. Starkebaum, the supporting schedules Evergy Missouri West provided with its application in this case, and the monthly information Evergy Missouri West submitted to the Commission in accordance with 20 CSR 4240-20.090(9).

Based on its review and analysis of the information Evergy Missouri West filed and submitted for RP26, Staff has determined that Evergy Missouri West's calculations for the true-up amounts for RP26, including the calculation of monthly interest, are correct.

Therefore, Staff recommends the Commission approve Evergy Missouri West's twenty-sixth true-up filing for RP26 during which Evergy Missouri West over-collected \$567,444 from its customers. The over-collected amount will be refunded to the customers as it will be included in Evergy Missouri West's proposed changes to its current period fuel adjustment rates in its semi-annual FAC filing in File No. ER-2022-0174, filed on December 30, 2021, for Accumulation Period 29 (June 1, 2021 through November 30, 2021).

Staff has verified that Evergy Missouri West has filed its 2020 Annual Report and is not delinquent on any assessment. Evergy Missouri West is current on its submission of its Surveillance Monitoring reports as required by 20 CSR 4240-20.090(6), and its monthly reports as required by 20 CSR 4240-20.090(5). With the exception of Evergy Missouri West's proposed changes to its current period fuel adjustment rates in its semi-annual FAC filing in File No. ER-2022-0174 along with File No. EU-2021-0283, which the overall impact is unknown at this time, Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

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Missouri West, Inc. d/b/a Evergy Missouri)
West Containing its Semi-Annual Fuel)
Adjustment Clause True-Up) File No. EO-2022-0173

AFFIDAVIT OF CYNTHIA M. TANDY

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW CYNTHIA M. TANDY 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.

Further the Affiant sayeth not.

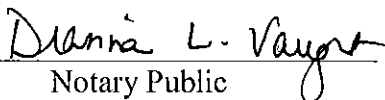


CYNTHIA M. TANDY

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 28th day of January, 2022.

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



Notary Public