# **EVERGY MISSOURI WEST**

# 2023 ANNUAL RENEWABLE ENERGY STANDARD COMPLIANCE PLAN

April 2023



Restricted - Confidential

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# **SECTION 1: INTRODUCTION**

Evergy Missouri West ("EMW" or "Company"), a Delaware Corporation, has filed its 2023 Annual Renewable Energy Standard Compliance Plan ("2023 Plan") in compliance with the Missouri Public Service Commission's ("Commission") Electric Utility Renewable Energy Standard Requirements [20 CSR 4240-20.100] that became effective September 30, 2010 and as amended by Missouri House Bill 142 becoming law on August 28, 2013. Section (8) of the rule requires that each public utility file with the Commission a Renewable Energy Standard (RES) Compliance Plan by April 15 of each year.

Specifically, Section 8 (B) of the rule requires that the plan cover the current year and the immediately following two (2) calendar years. The RES compliance plan shall include, at a minimum:

A. A specific description of the electric utility's planned actions to comply with the RES compliance plan

B. A list of executed contracts to purchase Renewable Energy Credits (RECs) (whether or not bundled with energy), including type of renewable energy resource, expected amount of energy to be delivered, and contract duration and term

C. The projected total retail electric sales for each year

D. Any differences, as a result of RES compliance, from the utility's preferred resource plan as described in the most recent electric utility resource plan filed with the commission in accordance with 20 CSR 4240-22, Electric Utility Resource Planning

E. A detailed analysis providing information necessary to verify that the RES compliance plan is the least cost, prudent methodology to achieve compliance with RES requirements

F. A calculation of the RES retail impact limit calculated in accordance with section (5) of this rule. The calculation should be accompanied by workpapers including all the relevant inputs used to calculate the retail impact limits for the planning interval which is included in the RES compliance plan. The electric utility may designate all or part of those calculations as highly confidential, proprietary, or public as appropriate under the commission's rules; and

G. Verification that the utility has met the requirements for not causing undue adverse air, water, or land use impacts pursuant to subsection 393.1030.4., RSMo and the regulations of the Department of Natural Resources.

The 2023 Plan provides EMW's planned renewable compliance that are currently underway and that will continue through 2023-2025 to achieve the requirements of 20 CSR 4240-20.100.

# SECTION 2: RES COMPLIANCE PLAN

Rule (8) (B) 1: The plan shall cover the current year and the immediately following two (2) calendar years. The RES compliance plan shall include, at a minimum -

## 2.1 <u>RULE (8) (B) 1 A:</u>

A specific description of the electric utility's planned actions to comply with the RES;

#### 2.1.1 NON-SOLAR COMPLIANCE

Table 1 below provides information regarding EMW's wind resources used to meet RES requirements.

Project Name	Contracting Parent Company	Location	Project Size (MW)	MO West Share (MW)	COD Date	Term (Yrs.)	2023 Estimated Annual Energy (MWh)
Gray County	NextEra	Gray County, KS	110	110	3/13/2001	15	250,934
Ensign	NextEra	Gray County, KS	99	99	11/22/2012	20	435,098
Osborn*	NextEra	DeKalb County, MO	201	80	12/15/2016	20	331,916
Rock Creek*	Enel Green Power, NA	Atchison County, MO	300	120	11/8/2017	20	443,950
Prairie Queen	EDP Renewables	Allen County, KS	200	110	8/10/2019	20	330,528
Pratt	NextEra	Pratt County, KS	243	134	12/13/2018	30	576,711
Total			1153	653			

 Table 1: Evergy Missouri West Wind Resources Information

\* Estimated energy does not include 1.25 adder

EMW expects to have banked RECs available to meet its RES requirements based on RECs unexpired at the end of 2021, in addition to the RECs created from wind and landfill gas facilities' actual generation in 2022. Accordingly, the RECs generated from these renewable resources in addition to the banked RECs will fulfill EMW's RES non-solar requirements for the 2023 - 2025 RES Compliance Plan period shown in Table 2 below.

#### 2.1.2 SOLAR COMPLIANCE

EMW anticipates that the acquisition of Solar Renewable Energy Credits (SRECs), principally from EMW retail customers that have received rebates for solar facility installations, will be sufficient for compliance with the Missouri solar energy requirements for the 2023 - 2025 RES Compliance Plan period. The SRECs will be transferred to EMW from qualified customer-generator's operational solar electric systems as a condition of receiving the solar rebate, a change instituted with Missouri House Bill 142 becoming law on August 28, 2013. SRECs produced from these solar electric systems will be transferred to EMW for a period of 10 years.

Additionally, in 2016 EMW added a 3 MW central station solar facility located at Greenwood, Missouri. Generation from this EMW installation is eligible for application of the additional twenty-five hundredths (0.25) credit as it is located in Missouri.

## 2.1.3 STANDARD OFFER CONTRACT

EMW does not have a Standard Offer Contract tariff in place at this time.

#### 2.2 <u>RULE (8) (B) 1 B:</u>

A list of executed contracts to purchase RECs (whether or not bundled with energy), including type of renewable energy resource, expected amount of energy to be delivered, and contract duration and terms; Table 1 above provides the details of EMW's wind PPAs, estimated energy output, and contract duration. Note that the Gray County PPA is a renewed contract that originated in 2001.

It should be noted that the estimated generating output reflects the total (100%) estimated output of the wind facilities. The Missouri portion of the estimated output is significantly above what is expected to be needed for the non-solar RES compliance.

To comply with the Missouri 2023 - 2025 solar RES requirements, EMW expects to utilize SRECs transferred from qualified customer-generator's operational solar electric systems as a condition of receiving the solar rebate. Those SRECs will be registered through the North American Renewables Registry (NAR).

## 2.3 <u>RULE (8) (B) 1 C:</u>

#### The projected total retail electric sales for each year;

EMW's projected Missouri retail electric sales and associated RES requirements are provided in Table 2 below.

Year	Projected Retail Electric Sales (MWh)	Estimated Non- Solar Requirement (MWh)	Estimated Solar Requirement (MWh)
2023	8,405,792	1,235,651	25,217
2024	8,406,081	1,235,694	25,218
2025	8,438,190	1,240,414	25,315

Table 2: Every Missouri West Projected Retail Sales and RES Requirements

# 2.4 <u>RULE (8) (B) 1 D:</u>

Any differences, as a result of RES compliance, from the utility's preferred resource plan as described in the most recent electric utility resource plan filed with the commission in accordance with 4 CSR 240-22, Electric Utility Resource Planning; None.

#### 2.5 <u>RULE (8) (B) 1 E:</u>

A detailed analysis providing information necessary to verify that the RES compliance plan is the least cost, prudent methodology to achieve compliance with the RES;

The 60 MW Gray County wind PPA being utilized for non-solar compliance was in effect for several years prior to the passage of the RES rules and was justified at the time it was executed. Since this facility was already in place, the wind energy provided by this resource represents the least cost approach for achieving non-solar compliance for the 2023 - 2025 RES Compliance Plan period.

In August 2011 an RFP was issued to cover both Evergy Missouri Metro and Evergy Missouri West non-solar requirements. A complete evaluation of the proposals received was conducted and resulted in execution of a PPA with NextEra Energy for the Ensign wind facility mentioned above. EMW also executed four other 20-year PPAs, two with NextEra Energy Resources for the Osborn and Pratt wind facilities, one with Enel Green Power for the Rock Creek wind facility, and one with EDP Renewables for the Prairie Queen wind facility.

Note that these wind contracts were entered because of favorable economics and are not directly attributable to RES compliance. These PPAs were entered into to take advantage of low-cost energy prices and will also be used to meet future EMW non-solar RES requirements.

#### 2.5.1 THIRD PARTY SOLAR SREC PROCUREMENT

EMW does not expect to require procurement of third party SRECs for the foreseeable future, based on the inclusion of SRECs transferred from qualified customer-generator's operational solar electric systems as a condition of receiving solar rebates, along with SRECs created by the Greenwood solar facility and potential future solar installations to be owned by EMW.

#### 2.6 <u>RULE (8) (B) 1 F:</u>

A calculation of the RES retail impact limit calculated in accordance with section (5) of this rule. The calculation should be accompanied by workpapers including all the relevant inputs used to calculate the retail impact limits for the planning interval which is included in the RES compliance plan. The electric utility may designate all or part of those calculations as highly confidential, proprietary, or public as appropriate under the commission's rules;

See Attachment A for the RES retail impact calculation.

## 2.7 <u>RULE (8) (B) 1 G:</u>

Verification that the utility has met the requirements for not causing undue adverse air, water, or land use impacts pursuant to subsection 393.1030.4., RSMo, and the regulations of the division [Division of Energy, Department of Natural Resources].

The qualified customer-generator's solar electric systems from which SRECs will be acquired to achieve solar RES compliance will not be owned by EMW, as customers would be responsible for ensuring that these facilities have not caused any undue adverse air, water, or land use impacts.

The Greenwood solar facility is located in Missouri and is owned and operated by EMW.

Wind and solar generation specifically conforms to the eligible renewable energy resources listed in section (2) of Missouri Department of Natural Resources – Division of Energy (MDNR-DOE) rule 10 CSR 140-8.010. The Gray County, Ensign, Pratt, and Prairie Queen wind facilities which are located in Kansas, and the Osborn and Rock Creek wind facilities which are located in Missouri, are not owned by EMW, and the owner-operator would be responsible for ensuring that it has not caused any undue adverse air, water, or land use impacts.

All generating facilities utilized by EMW to meet the requirements of the Missouri RES have, to its knowledge, received all necessary environmental and operational permits and are in compliance with any necessary federal, state and/or local requirements related to air, water and land use.

EMW will submit additional information as required by the MDNR-DOE in order to review the energy sources and environmental impact so long as there are appropriate provisions for confidential treatment of any sensitive information. EMW will grant or obtain access to facility sites and records for MDNR-DOE.