

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

In the Matter of the 2022 Integrated Resource)
Plan Annual Update for Evergy Missouri West,) File No. EO-2022-0202
Inc. d/b/a Evergy Missouri West)

EVERGY MISSOURI WEST’S NOTICE

COMES NOW Evergy Missouri West, Inc. d/b/a Evergy Missouri West (“Evergy Missouri West” or the “Company”) and hereby provides notice of its determination of a change in its preferred plan pursuant to 20 CSR 4240-22.080(12). See attached **Exhibit A**.

Respectfully submitted,

/s/ Roger W. Steiner

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CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document and attached exhibit have been hand-delivered, emailed or mailed, postage prepaid, this 26th day September 2022 to all counsel of record.

/s/ Roger W. Steiner

Roger W. Steiner

EVERGY MISSOURI WEST, INC.
INTEGRATED RESOURCE PLAN
NOTIFICATION OF PREFERRED
RESOURCE PLAN CHANGE

SEPTEMBER 2022

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SECTION 1: 2022 ANNUAL UPDATE FILING PREFERRED RESOURCE PLAN

On June 10, 2022, Evergy Missouri West (“EMW” or “Company”) submitted an annual update filing related to Chapter 22 of the Missouri Public Service Commission (“Commission”) regulations concerning the Company’s Electric Utility Resource Planning. The annual update filing made in Case No. EO-2022-0202 selected a Preferred Resource Plan which included 150 MW of wind additions in 2024, 72 MW of wind additions in 2026, 48 MW solar additions in 2028, 72 MW of solar additions in each of the years 2029-2035, and combustion turbines additions in 2036 and 2040. The Preferred Resource Plan also included postponing the retirement of Lake Road 4/6 to 2030, and retiring coal resources at Jeffrey 3 in 2030, and Iatan 1, Jeffrey 2, and Jeffrey 3 in 2039. Table 1 illustrates the 20-year Preferred Resource Plan that includes both generation additions and retirements as provided in the 2022 annual update filing.

Table 1: 2022 Preferred Resource Plan

Year	Wind (MW)	Solar (MW)	Thermal (MW)	Capacity Only (Annual MW)	DSM (Annual MW)	Retirements (MW)
2022					118	
2023					161	
2024	150			150	186	
2025				125	206	
2026	72			100	227	
2027				100	246	
2028		48		75	261	
2029		72		25	278	
2030		72		25	291	
2031		72		150	296	155
2032		72		125	296	
2033		72		150	297	
2034		72		150	299	
2035		72		150	300	
2036			237		302	
2037					306	
2038					309	
2039					311	
2040			237		310	246
2041					309	

SECTION 2: PREFERRED RESOURCE PLAN CHANGE

EMW's business plan or acquisition strategy has become materially inconsistent with the Preferred Resource Plan filed in the 2022 annual update filing. Therefore, pursuant to 20 CSR 4240-22.080(12), the Company is submitting this notification of the change to the annual update filing, Case No. EO-2022-0202, to the Commission and Parties. The singular change from the June 2022 Preferred Resource Plan is with respect to near-term wind resource additions; all other components including future solar additions, DSM levels, and unit retirements remain consistent with the 2022 Preferred Resource Plan.

2.1 RFP RESULTS AND ATTRACTIVE WIND ENERGY PRICING

The Company is changing its 150 MW wind additions in 2024, to a 198.6 MW wind addition in 2023. The Company has been working towards execution of the wind additions in the near-term of the Preferred Resource Plan filed in the 2022 annual update. The Company has been actively pursuing supply options, considering offers from its Request for Proposal (RFP) for wind in November 2021. The procurement team has been working through evaluating results, due diligence on projects, and continued negotiation. Various uncertainties including supply chain disruptions and commodity price volatility have contributed to fluctuations in the pricing of candidate resources and have complicated the process of procuring projects given volatility in pricing and constrained equipment availability.

The Company has identified a candidate wind resource acquisition that reduces Net Present Value Revenue Requirement (NPVRR) for EMW customers but differs from the Preferred Resource Plan filed in June 2022. The wind resource, Persimmon Creek, is comprised of 198.6 MW of nameplate capacity currently in operation and EMW is expected to commence ownership and control of the asset in January 2023, pending approval of the Company's requested Certificate of Need and Necessity ("CCN") from the Commission in Case No. EA-2022-0328. This

Persimmon Creek wind addition differs from the prior EMW Preferred Resource Plan that included a wind resource addition of 150 MW in the early 2024 timeframe.

The Company selected this wind acquisition instead of waiting an additional year to procure a wind asset because of its competitive pricing relative to other available offers. Additionally, the Company has analyzed the change, and found it to reduce revenue requirements relative to the Preferred Resource Plan filed in June 2022. The improved value for customers is due to a few factors. First, since the resource is already in operation, it receives the full value of the production tax credit (PTC), whereas the Company's IRP modeling assumption was that a new wind resource for EMW in 2024 would only receive 60% of the PTC because of its later in-service date. This full PTC benefits customers by providing additional income to reduce revenue requirements in the first six years of ownership. Second, the resource is favorably located where it has a higher capacity factor than assumed for new wind in the IRP model. Thus, it provides more zero-marginal-cost energy revenue for EMW to offset fixed costs.

This change to EMW's Preferred Plan *only* incorporates the change as a result of near-term wind acquisition. Other changes related to changes to the Southwest Power Pool's reserve margin requirement and the passage of the Inflation Recovery Act, for example, will be incorporated as a holistic update in EMW's 2023 annual update filing.

SECTION 3: CURRENT PREFERRED RESOURCE PLAN

Rule 20 CSR 4240-22.080(12) requires that the utility shall identify all changes to the superseded Preferred Resource Plan and Resource Acquisition Strategy, and provide the impact on NPVRR and all other performance measures specified in the last filing due to the new Preferred Resource Plan with respect to the superseded Preferred Resource Plan.

3.1 CHANGES TO THE PREFERRED RESOURCE PLAN

As outlined in Section 2:, the Company has made changes to the Preferred Resource Plan filed in June 2022. The revised Preferred Resource Plan is shown in Table 2 below:

Table 2: Current Preferred Resource Plan

Year	Wind (MW)	Solar (MW)	Thermal (MW)	Capacity Only (Annual MW)	DSM (Annual MW)	Retirements (MW)
2022					118	
2023	199				161	
2024				150	186	
2025				125	206	
2026	72			100	227	
2027				100	246	
2028		48		75	261	
2029		72		25	278	
2030		72			291	
2031		72		150	296	155
2032		72		125	296	
2033		72		150	297	
2034		72		150	299	
2035		72		150	300	
2036			237		302	
2037					306	
2038					309	
2039					311	
2040			237		310	246
2041					309	

3.2 CHANGES TO THE RESOURCE ACQUISITION STRATEGY

The Company has replaced the 2024 150 MW wind addition with a 198.6 MW wind resource acquisition. The schedule for implementing this acquisition strategy is shown in Table 3 below

Table 3: Wind Resource Addition Schedule

Milestone Description	Milestone Dates
Agreement Signed	August 9, 2022
Certificate of Convenience and Necessity filed	August 18, 2022
Contract close, EMW owns and operates	Early 2023

3.3 IMPACT ON NET PRESENT VALUE OF REVENUE REQUIREMENT (NPVRR)

As identified in the Evergy Missouri West Annual Update, the expected value NPVRR across the twenty-seven-endpoints for the superseded Preferred Resource Plan was \$10,013 Million. The new Preferred Resource Plan has an expected value NPVRR of \$9,947 Million, a \$66 Million reduction. Note, the new Preferred Resource Plan is DDAAF. The previous Preferred Resource Plan was CDAAF.

Table 4: Expected Value NPVRR of Plans

Rank	Plan	NPVRR	Delta
1	DDAAF	9,947	
2	CDAAF	10,013	66
3	CCBAC	10,022	74
4	CCBAB	10,024	76
5	CCBAA	10,027	80
6	CCBAD	10,031	83
7	CDAAA	10,033	86
8	CCBAE	10,036	89
9	CBBAB	10,039	91
10	BBAAA	10,040	93
11	CBAAA	10,040	93
12	AAAAA	10,044	96
13	CDABF	10,083	135

The Company performed an analysis to address the impact of the carbon price critical uncertain factors on the revised Preferred Plan. This analysis ranks how plans perform in the high, mid, and low carbon scenarios. The results of the analysis are represented in the following tables:

Table 5: Critical Uncertain Factor – High CO₂ Prices

Rank	Plan	NPVRR	Delta
1	DDAAF	11,617	
2	CDAAF	11,734	117
3	CBBAB	11,736	119
4	CCBAB	11,740	123
5	CDABF	11,753	136
6	CDAAA	11,754	137
7	CCBAD	11,765	148
8	CCBAE	11,799	182
9	BBAAA	11,801	184
10	CBAAA	11,801	184
11	AAAAA	11,802	185
12	CCBAC	11,846	229
13	CCBAA	11,947	330

Table 6: Critical Uncertain Factor - Mid CO₂ Prices

Rank	Plan	NPVRR	Delta
1	DDAAF	9,689	
2	CCBAA	9,731	42
3	CCBAC	9,740	52
4	CDAAF	9,747	58
5	CCBAB	9,758	69
6	CCBAD	9,763	74
7	CCBAE	9,764	75
8	CDAAA	9,767	78
9	BBAAA	9,769	80
10	CBAAA	9,769	80
11	AAAAA	9,773	84
12	CBBAB	9,774	85
13	CDABF	9,824	135

Table 7: Critical Uncertain Factor – Low CO₂ Prices

Rank	Plan	NPVRR	Delta
1	CCBAA	8,996	
2	CCBAC	9,042	47
3	DDAAF	9,054	58
4	CDAAF	9,090	95
5	CCBAE	9,092	96
6	BBAAA	9,093	98
7	CBAAA	9,093	98
8	AAAAA	9,098	103
9	CCBAD	9,101	105
10	CCBAB	9,104	109
11	CDAAA	9,110	115
12	CBBAB	9,133	138
13	CDABF	9,188	192

SECTION 4: SUMMARY

The revised Preferred Resource Plan outlined in Table 2 reflects the Company's decision to purchase a 198.6 MW existing wind resource which will be owned and operated by EMW in early 2023, in lieu of the planned 2024 wind addition of 150 MW.