

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

In the Matter of an Agreement Between Evergy,)
Inc., and Elliott Management, Inc.) File No. EO-2021-0032
)

EVERGY QUARTERLY UPDATE ON MATERIAL CHANGES TO STP

COME NOW Evergy Metro, Inc. d/b/a Evergy Missouri Metro (“Evergy Missouri Metro”) and Evergy Missouri West, Inc. d/b/a Evergy Missouri West (“Evergy Missouri West”)(collectively the “Company” or “Evergy”), and submit this *Quarterly Update on Material Changes to STP*, as required by the Missouri Public Service Commission’s (“Commission”) *Order Directing Updates* issued in this docket on March 24, 2021 (“Order”). In support thereof, the Company states as follows:

1. The STP was announced in August 2020 is essentially a broad plan to guide Evergy’s strategic actions for its utility business over an approximate five-year period (2020-2024). In addition to the STP Report that was filed in this docket¹, Evergy held three separate presentations for the Commission, the Staff and other interested stakeholders. The presentations dealt with the following topics: (1) Grid Modernization (December 11, 2020); (2) Operational Efficiencies (January 7, 2021); and (3) Customer Experience (February 4, 2021). The STP also outlines Evergy’s intent for future generation resource plans. In addition to the above workshops, Evergy held a series of meetings with stakeholders participating in its Integrated Resource Plan (“IRP”) process², Evergy’s 20-year plan that explores how we will meet the long-

¹ See, *Evergy Notice of Filing Sustainability Transformation Plan*, August 26, 2020, Docket No. EO-2021-0032.

² *In the Matter of Evergy Metro, Inc. d/b/a Evergy Missouri Metro’s 2021 Triennial Compliance Filing Pursuant to 20 CSR 4240-22*, Docket No. EO-2021-0035 and *In the Matter of Evergy Missouri West, Inc. d/b/a Evergy Missouri West’s 2021 Triennial Compliance Filing Pursuant to 20 CSR 4240-22*, Docket No. EO-2021-0036.

term energy, service and reliability needs of our customers. Ultimately, the result of the IRP is the designation of Evergy's preferred resource plan which will inform updates to the STP.

2. As Staff acknowledged in its report filed in this docket ("Staff Report")³ issued on February 26, 2021, the STP is a strategic plan that is intended to guide Evergy decisions over the next several years. The STP is Evergy's current plan but continues to evolve as the general business environment changes, and as Evergy receives input from stakeholders in this process and other ongoing proceedings, including the IRP process.

By design, Evergy's five-year strategic, financial plan has the most detail and highest level of certainty in the first planning year, and has flexibility in the remaining years to address changes in the general business environment, customer needs and operating performance of the system among other factors. Due to these dynamics, assuredly, these plans will undergo further revisions from time to time. In this context, the stakeholders were given the opportunity to view Evergy's plans through the STP Report and several presentation updates as they are being developed and refined. This is very different from the normal regulatory process, where the Commission and parties review decisions made by Evergy after they are implemented as part of Evergy's request in a general rate case.

3. The Staff Report issued on February 26 included analysis and recommendations regarding Evergy's STP. Specific to the Ordered Quarterly Status Report, Staff notes:

The STP is clearly still a work in progress at this point. Evergy has emphasized a continuing commitment to update its various stakeholders on the status of the STP, and obtain and act upon feedback received. Staff is pleased with Evergy's actions in the respect so far, and encourages it to maintain this approach going forward.

Given the ongoing nature of the STP, Staff recommends that this docket remain open at this time to receive periodic updates regarding the STP. In that regard, Staff recommends that the Commission order Evergy to file

³ See, *Staff Investigation Report*, February 26, 2021, Docket No. EO-2021-0032.

status reports with the Commission at least through the remainder of calendar year 2021, with such reports to include information concerning any material changes to Evergy's STP.

4. Since the time of the filing of the Staff Report, Evergy filed its 2021 Capital Investment Plan and 5-Year Forecast on February 26⁴, followed up by a Public Stakeholder Meeting to discuss the filing on March 25. These capital plan filings did not present any information that was materially different for our Missouri utilities from the previously disclosed information in Evergy's STP plans⁵ and STP Grid Modernization presentation on December 4, 2020, although the plans provided an updated and more detailed view of investments made in 2020 as well as planned investments and examples of specific projects planned during the STP timeframe. The capital plan filings highlighted a summary of Evergy's 2020 capital spend, as well as the planned \$3.1 billion of infrastructure investment in Missouri during 2021-2025, noting that more than 70% of 2021 spend is anticipated to go directly to grid modernization investments.

5. The STP announced in August 2020 also included the potential retirement of approximately 500 megawatts ("MW") of coal generation in 2024 and the development of 700 MW and purchases of an additional 200 MW of renewable energy through 2024. It also stated that Evergy was currently targeting an 80% reduction in CO2 emissions by 2050 relative to 2005 levels, and acknowledged that there are opportunities related to decarbonization and renewables deployment that are not currently included in our five-year STP which could support additional investment and offer the potential to reduce CO2 emissions by up to 85% by 2030. The pace of

⁴ See, *Evergy Missouri West's Report of 2020 Capital Investment* dated February 26, 2021 and *Evergy Missouri West's CORRECTED Report of 2020 Capital Investment* dated March 1, 2021, Docket No. EO-2019-0045; and *Evergy Missouri Metro's Report of 2020 Capital Investment* dated February 26, 2021 and *Evergy Missouri Metro's CORRECTED Report of 2020 Capital Investment* dated March 1, 2021, Docket No. EO-2019-0047.

⁵ The STP covers the period 2020-2024. The STP plan announced in August 2020 adds approximately \$1.4 billion in additional capital investment to our prior plan, resulting in \$8.9 billion in projected capital expenditures from 2020 through 2024.

decarbonization will ultimately be defined in collaboration with our stakeholders during the IRP process and as part of our engagement with a broader group of stakeholders with respect to the STP.

6. Since the filing of the Staff Report in February, Evergy has now also filed its 2021 Triennial IRP⁶ on April 30 after conducting multiple stakeholder meetings to gain feedback and review inputs and assumptions leading up to the filing. Over the 20-year planning period the IRP Plan includes nearly 1,200 MWs of fossil retirements, adds 3,200 MWs of solar and wind through 2030, and an additional 4,495 MWs of renewable and zero-carbon dispatchable capacity by 2040. Evergy also announced its intentions to reduce carbon emissions by 70% through 2030 (relative to 2005 levels). Building on this trajectory, Evergy's goal is to achieve net zero carbon emissions by 2045, assuming key technology, policy, and regulatory enablers are in place. Technology advancements will offer the ability to optimize timing and provide the potential to further accelerate generation transition.

7. During the STP time period, the filed Triennial IRP is materially consistent with the STP filed last August 2020. The plan calls for nearly 500 MW of fossil retirements at Lawrence Energy Center Units 4 & 5 in 2023, 350 MW of utility-scale solar in both 2023 and 2024 (for a total of 700 MW utility scale solar additions during the STP). More specifically to Missouri customers, the Preferred IRP Plans for Evergy anticipates 230 MW of the 2024 solar addition will be allocated to Evergy Missouri Metro and 120 MW of the 2024 solar addition will be allocated to Evergy Missouri West.

8. The recent capital plan filings and IRP filings provided additional refinement and details around the STP announced last August, but provided no material differences in direction

⁶ See, *Evergy Missouri Metro Letter of Transmittal and Integrated Resource Plan*, April 30, 2021, Docket No. EO-2021-0035 and *Evergy Missouri West Letter of Transmittal and Integrated Resource Plan*, April 30, 2021, Docket No. EO-2021-0036.

or expected impacts of the planned investments of the STP for Missouri customers to date. In addition, Evergy appreciates the feedback, comments, analysis and suggestions offered in the Staff Report. Evergy will continue to review and address these comments and suggestions as it implements the STP during the next several years.

WHEREFORE, the Company files this *Quarterly Update on Material Changes to STP* for the Commission's information.

Respectfully submitted,

/s/ Roger W. Steiner

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**Attorneys for Evergy Missouri Metro and
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was served upon all counsel of record on this 1st day of June 2021, via e-mail.

/s/ Roger W. Steiner

Roger W. Steiner