

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

In the Matter of a Working Case to Consider a	)	
Proposed Residential Customer Disconnection	)	File No. AW-2020-0148
Data Reporting Rule	)	

**EVERGY’S RESPONSE TO ORDER  
REQUESTING COMMENTS**

COMES 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”),<sup>1</sup> and as requested by the Commission’s December 11, 2019 *Order Opening a Working Case to Consider a Proposed Residential Customer Disconnection Data Reporting Rule*, provides the following comments on the draft rule submitted by the Office of Public Counsel on November 25, 2019:

The Company appreciates the opportunity to respond to OPC’s memorandum related to the collection and aggregation of customer disconnection data, as well as the draft rule which has been submitted by the Missouri Office of Public Counsel (“OPC”). We offer a few suggestions for discussion on the draft rule at the workshop scheduled for March 26, 2020 related to the collection and aggregation of customer disconnection data.

**OPC MEMORANDUM**

1. The OPC Memorandum highlighted that in some cases, Cold Weather Reports have been designated as confidential but should be submitted as public information. The Company has reviewed previous Cold Weather Reports and has submitted certain reports as Confidential in the past. Going forward, Evergy Missouri Metro and Evergy Missouri West will file the monthly Cold Weather Reports as Public per Commission rule 20 CSR 4240-14.055 (15) rather than designating as Confidential as done in prior filings.

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<sup>1</sup> Effective October 7, 2019, Evergy Metro Inc. d/b/a Evergy Missouri Metro adopted the service territory and tariffs of Kansas City Power & Light Company (“KCP&L”) and Evergy Missouri West, Inc. d/b/a Evergy Missouri West adopted the service territory and tariffs of KCP&L Greater Missouri Operations Company (“GMO”).

2. On page 4 of the OPC Memorandum, the first bullet point states:

**#1 - From 2016 to 2017 GMO [Eversource Missouri West] saw a 28% increase in year-ending residential customer accounts from 223,251 to 286,741.**

OPC has compared years 2016 and 2018 rather than 2016 and 2017 as stated in the report. In addition, the Eversource Missouri West year-ending residential customer accounts for 2016 is missing the customer counts as reported on the SJLP Missouri Annual Report. Prior to the Eversource Missouri West rate consolidation effective February 22, 2017, separate reports for MPS and SJLP were submitted annually. The 223,251 represents 2016 residential customers for MPS only resulting in the large disparity. When comparing the correct data, Eversource Missouri West customer accounts are comparable year over year as shown below.

- 2016 – 280,949 (MPS 223,251 + SJLP 57,698)
- 2017 – 283,563 (1% increase over 2016)
- 2018 – 286,741 (1% increase over 2017)

3. On page 4 of the OPC Memorandum, bullets #2 and #3 state:

**#2 – In 2018 the average residential write off for KCP&L [Eversource Missouri Metro] was \$31.60 and \$10.00 for Ameren Missouri Electric.**

**#3 – From 2017 to 2018 KCP&L's [Eversource Missouri Metro] total residential write-offs increased 64% from \$4,928,337 to \$8,080,956.**

The average residential write-off amount is a preset formula in the form provided by the Commission. The calculation takes the Actual Write-offs reported divided by the number of customer accounts at the end of the calendar year as reported. Eversource Missouri Metro experienced an anomaly in 2018 which resulted in a higher write-off amounts than experienced in previous years. The Company did not work collection activity as normal due to the impending implementation of the new billing system, Customer Care and Billing (“CCB”), that launched in May 2018. As a result, there were several pre- and post-conversion data transactions that required manual clean-up and contributed to the increased write-off’s. Following system conversion, Eversource Missouri Metro resumed limited collection work

in July and August. Additionally, the company made a decision not to perform collection (shut-off) work in September due to the high dollar balances from Hot Weather and Budget Billing changes in order to allow customers to make appropriate arrangements.

4. On Page 4 of the OPC Memorandum, bullet #5 states:

**#5 – In 2018 KCP&L [Eversource Missouri Metro] received \$571,487 in LIHEAP dollars while Ameren Missouri Electric received \$14,740,021.**

In prior year submissions, Eversource Missouri Metro had only included funds identified as LIHEAP in this specific response to Item #10 of the annual report. The Emergency Crisis Fund (“ECIF”), which is also a federal program managed by LIHEAP, has been excluded from Item #10 in the annual report and included in Item #16, charitable dollars received and applied to energy assistance other than LIHEAP. The total revised 2018 LIHEAP and ECIF funds for Eversource Missouri Metro and Eversource Missouri West combined total \$4.8M as compared to amounts originally reported of \$1.4M.

5. On page 5 of the OPC Memorandum, bullet #6 states:

**#6 – In 2018 KCP&L [Eversource Missouri Metro] had 112,781 voluntary terminations and 289,299 year-end total accounts**

Eversource Missouri Metro’s voluntary terminations of 112,781 consist of any type of voluntary turn-off order. Voluntary Stop Service includes any of the following customer driven work: 1) physical disconnects, 2) AMI remote disconnects, 3) soft disconnects (AMI not remote capable) with no new connect, and 4) soft disconnects with a new connect (back to back). Eversource Missouri Metro’s customer count at the end of the 2018 calendar year totaling 289,299 is based on customer premise account for those customers who received a bill; therefore, if there was no customer bill, the premise was not counted. These are the definitions that the Company has utilized when preparing the Missouri Annual Reports in prior years. Voluntary terminations for Eversource Missouri Metro have fluctuated over the past three years as shown in the comparison below. There could be several reasons for this. First, the 112,781 terminations in 2018 were pulled from two different billing systems with the

cutover to CCB in May 2018. Due to a significant amount of clean up that was required following the new billing system implementation, this could have contributed to the disparity between 2017 and 2018 amounts reported. Additionally, while it's difficult to pinpoint the exact cause of Evergy Missouri Metro's 32% increase in voluntary terminations in comparison to the decrease experienced by Evergy Missouri West.

- The voluntary terminations reported for Evergy Missouri Metro are:
  - 2016 – 94,081
  - 2017 – 85,634
  - 2018 – 112,781

6. On page 5 of the OPC Memorandum, bullet #7 states:

**#7 – In 2018 KCP&L [Evergy Missouri Metro] saw a 32% increase in voluntary terminations (85,634 to 112,781) while GMO [Evergy Missouri West] saw a 28% decrease (84,448 to 60,926) from 2017 numbers.**

After further review by the Company, the 2018 Evergy Missouri West reported amount of 60,926 is incorrect as this amount is missing Evergy Missouri West's customer count from CIS prior to conversion to new CCB billing system in May 2018. The corrected total should be 83,398, a 1% decrease over prior year. See below for a year-over-year comparison.

- The voluntary terminations reported for Evergy Missouri West are:
  - 2016 - 83,671
  - 2017 – 84,448
  - 2018 – 83,398 (corrected total from original 60,926 reported)

On page 5 of the OPC Memorandum, bullet #8 states:

**#8 – In 2018 KCP&L [Evergy Missouri Metro] had more overall involuntary terminations (10,654) than Ameren Missouri (10,151) despite Ameren Missouri (1,227,317) having 938,018 more overall year-ending accounts than KCP&L [Evergy Missouri Metro] (289,299).**

The Company defines an involuntary disconnect as a physical or AMI remote disconnect for non-payment of a delinquent utility amount for all customer classes. Further discussion and collaboration with all parties may assist in better understanding the reason for the disproportion described by OPC.

7. In Table 2 on page 7 of OPC's Memorandum, Table 2 identifies the number of electric disconnects reported in 2018 cold weather reports compared to the 2018 annual reports. The data provided in the monthly Cold Weather Reports represent Residential only customers who have been cut for non-payment. The Missouri Annual Reports, however, request the number of customer account terminations for the year for each category (Voluntary / Involuntary). The large disparity in amounts reported between these two reports will always exist as the information being requested is different. The Cold Weather report data contains a subset of the disconnect data provided in the Missouri Annual Reports. Total 2018 residential disconnects as reported on the monthly Cold Weather Reports for Evergy Missouri Metro and Evergy Missouri West were 1,212 and 2,575, respectively. The combined company total for Missouri residential disconnects was 3,787. This total is widely different than the annual report number reported. The annual report numbers for involuntary would include both residential and commercial disconnects.

#### **OPC PROPOSED RULE**

8. The Company believes that it would be advantageous to collaborate with all parties in efforts to better understand current utility practices and data collection and reporting. This will help provide guidance and better define the reporting requirements for these referenced reports. In large part, the Company believes that much of the detail requested in the proposed rule is currently being

tracked by the Company. With regards to OPC's proposed descriptions in Appendix C, Items 2 A-V, further clarity and potentially further modifications may be needed and should be discussed at the March 26 workshop.

9. Specifically, further discussion at the workshop on 2 (R) and 2 (S) would be helpful. One potential challenge for the utility would be how we identify a third party (other than EA) paying on a customer account. Payments systematically post to accounts and there is no tracking or flags if someone pays on a particular customer account. We would not want to create a manual tracking process to address this. Identifiable payor information is limited and would not be available on all payment types or accounts. The Company has specific payment instructions in place for all Energy Assistance Agencies to utilize for submitting payments on a customer's account. This process allows the tracking of Energy Assistance payments. Due to the multiple payment options and the numerous electronic channels available to submit payments, identifying payments made to a customer account that were made by someone other than the customer would require the loss of current technology and efficiencies for payment processing.

10. Discussion at the workshop on Sections 2 (N), 2 (O), and 2 (P) would also be helpful. These sections could be challenging, and data could be inconsistent based on active payment arrangements. Assumed Definitions: Delinquent = Past Due, Charge = Amount. A suggestion for an alternative metric would be: Accounts Past Due Amount with no Active Payment Arrangements.

11. Overall, the reference to residential "accounts" brings more questions for clarity and how to properly track. An account in CCB can have multiple service agreements for various addresses. How would these be counted in (G), (H), (I), and (J)? A single Account can be used to bill one, to many, Service Agreements, where each Service Agreement can be for one, to many, Service Points (Meters) for a given Premise location.

12. The Commission has requested that Company's provide a recommendation on the appropriate location within the Code of State Regulations ("CSR") to incorporate a new rule around this topic. The Company recommends including any new proposed rule be put in Chapter 13 – Service and Billing Practices for Residential Customers of Electric, Gas, Sewer, and Water Utilities within close proximity of rules 20 CSR 4240-13.050 (Discontinuance of Service) and 20 CSR 4240-13.055 (Cold Weather Maintenance of Service: Provision of Residential Heat-Related Utility Service During Cold Weather).

The Company appreciates the opportunity to provide feedback on this proposed rule and looks forward to the March 26, 2020 workshop discussion.

Respectfully submitted,

/s/ Roger W. Steiner

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**Attorneys for Energys Missouri Metro and  
Energys Missouri West**

### **CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the foregoing document has been hand delivered, emailed or mailed, postage prepaid, this 14<sup>th</sup> day of February 2020, to all counsel of record.

/s/ Roger W. Steiner

**Attorney for Energys Missouri Metro and Energys  
Missouri West**