

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

In the Matter of the Application of Evergy )  
Metro, Inc. d/b/a Evergy Missouri Metro )  
and Evergy Missouri West, Inc. d/b/a )  
Evergy Missouri West for an Accounting )  
Authority Order Allowing the Companies )  
to Record and Preserve Costs Related to )  
the February 2021 Cold Weather Event )

Case No. EU-2021-0283

**PUBLIC COUNSEL’S REPLY TO EVERGY MISSOURI METRO AND  
EVERGY MISSOURI WEST’S RESPONSE TO PUBLIC COUNSEL’S MOTION  
TO DISMISS THEIR APPLICATION FOR AN AAO FOR STORM URI COSTS**

COMES NOW the Office of Public Counsel (“Public Counsel”) and for its reply to Evergy Missouri Metro and Evergy Missouri West’s (collectively “Evergy”) response to Public Counsel’s motion to dismiss their application for an accounting authority order that authorizes them to track and defer in regulatory assets or regulatory liabilities, as appropriate, all of their incremental expenses and revenues caused by Storm Uri, plus carrying costs, states as follows:

1. In paragraph 5 of its response, Evergy quotes definition 31 of the FERC uniform system of accounts. The definition of regulatory assets and liabilities in definition 31 is not in the version of the FERC USoA that the Commission adopted by rule 29 CSR 4240-20.030.<sup>1</sup> In other words, they are not definitions that this Commission has formally adopted by rulemaking. Regardless, as used by and before this Commission, as those definitions indicate, regulatory assets and liabilities are intended to shift net income affecting accounting entries from one period to the period the Commission uses for determining an electric utility’s net income when developing rates for that electric utility.

2. As Public Counsel pointed out in its motion to dismiss Evergy’s application, both Evergy entities are filing electric rate cases by February 2022. Since Storm Uri occurred mid-

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<sup>1</sup> 18 CFR Part 101 (1992) and 1 FERC Stat. & Regs. paragraph 15,001 and following (1992).

February 2021, there is no reason that, by the general requirements of the Commission-adopted version of the FERC USoA, the net income impacts of that storm should not be included in the periods the Commission uses for determining both Evergy entities' net incomes, *i.e.*, within the historical test years, with or without any updates and/or true-ups. A point which Public Counsel also made in its motion to dismiss.

3. Further, Evergy's reference to "the multitude of Commission orders approving AAOs for extraordinary storm costs" in paragraph 7 of their response undermines their argument that they need a Commission order determining that it is probable the costs they incurred and the revenues they gained due to Storm Uri will be included in the period this Commission uses for determining their rates in their upcoming rate cases. Public Counsel agrees that this Commission has repeatedly included in the period it uses for developing a utility's net income and resulting rates the impacts from extraordinary weather events that would not have been included in that period under the general accounting requirements this Commission has adopted. Those numerous historical acts demonstrate all the probability that Evergy need to make the appropriate accounting entries to ensure the costs they incurred and the revenues they gained due to Storm Uri will be included the periods this Commission uses for determining their rates in their next electric rate cases.

Respectfully,

/s/ Nathan Williams

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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 3<sup>rd</sup> day of August 2021.

/s/ Nathan Williams