

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

In the Matter of Evergy Metro, Inc. d/b/a Evergy)
Missouri Metro’s Submission of Its 2021) File No. EO-2022-0285
Renewable Energy Standard Compliance Report)

In the Matter of Evergy Missouri West, Inc. d/b/a)
Evergy Missouri West’s Submission of Its 2021) File No. EO-2022-0286
Renewable Energy Standard Compliance Report)

In the Matter of Evergy Metro, Inc. d/b/a Evergy)
Missouri Metro's Submission of its 2022) File No. EO-2022-0287
Renewable Energy Standard Compliance Plan)

In the Matter of Evergy Missouri West, Inc. d/b/a)
Evergy Missouri West's Submission of its 2022) File No. EO-2022-0288
Renewable Energy Standard Compliance Plan)

**EVERGY MISSOURI METRO’S AND EVERGY MISSOURI WEST’S
REPLY TO PUBLIC COUNSEL’S RESPONSE**

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”) and for their *Reply* (“Reply”) to the Office of the Public Counsel’s (“OPC”) *Response to Evergy’s RES Compliance Reports and RES Compliance Plans* dated July 28, 2022 (“Response”) filed in each of the respective dockets, states as follows:

1. In its Response, OPC makes similar non-compliance assertions as those asserted in numerous prior RES compliance dockets.¹

2. The Company has complied with Rules 20 CSR 4240-20.100(8)(A)1.P and 20 CSR 4240-20.100(5), despite OPC’s contention to the contrary.² These rules require the calculation of

¹ See, *OPC Response to Order Directing Responses* dated August 2, 2021, File Nos. EO-2021-0345 / 0346 / 0347 / 0348; *OPC Report[s] on the Renewable Energy Standard Report and Plan for Evergy Missouri Metro/West*, dated June 12, 2020, File Nos. EO-2020-0329 / 0330 / 0331 / 0332 [respectively].

² See, *OPC Response*, p. 5.

the renewable energy standard (“RES”) retail rate impact. The Company has accurately provided the retail rate *impact* in its RES Reports and Plans already filed and did not include wind purchase power agreement (“PPA”) costs in its calculations as these costs are not directly attributable to RES compliance.

3. The RES Reports and Plans are not required to include all costs associated with the Company’s renewable generation because RES compliance costs, as defined in pertinent part by 20 CSR 4240-20.100(1)(Q) “means prudently incurred costs, both capital and expense, directly related to compliance with the Renewable Energy Standard.” To the extent that the Company has entered into a wind PPA based on other factors, including economics – that is, the addition of the wind PPA to the Company’s generation portfolio serves to reduce the expected net present value of long-run revenue requirements – such wind PPAs are not “directly related to compliance with the Renewable Energy Standard” and do not constitute RES compliance costs. Therefore, because the Company did not wholly enter these PPAs in order to achieve RES compliance, the cost of wind PPAs entered into for economic reasons (“favorable economics wind PPAs”) has not been included in its RES Compliance Reports and Plans. Said another way, RES compliance costs are costs which would not exist but for the need to meet RES requirements. Other renewable energy-related costs, such as those associated with favorable economics wind PPAs, having been executed to reduce the expected net present value of long-run revenue requirements and not to achieve RES compliance, therefore do not constitute RES compliance costs. These are PPAs that would have been executed regardless of the RES requirements.

4. The RES retail rate impact limit calculation requires that it, "...may not exceed one percent (1%) for prudent costs of renewable energy resources directly attributable to RES compliance."³

5. The Company has consistently maintained that wind contracts were entered because of favorable economics and not directly attributable to RES compliance, stating the same (or similar) in plan years 2021, 2020, 2019, 2018, 2017, and 2016.

6. The retail rate impact information presented in its Renewable Energy Standard ("RES") compliance report is accurate, complies with the Commission rules and does not need to be updated. Commission Staff agrees that the Company has met the Commission's RES Report and Plan requirements.⁴ Moreover, the Commission has previously rejected OPC's previous request to make OPC's concerns about the 1% RES cap a part of the RES Report and Plan dockets.⁵

7. OPC has made this request in past dockets and the Commission has rejected the request. No new information or support has been presented in this request and the Commission should make the same ruling in this case as it has in the past.

WHEREFORE, the Company submits its Reply to OPC's Response.

³ 20 CSR 4240-20.100(5)(A).

⁴ See, Staff Reports dated August 5, 2022 in Docket Nos. EO-2022-0285, EO-2022-0286, and EO-2022-0287, and EO-2022-0288.

⁵ See, EO-2019-0315 / 0316, dated October 4, 2019, *Order Regarding 2018 RES Compliance Report and Granting Waiver*, where the Commission stated at p. 2: "After considering the submitted comments, the Commission concludes that no further order from the Commission is appropriate at this time regarding the RES Report." See also, EO-2021-0345 / 0346 / 0347 / 0348, dated May 25, 2022, *Order Regarding 2020 RES Compliance Reports and 2021 RES Compliance Plans and Order Granting Waiver*, where the Commission stated at p. 2: "After considering the submitted comments, the Commission concludes that no further order from the Commission is appropriate at this time."

Respectfully submitted,

/s/ Roger W. Steiner

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**Attorney for Evergy Missouri Metro and Evergy
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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 24th day of August 2022, to all parties of record.

/s/ Roger W. Steiner

Roger W. Steiner