

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

In the Matter of the Application of Evergy)
Missouri West Inc. d/b/a Evergy Missouri)
West Containing its Semi-Annual Fuel)
Adjustment Clause True-Up)

File No. EO-2023-0206

In the Matter of the Application of Evergy)
Missouri West, Inc. d/b/a Evergy Missouri)
West for Authority to Implement Rate)
Adjustments Required by)
20 CSR 4240-20.090(8) and the Company's)
Approved Fuel and Purchased Power Cost)
Recovery Mechanism)

File No. ER-2023-0210
Tracking No. JE-2023-0117

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its Staff Recommendation states as follows:

1. On December 30, 2022, In Case No. ER-2023-0210, Evergy Missouri West, Inc. d/b/a Evergy Missouri West filed a proposed revised tariff sheet, 9th Revised Sheet No. 127.23, canceling 8th Revised Sheet No. 127.23, with revised fuel adjustment rates (lines 16, 19, 22, and 25 on 9th Revised Sheet No. 127.23) of its Fuel Adjustment Clause (“FAC”), and bearing an effective date of March 1, 2023. Subsequently, Evergy Missouri West filed a substitute tariff sheet on January 18, 2023, and submitted to Staff workpapers in support of the substitute tariff sheet. In Evergy Missouri West’s substitute filing letter, it explained the Company is making the substitute tariff filing to include interest on an ordered prudence adjustment from Case No. EO-2022-0065.

Within this filing Evergy Missouri West explains that the Company performed the plant in service accounting (“PISA”) calculations to determine the impact on the Average Overall Rate and Class Average Overall Rate for the Large Power customer

class as set forth in section 393.1655 RSMo rate cap limitations. The FAC charge proposed in this filing does exceed the average overall rate of the compound annual growth rate (“CAGR”) cap provisions of section 393.1655 RSMo by more than 13.3372%. Therefore, the Company has removed \$47,898,201 from recovery through the FAC and has included this amount in a PISA regulatory asset for consideration in a future general rate proceeding. In addition, the proposed FAC charge applicable to Large Power customers does exceed 8.7474% of the class average overall rate cap, in accordance with section 393.1655.6 RSMo. Therefore, the Company has limited the increase in the FAC charge applicable to Large Power customers to the 2% CAGR of the class average overall rate or \$13.7 million. The exceeding of the 2% CAGR cap results in \$1,439,335 being redistributed to Non-Large Power customer classes for recovery in this filing.

2. Also on December 30, 2022, in Case No. EO-2023-0206, Evergy Missouri West initiated a rate adjustment mechanism true-up, to be included in the proposed revised fuel adjustment rate. According to Evergy Missouri West’s true-up filing, in the aggregate for Recovery Period 28 (“RP28”) for billing months (September 1, 2021, through August 30, 2022), Evergy Missouri West under-collected from its customers \$169,679¹ following its Accumulation Period (“AP28”) (December 1, 2020, through May 31, 2021).

3. On January 3, 2023, the Commission issued its *Order Directing Notice and Setting Deadlines for Intervention Applications and Staff’s Recommendation*. The *Order*

¹ The true-up amount on line 8 of the proposed 9th Revised Sheet No. 127.23 is \$220,443 under recovery. However, once that amount on line 8 is offset by the ordered adjustment of \$(48,796) (found separately on line 10 of the proposed tariff sheet) and interest on the ordered adjustment of (\$1,968), the true-up amount is an under-collection of \$169,679.

stated that no later than January 30, 2023, Staff shall file recommendations regarding its analysis of Evergy Missouri West's application and proposed tariff sheet.

4. Based on its examination and analysis of the information Evergy Missouri West filed and submitted in this case, Staff recommends the Commission issue an order approving the proposed 9th Revised Sheet No. 127.23, as substituted on January 18, 2023, canceling 8th Revised Sheet No. 127.23, to become effective on March 1, 2023, subject to both true-up and prudence reviews.

5. Further explanation of this recommendation is provided in the memos attached to this pleading.

WHEREFORE, Staff submits this recommendation for the Commission's information and consideration.

Respectfully submitted,

/s/ Casi Aslin

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CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing were mailed, electronically mailed, or hand-delivered to all counsel of record on this 30th day of January, 2023.

/s/ Casi Aslin