

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

In the Matter of Evergy Metro, Inc. d/b/a)
Evergy Missouri Metro’s 2023 Integrated) **Case No. EO-2023-0423**
Resource Plan Annual Request to Revise)
its Solar Subscription Rider)

In the Matter of Evergy Metro, Inc. d/b/a)
Evergy Missouri West’s 2023 Integrated) **Case No. EO-2023-0424**
Resource Plan Annual Request to Revise)
its Solar Subscription Rider)

STAFF RECOMMENDATION

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

1. On May 19, 2023, Evergy Metro, Inc. d/b/a Evergy Missouri Metro and Evergy Missouri West, Inc. d/b/a Evergy Missouri West (collectively “Evergy”) filed tariff sheets in File Nos. ER-2022-0129 and ER-2022-0130 to Revise Evergy’s Solar Subscription Riders. Staff’s recommendation was to reject those tariff sheets and open a separate docket where Staff can audit costs, evaluate the facility, and proposed rates. On June 14, 2023, the Commission opened these dockets based upon Staff’s recommendation and Evergy’s response. On June 16, 2023, the Commission issued its *Order Providing Notice, Establishing Intervention Deadline, Directing A Staff Recommendation, And Setting Time For Responses*, setting July 31, 2023 as the date for Staff to file its recommendation or status report, and August 14, 2023 as the date for any other responses to Evergy’s request or Staff’s recommendation. Staff filed a status report on July 31, 2023, requesting an extension to September 15, 2023, to file a

recommendation in these dockets. On August 1, 2023, the Commission granted the extension request.

2. As explained in the attached memorandum, Staff completed an audit of the facility, evaluated in service criteria, and examined the associated tariffs. Staff determined the facility to be in service as of May 29, 2023. Staff discovered several incongruences within the calculations to derive the total Solar Block Subscription Charge, which had increased above the rates presented in the compliance tariffs and the Service and Access Charge amount in the Stipulation and Agreement resulting from the last rate cases, Case No. ER-2022-0129, *In the Matter of Evergy Metro, Inc. d/b/a Evergy Missouri Metro's Request for Authority to Implement a General Rate Increase for Electric Service* and ER-2022-0130, *In the Matter of Evergy Missouri West, Inc. d/b/a Evergy Missouri West's Request for Authority to Implement a General Rate Increase for Electric Service*. This is due to Evergy's failure to include certain cost estimates in the original budget, as well as inconsistent and unreasonable assumptions, as detailed in the memorandum. Based on these issues, and Evergy's late delivery on September 12, 2023, three days before the recommendation's due date, of workpapers that changed certain assumptions underpinning the calculations of the Solar Block Subscription Charge, Staff does not recommend any change to Solar Block Subscription Charge.

3. Furthermore, the language in Evergy's tariff clearly states that

The Services and Access charge will be adjusted when rates are reset in future rate cases by the average percentage change to volumetric rates in those future rate cases, unless a party provides a cost study demonstrating that it would be unreasonable to adjust the Services and Access.

This prohibits Evergy as a matter of law from adjusting the Services and Access charge outside of a rate case.

4. Due to the issues raised in the attached memorandum, Staff recommends the Commission reject Evergy's tariffs, and order Evergy to provide, in its next rate case, a reasonable calculation of the Solar Block Charge and evidence supporting its assumptions behind it. Staff also recommends that Evergy develop a plan to communicate with customers the basis for the increase, as Evergy's Frequently Asked Questions (FAQs) page regarding the Solar Block Subscription Charge states the cost of the resource will not increase, without any disclaimer language regarding estimates or updates for final construction costs. In fact, as outlined in Staff's memorandum, Staff has already received a public comment regarding conflict between the FAQs, and other information Evergy has made available regarding an increase.

WHEREFORE, Staff respectfully requests the Commission reject Evergy's tariffs, and order Evergy to provide, in its next rate case, a reasonable calculation of the Solar Block Charge and evidence supporting its assumptions behind it. Staff also requests the Commission order Evergy to develop a plan to communicate with customers the basis for the increase.

Respectfully submitted,

/s/ Nicole Mers

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CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing were served electronically to all counsel of record this 15th day of September, 2023.

/s/ Nicole Mers