BEFORE THE PUBLIC SERVICE COMMISSION

STATE OF MISSOURI

TRANSCRIPT OF PROCEEDINGS

On-the-Record Presentation

Friday, August 18, 2023
10:00 a.m. - 10:37 a.m.

Missouri Public Service Commission
200 Madison Street, Room 310
Jefferson City, MO 65102
and WebEx

VOLUME II
Pages 10 - 42

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

ROSS KEELING , Presiding
REGULATORY LAW JUDGE

SCOTT T. RUPP, Chairman
MAIDA J. COLEMAN, Commissioner
GLEN KOLKMEYER, Commissioner
DR. KAYLA HAHN, Commissioner

Stenographically Reported By:
Beverly Jean Bentch, RPR, CCR No. 640

Job No. 150978

APPEARANCES:

On behalf of Evergy Missouri West:

Evergy, Inc.
1200 Main Street, 16th Floor
P.O. Box 418679
Kansas City, MO 64105-9679

BY: ROGER W. STEINER, ESQ. (WebEx)
roger.steiner@evergy.com

Fischer & Dority, P.C.
2081 Honeysuckle Lane
Jefferson City, MO 65109

BY: JAMES M. FISCHER, ESQ.
Jfischerpc@aol.com

On behalf of the Staff of the Public Service Commission:

Public Service Commission
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102

BY: CASI ASLIN, ESQ.
casi.aslin@psc.mo.gov

On behalf of the Office of the Public Counsel:

Office of the Public Counsel
200 Madison Street, Suite 650
P.O. Box 2230
Jefferson City, MO 65102

BY: JOHN CLIZER, ESQ.
john.clizer@opc.mo.gov

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The following proceedings began at 10:00 a.m:

JUDGE KEELING: Good morning. We are on the record. Please silence your cell phones, if you haven't already.

This is the On-the-Record Presentation in Commission file titled or styled In the Matter of the Application of Evergy Missouri West, Incorporated, 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.

My name is Ross Keeling. I am the Regulatory Law Judge presiding over this On-the-Record Presentation. Today is August 18, 2023, in Room 210 of the Governor Office Building in Jefferson City, Missouri and by WebEx. The time is 10:01 a.m. And I will take of any Commissioners who may be present. Commissioner Hahn is seated to my right and Commissioners on WebEx.

COMMISSIONER COLEMAN: Commissioner Coleman is online.

JUDGE KEELING: Commissioner Coleman is online. Is Chairman Rupp online?

CHAIRMAN RUPP: Chairman Rupp is online as well. Thank you, Judge.

JUDGE KEELING: Are there any other

Commissioners present online? Very good. Hearing none, I'll proceed.

Will counsel for the parties please enter their appearance on the record. First will counsel for Evergy Missouri West.

MR. FISCHER: Thank you, Judge. Good morning. Let the record reflect the appearance of James F. Fischer with the law firm of Fischer & Dority PC and Roger Steiner, in-house counsel with Evergy Missouri West. I've given the contact information to the court reporter.

JUDGE KEELING: Thank you, Mr. Fischer. Will counsel for the Staff of the Commission please enter their appearance.

MS. ASLIN: Casi Aslin for Commission Staff, and the court reporter also has my contact information.

JUDGE KEELING: Thank you. And will counsel for Office of the Public Counsel enter their appearance.

MR. CLIZER: John Clizer on behalf of the Office of the Public Counsel, and the court reporter has my information as well. Thank you.

JUDGE KEELING: Very good. Are there any other parties or persons who need to make their appearance? Hearing none, I would begin to like with some opening statements from counsel. Please treat these openings regarding various stipulation and agreements as you would in a contested case but understand that the Commission may have questions at any time for attorneys or witnesses.

If the question is for a witness, I will swear the witness in. The stipulation and agreements are not yet confidential; but if confidential information is introduced, I'm relying on the parties to inform me so we can go in camera. Anything from counsel or the bench before we begin with opening statements from Evergy Missouri West? Hearing none. Have we chosen who's going to go first? Mr. Steiner. You're not Mr. Steiner.

MR. FISCHER: I'm Jim Fischer. Roger Steiner is on the WebEx. So if we have questions for him, he can reply.

JUDGE KEELING: Pardon me, Mr. Fischer.

MR. FISCHER: No problem.

Good morning. For the record, again my name is Jim Fischer, and Roger Steiner and I are representing Evergy Missouri West in this proceeding. I also have with me in the hearing room our regulatory team, Darrin Ives, Lisa Starkebaum and Ron Klote. So if there are questions that you have that I can't answer, I'm sure they will be able to. So with that, I can be very brief.

We are pleased that the Company, Staff and Public Counsel were able to reach a settlement of all issues in this case, and we want to thank the Staff and the Public Counsel for working with us to resolve these issues.

On June 21, 2023, the Company, Staff and Public Counsel filed a Non-unanimous Stipulation and Agreement, which was not objected to by any other party. As a result, under the Commission's rules, this stipulation may be treated as a unanimous stipulation and agreement, and we would request that the Commission approve this stipulation and agreement before September 1, 2023.

It's very important that the approval come before September 1, 2023, because the tariffs in the next fuel adjustment rate case, which is ER-2023-0444, are scheduled to become effective on September 1. The Commission approved the Company's tariffs in that case, the 0444 case, at yesterday's agenda meeting.

The Company and Staff have assumed for purposes of their calculations in this case, or in that case, that this settlement will be approved prior to the next set of tariffs going into effect as this settlement directly affects the next set of tariffs and therefore we're asking that you approve it before those go into effect.

I think the stipulation and agreement is fairly straight forward, and the substantive provisions are just on one page, page 3. I can summarize those provisions for the Commission or if you'd like, I can just answer your questions. Happy to summarize it.

JUDGE KEELING: Please do.

MR. FISCHER: Okay. Under the terms of the settlement, the interim tariffs that were designed to recover $18.7 million for the accumulation period 31 will remain in effect until the next set of tariffs or the accumulation period 32 will go into effect, and again that will begin on September 1, 2023.

Now, under paragraph 12 of the stipulation, the remaining accumulation period 31 costs of $85,420,087, which were not recovered on an interim basis, was included in the filings to change the fuel adjustment rate for the accumulation period 32 and accumulation period 33. Of the 85.4 million, approximately 45.3 million was included for recovery in the accumulation period 32, which was approved in yesterday's agenda meeting in the order approving interim tariff to change fuel adjustment clause rates in ER-2023-0444.

The remaining 40.1 million will be included in the recovery in AP33, which that's accumulation period 33. Now, as I previously mentioned, those tariffs in the 0444 case will become effective on September 1.

The Commission also approved the Company's fuel adjustment clause true-up at yesterday's agenda. This order also laid out the calculations which included the costs of AP31 and AP32 consistent with the Non-unanimous Stipulation and Agreement in this case.

The interest will be included using the current short-term interest rate as specified in the fuel adjustment clause tariff.

Now, in paragraph 13, the parties have agreed that the true-up periods for AP31, 32 and 33 will follow the normal calculations for the appropriate periods based upon the agreed amounts in the stipulation.

Unless you have questions on those provisions, I can conclude my remarks. Again, we would respectfully request that you approve the stipulation at your next agenda meeting. Thank you. And happy to take any questions.

JUDGE KEELING: I have no questions. Let me go through the Commissioners. Chairman Rupp, do you have any questions?

CHAIRMAN RUPP: Yes, I do, Judge. Thank you.

Thank you, Mr. Fischer.

MR. FISCHER: Yes.

CHAIRMAN RUPP: To take a step back of how we got here, can you just tell me what is the overall difference of where you ended up from where the Company and Staff had originally agreed upon the noncontested amounts in this case notwithstanding OPC's contest of 18.7 million ballpark?

MR. FISCHER: Well, originally the Company and Staff had agreed to a recovery of 56.3 million on an interim basis through the fuel clause and to defer 47.9 million. Now, what we've done in the settlement is effectively take the full amount that we had been requesting and spread it out over time. They'll be some differences on interest costs. And the Company had originally suggested following the PISA statute as far as deferral of the recovery. In this stipulation and agreement, we recover the amounts on a faster basis. There's not as much interest cost associated with that and that benefits consumers.

But effectively what we've done is we will be recovering the full amount but over a different period of time. Does that answer your question?

CHAIRMAN RUPP: Yeah, it does, and I guess I'll have more questions for OPC. So if you had to ballpark, as you clarify the savings to consumers be of less interest rate costs, what would you quantify that as compared to what the Company had originally asked for ballpark?

MR. FISCHER: You know, I'm going to have to ask one of my technical experts that calculation. We can get that on the record in a few minutes, I think.

CHAIRMAN RUPP: Sure. We can move on and if you just want to throw it in the record. Mr. Fischer, I appreciate it. I think that's all I have for you.

MR. FISCHER: Thank you very much.

JUDGE KEELING: Thank you, Chairman. Commissioner Coleman, do you have any questions? And hearing none. Commissioner Hahn.

COMMISSIONER HAHN: Thank you.

MR. FISCHER: Good morning.

COMMISSIONER HAHN: Good morning. Only one question this morning. I'm curious about what your conversations were with Staff and OPC over the use of the word extraordinary and the PISA statute. It seemed that there was some debate about which costs should be recovered through PISA because they were extraordinary or not extraordinary depending on which position you took.

MR. FISCHER: Well, I'm not going to talk about what our conversations were since that was in the context of settlement. We have over the years expressed various positions on when extraordinary costs should be deferred. In this case, we did not believe fuel costs, purchased power costs were in any way extraordinary and should not be deferred under the traditional AAO type standard that has been used for other extraordinary costs. Things like Storm Uri, which was the February of 2020 winter, I think, or 2021, those kinds of costs were certainly extraordinary and we did defer those costs.

We've also argued in various other contexts in rate cases that certain unusual and extraordinary costs should be deferred whenever it is appropriate. But in this context we had a difference of opinion about whether the fuel and purchased power costs should be considered extraordinary and deferred and that was going to be the issue, but we were fortunately able to find resolution of that. We didn't have to debate that.

COMMISSIONER HAHN: Thank you so much. I appreciate it.

MR. FISCHER: Thank you.

COMMISSIONER COLEMAN: Judge, this is Commissioner Coleman.

JUDGE KEELING: Morning, Commissioner. Did you have any questions for Mr. Fischer?

COMMISSIONER COLEMAN: Good morning. I don't have questions. I'm sorry for the delay. I have my phone on mute to stay on mute two ways, and I could not get it turned back on fast enough. So I'll chime in if I have any questions as we move forward.

JUDGE KEELING: Well, please forgive me for excluding you in that one. Thank you very much for chiming in.

COMMISSIONER COLEMAN: Thank you.

JUDGE KEELING: Thank you. Mr. Fischer, did you --

MR. FISCHER: That's all I had unless you had some other questions, Judge.

JUDGE KEELING: Did you plan on putting on a witness?

MR. FISCHER: Unless you have questions besides the one about the interest, I think I can -- I don't need to put on a witness.

JUDGE KEELING: Thank you very much.

MR. FISCHER: Thank you.

JUDGE KEELING: Counsel for Staff.

MS. ASLIN: I will be very brief. I think Mr. Fischer did a fine job explaining the provisions of our stipulation here. I just want to echo that we're glad that we were able to settle this case and think that it was in everyone's best interest. I have Staff witness Brooke Mastrogiannis here today if you have any technical questions for her. And in relation to the question about the amount of money customers will save by spreading out the costs from AP31, we have calculated that it is approximately $63.8 million.

JUDGE KEELING: Thank you very much.

CHAIRMAN RUPP: Judge, this is Commissioner Rupp, as I'll have a question when you're ready.

JUDGE KEELING: Chairman, please ask away.

CHAIRMAN RUPP: Thank you, Judge. So you're calculating that the savings to customers from this stipulation compared to what Staff and the Company had originally said was a noncontested amount is going to be $63 million?

MS. ASLIN: Correct.

CHAIRMAN RUPP: In your memory, at least in my memory, I don't remember a fuel adjustment clause case where one party had such a vast difference of uncontested amounts. Is that accurate?

MS. ASLIN: I don't know that I have enough experience with these type of cases to make a statement like that. So I wouldn't be comfortable stating one way or the other.

CHAIRMAN RUPP: Okay. Thank you. That's all

I have, Judge.

JUDGE KEELING: Thank you, Mr. Chairman. Have you completed your presentation?

MS. ASLIN: I have. Thank you.

JUDGE KEELING: Thank you, Counselor. Commissioner Coleman, do you have any questions for counsel?

COMMISSIONER COLEMAN: No questions, Judge.

JUDGE KEELING: Thank you. And Commissioner Hahn?

COMMISSIONER HAHN: No.

JUDGE KEELING: So I have no questions myself. So thank you very much.

Now, would counsel for the Office of the Public Counsel please proceed.

MR. CLIZER: If it would please the Commission. John Clizer on behalf of the Missouri Office of the Public Counsel.

I would like to begin by thanking the Commissioners for giving the parties an opportunity to present the terms of the settlement reached in this case and to discuss the issues related to it with you. If you will spare me just a moment, I'm going to walk through kind of how we got here at a high level and what issues might be related to moving forward from this.

If you can see it, and I would draw your attention to the graph you're seeing on the screen, this graph basically shows what the actual net energy costs, or ANEC, for Evergy West was dating back to about 2007, which is when the Company began receiving a fuel adjustment clause or FAC.

And just as a reminder, the purpose of the fuel adjustment clause is to allow a company to collect the difference between what is included in base rates and the actual net energy cost it incurred. So it's the difference between what's already in rates and this AAC that gets flown through and recovered or returned through the FAC.

And what you can see from this graph is that for the vast majority of its life during Evergy West's FAC we had a fairly stable ANEC. The first really big hit that you see, that very, very large peak, that is the event that we all now refer to as Winter Storm Uri. And we all basically agree that that was an extraordinary event and right now we are in the process of attempting to resolve that one through the securitization statute.

What we're dealing with in this case is the second sort of peak that you see right here, and the central crux of the issue, as was alluded to earlier, was effectively whether or not that second peak should be considered extraordinary.

Now, that has been settled. I don't intend to litigate that issue. I don't want to debate it right now. So I'm not actually going to get too much into whether or not it should or should not be considered extraordinary.

By the way, I would like to take a moment just to discuss the settlement in terms of this settlement is in my personal opinion probably the best possible outcome that could have been reached in this case. I think as has been alluded to it allows the Company to recover the amount of money more quickly than it would have otherwise recovered it under the original proposed scheme while also causing less interest to be incurred overall, thus lowering the impact on customers by the amount that you've already heard quoted from Staff.

So I think that this is an exceptionally good outcome and I also would echo what has been said before and thank both the Company and the Commission Staff with working -- for working with OPC to try and come to this outcome. I think that this is an example of where collaborative efforts between utility regulators can achieve the best results.

However, I want to say it is very important for the Commission to recognize that this settlement only resolves the immediate cost issues associated with the second spike that you see on this graph. What this settlement does not resolve is the underlying issues that the OPC believes are giving rise to the spikes on this graph, and that is really what I want to focus my discussion on for just a few minutes.

Now, personally I believe that anybody who looks at these graphs should have a slight degree of concern given that we now see two spikes in the ANEC in a relative short period of time. And while yes, they are not of the same magnitude, the existence of this sudden change of volatility should give one pause and lead one to question what is happening here to cause the occurrence and perhaps more importantly whether it is possible it may happen again in the future.

The OPC believes that the spikes that you are seeing in this graph are being primarily driven by the fact that Evergy West does not currently possess the generation capacity it needs to meet its current load. I'm sorry. I use the term capacity. Let me be very clear. What I'm referring to is just the generation. They don't have as much generation as they have load.

And we at the OPC believe that this results in a high probability that these kind of ANEC spikes might occur in the future, and so that's why I'm really before you today.

Now, just for a bit of background. I expect that most people already remember this but just to sort of level set. Evergy West is a current participant in the Southwest Power Pool, which is a regional transmission organization, or RTO, and how that works is basically Evergy West sells all the energy it generates into the RTO and then buys all the energy it needs to serve its customers from the RTO.

Now, in an ideal world you would hope that the energy it sells in is going to produce income that equals or exceeds the cost of the energy it buys out. In other words, these two things would negate each other. And if they do that, any price volatility that you have in the market becomes neutralized, because if you have a Winter Storm Uri event, for example, and prices skyrocket, the cost of the energy you're buying goes up but the cost of the energy you're selling also goes up so you basically are able to cancel that out.

You can actually see an example of how this happened if you consider Evergy West's sister utility, Evergy Metro. So I just overlaid the ANEC of Evergy Metro with Evergy West here. And by the way, if you're curious, the reason Evergy Metro starts in 2015 is just because that's when it first developed its FAC. But what you can see is that whereas Evergy West has had these large spikes, Evergy Metro has by relative terms been much flatter, much more consistent. Again, we believe that this is primarily being driven by the fact that Evergy West does not have as much generation as it has load effectively.

The other half of the equation that the Commission has to take into consideration is the FAC. Because the FAC currently allows Evergy West to recover 95 percent of the difference between its ANEC and its base energy costs from customers, it is actually those customers who bear the lion's share of the cost impacts from the spikes that you are seeing.

In other words, the existence of the FAC effectively eliminates the incentive to prevent these volatile price swings because it ensures the Company will ultimately be made whole. And this has the result of shifting the risks from the Company onto the customers. And this risk shifting is going to continue as long as Evergy West continues to maintain less generation than is required to meet its load.

So with that we pretty much bring things full circle. What happened in this case was that Evergy West incurred significant costs due to its exposure to the volatility of the price market. This exposure in the OPC's opinion was caused by the fact that the Company's generation portfolio was less than what its load required.

And the parties to this case disputed whether those costs should be deemed extraordinary, but ultimately an agreement was reached that allowed the costs to be spread out for recovery in the manner that significantly reduces the rate impact as was already described very well by Mr. Fischer on behalf of Evergy.

However, as I said before, this agreement only covers this one event. It does nothing to prevent the event from reoccurring in the future. Given this fact, the OPC believes it's important to ensure the Commission was cognizant of the issue moving forward.

In particular we wanted an opportunity to express our concerns this existing volatility in the ANEC was likely to continue absent action by the Company to increase its portfolio of efficient dispatchable generation.

We hope the Commission will consider these factors in future decisions and ensure that the regulatory framework is working with the positive intention of mitigating unnecessary risk exposure to ratepayers.

With all that being said, I want to end on a positive note. So to that end, I will say that according to the most recent integrated resource plan filed by Evergy West it appears the Company has at least acknowledged the problem at hand and has begun to take some steps towards addressing it. And I am tentatively hopeful that we might be able to get to a point where these kind of price spikes can be more or less eliminated. I'm optimistic that Evergy and regulators continue to work cooperatively towards that end.

That concludes my remarks. I'm happy to answer any questions the Commissioners might have.

JUDGE KEELING: Thank you, Mr. Clizer. Commissioner or Chairman Rupp, do you have any questions for Mr. Clizer?

CHAIRMAN RUPP: Yes. Thank you, Judge. Thank you, Mr. Clizer, for a couple things. Great presentation to help explain how we got here. And I appreciate you drawing the attention to this. I know you have -- you and the Office of Public Counsel have been talking about the amount that the Company is buying and energy and the lack of generation. We've been speaking about that for a long while now. I think this illustrates that very, very well. I appreciate you doing that.

I guess a question I have for you is the 18.7 million, how did you get to that number? Was that number designed to draw attention to this? Was that -- Just high level how did you say 18.7 million is uncontested?

MR. CLIZER: Okay. That is an excellent question, Commissioner. It's actually relatively simple. The way that the OPC approached this case was to basically say let us attempt to recreate to the highest degree reasonably possible what the Company's position was during the Winter Storm Uri related FAC case.

So what we did is we went back to what was filed in the FAC case for the accumulation period that covered the Winter Storm Uri period and we said what did the Company do in that situation. And what we found was that the Company had basically said this is an extraordinary event. So in order to normalize it, we are going to take, and I'm going to say this and I might confuse myself, so I would address, if necessary, I will address this to OPC Mantle is who I'm looking over to to indicate to me whether I get this wrong, but I believe we looked at the last three years, last three accumulation periods.

MS. MANTLE: It was the last three

accumulation periods that covered that same time period of the year, so six months ending November.

MR. CLIZER: I apologize I allowed her to speak without being sworn. I apologize for that. So to answer your question, we looked at the last three accumulation periods for that same time period that was covered and we said this is what we expect of a normal time period based on the historical data. That is where we came to the 18 million. It wasn't a number that we came up with. It was the average of the last three accumulation periods for that same time period, that same I believe it's May to November, I think, or June to November. Does that answer your question?

CHAIRMAN RUPP: Yes, it does. Thank you very much for that. You know, to be honest, the first cursory look at this I had and how our rule was written in theory anyone could just say well, the number is zero. And so the Company couldn't move forward because any party that has an uncontested amount, you know, that can't move forward until it's decided, so I'm pleased that this was not an arbitrary number.

Because of the way that rule is written, this could be used as a way to just obstruct things and stuff, but your explanation and rationale for that number, because in my opinion I haven't seen one that there was an FAC that had such a large discrepancy of contested dollar amounts. So I was curious of how you were doing that. But it makes complete sense. And I think the outcome, Mr. Clizer, is a huge win for your office that the Company is getting their money quicker and the ratepayers are saving $63 million. So well done.

MR. CLIZER: I thank you, sir, very much for those comments. I am pleased with the outcome as far as customers are concerned. I also, and I tried to speak to this, I genuinely believe that the Company has had a benefit here in that they will be recovering this money more quickly than they would have under the initial scheme which would have required a 20-year recovery to the PISA statute.

So I personally believe that this is a mutually beneficial outcome. I can't speak on behalf of other parties, of course.

CHAIRMAN RUPP: Thank you. That's all I had, Judge.

JUDGE KEELING: Thank you, Chairman. Commissioner Coleman, do you have any questions for Mr. Clizer?

COMMISSIONER COLEMAN: No, thank you. And thank you for the presentation, Mr. Clizer.

JUDGE KEELING: Thank you very much, Commissioner. I've been informed that Commissioner Kolkmeyer is online, and welcome, Commissioner Kolkmeyer.

COMMISSIONER KOLKMEYER: Yes.

JUDGE KEELING: Do you have any questions for Mr. Clizer?

COMMISSIONER KOLKMEYER: No, I just want to echo the thanks to Mr. Clizer for the presentation. It was very informational. Thank you.

JUDGE KEELING: Thank you very much. And Commissioner Hahn.

COMMISSIONER HAHN: Good morning, Mr. Clizer.

MR. CLIZER: Good morning, Commissioner.

COMMISSIONER HAHN: We're seeing a lot of each other these days.

MR. CLIZER: I know.

COMMISSIONER HAHN: Thanks for the information. Just one question on the amortization period. So originally it was going to be 20 years. What is it now?

MR. CLIZER: So if you allow me, I want to step through the whole thing really quick. Under the exiting PISA statute, any costs that are deferred I believe get amortized over a 20-year period and that is by statute. Normally with an FAC recovery period, and again if I speak out of my line somebody please correct me, I believe that the amount to be recovered is recovered over a single year. What is happening in this case is that the excess amounts that would have been recovered for 31, accumulation period 31, will be first recovered through AP32. Any excess above that would hit the limit in AP32 will then be pushed to AP33. So the recovery amounts would be effectively the staggered -- no, wait. This is the point where I'm going to get confused because the recovery period is -- Is the recovery period one year? Yes. Okay. Recovery period is one year. So it's a staggered effectively two-year period, I believe, would be the correct answer.

With the amount right now being recovered from AP31 to the extent possible and then the total amount that can be recovered in AP32 being recovered in the amount possible and that anything excess would be AP33. Does that make sense?

COMMISSIONER HAHN: I think so. And then Staff mentioned $63.8 million saved to ratepayers. Do you agree with that calculation?

MR. CLIZER: I believe that Ms. Mantle had at one point come up with a calculation. I thought it was somewhere in the range -- about the same range. As a general matter, I agree. I want to be clear this is not a disallowance in any amount of the fuel cost. What has happened here is if it's deferred into the PISA account, it's collected over a 20-year period at the weighted average cost of capital which increases the interest amount by a considerable amount. Here we're going over a much shorter period and a much lower cost of capital. So the savings is almost exclusively, in fact, I think it is exclusively, a result of the reduction interest paid, not any loss to the Company of actual fuel costs incurred.

COMMISSIONER HAHN: Understood. But you do agree with the relative amount?

MR. CLIZER: I believe that's correct. I have no reason to doubt it. Our calculations were very similar.

COMMISSIONER HAHN: Thank you.

JUDGE KEELING: And I have no questions myself. Thank you very much, Mr. Clizer.

MR. CLIZER: Thank you.

MR. FISCHER: Judge, this is Jim Fischer. With your permission, could I just clarify a little bit about that calculation? As I understand it -- Is that okay to go ahead?

JUDGE KEELING: Please do.

MR. FISCHER: Under the PISA statute, there would have been $63 million worth of interest. We would have recovered it over 20 years but it would have been the weighted cost of capital. Under our current stipulation, there will still be approximately $9 million worth of interest but it will be recovered over the shorter period that Mr. Clizer mentioned and it's at the short-term cost of capital rather than the weighted cost of capital. So there's really, as I understand it, a $54 million savings compared to the stipulation compared to the treatment under the PISA statute. Does that make sense?

JUDGE KEELING: Very much so.

MR. FISCHER: And then if you'd allow me, I might just respond to Mr. Clizer's comments about the IRP.

JUDGE KEELING: Proceed.

MR. FISCHER: In the 2023 IRP update, the 2023 preferred plan does add natural gas resources to the Missouri West fleet earlier in the planning period. The lowest cost plan for each of the three levels of carbon restrictions which they looked at in the IRP includes the addition of a plant called Dogwood in 2024, solar in 2027 and a new combined cycle resource in 2028.

Now, we're currently in discussions with not only Dogwood's owner but also with the Staff and Public Counsel about the possible addition of that plant. So that would be moving in the direction I think that Public Counsel was suggesting would be appropriate.

If you have any questions about either the calculations or our plans, I'm happy to put on Mr. Ives to discuss that as well.

JUDGE KEELING: Thank you, Mr. Fischer. Chairman Rupp, do you have any questions for Mr. Fischer?

CHAIRMAN RUPP: No. Thank you.

JUDGE KEELING: Commissioner Coleman, do you have any questions for Mr. Fischer?

COMMISSIONER COLEMAN: No, thank you, Judge.

JUDGE KEELING: Commissioner Kolkmeyer, do you have any questions for Mr. Fischer?

COMMISSIONER KOLKMEYER: No, thank you.

JUDGE KEELING: Commissioner Hahn, do you have any questions? I don't have any questions myself. I think you were very clear. Thank you very much.

Is that all the material that will be the presentation today?

MR. CLIZER: Unless the Commission has a specific request of any party to produce a witness to answer questions, I don't believe we have anything else.

JUDGE KEELING: Does anyone -- I don't have any call to produce a witness. Do any of the parties have any exhibits that they wish to file on the record?

MR. FISCHER: As long as our stipulation is in the record, we don't have any, Judge.

JUDGE KEELING: Very good. Okay then. Is there anything further from the counsel or anyone else?

MR. FISCHER: Judge, I would note though on the question of exhibits our stipulation does ask that you include the testimony that we prefiled as exhibits in the case.

JUDGE KEELING: I will enter those on the record as exhibits in this case.

MR. FISCHER: Thank you.

MR. CLIZER: Your Honor, I would just want to echo something that Mr. Fischer mentioned during his opening. There is a slight time issue here inasfar as the existing approved tariffs for the next accumulation period were written in contemplation of the approval of the stipulation. So I will actually join Mr. Fischer in asking that the Commission rule on this to allow the stipulation to be approved before the deadline for -- not the deadline, the effective date of the tariffs that were approved in the last agenda, because those are based on approval of this stipulation. Thank you.

JUDGE KEELING: Thank you, Mr. Clizer. Is there anything further? Okay then. Hearing nothing and without more, this proceeding is adjourned. We'll go off the record.

(Whereupon, the proceedings concluded at 10:37 a.m.)

CERTIFICATE OF REPORTER

STATE OF MISSOURI)
COUNTY OF COLE)

I, Beverly Jean Bentch, RPR, CCR No. 640, do hereby certify that I was authorized to and did stenographically report the foregoing Public Service Commission On-the-Record Presentation; and that the transcript, pages 10 through 41, is a true record of my stenographic notes.

I FURTHER CERTIFY that I am not a relative, employee, attorney, or counsel of any of the parties, nor am I a relative or counsel connected with the action, nor am I financially interested in the action.

Dated this 30th day of August, 2023.

Beverly Jean Bentch

Beverly Jean Bentch, RPR, CCR No. 640

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