

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

In the Matter of the Second Prudence Review )  
of the Missouri Energy Efficiency Investment )  
Act (MEEIA) Cycle 3 Energy Efficiency ) **File No. EO-2023-0408**  
Programs of Evergy Missouri West, Inc. d/b/a )  
Evergy Missouri West )

**STAFF’S RECOMMENDATION**

**COMES NOW** the Staff of the Missouri Public Service Commission (“Staff”), by and through counsel, and for its *Staff Report* its Second MEEIA Prudence Review of Cycle 3 Energy Efficiency Programs of Evergy Missouri West, Inc. d/b/a Evergy Missouri West (Evergy Missouri West”), respectfully states to the Missouri Public Service Commission (“Commission”):

1. Staff’s report, filed contemporaneously herewith, is the second prudence review for Evergy Missouri West’s Missouri Energy Efficiency Investment Act (MEEIA) demand-side programs and DSIM Cycle 3 costs. It covers the review period of April 1, 2021, to March 31, 2023. Commission Rule 20 CSR 4240-20.093(11), authorized under § 393.1075.3 and § 393.1075.11, RSMo., provides that “[a] prudence review of the costs subject to the DSIM shall be conducted no less frequently than at twenty-four (24) month intervals.”

2. Based on the review, and as more fully explained in the Staff report, Staff identified and recommends disallowances of expenses for administrative program cost expenses, implementation contractors' expenses, and Business Demand Response related to Nucor during the review period. Staff recommends a total ordered adjustment (“OA”) of \$1,193,650.67<sup>1</sup>, plus interest in Evergy Missouri West’s next DSIM Rider rate adjustment filing to account for these disallowed expenses.

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<sup>1</sup> Interest is calculated on the Business Demand response disallowance however interest was not calculated on the Administrative Program expenses or the Implementation Contractors expenses.

3. Staff identified expenses for conferences and meetings that were either not primarily related to MEEIA or lacked sufficient justification for the costs of memberships. Staff recommends that the Commission order an OA of \$4,265.30 plus interest to be applied to Evergy Missouri West's next DSIM filing.

4. Staff found that Evergy Missouri West acted imprudently by including unnecessary expenses from an implementer contractor's expenses that provided no benefit to Evergy Missouri West's customers. Staff recommends the Commission order an OA of \$13,121.19 plus interest for Evergy Missouri West's next DSIM filing.

5. Staff found that Evergy Missouri West acted imprudently by allowing Nucor to participate in both the Business Demand Response Program and the Schedule Special Rate for Incremental Load Service ("SIL") tariff. Staff recommends that the Commission order an OA of \$1,170,224.13, plus \$6,040.05 in interest, for a total adjustment of \$1,176,264.18 to be applied to Evergy Missouri West's next DSIM filing.

**WHEREFORE**, Staff respectfully requests the Commission accept its *Second MEEIA Prudence Review of Cycle 3 Energy Efficiency Programs*, filed contemporaneously herewith and issue an order directing Evergy Missouri West to make the Ordered Adjustment(s) reflected in the Staff Report.

Respectfully submitted,

**/s/ Eric Vandergriff**

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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed or hand-delivered, transmitted by facsimile or electronically mailed to all parties and/or counsel of record on this 27<sup>th</sup> day of October, 2023.

**/s/ Eric Vandergriff**