

**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) **File No. EO-2022-0061**
Missouri West For Approval of a Special)
High Load Factor Market Rate)

STAFF POSITION STATEMENTS

COMES NOW Staff of the Missouri Public Service Commission, by and through counsel, and submits the following Position Statements based on the List of Issues previously filed herein:

Issue No. 1: Should the Commission approve the Special High Load Factor Market Rate (“Schedule MKT”) tariff proposed by Evergy Missouri West (“EMW”)?

a. Is the Schedule MKT tariff lawful?

Staff Position Issue 1 and a: No, the Commission should not approve the tariff proposed by EMW. The proposed tariff gives undue authority to EMW to determine appropriate SPP costs without Commission approval; the proposed tariff is unduly discriminatory; and the proposed tariff is not necessary.¹ The customers anticipated to take service on the requested Schedule MKT also qualify under the Large Power Service rate schedule (LPS), the Special Contract rate schedule, and the Special Rate for Incremental Load Service rate schedule (“Schedule SIL”).² The proposed tariff seeks to exempt its customers from lawful, Commission-approved riders such as the fuel adjustment charge (“FAC”) and renewable energy standard rate adjustment mechanism (“RESRAM”), and possibly to exclude the load of such customers from the RES renewable standards. In

¹ Kliethermes rebuttal, p. 4.

² Id. at p. 7.

addition, proposed Schedule MKT does not include a requirement for distinct voltage levels under which customers can take service. Proposed Schedule MKT states customers will be served at substation and transmission voltages, but does not list what those voltages are and the proposed tariff would allow the Company to add more voltage levels at its discretion. In addition, proposed Schedule MKT does not require the customer to own all of its dedicated facilities, such as its substation. If EMW has to build facilities solely to serve the customer and the customer's additional load requirements, then the tariff should state that those costs are identified and recovered from the customer. Furthermore, unlike the currently effective Schedule SIL tariff, there is no hold harmless provision for all other customers.³

The proposed Schedule MKT is not lawful. As stated above, it is unduly discriminatory, in that in that it is only available to customers who fall under NAICS Code 518210 or 541511.⁴ It is further unlawful in that it seeks to exempt its customers from Commission-approved riders such as the fuel adjustment charge ("FAC") and renewable energy standard rate adjustment mechanism ("RESRAM"), and possibly to exclude the load of such customers from the RES renewable standards.⁵

The Commission should also be aware that the proposed Schedule MKT provides for individual contracts with each customer, with individualized rates, and with a term of up to five (5) years. Further, the proposed tariff provides that, 60 days prior to the effective date of such a contract, EMW will file the individual contract(s) with the Commission for

³ Id. at p. 9.

⁴ Id. at p. 4.

⁵ Id. at p. 7.

approval, thereby limiting the time that parties have to review and/or oppose the contract and potentially limiting the time the Commission has to approve the contract.

Issue No. 2: If yes, what if any modifications to the Schedule MKT tariff proposed by EMW or other conditions should the Commission order?

Staff Position Issue 2: If the Commission decides, for economic development reasons, to approve a version of the proposed Schedule MKT, the tariff should be extensively modified and conditions should be imposed to address the numerous concerns raised by Staff and the Office of the Public Counsel (“OPC”). Dr. Marke of OPC attached a schedule to his rebuttal testimony containing changes suggested by OPC. Staff generally agrees with Dr. Marke’s suggestions; however, Staff has additional changes to the proposed tariff. Therefore, Schedule RK-s1 attached to the surrebuttal testimony of Robin Kliethermes reflects Staff’s red-line changes to Dr. Marke’s draft tariff; all of these tariff modifications as contained on Schedule RK-s1 should be adopted if the Commission decides to approve a version of the proposed tariff.

In addition, although Staff believes all customers should be subject to the RESRAM charge – even those served under Schedule MKT – because the charge is directly related to compliance with a statutory requirement, if the Commission decides to not subject the Schedule MKT customers to the RESRAM charge, Staff recommends the following tariff language: “Any provisions of Evergy Missouri West’s RESRAM tariff to the contrary notwithstanding, customer will not be subject to RESRAM charges if its contribution through a Renewable Energy Support Charge meets or exceeds the incremental RES compliance costs attributable to the Customer.”⁶

⁶ Eubanks surrebuttal, p. 4.

If the Commission decides to approve a version of the proposed Schedule MKT, Staff also recommends the Commission order the Company to modify its FAC accounting to ensure Schedule MKT-related costs are not included in the FAC charge recovered from other customers and further order the Company to track Schedule MKT-related costs separately from other costs specifically identified in the FAC monthly reports submitted to the Commission.⁷ See Schedule BJJ-r3 and BJJ-r4 attached to the rebuttal testimony of Brad Fortson for more detail.

WHEREFORE, Staff submits the foregoing Position Statements.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to counsel of record as reflected on the certified service list maintained by the Commission in its Electronic Filing Information System this 20th day of January, 2022.

/s/ Jeffrey A. Keevil

⁷ Fortson rebuttal, pp. 2, 4.