

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

In the Matter of Evergy Metro, Inc.)
d/b/a Evergy Missouri Metro’s 2024) Case No. EO-2024-0153
Triennial Compliance Filing Pursuant)
to 20 CSR 4240-22)

In the Matter of Evergy Missouri West,)
Inc. d/b/a Evergy Missouri West’s 2024) Case No. EO-2024-0154
Triennial Compliance Filing Pursuant)
to 20 CSR 4240-22)

NOTICE OF COMMENTS REGARDING STAKEHOLDER MEETING

COMES NOW the Office of the Public Counsel (“OPC”) and for its *Notice of Comments Regarding Stakeholder Meeting*, states as follows:

1. On December 8, 2023, Evergy Metro, Inc. d/b/a Evergy Missouri Metro (“Evergy Missouri Metro”) and Evergy Missouri West, Inc. d/b/a Evergy Missouri West (“Evergy Missouri West”) (collectively, the “Company”) provided a presentation to stakeholders related to Evergy Missouri Metro’s and Evergy Missouri West’s forthcoming respective triennial resource plans.

2. On December 11, 2023, the Company filed a *Notice of Stakeholder Presentation* that included a copy of the presentation provided to stakeholders at the December 8th meeting.

3. Having attended the December 8th meeting and reviewed the presentation materials, the OPC has developed a memorandum outlining its comments regarding the same. A copy of the memorandum is attached hereto.

4. The OPC now files this *Notice* to provide a copy of that memorandum to any interested parties and thereby facilitate further dialogue in this case.

WHEREFORE, the Office of the Public Counsel respectfully files this notice for the Missouri Public Service Commission (“Commission”)’s information.

Respectfully submitted,

By: /s/ John Clizer
John Clizer (#69043)
Senior Counsel
Missouri Office of the Public
Counsel
P.O. Box 2230
Jefferson City, MO 65102
Telephone: (573) 751-5324
Facsimile: (573) 751-5562
E-mail: john.clizer@opc.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that copies of the forgoing have been mailed, emailed, or hand-delivered to all counsel of record this Fourth day of January, 2024.

 /s/ John Clizer

MEMORANDUM

To: Missouri Public Service Commission Official Case File,
Case Nos. EO-2024-0153 (Evergy Metro) & EO-2024-0154 (Evergy West)

From: Geoff Marke, Chief Economist
Lena Mantle, Senior Analyst
John Robinett, Utility Engineering Specialist
Jordan Seaver, Policy Analyst
Missouri Office of the Public Counsel

Re: Response to Triennial Integrated Resource Plan Stakeholder Meeting #1

Date: 1/4/2024

Introduction:

The Missouri Office of the Public Counsel (“OPC”) appreciates the opportunity to provide a response to Energy’s PowerPoint presentation to stakeholders on December 8th, 2023. The memorandum consists of comments and questions to select slides for stakeholder consideration.

OPC requests to have the February stakeholder meeting participants extended to include the KCC Staff (and their relevant Kansas stakeholders).

Slides 1-8: Triennial Integrated Resource Plan Stakeholder Meeting #1

Resource Adequacy

- Evergy should provide its modeled resource accreditation under the performance based and Effective Load Carrying Capability (ELCC) methods to stakeholders in the next meeting and include the same in the Triennial IRP. It would be imprudent for Evergy to not include this analysis in its resource planning process.
 - The uncertainty surrounding Evergy’s baseline accreditation for its existing assets is a critical uncertain factor and challenges any resource selection model moving forward.
 - Evergy should be modeling each of resource its candidates with an assumed performance-based accreditation and/or ELCC valuation for its Triennial IRP.
 - Capacity accreditation needs to be evaluated as an uncertain factor.

Slides 9-18: Load Forecasting Analysis

Slide 10 concludes with the following statement:

The load forecast does not assume behavioral changes in response to the implementation of new time-of-use rates. This will be evaluated and addressed in the 2025 IRP Update

- OPC notes there have been more than 18 studies paid by ratepayers on TOU rates and assumed behavioral changes. Most notably two this past year. Evergy has the data necessary to perform this analysis. The Company should run scenarios to illustrate the impact of large-scale behavioral changes utilizing its existing studies and include it in its modeling, or explain why that is not appropriate.

Slide 10 also includes the following statement:

The Company also re-evaluated the output elasticity used in the commercial and industrial models and the elasticity used in the residential model. Adjustments made were to improve the model fit.

- What were these adjustments? Public Counsel requests the Company be prepared to explain in a future stakeholder meeting or email feedback.

Public Counsel requests that Evergy be prepared at the next stakeholder conference to discuss its modeling intent behind the Commission order to “Account for rooftop solar adoption in the load forecast, and track its solar subscription program” and include this information in the triennial IRP filing.¹

Public Counsel is explicitly looking at the following questions for the Company to research and discuss in our next meeting:

- 1.) What penetration of rooftop solar is currently in Evergy West and Evergy Metro?
- 2.) What penetration of rooftop solar poses a material challenge to Evergy West and Evergy Metro?
- 3.) How does the Company propose to model rooftop solar adoption in light of federal policies potentially infusing hundreds of millions of dollars in rooftop solar into Missouri?

¹ Case Nos. EO-2024-0043 & EO-2024-0044 Order Establishing Special Contemporary Resource Planning Issues p. 4.

4.) What are the current adoption levels in Evergy's solar subscription program?

Slides 19-21 Demand-Side Analysis

Public Counsel requests that Evergy be prepared at the next stakeholder conference to discuss its modeling intent behind the Commission order to have Evergy analyze and document the following DSM actions for its 2024 triennial IRP filing:²

- Model and explicitly present future resource adequacy scenarios based on the following assumptions:
 - With demand-side rates and traditional demand-side management investments (e.g. MEEIA);
 - Only demand-side rates without MEEIA investments.
 - Neither demand-side rates nor MEEIA (but maintain naturally occurring energy efficiency adoption); and
 - Indicate whether naturally occurring savings and/or federally sponsored DSM savings are included in the modeling. If yes, these savings should be identified and separated as well.
- Include an explicit section within the demand-side management volume and the executive summary where low, medium, and high TOU differentials are modeled and presented with expected demand savings articulated separate and aside from other demand side management practices; and
- Model for a low, medium, and high participation scenario of commercial and industrial customers electing to participate in demand response activities based on the introduction of a third-party(s) ARC within its footprint and provide an analysis of what the impact said ARC would have on Evergy's IRP.

Slides 22-26: Supply-Side Analysis

- Nuclear
 - What are the cost assumptions surrounding the inclusion of nuclear assets?
 - How does the Company anticipate addressing the challenges that have plagued small modular reactor projects or large nuclear to date:

² *Ibid* p. 3-4.

- https://www.deseret.com/utah/2023/11/8/23952844/advanced-nuclear-technology-nuscale-uamps-idaho-national-laboratory-coal-utah?utm_medium=email
- <https://theintercept.com/2019/02/06/south-caroline-green-new-deal-south-carolina-nuclear-energy/>
- Solar
 - Request that Evergy be prepared at the next stakeholder conference to discuss their modeling intent behind the Commission order to have Evergy:
 - Describe the inclusion of Virtual Power Plants (VPP) within the Company's IRP update or triennial analysis. In doing so, identify which distributed energy resources (DER) or compliment of DERs were included in the analysis, consider both the retail VPP and market-participant VPP perspectives, and explain the benefits and challenges related to scalability attributed of VPPs. Address VPP contributions to the utility's resource adequacy requirements, grid stability, resiliency, transmission and distribution capacity deferrals, load management strategies, and system optimization. Discuss limitations, if any, to incorporating VPPs in the Company's distribution or resource planning analysis due to challenges of aggregating and dispatching retail and market-participants' DERs.
- Battery Storage
 - Does Evergy intend on procuring 300 MW of battery storage in 2026?³ If yes, please be prepared to provide more details around this expected resource. Additional questions include the following:
 - Does Evergy believe a CCN is necessary for a battery unit?
 - Does Evergy plan on combining the batteries to an existing or new source? Please explain.
 - How does SPP treat 4-hour battery storage for purposes of performance-based accreditation and reserve margins.

³ Slide 25

- OPC would also like to remind the Company that it agreed to comply with the battery storage operation and lifecycle assumptions put forward in the Special Contemporary topics:
 - *Recommends that the Commission order Evergy to provide detailed assumptions surrounding battery cycle life on any planned future investment in storage. This should include, at a minimum, expected frequency and duration of operational usage of the battery resource. In short, the analysis should be able to reasonably demonstrate that the utility-scale storage investment will be operational for X period based on articulated assumed usage pattern.*⁴
- Natural Gas
 - OPC requests that the Company provide cost estimates surrounding “hydrogen capable” buildout and “carbon capture and sequestration.”
- Coal
 - OPC requests that the Company provide cost estimates surrounding “carbon capture and sequestration.”
- SPP Generator Interconnection Que
 - As of 1/2/24 the Southwest Power Pool Generation Interconnection Queue dashboard for Evergy consists of 30 projects totaling 6.7 GW.
 - Four of these projects in Kansas are listed as “hybrid.” What are the “hybrid” options under consideration?
 - Please be prepared to discuss these projects in some detail (e.g., progress to date)
- Market Capacity
 - Please provide the rationale for the available amounts of market capacity included.
 - Does market capacity in the table for Evergy Metro reflect market capacity available for purchase to meet capacity needs or available to sell to other utilities?

Public Counsel requests a discussion in the Company’s IRP filing detailing how the amounts of different resources were chosen and how the dates for the resources were chosen. The report

⁴ Case Nos. EO-2024-0043 & EO-2024-0044 Evergy Missouri West and Evergy Missouri Metro’s response to suggested special contemporary topics. p. 4

should include the available resources by year for the resource plan time horizon, i.e., by year past 2027.

Resource Adequacy Requirements Update (Slide 26)

- Performance-Based Accreditation
 - Please be prepared to discuss what the Performance-Based Accreditation results would be for Evergy, Evergy Metro, and Evergy West based on its historical performance.

- Effective Load Carrying Capability (ELCC)⁵
 - Please be prepared to discuss the Company’s filing regarding where the ELCC methodology is in relation to FERC approval.⁶
 - Please show and discuss the ELCC results for Evergy’s existing renewable resources.

Slides 27-38: Integrated Resource Plan & Risk Analysis

- Critical Uncertain Factors – SPP Performance Base Accreditation
 - OPC believes that the SPP performance base accreditation needs to be considered in the critical uncertain factor analysis. Stakeholders need to know what accreditation base Evergy is operating from.
 - Evergy should be modeling its generating units to demonstrate what its historical accreditation was in 2023 and what the Company expects it to be moving forward.

- Purchased Power
 - Slide 30 states “Purchased Power cost uncertainty assessed using other factors.” It’s not clear what this means or whether Evergy is modeling for purchased power, which OPC believes the Company should be doing.

Critical Uncertain Factors – Legal Mandates / CO2 Restriction (slide 32)

⁵ ELCC is defined as the amount of incremental load a resource can reliably serve, while also considering probabilistic parameters of unserved load.

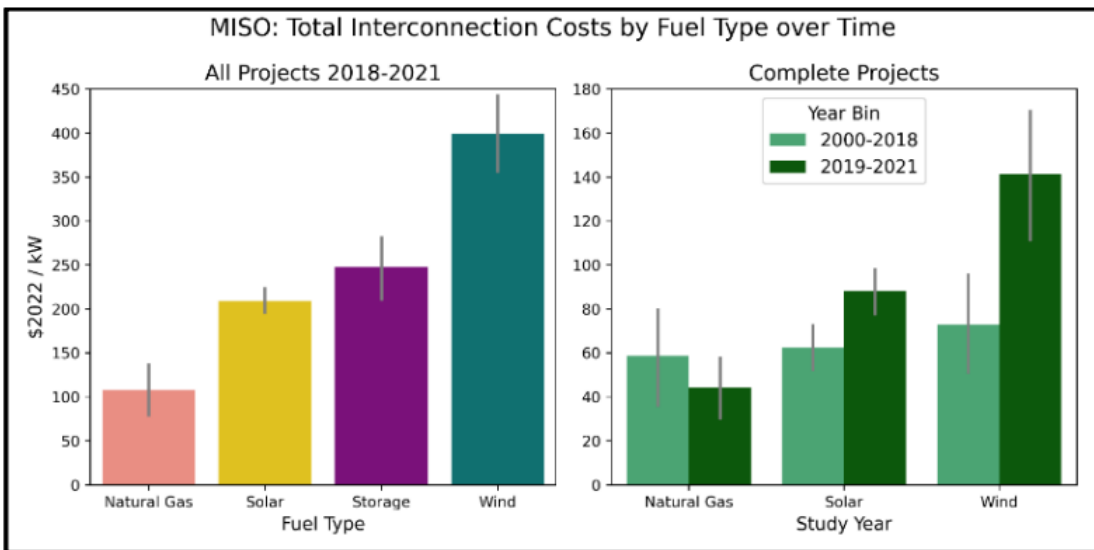
⁶ See also: <https://www.utilitydive.com/news/ferc-spp-power-pool-capacity-accreditation-wind-solar/644253/>

- Slide 32 states that “varying levels of carbon restriction, consistent with SPP assumptions” are included in the IRP analysis. What are the SPP assumptions regarding carbon restrictions that Evergy utilized?

Critical Uncertain Factors – Construction / Permitting / Interconnection Costs (slide 33)

- OPC recommends a low, medium, and high scenario for cost assumptions associated with construction, permitting and interconnection costs.
- For illustrative purposes, MISO experienced considerable cost variation associated with resource type.
- Absent an attempt to model these costs will result in under reporting the net present value revenue requirement (“NPVRR”) and distort the cost associated with resource adequacy.

Table 1: MISO: Total Interconnection Costs by Fuel Type over Time



- Please be prepared to discuss construction/permitting and interconnection costs at the next stakeholder meeting.

Critical Uncertain Factors – Load (slide 35)

- The Commission’s rules already require contingency plans in the IRP modeling. Please be prepared to explain how the proposal in slide 35 differs from what the Company is already obligated to do.

- Demand-side rates need to be at the forefront of that conversation and modeling exercise.
- Please be prepared to provide more detail around the impact of additional large customers, e.g. data centers.

Analytical Approach, continued (slide 38)

- Please confirm that NPVRR rankings will factor in costs associated with Construction / Permitting / Interconnection for its resource candidates.

Slides 39-40: Integrated Resource Plan & Risk Analysis

- OPC reiterates our requests to have the February stakeholder meeting participants extended to include the KCC Staff (and their relevant Kansas stakeholders).


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

AFFIDAVIT OF LENA M. MANTLE

STATE OF MISSOURI)
) SS.
COUNTY OF COLE)

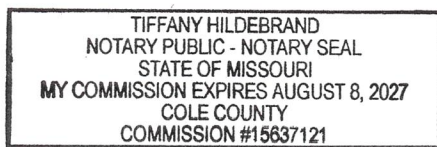
COMES NOW LENA M. MANTLE and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Memorandum* and that the same is true and correct according to her best knowledge and belief.

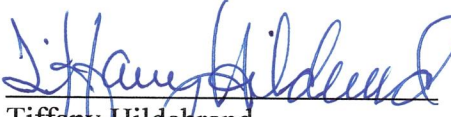
Further the Affiant sayeth not.


Lena M. Mantle
Senior Analyst

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 4th day of January, 2024.




Tiffany Hildebrand
Notary Public

My Commission expires August 8, 2027.

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

AFFIDAVIT OF GEOFF MARKE

STATE OF MISSOURI)
) SS.
COUNTY OF COLE)

COMES NOW GEOFF MARKE and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Memorandum* and that the same is true and correct according to his best knowledge and belief.

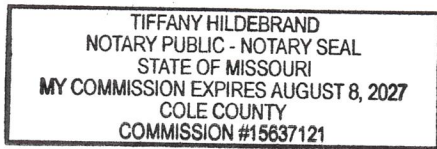
Further the Affiant sayeth not.

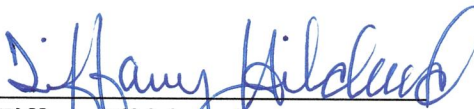


Geoff Marke
Chief Economist

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 4th day of January, 2024.





Tiffany Hildebrand
Notary Public

My Commission expires August 8, 2027.


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

AFFIDAVIT OF JOHN A. ROBINETT

STATE OF MISSOURI)
) SS.
COUNTY OF COLE)

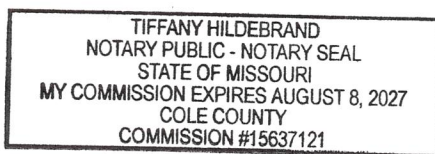
COMES NOW JOHN A. ROBINETT and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Memorandum* and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.


John A. Robinett
Utility Engineering Specialist

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 4th day of January, 2024.




Tiffany Hildebrand
Notary Public

My Commission expires August 8, 2027.

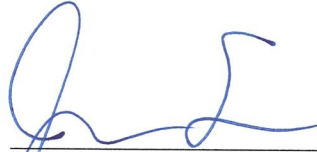
**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

AFFIDAVIT OF JORDAN SEAVER

STATE OF MISSOURI)
) SS.
COUNTY OF COLE)

COMES NOW JORDAN SEAVER and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Memorandum* and that the same is true and correct according to his best knowledge and belief.


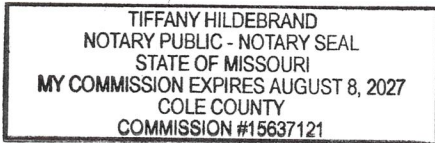
Further the Affiant sayeth not.



Jordan Seaver
Policy Analyst

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 4th day of January, 2024.



Tiffany Hildebrand
Notary Public

My Commission expires August 8, 2027.