

Exhibit No.:
Issue(s): *Evergy West*
Tariff Violations
Witness: *Jordan Hull*
Sponsoring Party: *MoPSC Staff*
Type of Exhibit: *Direct Testimony*
Case No.: *EO-2023-0408*
Date Testimony Prepared: *February 27, 2024*

MISSOURI PUBLIC SERVICE COMMISSION

INDUSTRY ANALYSIS DIVISION

ENERGY RESOURCES DEPARTMENT

DIRECT TESTIMONY

OF

JORDAN HULL

**EVERGY MISSOURI WEST, INC.,
d/b/a EVERY MISSOURI WEAT
CASE NO. EO-2023-0408**

Jefferson City, Missouri
February, 2024

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2 **OF**

3 **JORDAN HULL**

4 **EVERGY MISSOURI WEST, INC.,**

5 **d/b/a EVERGY MISSOURI WEST**

6 **CASE NO. EO-2023-0408**

7 Q. Please state your name and business address.

8 A. Jordan T. Hull, 200 Madison Street, Jefferson City, Missouri 65102.

9 Q. By whom are you employed and in what capacity?

10 A. I am employed by the Missouri Public Service Commission (“Commission”)
11 as an Associate Engineer in the Energy Resources Department.

12 Q. Please describe your educational background and work experience.

13 A. Please refer to the attached Schedule JTH-r1.

14 Q. Have you previously filed testimony before this Commission?

15 A. Yes, I have. Please refer to the attached Schedule JTH-r1 for a list of cases in
16 which I have previously filed testimony.

17 Q. Have you participated in the Commission Staff’s audit of Evergy Metro, Inc.,
18 d/b/a Evergy Missouri Metro (“Evergy Missouri Metro”) and Evergy Missouri West, Inc.,
19 d/b/a Evergy Missouri West (“Evergy Missouri West”), concerning the Staff’s prudence
20 reviews in this proceeding?

21 A. Yes, I have, with the assistance of other members of the Staff.

22 **EXECUTIVE SUMMARY**

23 Q. What is the purpose of your direct testimony?

24 A. I am sponsoring the recommended disallowance related to the Business
25 Demand Response (“BDR”) Program in the *Staff’s Recommendation (Public and*

1 *Confidential*) (“Staff Report”), which were originally filed on October 27, 2023, in Case No.
2 EO-2023-0408. My section of the report describes the imprudent decisions made by
3 Evergy Missouri West as well as Staff’s recommended ordered adjustments based on
4 those decisions.

5 **MEEIA BUSINESS DEMAND RESPONSE PRUDENCE REVIEW DISALLOWANCE**

6 Q. What is Evergy Missouri West’s BDR Program?

7 A. Evergy Missouri West’s BDR Program compensates commercial customers
8 who reduce, or curtail, their electrical load during high-demand days. Participants work with
9 Evergy Missouri West to identify electrical load that can be eliminated or shifted during
10 curtailment events, which are typically during the hottest days of the summer.
11 Evergy Missouri West and the participant work together to determine which strategies are best
12 for the unique business needs and create a curtailment plan. When curtailment events are
13 anticipated, Evergy Missouri West will notify the customer with instructions to execute their
14 plan. At the end of the curtailment season, Evergy Missouri West pays the customer
15 incentives for the load reduced using its Missouri Energy Efficiency Investment Act
16 (“MEEIA”) budget.

17 Q. Was Nucor a participant in the BDR program?

18 A. According to DR 0022 response, Nucor Maryville and Nucor Sedalia are
19 participants in Evergy Missouri West’s BDR program for the review period of April 1, 2021
20 through March 31, 2023.

21 Q. Should Nucor – Sedalia have been allowed to participate in the BDR program?

1 A. No, Evergy Missouri West’s Tariff for Special Rate for Incremental Load
2 Service (“Schedule SIL”) Sheet No. 157 states:

3 Service under this tariff may not be combined with service
4 under an Economic Development Rider, an Economic Redevelopment
5 Rider, the Renewable Energy Rider, Community Solar program,
6 service as a Special Contract, or be eligible for participation in
7 programs offered pursuant to the Missouri Energy Efficiency
8 Investment Act, or for participation in programs related to demand
9 response or off-peak discounts, unless otherwise ordered by the
10 Commission when approving a contract for service under this tariff.

11 Q. Did Evergy Missouri West violate its tariff?

12 A. Yes. Evergy Missouri West violated its tariff because it allowed
13 Nucor- Sedalia to participated in the BDR program, while the SIL tariff clearly stated service
14 under this tariff may not be combined with service for participation in programs offered
15 pursuant to the MEEIA.

16 Q: Did Evergy Missouri West admit that they violated their tariff?

17 A. Yes. Evergy Missouri West stated in response to Staff DR 0033:

18 After review of both the SIL tariff and the BDR Program tariff,
19 it appears the customer is eligible for both individually but not both
20 tariffs at the same time per the language cited in the data request.
21 The customer has been removed from the MEEIA BDR program
22 effective in September 2023.

23 Q. Does Staff believe Evergy Missouri West should be able to violate their tariff
24 and not have to pay non-Nucor customers back for this violation?

25 A. No, as Evergy Missouri West admitted, it was in direct violation of its tariff,
26 and it even removed Nucor from the MEEIA BDR program effective September 2023 after
27 Staff brought it to Evergy Missouri West’s attention.

28 Q. What were the incentives paid to Nucor over this review period?

1 A. According to Staff DR 0032, Evergy Missouri West paid Nucor (Maryville and
2 Sedalia combined) \$1,170,224.13 for participating in the BDR program.

3 Q. Does Evergy Missouri West plan on reversing those incentive payments in its
4 MEEIA Demand-Side Programs Investment Mechanism (“DSIM”) so all other Evergy
5 Missouri West customers do not have to pay since they violated their tariff?

6 A. No, Evergy Missouri West stated in response to Staff DR 0031.1: “Evergy will
7 not credit the incentives paid to Nucor for its demand reduction performance given that all
8 customers benefited from Nucor’s participation in the Business Demand Response program.”

9 Q. Does Staff agree that all customers benefited from
10 Nucor-Sedalia’s participation in the BDR Program?

11 A. At this time, Staff does not agree that all customers benefited from
12 Nucor-Sedalia’s participation. Evergy Missouri West has not provided any supporting
13 documentation for this statement.

14 Q. Does Staff agree with Evergy Missouri West’s stated position regarding the
15 reversal of the incentive payments to Nucor?

16 A. No. Evergy Missouri West violated its tariff. As such, Staff is recommending
17 the Commission order an Ordered Adjustment (OA) in the amount of \$1,137,780
18 plus \$5,871.18 for interest, for a total adjustment of \$1,143,651.18 to be applied
19 to Evergy Missouri West’s next DSIM filing. At this time, it is Staff’s position that this is
20 the appropriate mechanism for handling Evergy Missouri West’s violation of its
21 tariff. However, Staff reserves the right to seek further remedies due to the violation.

22 Q. Why is the recommended Ordered Adjustment amount in this direct testimony
23 different from Staff’s recommended disallowance in the Staff Report from this case?

1 A. Staff recently received a response to DR 0035 stating that: “Nucor-Maryville
2 is not part of the Schedule SIL Tariff. They do not have a special rate.” This decreases Staff’s
3 recommended Ordered Adjustment to \$1,143,651.18 (including interest), as mentioned above.

4 Q. Does this conclude your direct testimony?

5 A. Yes.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

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

AFFIDAVIT OF JORDAN T. HULL

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW JORDAN T. HULL and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Direct Testimony of Jordan T. Hull*; and that the same is true and correct according to his best knowledge and belief.

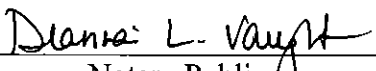
Further the Affiant sayeth not.



JORDAN T. HULL

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 26th day of February 2024.



Notary Public

DIANNA L. VAUGHT
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: July 18, 2027
Commission Number: 15207377

Jordan T. Hull

CURRENT POSITION:

I am currently an Associate Engineer in the Energy Resources Department, Industry Analysis Division, of the Missouri Public Service Commission.

EDUCATIONAL BACKGROUND & WORK EXPERIENCE:

I received my Bachelor of Science Degree in Biological Engineering from the University of Missouri-Columbia in May of 2016. In June of 2016 I began employment with the Missouri Department of Natural Resources in the Air Pollution Control Program as an Environmental Engineer I. In June of 2017, I was promoted to an Environmental Engineer II within the Air Pollution Control Program. I began employment with the commission in November of 2018.

Summary of Case Involvement:

Case Number	Utility	Type	Issues
EO-2019-0067	KCP&L GMO	FAC Prudency Review	Heat Rates, Plant Outages, Generation Utilization
EO-2019-0068	KCP&L	FAC Prudency Review	Heat Rates, Plant Outages, Generation Utilization
EO-2019-0049	Liberty-Empire Electric Company	Integrated Resource Plan	Misc.
EO-2019-0132 & EO-2019-0133	KCP&L	MEEIA	Misc.
EO-2019-0257	Ameren- Missouri	FAC Prudency Review	Heat Rates, Plant Outages, Generation Utilization
ER-2019-0335	Ameren- Missouri	Rate Case	Heat Rates
ER-2019-0374	Liberty-Empire Electric Company	Rate Case	Heat Rates
EO-2020-0059	Liberty-Empire Electric Company	FAC Prudency Review	Heat Rates, Plant Outages, Generation Utilization
EO-2020-0262	EvergyWest	FAC Prudency Review	Heat Rates, Plant Outages, Generation

			Utilization, Self-Commitment.
EO-2020-0263	Evergy Metro	FAC Prudency Review	Heat Rates, Plant Outages, Generation Utilization, Self-Commitment
EO-2021-0060	Ameren- Missouri	FAC Prudency Review	Heat Rates, Plant Outages, Generation Utilization, Self-Commitment
EO-2021-0021	Ameren- Missouri	Integrated Resource Plan	Misc.
EO-2021-0281	Liberty- Empire	FAC Prudency Review	Heat Rate, Plant Outages, Generation Utilization, Self-Commitment
EO-2021-0035	Evergy- Metro	Integrated Resource Plan	Misc.
EO-2021-0036	Evergy- West	Integrated Resource Plan	Misc.
EO-2021-0060	Ameren- Missouri	FAC Prudency Review	Heat Rate, Plant Outages, Generation Utilization, Self-Commitment
ER-2021-0240	Ameren- Missouri	Rate Case	Heat Rate
ER-2021-0312	Liberty- Empire	Rate Case	Heat Rate
EO-2021-0331	Liberty Empire	Integrated Resource Plan	Misc.
EA-2022-0099	Ameren- Missouri	CCN	Qualified to construct
EO-2022-0337	Ameren- Missouri	Rate case	Heat Rate
E0-2022-0245	Ameren- Missouri	CCN	Qualified to construct
EO-2023-0087	Liberty- Empire	FAC Prudency Review	Heat Rate, Plant Outages, Generation Utilization, Self-Commitment
EA-2023-0017	Grain Belt Express LLC	CCN	Qualified to construct
EO-2023-0180	Ameren- Missouri	MEEIA Prudency Review	Demand Response