

Exhibit No. 3

Evergy West – Exhibit 3
Kayla Messamore
Direct Testimony
File No. EA-2022-0328

Exhibit No.:
Issue: General Overview; IRP
Witness: Kayla Messamore
Type of Exhibit: Direct Testimony
Sponsoring Party: Evergy Missouri West
Case No.: EA-2022-0328
Date Testimony Prepared: August 18, 2022

MISSOURI PUBLIC SERVICE COMMISSION

CASE NOS.: EA-2022-0328

DIRECT TESTIMONY

OF

KAYLA MESSAMORE

ON BEHALF OF

EVERGY MISSOURI WEST

**Kansas City, Missouri
August 2022**

DIRECT TESTIMONY

OF

KAYLA MESSAMORE

Case No. EA-2022-0328

1 **Q: Please state your name and business address.**

2 A: My name is Kayla Messamore. My business address is 1200 Main, Kansas City,
3 Missouri 64105.

4 **Q: By whom and in what capacity are you employed?**

5 A: I am employed by Evergy Metro, Inc. and serve as Vice President of Strategy and
6 Long Term Planning for Evergy Metro, Inc. d/b/a as Evergy Missouri Metro
7 (“Evergy Missouri Metro”), Evergy Missouri West, Inc. d/b/a Evergy Missouri
8 West (“Evergy Missouri West”), Evergy Metro, Inc. d/b/a Evergy Kansas Metro
9 (“Evergy Kansas Metro”), and Evergy Kansas Central, Inc. and Evergy South,
10 Inc., collectively d/b/a as Evergy Kansas Central (“Evergy Kansas Central”), the
11 operating utilities of Evergy, Inc.

12 **Q: Who are you testifying for?**

13 A: I am testifying on behalf of Evergy Missouri West (“EMW” or “Company”).

14 **Q: What are your responsibilities?**

15 A: My responsibilities include development of Evergy’s corporate strategy and
16 leadership of long-term planning activities, which include Energy Resource
17 Management (“ERM”), Transmission Planning, Distribution Planning, Operations
18 Compliance Engineering, and Operations Technology. Specifically related to this
19 testimony, the activities of ERM include integrated resource planning, wholesale

1 energy purchase and sales evaluations, and renewable energy standards
2 compliance.

3 **Q: Please describe your education, experience and employment history.**

4 A: I hold a Bachelor of Business Administration from the University of Texas at
5 Austin. I worked as a strategy consultant in the power and utilities industry
6 beginning in 2014, and have worked in strategy and planning at Evergy since
7 2018.

8 **Q: Have you previously testified in a proceeding at the Missouri Public Service
9 Commission (“MPSC” or “Commission”) or before any other utility
10 regulatory agency?**

11 A: Yes.

12 **Q: What is the purpose of your direct testimony?**

13 A: The purpose of my testimony is to describe the Integrated Resource Planning
14 (“IRP”) process and how it supports this application. I will also provide a general
15 overview of the value of Evergy Missouri West’s proposed purchase of the
16 Persimmon Creek Wind Farm (the “Project” or “Persimmon Creek”).

17 **Q: Please describe the IRP process in Missouri.**

18 A: The IRP process is completed under the Commission’s Electric Utility Resource
19 Planning rules found in 20 CSR 4240-22. The IRP process results in the selection
20 of a Preferred Plan which is the combination of supply-side and demand-side
21 resources which EMW will use to meet forecasted customer requirements for the
22 next twenty years.

1 **Q: What is Evergy’s objective in the IRP process?**

2 A: Per 20 CSR 4240-22.010(2), “the fundamental objective of the resource planning
 3 process at electric utilities shall be to provide the public with energy services that
 4 are safe, reliable, and efficient, at just and reasonable rates, and in a manner that
 5 serves the public interest and is consistent with state energy and environmental
 6 policies.” To achieve this objective, the IRP is performed using minimization of
 7 net present value of revenue requirements as the primary objective function. The
 8 IRP also considers potential risks and uncertainties which could impact the
 9 economics of a resource plan (“critical uncertain factors”), and compares demand-
 10 side and supply-side resources on an equivalent basis.

11 **Q: What is EMW’s preferred portfolio?**

12 A: As presented in the 2022 Annual Update (filed June 10, 2022), EMW’s Preferred
 13 Plan is:

Year	Wind (MW)	Solar (MW)	Thermal (MW)	Capacity Only (Annual MW)	DSM (Annual MW)	Retirements (MW)
2022					118	
2023					161	
2024	150			150	186	
2025				125	206	
2026	72			100	227	
2027				100	246	
2028		48		75	261	
2029		72		25	278	
2030		72		25	291	
2031		72		150	296	155
2032		72		125	296	
2033		72		150	297	
2034		72		150	299	
2035		72		150	300	
2036			237		302	
2037					306	
2038					309	
2039					311	
2040			237		310	246
2041					309	

14

1 **Q: Is the procurement of the Project consistent with EMW’s preferred plan?**

2 A: Yes. The Persimmon Creek Wind Farm corresponds to the 150 MW to be added
3 in 2024.

4 **Q: Why is there a difference in timing and capacity of the Project as compared**
5 **to the Preferred Plan?**

6 A: As described in more detail in the Application and in Company witness Jason
7 Humphrey’s Direct testimony, Persimmon Creek is currently in operation and is
8 eligible for 100% of the federal production tax credit (“PTC”), as opposed to the
9 IRP assumption that only 60% of the PTC would be available if the project went
10 in service in 2024. As a result, the Project represents more favorable economics
11 compared to the IRP Preferred Plan. The difference in capacity or megawatts
12 (“MW”) is simply a difference between “generic” resources modeled in the IRP
13 and actual projects (150 MW in Preferred Plan versus 198.6 MW for this project).
14 It is unlikely that the available capacity from specific projects will ever perfectly
15 match the generic resources modeled in the IRP. As a result, EMW does not view
16 this as a material change in its Preferred Plan.

17 **Q: Is EMW planning to file a change in its preferred plan?**

18 A: Yes, EMW will file an update to its Preferred Plan per the IRP rules within sixty
19 days from the August 8, 2022 signing of the purchase agreement under which the
20 Company will acquire Persimmon Creek. This update will include both the
21 change in timing and capacity.

1 **Q: What assumption was made around cost recovery for wind additions in the**
2 **IRP’s net present value of revenue requirement (“NPVRR”) results?**

3 A: All new resources modeled in the Company’s IRP were assumed to be owned by
4 EMW and to be recovered through traditional ratemaking.

5 **Q: How do the IRP results support this specific project?**

6 A: The inclusion of wind in the near-term was originally identified in the 2021
7 Triennial IRP. In that IRP, the inclusion of 120 MW of wind across 2025 and
8 2026 for EMW produced an NPVRR benefit of \$60M (Plan WDDDBU versus
9 WDDBT in the 2021 IRP). In the 2022 IRP, there was a slight increase in the
10 total MW of wind (150 MW) and all of the wind was assumed to be in service in
11 2024. This change produced an additional NPVRR benefit of \$4M for EMW
12 (Plan BBAAA versus Plan AAAAA in 2022 Annual Update).

13 **Q: Please provide an overview of the value that the Persimmon Creek Wind**
14 **Farm will provide to EMW customers.**

15 A: As demonstrated by the IRP results, this project is forecasted to reduce costs for
16 EMW customers over the twenty-year planning horizon. This value is provided
17 through long-term low-cost energy, which provides a hedge against future fuel
18 price-driven market price increases or regulation-driven (e.g., carbon restrictions)
19 market price increases. Value is also provided by the additional capacity which
20 is needed to meet EMW’s long-term capacity requirements. Additionally, as
21 mentioned above, Persimmon Creek provides valuable PTCs which are not
22 currently available, or available at reduced rates, in projects which will go in
23 service in future years.

1 **Q: Please provide an overview of wind generation currently included in Evergy**
2 **Missouri West’s supply portfolio and the value the Project brings to that**
3 **portfolio.**

4 A: EMW currently has approximately 780 MW of wind in its supply portfolio. All
5 of this wind was procured through long-term power purchase agreements
6 (“PPAs”). Because Persimmon Creek will be owned by EMW, the Company will
7 also have more direct control over its operations as compared to PPAs. Its costs
8 will be included in rate base and as operating and maintenance expenses, as
9 opposed to purchased power costs. While both owned and PPA wind resources
10 can provide benefits in reducing long-term customer costs, EMW’s ownership of
11 Persimmon Creek adds more diversity to its resource portfolio.

12 **Q: Please summarize your testimony.**

13 A: The Persimmon Creek Wind Farm is being acquired as part of Evergy Missouri
14 West’s executing on the Preferred Plan identified in its IRP where it was shown to
15 produce economic benefits for customers. The Project provides a valuable
16 addition to EMW’s portfolio because of its long-term low-cost energy, its
17 renewable capacity, and its ownership structure.

18 **Q: Does that conclude your testimony?**

19 A: Yes, it does.

**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 Missouri West)
for Permission and Approval of a Certificate of)
Convenience and Necessity Authorizing It to)
Operate, Manage, Maintain and Control an)
Existing Wind Generation Facility in Oklahoma)
)

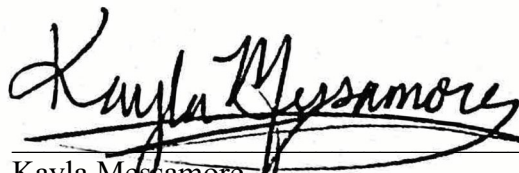
Case No. EA-2022-0328

AFFIDAVIT OF KAYLA MESSAMORE

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

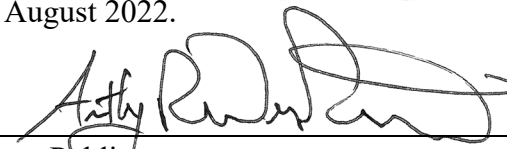
Kayla Messamore, being first duly sworn on his oath, states:

1. My name is Kayla Messamore. I work in Kansas City, Missouri, and I am employed by Evergy Metro, Inc. as Vice President Strategy and Long-Term Planning.
2. Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of Evergy Missouri West consisting of six (6) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.
3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.



Kayla Messamore

Subscribed and sworn before me this 18th day of August 2022.



Notary Public

My commission expires: 4/26/2025

