Exhibit No.:	
Issue:	*Tariff Issue*
Witness:	*Cedric E. Cunigan, PE*
Sponsoring Party:	*MoPSC Staff*
Type of Exhibit:	*Rebuttal Testimony*
Case Nos.:	*ET-2024-0182*
Date Testimony Prepared:	*March 12, 2024*

MISSOURI PUBLIC SERVICE COMMISSION

INDUSTRY ANALYSIS DIVISION

REBUTTAL TESTIMONY

OF

CEDRIC E. CUNIGAN, PE

EVERGY METRO, INC. & EVERGY MISSOURI WEST, INC.

CASE NO. ET-2024-0182

Jefferson City, Missouri
March 2024

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REBUTTAL TESTIMONY

OF

CEDRIC E. CUNIGAN, PE

EVERGY METRO, INC. & EVERGY MISSOURI WEST, INC.

CASE NO. ET-2024-0182

Q. Are you the same Cedric E. Cunigan that filed direct testimony in this case?

A. Yes.

Executive Summary

Q. What is the purpose of your rebuttal testimony?

A. I respond to Company witness Bradley D. Lutz regarding changes to program expansion and participation terms, and to company witness Kevin Brannan regarding solar block cost.

Q. What is Staff's position on changes to program expansion and participation terms?

A. Staff recommends rejection of the program expansion and participation terms at this time. The Company has not used additional capacity available at the Hawthorn Solar facility or shown that demand requires additional facilities at this time. The issue of Program Expansion is further discussed below.

Q. What is Staff's position on the solar block cost changes?

A. Staff recommends rejection of this change. It is Staff's legal opinion that rates must not be changed outside of a rate case.

Program Expansion

Q. What does the current SSP tariff state regarding additional resources?

A. The pricing section states:

> Additional solar resources will be added only if the price is less than or equal to the previous price or otherwise deemed beneficial relative to the standard rates.

Q. What does Mr. Lutz state regarding program expansion changes in his direct testimony?

A. Mr. Lutz states that "cost trends signaled that solar resources costs would reduce in the future." He also states that "customers are interested in participation even if the subscription prices are higher" and provides proposed tariff language that allows for resources higher. The proposed language is:

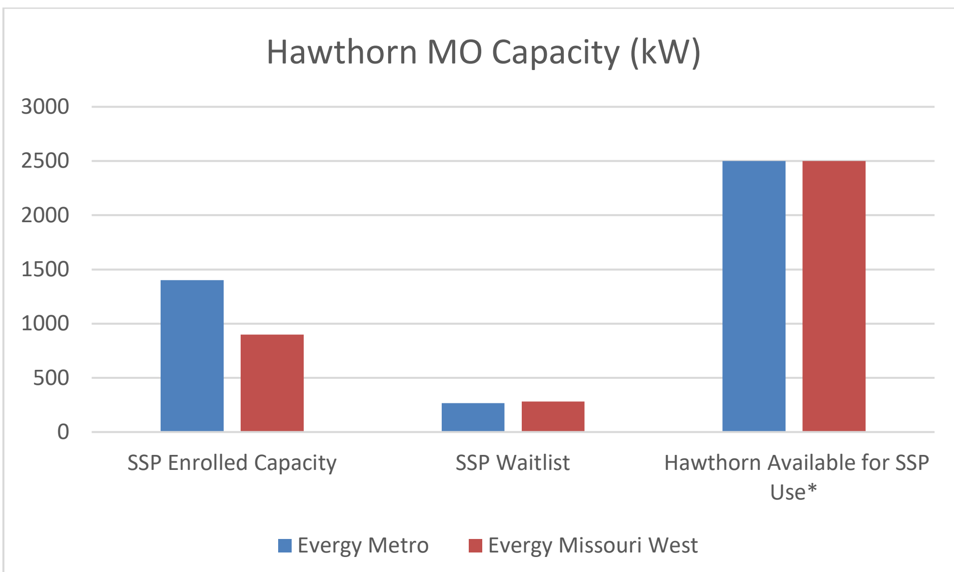
> When an additional solar resource is added to the Program, if the Solar Block cost associated with new additional resource costs less than the previous solar resource, then the levelized cost of the new solar resource will be averaged with the remaining levelized cost of existing solar resource(s) to determine the new price for the cost of the Solar Block. If the Solar Block cost of the new additional resource costs more than the previous solar resource, then the levelized cost of the new solar resource will not be averaged with the remaining levelized cost of the existing solar resource(s). Enrolled subscribers on the waiting list for the new solar resource will pay the Solar Block cost for the new resource while previous participants will continue to pay the lower Solar Block cost of the previous resource(s) already in operation.

Q. What is Staff's opinion on this change?

A. Staff is opposed to this change. No current subscribers would be immediately harmed by this change; however, it could harm future participants if the company has reduced incentive to seek more cost-effective projects. Additionally, the proposed language introduces additional complexity in maintaining price fairness when subscribers members leave and new members are added to the program.

Q. Is there an immediate need for expansion of the program?

A. No. Evergy submitted its Annual Solar Subscription Rider Report on March 1, 2024 in Case Nos. ER-2018-0145, ER-2018-0146, and EA-2022-0043. The report states that as of December 31, 2023, the Missouri jurisdictions are fully enrolled and that there is a waitlist of 534 and 562 shares for Metro and West respectively.[1] That would equate to roughly 267 kW and 281 kW of current interest in the program for Metro and West respectively. Each Company has an additional 2.5 MW of solar capacity at the Hawthorn Solar facility that can be used for the SSP once the waitlist reaches 1,000 shares or 0.5 MW.[2] As seen in the chart below, the Companies have yet to use any of this additional capacity, which should be used prior to building any new facilities.



Participation Terms

Q. What changes does Mr. Lutz propose regarding participation terms?

[1] Each solar block or share is rated at 500 watts AC
[2] Approved Stipulation and Agreement from Case No. EA-2022-0043 paragraph 12.

A. He proposes allowing non-residential participants to have solar block subscription levels increase from solar blocks expected to produce up to 50 percent of annual energy to 100 percent of their annual energy.[3] He also proposes removing a limitation on non-residential customer participation within the first 3 months of the solar resource in-service date.[4]

Q. Is the change of subscription level problematic?

A. Yes. The current tariff mitigated the risk of the subscriber purchasing more energy than needed by limiting the amount of solar blocks they could purchase to the number that are expected to produce 50 percent of their annual estimated energy needs. By allowing a subscription level of solar blocks up to 100 percent of a subscriber's annual estimated energy needs, the risk of purchasing more energy than needed in any particular month increases. The energy produced by a solar block will vary month to month, and won't necessarily match the usage for a given month. If a subscription produces more energy in a month than the subscribers' actual usage, the Company does not currently pay the customer for the subscribed amount in excess of the customers actual usage. The limit on system size helps reduce this occurrence. This limitation on an individual customer's subscription level is similar in concept to the limitation that Evergy requires of its net-metering customers.[5] In the case of net-metering, Evergy uses a customer's historical 12-month energy usage and applies a percentage to ensure that net-metering customers do not over-size their systems. However, even with the limit on system size, net metering customers are payed for any excess

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[3] Direct Testimony of Bradley D. Lutz page 18, lines 3-20.
[4] Direct Testimony of Bradley D. Lutz page 19, line 12 through page 20, line 2.
[5] P.S.C. MO. No. 7 4th Revised Sheet No. 34F Net Metering Interconnection Application Agreement Schedule NM, Application Standards A.(5) Net Metering systems are to be sized to offset part or all of the Customer-Generator's own electrical energy requirements.

generation their resources produce. The proposed SSP tariff does not pay customers for excess generation of the resource and does not contemplate who would benefit from the revenues from energy that exceeds a customers' usage.

Q. What does Staff recommend?

A. Staff recommends rejection of this change. In the alternative, the Company could propose tariff language to outline what happens to revenue from excess generation.

Q. Is removing the 3-month limitation on participation for non-residential customers problematic?

A. The current non-residential participation limit allows residential customers the opportunity to participate without being blocked out by non-residential customers, by limiting non-residential customers to no more than 50% of the resource for the first 3 months. Non-residential customers with larger energy needs have other means open to them to procure energy that residential customers would not. This was a bigger concern at the onset of the program and creation of the first facility. As it stands, demand has not exceeded the existing resource capacity. If demand were to increase to the point that a new facility was needed, keeping this limitation would benefit non-residential subscribers. Staff's recommendation offers a reasonable balance between risks to non-residential participants and a benefit to residential customers that may not have access to other ways to purchase renewable resources, while non-residential customers are minimally harmed in that the participation limit is time-based. If after 3 months of a new facility's being in-service, residential customers do not fully subscribe, the resource non-residential customers on the waitlist will still have the opportunity to subscribe. Nothing is hindering non-residential customers from subscribing the 2.5 MW of additional capacity currently available to the program at the Hawthorn Solar site.

Q. What is Staff's recommendation?

A. Staff recommends rejection of this change. Through the currently approved tariff, residential subscribers are offered a chance to participate, while non-residential subscribers are minimally harmed. No change is warranted at this time.

Solar Block Cost

Q. What does Mr. Brannan state regarding the solar block cost cap?

A. Mr. Brannan states, "the $0.13880 per kWh maximum rate is addressing the Solar Block cost component of the overall charge to customers, not inclusive of the Service and Access Charge Component."[6]

Q. Does Staff agree with this statement?

A. Yes. The Solar Block Subscription Charge is made of two charges; the Solar Block cost, and the Services and Access charge. Only the Solar Block cost is capped at $0.13880 per kWh.

Q. What does Mr. Brannan propose for program costs?

A. The total cost proposed is $0.13131 per kWh, which comprises a Solar block cost of $0.09131 per kWh and a services and access charge of $0.040 per kWh.

Q. Is Staff opposed to the proposed solar block charge?

A. This proposed amount falls within Staff's expected range for the program as presented in EO-2023-0423 and EO-2023-0424, however, Staff opposes changing the charge

[6] Direct Testimony of Kevin Brannan page 8 lines 20-23.

at this time because it constitutes a rate change which may not occur outside of a general rate case.

Q. What does Staff recommend?

A. Staff recommends rejecting changing the charge at this time as it is unlawful to change rates outside of a general rate case.

Q. Does this conclude your testimony?

A. Yes.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Evergy Metro, Inc. d/b/a Evergy Missouri Metro's and Evergy Missouri West, Inc. d/b/a Evergy Missouri West's Solar Subscription Rider Tariff Filings	))))	File No. ET-2024-0182

AFFIDAVIT OF CEDRIC E. CUNIGAN, PE

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

COMES NOW Cedric E. Cunigan, PE, and on his oath states that he is of sound mind and lawful age; that he contributed to the foregoing *Rebuttal Testimony of Cedric E. Cunigan, PE*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

Cedric E. Cunigan
Cedric E. Cunigan, PE

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 11th day of March 2024.

Dianna L. Vaught
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