

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

In the Matter of a Collaborative Workshop for )  
Customer Education and Outreach Regarding )  
The Introduction of Default Time-of-Use Rates ) **File No. EW-2023-0199**  
By Evergy Metro, Inc. d/b/a Evergy Missouri )  
Metro and Evergy Missouri West, Inc. d/b/a )  
Evergy Missouri West )

**STAFF RESPONSE TO APRIL 2, 2024, PRESENTATION  
BARRIERS TO NET METERING UNDER TIME OF USE RATE STRUCTURES  
FINAL REPORT AND REQUESTS FOR ADDITIONAL INFORMATION**

**COMES NOW** the Staff of the Missouri Public Service Commission, and for its *Staff Response to Evergy’s April 2, 2024, Presentation, Barriers to Net Metering under Time of Use Rate Structures Final Report, and Requests for Additional Information*, states as follows:

1. Given the Commission’s interest in this matter, Staff is filing its feedback in this working docket, and requests that Evergy Metro, Inc. d/b/a Evergy Missouri Metro and Evergy Missouri West, Inc. d/b/a Evergy Missouri West (collectively, “Evergy” or the “Company”) provide its responses to the concerns and feedback included here-in in this working docket to the extent practicable.

***Staff Concerns and Feedback***

2. Evergy stated that all customers with nine (9) months of service were provided a rate education report; as of the time of the hearing at least two (2) Evergy West customers who happen to be Commission employees have not received such a report. Staff respectfully requests an update on the rollout of rate education reports for Evergy West customers.

3. As stated in previous filings in this docket as well as in testimony in EC-2024-0092, Staff renews its concerns with Evergy's plan to continue to spend significant amounts of money to "educate," customers about rate plans, particularly given Staff's concerns with the quality and accuracy of materials that Evergy has distributed as "education" to date. While in ER-2023-0129/130 the Commission stated, "Evergy is authorized to track the education and outreach costs associated with TOU rate implementation for consideration and possible recovery in a future rate case," the Commission also ordered, "[t]he Commission will open a new File Number to establish a forum allowing collaboration among stakeholders regarding the TOU education and implementation plans approved herein."<sup>1</sup> Staff notes that Evergy has not kept Staff and other stakeholders informed of its education materials prior to release to customers, and has not solicited meaningful collaboration regarding its education efforts. Again, Staff recommends that Evergy significantly scale back the efforts that it describes as education and have meaningful discussions with stakeholders regarding plans for education moving forward. Attached as Schedule A is an example of educational material from Liberty Utilities for its roll out of a rate plan similar to RPKA.

Evergy has been ordered to default customers to the RPKA rate plan, which is Staff's recommended "training wheel" rate plan, and that transition for customers has been completed. Therefore, communications similar to the referenced Liberty approach are more appropriate for customer outreach and education. Staff believes Evergy's current spending may be inconsistent with the Commission's authorization "to track the education and outreach costs associated with TOU rate implementation for consideration

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<sup>1</sup> Case Nos, ER-2023-0129 and ER-2023-0130, *Amended Report and Order*, p.99

and possible recovery in a future rate case,” and Staff recommends that Evergy significantly scale back the efforts that it describes as education.

4. Staff has concerns that Evergy hired expensive 3<sup>rd</sup> party consultants, and has not made reasonable progress on being able to report hourly energy usage by rate plan. This information is vital to setting rates going forward, and adjusting peak and off-peak times in future cases.

5. Evergy is planning to update the Behavior Rate Analysis Tool (BRAT) reports around the same time Staff files direct in the West rate case.<sup>2</sup> Evergy used the October version to claim a need for a \$3.1 million revenue adjustment in the rate case. It is Staff’s understanding that Evergy expects this report to be completed sometime around the end of June/beginning of July; Staff requests that Evergy provide Staff the BRAT report as soon as it is completed, rather than waiting until Evergy’s next quarterly update in this working docket. The provision of this report prior to the filing of Staff’s direct testimony in ER-2024-0189 is essential so Staff can evaluate appropriate revenue adjustments in its direct case.

6. The survey referenced on Slide 20 of Evergy’s presentation says customers responses are improving and customers understand more. But Staff has concerns regarding potential confusion relating to several of the statements Evergy included in the survey; the statements include:

A. “Peak Hours can vary by the day of the week”

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<sup>2</sup> Case No. ER-2024-0189; pursuant to the Commission’s *Order Granting Applications to Intervene and Order Setting Procedural Schedule* in Case No. ER-2024-0189, EFIS Item No. 35, Staff/Intervenor Direct Testimony-Rate Design is to be filed July 12, 2024.

1. While peak hours do vary by day of the week on ToU2, TOU3, and RTOU, they do not vary by day of the week on RPKA, which is where most customers are served.

2. “Time-based rate plans generally lower your electric bill”

a. Time-based rate plans do not generally raise nor lower your electric bill in and of themselves. This is especially confusing in light of the elimination of the discounted rates, which resulted in rate increases for some customers and decreases for others.

3. “Time based rate plans can make your bill higher”

a. Staff is unsure of what “can” means in this question, particularly given the timing of the introduction of time based rate plans and discontinuation of discounted rate plans

4. “Peak and off-peak hours can vary if you have an electric vehicle.”

a. The RTOU-EV plan has different off-peak hours than RTOU-2 and RPKA, but the same off-peak hours as RTOU3 and RTOU.

7. In response to Evergy’s *Barriers to Net Metering under Time of Use Rate Structures Final Report*, Staff does not agree there is a legal barrier to offering time of use rates. Evergy relies on two definitions to support its erroneous claim. First, they rely on the description of the determination of net energy in Section 386.890 RSMo., which is as follows:

5. Consistent with the provisions in this section, the net electrical energy measurement shall be calculated in the following manner:

(1). For a customer-generator, a retail electric supplier shall measure the net electrical energy produced or consumed during the billing period in accordance with normal metering practices for customers in the same rate class, either by employing a single, bidirectional meter that measures the amount of electrical energy produced and consumed, or by employing multiple meters that separately measure the customer-generator's consumption and production of electricity;

(2). If the electricity supplied by the supplier exceeds the electricity generated by the customer-generator during a billing period, the customer-generator shall be billed for the net electricity supplied by the supplier in accordance with normal practices for customers in the same rate class;

(3). If the electricity generated by the customer-generator exceeds the electricity supplied by the supplier during a billing period, the customer-generator shall be billed for the appropriate customer charges for that billing period in accordance with subsection 3 of this section and shall be credited an amount at least equal to the avoided fuel cost of the excess kilowatt-hours generated during the billing period, with this credit applied to the following billing period;

(4). Any credits granted by this subsection shall expire without any compensation at the earlier of either twelve months after their issuance or when the customer-generator disconnects service or terminates the net metering relationship with the supplier;

(5). For any rural electric cooperative under chapter 394, or any municipally owned utility, upon agreement of the wholesale generator supplying electric energy to the retail electric supplier, at the option of the retail electric supplier, the credit to the customer-generator may be provided by the wholesale generator.

Next, Energy cites 20 CSR 4240-20.065 for how to determine net energy:

5). Energy Pricing and Billing The net electric energy delivered to the Customer-Generator shall be billed in accordance with the Utility's Applicable Rate Schedules [Utility's Applicable Rate Schedules]. The value of the net electric energy delivered by the Customer-Generator to [Utility Name] shall be credited in accordance with the net metering rate schedule(s) [Utility's Applicable Rate Schedules]. The Customer-Generator shall be responsible for all other bill components charged to similarly situated customers. Net electrical energy measurement shall be calculated in the following manner:

(a). For a Customer-Generator, a retail electric supplier shall measure the net electrical energy produced or consumed during the billing period in accordance with normal metering practices for customers in the same rate class, either by employing a single, bidirectional meter that measures the amount of electrical energy produced and consumed, or by employing multiple meters that separately measure the Customer-Generator's consumption and production of electricity;

(b). If the electricity supplied by the supplier exceeds the electricity generated by the Customer-Generator during a billing period, the Customer-

Generator shall be billed for the net electricity supplied by the supplier in accordance with normal practices for customers in the same rate class;

(c). If the electricity generated by the Customer-Generator exceeds the electricity supplied by the supplier during a billing period, the Customer-Generator shall be billed for the appropriate customer charges as specified by the applicable Customer-Generator rate schedule for that billing period and shall be credited an amount for the excess kilowatt-hours generated during the billing period at the net metering rate identified in [Utility Name]'s tariff filed at the Public Service Commission, with this credit applied to the following billing period; and

(d). Any credits granted by this subsection shall expire without any compensation at the earlier of either twelve (12) months after their issuance, or when the Customer-Generator disconnects service or terminates the net metering relationship with the supplier.

8. However, Staff believes straightforward tariff revisions would eliminate any conflicts and make any reconfigured ToU rate plan available to net metering. For a simple, round example, instead of tariffing the on-peak rate as \$0.40 and the off-peak rate as \$0.04, all energy could be tariffed at a rate of \$0.04, with an on-peak adder of \$0.36.

**WHEREFORE**, Staff prays the Commission accept this *Staff Response to Evergy's April 2 Presentation, Barriers to Net Metering under Time of Use Rate Structures Final Report, and Requests for Additional Information*, and grant such other and further relief as it deems just under the circumstances.

Respectfully submitted,

**/s/ Nicole Mers**

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**CERTIFICATE OF SERVICE**

I hereby certify that true and correct copies of the foregoing were served electronically to all counsel of record this 19<sup>th</sup> day of April, 2024.

**/s/ Nicole Mers**



## Introducing time-based rate plans for Missouri Liberty electric customers

Whether you're a night owl, early bird, or something in between, making small shifts to when you use energy can help you save with Liberty's new time-based rate plans.

This change is coming beginning October 15, 2022 for Liberty's Missouri electric customers.



Learn more  
[libertyenergyandwater.com](https://libertyenergyandwater.com)





Beginning October 15, 2022, Liberty Missouri electric customers will move to a time-based rate plan called **Time Choice**. There's no action you need to take – this change will happen automatically, and there will be little to no change to your bill amount due to this transition. In fact, depending on the season, you may see slight savings, even with no changes to your energy use habits.

### **Why the change?**

Time matters, especially when it comes to energy costs. The higher the demand for energy, the more it costs to generate. At peak times, typically during the day, energy demand increases and, as a result, energy costs increase. The opposite is true for off-peak times, typically at night, when energy demand

drops, and energy costs decrease.

On the Time Choice rate plan, you pay a little more for energy used during peak hours and a little less for energy used during off-peak hours. To save on your bill, shift more energy use to off-peak hours, where **you receive a 2-cent credit** toward every kWh of energy you use.

	Time Choice	Time Choice Plus
Participants:	All Liberty Missouri electric customers with smart meters	Limited to first 500 participants who choose this plan
How to participate:	No action needed – the switch will take place automatically beginning October 15	Find out if this plan is right for you by calling 1-800-206-2300
Summer rate:	14.031 cents per kWh (June 16 – October 15)	See rates below
Winter rate:	14.031 cents per kWh for first 600 kWh & 11.651 cents per kWh for over 600 kWh	See rates below
Off-peak usage credit:	Receive a 2-cent credit per kWh of energy used during off-peak hours (see below). This credit will appear as a line-item on your bill.	
Peak hours:	6 a.m. to 10 p.m. daily	28.793 cents per kWh Summer: 2 p.m. to 7 p.m. weekdays Winter: 6 to 9 a.m. & 6 to 9 p.m. weekdays <i>Excludes these holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, &amp; Christmas</i>
Off-peak hours:	10 p.m. to 6 a.m. daily	8.569 cents per kWh all other hours
Savings opportunity:	The more energy you shift to off-peak hours, the more you can save.	<b>Avoid</b> energy use as much as possible during peak hours.

Find helpful FAQs and information on other rate plan choices, including the non-standard rate plan, at [libertyenergyandwater.com](http://libertyenergyandwater.com).

