

Exhibit No. 278

MoPSC Staff – Exhibit 278
Kim Cox
True-up Rebuttal Testimony
File Nos. ER-2022-0129 & ER-2022-0130

Exhibit No.:

*Issue: Revenue,
Other Revenue Issues*

Witness: Kim Cox

Sponsoring Party: MoPSC Staff

*Type of Exhibit: True-Up
Rebuttal Testimony*

*Case No.: ER-2022-0129 &
ER-2022-0130*

Date Testimony Prepared: August 25, 2022

MISSOURI PUBLIC SERVICE COMMISSION

INDUSTRY ANALYSIS DIVISION

TARIFF/RATE DESIGN DEPARTMENT

TRUE-UP REBUTTAL TESTIMONY

OF

KIM COX

**Evergy Metro, Inc., d/b/a Evergy Missouri Metro
Case No. ER-2022-0129**

**Evergy Missouri West, Inc., d/b/a Evergy Missouri West
Case No. ER-2022-0130**

*Jefferson City, Missouri
August 2022*

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KIM COX

**Evergy Metro, Inc., d/b/a Evergy Missouri Metro
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**Evergy Missouri West, Inc., d/b/a Evergy Missouri West
Case No. ER-2022-0130**

RECOMPUTED REVENUES1
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1 of the jurisdictional alignment prior to annualization and normalization of billing determinants.
2 Ms. Miller states on page 32 that the revenues associated with the jurisdictional alignment were
3 added/subtracted as needed at the end of the process.

4 Q. What does Ms. Miller mean by the revenues associated with the jurisdictional
5 alignment were added/subtracted as needed at the end of the process?

6 A. Staff is not sure. Although Ms. Miller did not explicitly state in her true-up
7 testimony the recomputed revenue adjustments, Staff was able to review Ms. Miller's true-up
8 workpapers.¹ Based off of Ms. Miller's workpapers, it appears that each rate code's billing
9 determinants as of December 31, 2021 were adjusted and calculated individually and once
10 completed were combined into the tariffed rate class.

11 Q. Does Staff agree with the recomputed revenues?

12 A. Staff does agree that the jurisdictional alignment should not be included in
13 beginning billing determinants and revenues, as stated and calculated in Staff's direct position
14 in this case and now in the Company's true-up. Although Staff agrees with the starting point
15 of using actual billing determinants and not including the Company's proposal of the
16 jurisdictional alignment, Staff maintains its direct and true-up position on the revenue
17 adjustments and how those adjustments should be calculated. Specifically, the calculation of
18 test year billing determinants, the update adjustment, rate switchers, weather normalization
19 adjustment, 365 days adjustment, Missouri Energy Efficiency Investment Act ("MEEIA"),
20 customer growth and the alignment of Evergy Missouri Metro ("EMM") summer and winter
21 billing periods. In summary, Staff's normalized and annualized billing determinants and the

¹ Miller true workpaper, Billed Revenue TYE 20211231 – MO Metro_TrueUp and CONFIDENTIAL_Billed Revenue – MO West – TYE 20211231_TrueUp.

1 revenue associated with them are the better method because: 1.) the growth adjustments is based
2 off of customer charge counts as of April 2022,² 2.) the weather normalization factor was not
3 applied to net metering and parallel generation customers,³ 3.) no revenue adjustment was made
4 for EMM seasonal billing period,⁴ and 4.) Staff's⁵ weather normalization adjustment, 365 days
5 adjustment and MEEIA adjustment were applied to Staff's billing determinants.

6 **TRUE-UP GROWTH METHOD**

7 Q. What method did Mr. Bass use to calculate the Company's true-up
8 growth adjustment?

9 A. Mr. Bass did not provide true-up testimony on this issue; however, Mr. Bass
10 did provide true-up workpapers.⁶ Mr. Bass used the number of customer bills to calculate a
11 two-month average for each month of the update period ending December 2021. Mr. Bass also
12 used the average of April 2022 and May 2022 to determine the growth factor that was then
13 applied to each month. For example, the growth adjustment for June 2021 was calculated by:

- 14 1. Changing the actual number of customer bills for June 2021 to the
15 average of May 2021 and June 2021.
- 16 2. Then dividing the "new" June 2021 number of customer bills by the
17 average of April 2022 and May 2022.
- 18 3. The calculated factor was then applied to the June 2021 billing
19 determinants for the growth adjustment for that month. Ms. Miller
20 then applied the growth adjustment to calculate the revenue.

² Cox True-up testimony, page 11-12.

³ Cox rebuttal, page 9-11.

⁴ Cox True-up testimony, page 9-11.

⁵ Staff witness, Michael Stahlman provided the monthly weather normalization factor for each rate class and the 365 days adjustment. Mr. Stahlman provides the data provided in his direct testimony. Staff witness, J Luebbert provided the true-up monthly MEEIA kWh adjustments for each rate class. Mr. Luebbert discuss the data provided in his true-up direct testimony.

⁶ Bass workpaper, Metro: Customers_2MonthAverage and EvergyMetro_kWhAdjustments_UpdateYE202112_Trueup. West: Customers_2MonthAverage and WeatherNormSalesWest_TYE202106_Trueup.

1 Q. Does Staff agree with Mr. Bass' method for customer growth?

2 A. No. As stated earlier in this testimony, Staff maintains its growth adjustment
3 as filed in true-up direct. Staff used actual customer charge counts, not an average
4 (customer bill count) of two months to apply the growth factor. Staff used April 2022 customer
5 charge counts as stated in my true-up testimony⁷ to determine the growth factor not an average
6 (customer count) of April 2022 and May 2022.

7 Q. Why did Staff use actual customer charge counts and not a two-month average
8 customer bill count to calculate the customer growth adjustment?

9 A. The billing determinants⁸ such as the customer charge are what a revenue
10 requirement is divided by to produce rates. Therefore, Staff maintains using the customer
11 charge to calculate the growth adjustment.

12 **CONCLUSION**

13 Q. What is Staff's recommendation for the true-up rebuttal issues discussed in
14 this testimony?

15 A. Staff recommends that the Commission:
16 a. rely on Staff's test year starting billing determinants and revenue,
17 b. accept Staff's update adjustment to billing determinants and revenue,
18 c. accept Staff's true-up growth adjustment,
19 d. accept Staff's true-up rate switcher adjustment,
20 e. accept Staff's MEEIA true-up adjustment, and
21 f. order Evergy to align EMM and EMW winter and summer season⁹
22 with no revenue adjustment.

⁷ Cox true-up testimony, page 11, lines 9-22.

⁸ Examples are: customer charge, usage, facilities, demand, reactive demand, net metering and parallel generation.

⁹ The summer months will be the four (4) monthly billing periods of June through September. The winter months will be the eight (8) monthly billing periods of October through May.

True-Up Rebuttal Testimony of
Kim Cox

1 Q. What are your recommended rate revenue adjustments?

2 A. The Commission should base its awarded revenue requirement on Staff's rate
3 revenue adjustments as provided below.
4

West	Test Year Revenue (As Billed)	Update period adjustment	True up adj-nucor J Luebbert	Non Ip rate switcher	Large Power billing adjustment and annualization - J Luebbert	MEEIA, Weather Norm and 365 days adjustment	Growth adjustment	Total Ending Revenue
Residential	\$ 378,056,023	\$ 2,822,638				\$ (8,142,039)	\$ 4,833,447	\$ 377,570,070
SGS	\$ 114,077,108	\$ 4,693,891				\$ (558,613)	\$ 1,892,218	\$ 120,104,604
LGS	\$ 92,099,331	\$ 1,040,746		\$ (1,150,777)		\$ (1,035,279)	\$ (622,977)	\$ 90,331,044
LPS (J Luebbert)	\$ 116,266,882	\$ 1,098,225			\$ 1,048,252	\$ (70,332)		\$ 118,343,027
Metered Lighting (Joe Roling)	\$ 100,515	\$ 1,922						\$ 102,437
Thermal -650	\$ 460,184	\$ 10,909						\$ 471,093
Lighting (Joe Roling)	\$ 12,971,049	\$ (14,887)						\$ 12,956,162
TOD-630	\$ 17,864	\$ 820						\$ 18,684
Nucor (J Luebbert)	\$ 7,898,321	\$ 765,810	\$ 318,224					\$ 8,982,355
CCN	\$ 34,279	\$ 8,740						\$ 43,020
	\$721,981,558	\$10,428,815		-\$1,150,777	\$1,048,252	-\$9,806,263	\$6,102,688	\$728,922,496

Metro	Test Year As Billed (Without DSIM, Mpower, and EDR)	Update period adjustment	Large power customer annualization (J Luebbert)	Non Ip rate switcher	MEEIA, Weather Norm, & 365 Day Adj.	Growth adjustment	Revenue Subtotal (No DSIM, Mpower, EDR)	Add EDR- Nancy Harris	Final Total
Residential	\$ 333,618,742	\$ 2,427,009	\$ -	\$ -	\$ (8,474,187)	\$ 4,652,860	\$ 332,224,424		\$ 332,224,424
Small GS	\$ 67,036,786	\$ 3,928,326	\$ -	\$ -	\$ (498,276)	\$ 418,027	\$ 70,884,863		\$ 70,884,863
Medium GS	\$ 122,838,175	\$ 1,782,750	\$ -	\$ -	\$ (677,486)	\$ (1,371,180)	\$ 122,572,259	\$ 42,260	\$ 122,614,519
Large GS	\$ 180,421,816	\$ 3,593,706	\$ -	\$ 1,038,861	\$ (274,747)	\$ (2,667,723)	\$ 182,111,913		\$ 182,111,913
Large Power (J Luebbert)	\$ 122,018,674	\$ (1,271,450)	\$ (1,921,193)		\$ 4,951		\$ 118,830,982		\$ 118,830,982
Lighting (Joe Roling)	\$ 9,951,318	\$ (63,569)					\$ 9,887,749		\$ 9,887,749
CCN	\$ 76,457	\$ 26,825					\$ 103,282		\$ 103,282
	\$ 835,961,968	\$ 10,423,597	\$ (1,921,193)	\$ 1,038,861	\$ (9,919,745)	\$ 1,031,984	\$ 836,615,471	\$ 42,260	\$ 836,657,731

5
6 Q. Does this conclude your true-up rebuttal testimony?

7 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 Request for Authority to) Case No. ER-2022-0129
Implement a General Rate Increase for Electric)
Service)

In the Matter of Evergy Missouri West, Inc.)
d/b/a Evergy Missouri West's Request for) Case No. ER-2022-0130
Authority to Implement a General Rate)
Increase for Electric Service)

AFFIDAVIT OF KIM COX

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW KIM COX and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *True-Up Rebuttal Testimony of Kim Cox*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.



KIM COX

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 25th day of August 2022.

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: April 04, 2025
Commission Number: 12412070



Notary Public