

Exhibit No.:

*Issues: Report on Staff's Second Prudence
Review of Cycle 3 Costs Related to
the Missouri Energy Efficiency
Investment Act*

Witness: Brooke Mastrogiannis

Sponsoring Party: MoPSC Staff

Type of Exhibit: Corrected Direct Testimony

*Case Nos.: EO-2023-0407
and EO-2023-0408*

Date Testimony Prepared: May 20, 2024

MISSOURI PUBLIC SERVICE COMMISSION

INDUSTRY ANALYSIS DIVISION

ENERGY RESOURCES DEPARTMENT

CORRECTED DIRECT TESTIMONY

OF

BROOKE MASTROGIANNIS

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

and

**EVERGY METRO, INC.,
d/b/a EVERGY MISSOURI METRO
CASE NO. EO-2023-0407**

*Jefferson City, Missouri
May, 2024*

**TABLE OF CONTENTS OF
CORRECTED DIRECT
TESTIMONY
OF
BROOKE MASTROGIANNIS**

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

and

**EVERGY METRO, INC.,
d/b/a EVERGY MISSOURI METRO
CASE NO. EO-2023-0407**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15

EXECUTIVE SUMMARY2
PRUDENCE REVIEW AND STAFF REPORT.....2
OVERVIEW OF STAFF’S PROPOSED DISALLOWANCES3

1 **CORRECTED DIRECT TESTIMONY**

2 **OF**

3 **BROOKE MASTROGIANNIS**

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

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

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

7 **and**

8 **EVERGY METRO, INC.,**

9 **d/b/a EVERGY MISSOURI METRO**

10 **CASE NO. EO-2023-0407**

11 Q. Please state your name and business address.

12 A. Brooke Mastrogiannis, 200 Madison Street, Jefferson City, MO 65102.

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

14 A. I am employed by the Missouri Public Service Commission (“Commission” or
15 “PSC”) as a Utility Regulatory Audit Supervisor.

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

17 A. Please refer to Schedule BMM-d1 attached hereto.

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

19 A. Yes. Please refer to Schedule BMM-d1 for a list of cases in which I have
20 previously led or participated in.

21 Q. Have you participated in the Commission Staff’s audit of Evergy Metro, Inc.,
22 d/b/a Evergy Missouri Metro (“Evergy Missouri Metro”) and Evergy Missouri West, Inc.,
23 d/b/a Evergy Missouri West (“Evergy Missouri West”) (collectively “Evergy”), concerning
24 the Staff’s prudence review in this proceeding?

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

1 **EXECUTIVE SUMMARY**

2 Q. Please summarize your direct testimony in this proceeding.

3 A. I am sponsoring the *Staff's Recommendation (Public and Confidential)* ("Staff
4 Reports"), which were originally filed on October 27, 2023, in Case Nos. EO-2023-0407 and
5 EO-2023-0408, copies of which (both Public and Confidential) are attached hereto as
6 Schedule BMM-d2 and Confidential Schedule BMM-d2 for Evergy Missouri Metro, and as
7 Schedule BMM-3 and Confidential Schedule BMM-d3 for Evergy Missouri West. Staff has
8 conducted a review of all of the Demand-Side Programs Investment Mechanism ("DSIM")
9 components (program costs, gross annual energy and demand savings, interest, earnings
10 opportunity, throughput disincentive, and evaluation measurement and verification) during
11 the review period.¹ My testimony provides an overview of Staff's work in each area.

12 **PRUDENCE REVIEW AND STAFF REPORT**

13 Q. Please describe Staff's prudence review.

14 A. Staff conducted a review of all of the DSIM components during the review
15 period of the energy efficiency and demand response programs for Evergy. As noted in the
16 Staff Reports, Staff provides a description of the components it reviewed, a discussion of its
17 review, a summary of any cost implications and Staff's conclusions based on its review of the
18 components. During its review, and as more fully explained below and in the Staff Reports,
19 Staff identifies certain expenses where it recommends disallowances.

20 Q. Please explain the organizational format of the Staff Reports.

¹ April 1, 2021 through March 31, 2023.

1 A. The Staff Reports have been organized by topic as follows:

- 2 I. Executive Summary
- 3 II. MEEIA Programs
- 4 III. Prudence Review Process
- 5 IV. Prudence Review Standard
- 6 V. Billed Revenue
- 7 VI. Nexant Tracking Software
- 8 VII. Actual Program Costs
- 9 VIII. Throughput Disincentive
- 10 IX. Earnings Opportunity
- 11 X. Interest Costs

12 The Actual Program Costs section explains each specific recommended adjustment
13 made by Staff for the review period. Signed affidavits for all Staff members who are
14 responsible for a portion of the Staff Reports and for whom those portions constitute direct
15 testimony in this proceeding are attached to the Staff Reports. The individual Staff member(s)
16 responsible for each area of Staff’s direct case and/or adjustment is identified in the Staff
17 Reports following the written discussion he or she authored, and is the expert witness with
18 respect to that section of the Staff Reports. Staff may have a different or additional
19 expert/witness for rebuttal or surrebuttal testimony in a given area if this case proceeds to
20 evidentiary hearings.

21 **OVERVIEW OF STAFF’S PROPOSED DISALLOWANCES**

22 Q. In its review of the DSIMs for Evergy in Case Nos. EO-2023-0407 and
23 EO-2023-0408, has Staff examined all of the components comprising the costs of the energy
24 efficiency and demand response programs?

1 A. Yes.

2 Q. Is Staff proposing adjustments as a result of its review?

3 A Yes, as proposed in the charts below. However it should be noted that Staff is
4 updating its recommended disallowance in the Evergy Missouri West chart below.

5 **EVERGY MISSOURI METRO (Case No. EO-2023-0407)**

Costs	Explanation of Costs	Recommended Disallowance
Administrative Program Expenses	Page 15	\$ 70,680.48
Implementation Contractors Expenses	Page 19	\$ 6,549.15
Total		\$ 77,229.63

7 **EVERGY MISSOURI WEST (Case No. EO-2023-0408)**

Costs	Explanation of Costs	Recommended Disallowance
Administrative Program Expenses	Page 17	\$ 4,265.30
Implementation Contractors Expenses	Page 20	\$ 13,121.19
Business Demand Response	Page 23	\$ 1,143,651.18
Total		\$ 1,161,037.67

8
9 Q. Why is the recommended Ordered Adjustment amount in your direct testimony
10 different from Staff's recommended disallowance in the Staff Report from this case?

11 A. As explained in Staff witness Jordan Hull's direct testimony, Nucor-Maryville
12 is not part of the Schedule SIL tariff. Therefore Staff's recommended Ordered Adjustment for
13 Business Demand Response is now \$1,143,651.18 (including interest), for a total
14 recommended Ordered Adjustment for Evergy Missouri West of \$1,161,037.67.

15 Q. Are there individual Staff witnesses sponsoring these adjustments?

1 A. Yes. Staff expert Cynthia M. Tandy² provided a detailed explanation for the
2 proposed disallowance as related to: administrative program expenses and Implementation
3 Contractor expenses, starting on page 14 through page 19 of the Evergy Missouri West Staff
4 Report. Also in the Evergy Missouri West Staff Report, Staff expert Jordan T. Hull provided
5 a detailed explanation for the proposed disallowance as related to the business demand
6 response expenses starting on page 21 through page 22. Staff expert Amanda C. Conner
7 provided a detailed explanation for the proposed disallowance as related to: administrative
8 program expenses and implementation contractor expenses; starting on page 14 through
9 page 19 of the Evergy Missouri Metro Staff Report.

10 Q. Does this conclude your corrected direct testimony in this proceeding?

11 A. Yes, it does.

² Staff witness Amanda C. Conner is sponsoring Ms. Tandy's disallowances from the EMW Staff Report in her direct testimony.

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-2023-0407
Investment Act (MEEIA) Cycle 3 Energy)
Efficiency Programs of Evergy Metro, Inc.)
d/b/a Evergy Missouri Metro)

AFFIDAVIT OF BROOKE MASTROGIANNIS

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

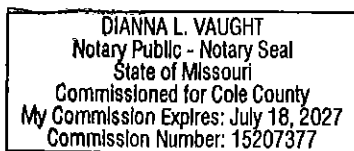
COMES NOW BROOKE MASTROGIANNIS and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Corrected Direct Testimony of Brooke Mastrogiannis*; and that the same is true and correct according to her best knowledge and belief.

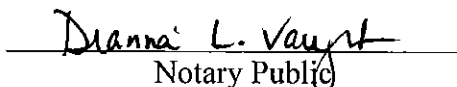
Further the Affiant sayeth not.


BROOKE MASTROGIANNIS

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 17th day of May 2024.




Notary Public

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 BROOKE MASTROGIANNIS

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

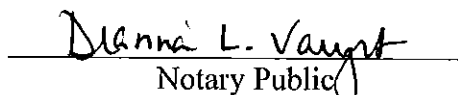
COMES NOW BROOKE MASTROGIANNIS and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Corrected Direct Testimony of Brooke Mastrogiannis*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.


BROOKE MASTROGIANNIS

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 17th day of May 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