Exhibit No.: Issue(s): Witness: Sponsoring Party: Type of Exhibit: Case Nos.: Date Testimony Prepared:

Business Demand Response Jordan T. Hull MoPSC Staff Direct Testimony EO-2023-0369 and EO-2023-0370 May 24, 2024

MISSOURI PUBLIC SERVICE COMMISSION

INDUSTRY ANALYSIS DIVISION

ENERGY RESOURCES DEPARTMENT

DIRECT TESTIMONY

OF

JORDAN T. HULL

EVERGY METRO, INC., d/b/a Evergy Missouri Metro CASE NO. EO-2023-0369

EVERGY MISSOURI WEST, INC., d/b/a Evergy Missouri West CASE NO. EO-2023-0370

> Jefferson City, Missouri May 24, 2024

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8	CASE NO. EO-2023-0370
9	Q. Please state your name and business address.
10	A. Jordan T. Hull, 200 Madison Street, Jefferson City, Missouri 65102.
11	Q. By whom are you employed and in what capacity?
12	A. I am employed by the Missouri Public Service Commission ("Commission")
13	as an Associate Engineer in the Energy Resources Department.
14	Q. Please describe your educational background and work experience.
15	A. Please refer to the attached Schedule JTH-d1.
16	Q. Have you previously filed testimony before this Commission?
17	A. Yes, I have. Please refer to the attached Schedule JTH-d1 for a list of cases in
18	which I have previously filed testimony.
19	EXECUTIVE SUMMARY
20	Q. What is the purpose of your direct testimony?
21	A. I support Staff's overall recommendation in this case that it is not reasonable
22	at this time for the Commission to approve a Missouri Energy Efficiency Investment Act
23	("MEEIA") program portfolio and its corresponding cost recovery. My direct testimony
24	discusses certain aspects of Aggregator of Retail Customers ("ARCs") and Evergy Metro, Inc.
25	d/b/a Evergy Missouri Metro ("EMM") and Evergy Missouri West, Inc. d/b/a
26	Evergy Missouri West's ("EMW") Business Demand Response ("BDR") program.

Direct Testimony of Jordan T. Hull

- 1 If the Commission determines that MEEIA programs should continue, my direct testimony
- 2 will provide certain issues the Commission should consider.

3 ARCs AND BDR BUDGETS

A.

- Q. What is an ARC?
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According to (Midcontinent Independent System Operator, Inc) MISO,¹

An ARC is a Market Participant ("MP") that represents demand response on behalf of one or more eligible retail customers, for which the participant is not such customers' Load Serving Entity ("LSE"), and intends to offer demand response directly into the Transmission Provider's Energy and Operating Reserve Markets as a Demand Response Resource ("DRR"), as a Planning Resource such as a Load Modifying Resource ("LMR") or an Emergency Demand Response ("EDR") resource."²

- 12
- Q. Are ARCs now able to operate in Missouri?

Yes, the Commission opened a working docket, EW-2021-0267, to receive 13 A. 14 input and determine how the Commission may best respond to the changes that will result 15 from implementation of the Federal Energy Regulatory Commission's ("FERC") Order No. 2222, and to review the Commission's current practices in the areas affected by 16 17 that order. Initial comments in March and April of 2021 requested the Commission re-examine 18 its 2010 Order temporarily prohibiting the demand response load reductions of customers of 19 the four Missouri electric utilities regulated by the Commission from being transferred to the 20 wholesale electricity markets directly by retail customers or third-party aggregations of retail 21 customers. In the EW-2021-0267 order, the Commission lifted a portion of the prohibition to 22 allow larger commercial and industrial ("C&I") customers (100 kW or larger) to participate 23 in demand response programs in wholesale electricity markets directly or through an ARC. 24 The original order was to be effective December 11, 2023; however, on November 29, 2023,

¹ Evergy is a member of the Southwest Power Pool, however MISO's ARC definition still applies.

² Miso.org, Frequently Asked Questions: Aggregator of retail Customers (ARC), page 3

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- the Commission issued an order extending the effective date of its partial modification order 1 2 to January 1, 2024.
- 3

What is a Business Demand Response (BDR) Program? Q.

A. Per the Department of Energy, "Business demand response allows commercial 4 5 and industrial organizations to play a significant role in balancing the supply and demand of 6 electricity. During peak periods or times of grid stress, businesses can voluntarily reduce or 7 shift their electricity usage. By doing so, they contribute to maintaining grid stability and 8 preventing overloads. Utilities or grid operators pay these businesses for their participation in 9 demand response programs. Essentially, companies receive compensation for adjusting their 10 energy consumption when needed. Power companies can cycle air conditioners and water 11 heaters on and off during peak demand in exchange for financial incentives and lower electric bills."³ 12

13 Q. Can retail customers participate in a utility MEEIA BDR program and be a participant in an ARC's demand response program? 14

15

A. No, the Commission's order in EW-2021-0267 does not allow for it.

16 Q. If the Commission determines that ratepayer funded BDR programs should 17 continue, should a MEEIA business demand response program budget decrease with the 18 Commission's lifting of the ARC prohibition?

- 19 A. Staff would expect some business customers to move from utility BDR 20 programs to ARCs. Staff would expect the BDR budgets to decrease over time as businesses 21 start recognizing this new emerging market with more opportunities. From a fair competition

³ https://www.energy.gov/oe/demand-response.

Direct Testimony of Jordan T. Hull

- 1 perspective, Staff would also expect the utility company's BDR incentives to not be higher
- 2 than the ARCs.

3

- Q. Does this conclude your direct testimony?
- 4 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 Notice of Intent to File an Application for Authority to Establish)))	Case No. EO-2023-0369
a Demand-Side Programs Investment)	
Mechanism)	
)	
n the Matter of Evergy Missouri West, Inc.)	
d/b/a Evergy Missouri West's Notice of)	Case No. EO-2023-0370
Intent to File an Application for Authority to)	
Establish a Demand-Side Programs)	
Investment Mechanism)	

AFFIDAVIT OF JORDAN T. HULL

STATE OF MISSOURI)	
)	SS.
COUNTY OF COLE)	

COMES NOW JORDAN T. HULL and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Direct Testimony of Jordan T. Hull*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

JORDAN T. HUI

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 $22 \frac{1}{2}$ day of May 2024.

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

States of States

usyellankin

Notary Public

Jordan T. Hull

CURRENT POSITION:

I am currently an Associate Engineer in the Energy Resources Department, Industry Analysis Division, of the Missouri Public Service Commission.

EDUCATIONAL BACKGROUND & WORK EXPERIENCE:

I received my Bachelor of Science Degree in Biological Engineering from the University of Missouri-Columbia in May of 2016. In June of 2016 I began employment with the Missouri Department of Natural Resources in the Air Pollution Control Program as an Environmental Engineer I. In June of 2017, I was promoted to an Environmental Engineer II within the Air Pollution Control Program. I began employment with the commission in November of 2018.

Summary of Case Involvement:

Case Number	Utility	Туре	Issues
EO-2019-0067	KCP&L GMO	FAC Prudency	Heat Rates, Plant
		Review	Outages, Generation
			Utilization
EO-2019-0068	KCP&L	FAC Prudency	Heat Rates, Plant
		Review	Outages, Generation
			Utilization
EO-2019-0049	Liberty-Empire	Integrated Resource	Misc.
	Electric Company	Plan	
EO-2019-0132 &	KCP&L	MEEIA	Misc.
EO-2019-0133			
EO-2019-0257	Ameren- Missouri	FAC Prudency	Heat Rates, Plant
		Review	Outages, Generation
			Utilization
ER-2019-0335	Ameren- Missouri	Rate Case	Heat Rates
ER-2019-0374	Liberty-Empire	Rate Case	Heat Rates
	Electric Company		
EO-2020-0059	Liberty-Empire	FAC Prudency	Heat Rates, Plant
	Electric Company	Review	Outages, Generation
			Utilization
EO-2020-0262	EvergyWest	FAC Prudency	Heat Rates, Plant
		Review	Outages, Generation

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			Utilization, Self-
			Commitment.
EO-2020-0263	Evergy Metro	FAC Prudency	Heat Rates, Plant
		Review	Outages, Generation
			Utilization, Self-
			Commitment
EO-2021-0060	Ameren- Missouri	FAC Prudency	Heat Rates, Plant
		Review	Outages, Generation
			Utilization, Self-
			Commitment
EO-2021-0021	Ameren- Missouri	Integrated Resource Plan	Misc.
EO-2021-0281	Liberty- Empire	FAC Prudency	Heat Rate, Plant
		Review	Outages, Generation
			Utilization, Self-
			Commitment
EO-2021-0035	Evergy- Metro	Integrated Resource	Misc.
		Plan	
EO-2021-0036	Evergy-West	Integrated Resource	Misc.
		Plan	
EO-2021-0060	Ameren- Missouri	FAC Prudency	Heat Rate, Plant
		Review	Outages, Generation
			Utilization, Self-
ED 2021 0240		D / C	Commitment
ER-2021-0240	Ameren- Missouri	Rate Case	Heat Rate
ER-2021-0312	Liberty- Empire	Rate Case	Heat Rate
EO-2021-0331	Liberty Empire	Integrated Resource	Misc.
EA 2022 0000	A	Plan	
EA-2022-0099	Ameren- Missouri	CCN	Qualified to construct
EO-2022-0337	Ameren- Missouri	Rate case	Heat Rate
E0-2022-0245	Ameren- Missouri	CCN	Qualified to construct
EO-2023-0087	Liberty- Empire	FAC Prudency	Heat Rate, Plant
		Review	Outages, Generation
			Utilization, Self- Commitment
EA-2023-0017	Grain Belt Express	CCN	Qualified to construct
LA-2023-001/	LLC		Quanned to construct
EO-2023-0180	Ameren- Missouri	MEEIA Prudency	Demand Response
		Review	

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