



Evergy Missouri Metro
Case Name: 2023 Fuel Adjustment Clause MO Metro 5th Prudence Audit
Case Number: EO-2023-0276

Requestor Mantle Lena -
Response Provided January 12, 2024

Question:8014A
AMENDED

For the projects that Mr. Reed lists on page 8, for each project, please provide:

- a) Who owned the project;
- b) Where the project is;
- c) Who Mr. Reed was hired by;
- d) Mr. Reed's role in the prudence review;
- e) What precisely Mr. Reed reviewed;
- f) When Mr. Reed's review began;
- g) When Mr. Reed's role ended;
- h) The hours Mr. Reed worked; and
- i) The range of the quantification of imprudence determined, if any, by Mr. Reed specifically.

RESPONSE: (do not edit or delete this line or anything above this)

Confidentiality: PUBLIC

Statement: This response is Public. No Confidential Statement is needed.

Response: Mr. Reed has provided approximately 200 pieces of testimony referring to prudence in utility ratemaking. The attached version of Mr. Reed's testimony list has been highlighted to show the cases in which prudence was a significant part of his testimony. In addition, Mr. Reed has provided expert advice to numerous other clients regarding numerous other projects for which no publicly available testimony was filed; these engagements are confidential.

Supplemental Response:

Mr. Reed is expanding on this response by providing additional details on his past assignments, which were provided earlier in the testimony listing, but limiting the additional information to assignments in the most recent ten years that are, at least in part, public. Concentric's billing information, including hours worked, is confidential to Concentric and the client. However, the other elements of the information requested are being provided. These expanded responses are



presented in the same order as the cases are provided in the highlighted testimony list provided earlier.

For Anchorage Municipal Light and Power, Mr. Reed and Concentric staff conducted a prudence review regarding the construction of ML&P's new gas-fired combined cycle power plant. The plant was owned by ML&P, it was located in Anchorage, Alaska, the client was ML&P, Mr. Reed led the firm's prudence review and served as the witness, the documents he reviewed are listed in his prefiled testimony, the review began in July, 2017, the assignment ended approximately the first quarter of 2018, and Mr. Reed's primary recommendation was that no prudence disallowance should be made.

For a FERC proceeding, Mr. Reed was retained as an expert by Lotus Infrastructure Partners to conduct a prudence review for the Delano Colorado River Transmission project, for which Lotus was the lead owner. The facility is located in Arizona and California, Mr. Reed's role was to serve as the leader of the prudence review team and to serve as the expert witness on this project. Mr. Reed reviewed extensive documentation for the assignment, which is described and listed at a high level in his Direct Testimony in the case. This assignment began in early 2023 and is ongoing. At this time, Mr. Reed's recommendation to the FERC is that no costs be found to have been imprudently incurred.

Between early 2008 and early 2016, Mr. Reed conducted annual prudence reviews of Florida Power and Light's nuclear refurbishment and new nuclear projects at the Port Saint Lucie and Turkey Point nuclear stations in Florida. His client was FPL in all cases. He provided more than 15 pieces of testimony on these topics in cases before the Florida Public Service Commission. Mr. Reed's role was to lead the prudence review teams and to serve as the witness. Over these nine years, Mr. Reed reviewed thousands of documents as part of his reviews, which are described in his testimony. Mr. Reed made a number of specific proposed disallowances of costs over the nine years, and made several recommendations regarding needed improvements in the processes used by FPL. In many cases, his recommendations were reflected in his testimony. In other instances, FPL elected to not seek recovery of costs that Mr. Reed found should not be paid by customers.

In proceedings before the Minnesota Public Utilities Commission, Mr. Reed provided testimony on the prudence of gas costs resulting from Winter Storm Uri incurred by CenterPoint Energy. CenterPoint was Mr. Reed's client, the costs were all incurred by the Minnesota jurisdictional portion of CenterPoint. Mr. Reed's role was as the leader of the prudence review team and as the witness, and he reviewed more than a hundred documents and extensive accounting records as part of his review. The substance of his review is provided in his Direct and Rebuttal testimony on the case. The review began in approximately June, 2021 and continued through mid-2022. Mr. Reed found that no costs should be disallowed on the grounds of having been the result of imprudent actions.

In Ameren Missouri's case ER-2021-0240, Mr. Reed provided prudence testimony in rebuttal on the issue of cost recovery for the High Prairie wind project in Missouri. The project is owned by Ameren, and Ameren was Mr. Reed's client. Mr. Reed was the leader of the prudence review



team and was the witness. Mr. Reed's review began in mid-2021 and concluded by early 2022. The documents Mr. Reed reviewed are discussed in his Rebuttal Testimony. The testimony concluded that there was no basis for a prudence disallowance in that case.

In Empire District's case EO-2022-0040, Mr. Reed appeared on behalf of Empire and provided his opinions in response to other parties' recommendations that Empire's costs regarding the Asbury plant, Winter Storm Uri and the Riverton plant were imprudently incurred. These plants were owned by Empire, and are located in Missouri and Kansas. Mr. Reed was the witness on prudence issues and the project leader for this assignment. The documents Mr. Reed reviewed are described in his testimony and were primarily the filings by Empire and other parties. This assignment began at the end of the first quarter of 2022 and ended by the end of the third quarter of 2022. Mr. Reed concluded that the evidence in that case did not warrant any prudence disallowance.

In Ameren Missouri's case docketed as ER-2022-0337, Mr. Reed was retained by Ameren to offer his opinions on prudence issues relating to the High Prairie and Rush Island power plant costs. These plants are owned by Ameren Missouri and are located in Missouri. Mr. Reed was the leader of the prudence review and was the testifying witness. Mr. Reed reviewed the prudence disallowance recommendations filed by certain parties in that case, and several documents provided by Ameren Missouri, and concluded that the recommendations made for disallowances should be rejected since they did not reflect a proper prudence review framework. Mr. Reed's assignment began in mid-2022 and concluded approximately at the end of the second quarter of 2023.

Mr. Reed provided prudence review testimony in Evergy Metro and Evergy Missouri West's Docket ER-2022-0129/30 in Missouri. His client was Evergy, and the issues he addressed included the reasonableness of Evergy's fuel and purchased power costs, in response to recommended disallowances by other parties in that case. Evergy has power plants located in both Missouri and Kansas, and Mr. Reed's review was not isolated to a specific plant. Mr. Reed reviewed numerous documents as part of his review in that case, including the testimony of Evergy and other parties, and his testimony generally describes the documents he reviewed. Mr. Reed concluded that no prudence disallowance was appropriate in that case.

Mr. Reed recently filed testimony related to prudence issues and other items regarding the construction of an oil pipeline in Western Canada. This testimony followed an extensive cost review that he and others at Concentric conducted. His client is Trans Mountain Pipeline, and the project it relates to is the Trans Mountain Expansion Project and the existing Trans Mountain Pipeline system. Mr. Reed is the project leader for this engagement, and he reviewed more than a hundred documents that are described in his testimony in this case. Mr. Reed's review began in the first quarter of 2023 (following an earlier engagement on similar issues with this client) and is ongoing with an expected completion date in 2025 or later. Mr. Reed's review is ongoing; at this time, he has not identified any costs that warrant a disallowance on the basis of having been imprudently incurred.



Public Service Company of New Hampshire retained Mr. Reed as an expert on prudence matters relating to PSNH's Merrimack coal plant. Mr. Reed's role was as the project leader for the prudence review, and the witness for the case. The engagement began at approximately the end of 2013 and ended in the fourth quarter of 2014. Mr. Reed reviewed numerous resource planning documents relating to the decision to add environmental controls to Merrimack, and the basis for the decisions to continue with the project in light of changing market conditions and project costs. The documents Mr. Reed reviewed are described in his testimony in that case. Mr. Reed concluded that no disallowance on the basis of imprudence was warranted in that case.

In 2021, Mr. Reed provided testimony on a prudence review he conducted for Nova Scotia Power Maritime Link relating to NSPML's construction of its submarine electric transmission project. The project was owned by NSPML and is located in Newfoundland, Nova Scotia, and in undersea locations. This project was an extension of construction reviews Mr. Reed had been providing on this project for several years. The prudence review itself began in 2020 and the assignment concluded at approximately the end of 2021. Mr. Reed reviewed hundreds of documents as part of this assignment and he concluded that all of NSPML's construction costs had been prudently incurred.

For a period of approximately two years, Mr. Reed led Concentric's construction reviews of Ontario Power Generation's nuclear refurbishment project. This assignment led to public reports being filed with the Ontario Energy Board in 2013 and 2014. The project is located in Ontario and is owned by OPG. Mr. Reed's client was OPG. Mr. Reed reviewed numerous documents for this project, which are described in Concentric's reports, and specifically considered numerous decisions OPG made regarding the commercial framework, contracting decisions and procurement decisions for this multi-billion dollar project. Mr. Reed provided several recommendations for improvements in OPG's processes and concluded that the decisions made were prudent.

These synopses of past work relate only to what is publicly known regarding each assignment in the past 10 years and only to projects that resulted in testimony before a regulatory body.

Public versions of all of the testimony referenced in these synopses is available upon request.

Information provided by: John J. Reed

Attachment(s):



Missouri Verification:

I have read the Information Request and answer thereto and find answer to be true, accurate, full and complete, and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request(s).

Signature /s/ *Brad Lutz*
Director Regulatory Affairs