

Exhibit No.:
Issue(s): *Renewable Energy Standard
Rate Adjustment Mechanism*
Witness: *Claire M. Eubanks, PE*
Sponsoring Party: *MoPSC Staff*
Type of Exhibit: *Surrebuttal/
Cross-Surrebuttal Testimony*
Case No.: *EO-2022-0061*
Date Testimony Prepared: *January 14, 2022*

MISSOURI PUBLIC SERVICE COMMISSION

INDUSTRY ANALYSIS DIVISION

ENGINEERING ANALYSIS DEPARTMENT

SURREBUTTAL/CROSS-SURREBUTTAL TESTIMONY

OF

CLAIRE M. EUBANKS, PE

**EVERGY MISSOURI WEST, INC.,
d/b/a Evergy Missouri West**

CASE NO. EO-2022-0061

*Jefferson City, Missouri
January 2022*

1 **SURREBUTTAL/CROSS-SURREBUTTAL TESTIMONY**

2 **OF**

3 **CLAIRE M. EUBANKS, PE**

4 **EVERGY MISSOURI WEST, INC.,**
5 **d/b/a Evergy Missouri West**

6 **CASE NO. EO-2022-0061**

7 Q. Please state your name and business address.

8 A. Claire M. Eubanks and my business address is Missouri Public Service
9 Commission, P.O. Box 360, Jefferson City, Missouri, 65102.

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

11 A. I am employed by the Missouri Public Service Commission (“Commission”) as
12 the Manager of the Engineering Analysis Department, Industry Analysis Division.

13 Q. Please describe your educational background and experience.

14 A. Please refer to Schedule CME-s1.

15 Q. Have you previously testified before the Commission?

16 A. Yes. A summary of my case participation is attached as Schedule CME-s1.

17 Q. What is the purpose of this testimony?

18 A. I am responding to the Rebuttal Testimony of Office of the Public Counsel
19 (“OPC”) witness Dr. Geoff Marke regarding OPC’s proposed revisions to the Special High
20 Load Factor Market Rate tariff (“Schedule MKT”) related to the Renewable Energy Standard
21 Rate Adjustment Mechanism (“RESRAM”) charge.

22 Q. What is the Renewable Energy Standard Rate Adjustment Mechanism?

23 A. The RESRAM allows for recovery of prudently incurred costs or pass-through
24 of benefits received as a result of compliance with the Renewable Energy Standard (RES),

1 provided the average annual impact on retail customer rates does not exceed one percent over
2 a ten-year period.

3 Q. What concerns did OPC witness Marke raise with Schedule MKT as it relates to
4 the cost of renewable energy standard compliance?

5 A. Generally, OPC witness Marke recommends that the participating customer
6 “should bear all incidental cost increases occasioned by their addition to Evergy’s system
7 and all non-participating customers should be held harmless.”¹ OPC witness Marke
8 proposed several modifications to Schedule MKT to ensure other ratepayers are not negatively
9 impacted by Schedule MKT including that participating customers will be subject to the
10 RESRAM charge.

11 Q. Should a customer served under Schedule MKT be subject to the RESRAM
12 charge?

13 A. Yes. All customers should be subject to the RESRAM charge because the
14 charge is directly related to compliance with a statutory requirement. The Missouri Renewable
15 Energy Standard, specifically Section 393.1030.1 RSMo, requires that the electric utilities
16 provide electricity from renewable energy resources constituting 15% of each electric utility’s
17 sales beginning in calendar year 2021. Compliance with the standard is demonstrated by retiring
18 renewable energy credits² (RECs), i.e. a retired REC can no longer be sold or utilized for
19 another purpose. An electric utility’s total retail electric sales, expressed in megawatt hours
20 (MWh) of electricity, is used to calculate its annual RES requirements. In other words, a utility’s
21 RES compliance obligation will increase when it sells more energy.

¹ Rebuttal Testimony of Dr. Geoff Marke, Page 11.

² A REC represents that one (1) megawatt-hour of electricity has been generated from renewable energy resources.

1 Q. Are there instances where a customer served by Schedule MKT would not
2 incrementally cause additional RES compliance costs?

3 A. Yes. Any customer qualifying under Schedule MKT will increase Evergy
4 Missouri West's (Evergy) retail electric sales and RES compliance obligations. However, based
5 on recent projections, Evergy has an annual supply of RECs well in excess of its RES
6 compliance obligations³ therefore a new customer would not necessarily cause additional
7 incremental costs related to RES compliance. An increase in the Missouri RES standard above
8 15% may alter Evergy's compliance position.

9 Q. Does Velvet intend to support additional renewable resources outside of the
10 RESRAM charge?

11 A. Yes. According to Evergy, Velvet intends to include a voluntary charge (referred
12 to as a Renewable Energy Support charge) as an adder to the Capacity Charge in its proposed
13 contract with Evergy.⁴ Staff recommends a change in the proposed tariff be made to ensure all
14 customers served under Schedule MKT are obligated to contribute to renewable energy
15 standard compliance costs. It is important to note that Evergy is not requesting approval of
16 the Velvet contract in this case; therefore, Staff has not evaluated whether the value of
17 the Renewable Energy Support charge appropriately covers renewable energy standard
18 compliance costs.

19 Q. Are there other ways, other than the RESRAM charge, to ensure customers
20 under Schedule MKT contribute to RES compliance costs?

³ Staff Report on Evergy Missouri West's 2021 Annual Renewable Energy Standard Compliance Plan. Case No. EO-2021-0348, Page 3.

⁴ Response to Staff Data Request No. 0002 attached as Schedule CME-s2.

1 A. Yes. As stated before it is Staff's position that all customers should be subject
2 to the RESRAM charge. However, Staff recommends the following language as an alternative
3 to subjecting Schedule MKT customers to the RESRAM charge:

4 Any provisions of Every Missouri West's RESRAM tariff to the
5 contrary notwithstanding, customer will not be subject to RESRAM
6 charges if its contribution through a Renewable Energy Support
7 Charge meets or exceeds the incremental RES compliance costs
8 attributable to the Customer.

9 Q. At what time will the Commission review the appropriateness of the Renewable
10 Energy Support Charge?

11 A. Staff intends to address the rates and terms of the contract, including the
12 Renewable Energy Support Charge, when and if the contract is finalized and appropriately filed
13 for approval with the Commission. Additionally, the continued appropriateness of the
14 Renewable Energy Support charge would be subject to review during a future general rate case.

15 Q. Does this conclude your testimony?

16 A. Yes.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Application of Evergy)
Missouri West, Inc. d/b/a Evergy Missouri) Case No. EO-2022-0061
West for Approval of a Wholesale Energy)
Market Rate for a Data Center Facility in)
Kansas City, Missouri)

AFFIDAVIT OF CLAIRE M. EUBANKS, PE

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW CLAIRE M. EUBANKS, PE, and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Surrebuttal/Cross-Surrebuttal Testimony of Claire Eubanks*; and that the same is true and correct according to her best knowledge and belief.

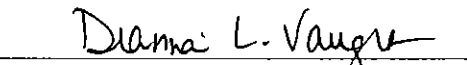
Further the Affiant sayeth not.


CLAIRE M. EUBANKS, PE

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 14th day of January, 2022.

DIANNA L. VAUGHT
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: July 18, 2023
Commission Number: 15207377


Notary Public

CLAIRE M. EUBANKS, PE

PRESENT POSITION:

I am the Manager of the Engineering Analysis Department, Industry Analysis Division of the Missouri Public Service Commission.

EDUCATIONAL BACKGROUND AND WORK EXPERIENCE:

I received my Bachelor of Science degree in Environmental Engineering from the University of Missouri – Rolla, now Missouri University of Science and Technology, in May 2006. I am a licensed professional engineer in the states of Missouri and Arkansas. Immediately after graduating from UMR, I began my career with Aquaterra Environmental Solutions, Inc., now SCS Aquaterra, an engineering consulting firm based in Overland Park, Kansas. During my time with Aquaterra, I worked on various engineering projects related to the design, construction oversight, and environmental compliance of solid waste landfills. I began my employment with the Commission in November 2012 and was promoted to my current position in April 2020.

CASE HISTORY:

Case Number	Utility	Type	Issue
EA-2012-0281	Ameren	Rebuttal	Certificate of Convenience and Necessity
EC-2013-0379 EC-2013-0380	KCP&L KCP&L GMO	Rebuttal	RES Compliance
EO-2013-0458	Empire	Memorandum	RES Compliance Plan & Report
EO-2013-0462	Ameren	Memorandum	RES Compliance Report
EO-2013-0503	Ameren	Memorandum	RES Compliance Plan
EO-2013-0504	KCPL	Memorandum	RES Compliance Plan & Report
EO-2013-0505	GMO	Memorandum	RES Compliance Plan & Report
ET-2014-0059	KCP&L GMO	Rebuttal	RES Retail Rate Impact
ET-2014-0071	KCP&L	Rebuttal	RES Retail Rate Impact
ET-2014-0085	Ameren	Rebuttal	RES Retail Rate Impact
ER-2014-0258	Ameren	Cost of Service Report, Surrebuttal	RES, In-Service
EO-2014-0151	KCP&L GMO	Memorandum	RESRAM
EO-2014-0357	Electric	Memorandum	Solar Rebates Payments

Case Number	Utility	Type	Issue
EO-2014-0287	KCPL	Memorandum	RES Compliance Plan
EO-2014-0288	GMO	Memorandum	RES Compliance Plan
EO-2014-0289	KCPL	Memorandum	RES Compliance Report
EO-2014-0290	GMO	Memorandum	RES Compliance Plan
ER-2014-0370	KCP&L	Cost of Service Report	RES
EX-2014-0352	N/A	Live Comments	RES rulemaking
EC-2015-0155	GMO	Memorandum	Solar Rebate Complaint
EO-2015-0260	Empire	Memorandum	RES Compliance Plan & Report
EO-2015-0263	KCPL	Memorandum	RES Compliance Report
EO-2015-0264	GMO	Memorandum	RES Compliance Report
EO-2015-0265	KCPL	Memorandum	RES Compliance Plan
EO-2015-0266	GMO	Memorandum	RES Compliance Plan
EO-2015-0267	Ameren	Memorandum	RES Compliance Plan & Report
EO-2015-0252	GMO	Staff Report	Integrated Resource Plan – Renewable Energy Standard
EO-2015-0254	KCPL	Staff Report	Integrated Resource Plan – Renewable Energy Standard
EA-2015-0256	KCP&L GMO	Live Testimony	Greenwood Solar CCN
EO-2015-0279	Empire	Memorandum	RES Compliance Plan & Report
ET-2016-0185	KCP&L	Memorandum	Solar Rebate Tariff Suspension
EO-2016-0280	KCPL	Memorandum	RES Compliance Report
EO-2016-0281	GMO	Memorandum	RES Compliance Report
EO-2016-0282	KCPL	Memorandum	RES Compliance Plan
EO-2016-0283	GMO	Memorandum	RES Compliance Plan
EO-2016-0284	Ameren	Memorandum	RES Compliance Plan & Report
ER-2016-0023	Empire	Report	RES
ER-2016-0156	KCP&L GMO	Rebuttal	RESRAM Prudence Review
EA-2016-0208	Ameren	Rebuttal	Certificate of Convenience and Necessity
ER-2016-0285	KCPL	Cost of Service Report	In-Service, Greenwood Solar

Case Number	Utility	Type	Issue
ER-2016-0179	Ameren	Rebuttal	In-Service, Labadie Landfill
EW-2017-0245	Electric	Report	Working Case on Emerging Issues in Utility Regulation
EO-2017-0268	Ameren	Memorandum	RES Compliance Plan & Report
EO-2017-0269	KCPL	Memorandum	RES Compliance Report
EO-2017-0271	KCPL	Memorandum	RES Compliance Plan
GR-2017-0215 & GR-2017-0216	Spire	Rebuttal & Surrebuttal	CHP for Critical Infrastructure
GR-2018-0013	Liberty Utilities (Midstates Natural Gas)	Rebuttal	CHP Outreach Initiative for Critical Infrastructure Resiliency
EO-2018-0287	Ameren	Memorandum	RES Compliance Plan & Report
EO-2018-0288	KCPL	Memorandum	RES Compliance Report
EO-2018-0290	KCPL	Memorandum	RES Compliance Plan
EA-2016-0207	Ameren	Memorandum	Certificate of Convenience and Necessity
ER-2018-0146	GMO	Cost of Service Report	RESRAM Prudence Review
ER-2018-0145 ER-2018-0146	KCPL GMO	Class Cost of Service Report, Rebuttal	Solar Subscription Pilot Rider, Standby Service Rider
EA-2018-0202	Ameren	Staff Report	Certificate of Convenience and Necessity
EE-2019-0076	Ameren	Memorandum	Variance Request – Reliability Reporting
EA-2019-0021	Ameren	Staff Report	Certificate of Convenience and Necessity
EA-2019-0010	Empire	Staff Report	Certificate of Convenience and Necessity
EX-2019-0050	N/A	Live Comments	Renewable Energy Standard
EO-2019-0315	KCPL	Memorandum in Response to Commission Questions	Renewable Energy Standard
EO-2019-0316	GMO	Memorandum	Renewable Energy Standard

Case Number	Utility	Type	Issue
EO-2019-0317	KCPL	Memorandum in Response to Commission Questions	Renewable Energy Standard
EO-2019-0318	GMO	Memorandum	Renewable Energy Standard
ER-2019-0335	Ameren	Cost of Service Report	Renewable Energy Standard, In-Service Criteria
EA-2019-0371	Ameren	Staff Report	Certificate of Convenience and Necessity
EO-2020-0329	Evergy Missouri Metro	Memorandum	Renewable Energy Standard
EO-2020-0330	Evergy Missouri West	Memorandum	Renewable Energy Standard
EE-2021-0237	Evergy Missouri Metro	Memorandum	Cogeneration Tariff
EE-2021-0238	Evergy Missouri West	Memorandum	Cogeneration Tariff
EE-2021-0180	Ameren Missouri	Memorandum	Electric Meter Variance
ET-2021-0151 and 0269	Evergy	Memorandum, Rebuttal Report	Transportation Electrification
AO-2021-0264	Various	Staff Report	February 2021 Cold Weather Event
EW-2021-0104	n/a	Staff Report	RTO Membership
EW-2021-0077	n/a	Staff Report	FERC Order 2222
EO-2021-0339	Evergy Missouri West	Memorandum	Territorial Agreement
GR-2021-0108	Spire	Rebuttal	Automated Meter Reading Opt-out Tariff
EA-2021-0087	ATXI	Rebuttal Report	Certificate of Convenience and Necessity
ER-2021-0240	Ameren Missouri	Cost of Service Report Rebuttal	In-Service Bat Mitigation
ER-2021-0312	Empire	Cost of Service Report	Construction Audit – Engineering Review, In-service



Evergy Missouri West
Case Name: 2021_EMW_Wholesale Energy Market Rate
Case Number: EO-2022-0061

Requestor Dindarloo Saaid -
Response Provided November 30, 2021

Question:0002

Please provide supporting documentation for the proposed Renewable Energy Support Charge value under Section 3.3 of the Special High-Load Factor Market Rate Contract; more specifically, provide justification that this value is appropriate to cover new renewable energy resources. DR request by Saeid Dindarloo (saeid.dindarloo@psc.mp.gov).

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:

The Renewable Energy Support Charge is an additional amount proposed voluntarily by Velvet to be added to the Capacity Charge. The Renewable Energy Support Charge is meant to be a contribution to Company efforts to deploy additional renewables to all customers and reduce the cost to other customers for those resources. As a voluntary contribution, the amount does not have any particular basis and is not intended to cover any particular resource investment. Future customers have the option but are not obligated to offer the same charge.

Information provided by: Brad Lutz

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