

*Exhibit No.:*  
*Issue(s):* Special incremental load  
*Witness:* Justin Tevie  
*Sponsoring Party:* MoPSC Staff  
*Type of Exhibit:* Corrected Rebuttal Testimony  
*Case No.:* ER-2024-0189  
*Date Testimony Prepared:* August 6, 2024

**MISSOURI PUBLIC SERVICE COMMISSION**  
**INDUSTRY ANALYSIS DIVISION**

**TARIFF AND RATE DESIGN DEPARTMENT**

**CORRECTED REBUTTAL TESTIMONY**

**OF**

**JUSTIN TEVIE**

**EVERGY MISSOURI WEST, INC.,**

**d/b/a Evergy Missouri West**

**CASE NO. ER-2024-0189**

*Jefferson City, Missouri*

*August 6, 2024*

**\*\* Denotes Confidential Information \*\***

**APPENDIX A**

1 **CORRECTED REBUTTAL TESTIMONY**

2 **OF**

3 **JUSTIN TEVIE**

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

6 **CASE NO. ER-2024-0189**

7 Q. Please state your name and business address.

8 A. Justin Tevie, 200 Madison Street, Jefferson City, MO 65102.

9 Q. Are you the same Justin Tevie who provided direct testimony in this case?

10 A. Yes.

11 Q. What is the purpose of your rebuttal testimony?

12 A. My rebuttal testimony provides updated results to Staff’s Exhibit 1<sup>1</sup> based upon:  
13 (1) the terms of the non-unanimous Stipulation and Agreement (“Stipulation”) between Evergy  
14 Missouri West (“EMW”) (formerly KCP&L Greater Missouri Operations Company),  
15 Commission Staff (“Staff”), and Nucor Steel Sedalia, LLC (“Nucor”)<sup>2</sup>, and (2) Article 7 of the  
16 power purchase agreement (“Agreement”) between Cimarron Bend Wind Project III, LLC and  
17 Evergy, Inc.<sup>3</sup>

18 **REVENUE REQUIREMENT ADJUSTMENT FOR SCHEDULE SIL**

19 Q. Has Staff’s recommendation for the value of the revenue requirement  
20 adjustment associated with service under Schedule SIL changed since the filing of  
21 direct testimony?

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<sup>1</sup> Attached as Schedule JT-r1.

<sup>2</sup> Non-Unanimous Stipulation and Agreement filed on September 19, 2019 in Case No. EO-2019-0244 and approved by the Missouri Public Service Commission on November 13, 2019.

<sup>3</sup> The Agreement was submitted as part of Data Request No. 0065 in this general rate case.

Corrected Rebuttal Testimony of  
Justin Tevie

1 A. Yes. Staff updated the NUCOR adjustment based on the Agreement between  
2 Cimarron Bend III and Evergy, Inc. The updates are attached to this testimony as  
3 Schedule JT-r1.

4 Q. What is the Agreement?

5 A.

\*\*

[REDACTED]

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

\*\*

11 Q. What is Schedule SIL?

12 A. Schedule SIL<sup>4</sup> is the Special Rate for Incremental Load Service, which is the  
13 applicable rate for Nucor<sup>5</sup> service. Nucor is currently the sole EMW customer served under  
14 Schedule SIL.

15 Q. Why is an adjustment to EMW's revenue requirement related to Schedule SIL  
16 service necessary in this case?

17 A. In Staff's direct filing an incorrect settlement node was used for the  
18 Cimarron Bend III wind farm. Staff's work papers for EMW have been updated to use the  
19 \*\* [REDACTED] \*\* for calculating revenue from the Cimarron Bend III wind farm. In  
20 addition, as discussed more thoroughly in my direct testimony in this case, the incremental cost  
21 to serve Nucor exceeds the EMW revenues from Nucor service for the 12-month period ending

<sup>4</sup> Schedule SIL - P.S.C. MO. No. 1 Original Sheet Nos. 157, 157.1, 157.2, and 157.3.

<sup>5</sup> My direct testimony in this case provides some background of Schedule SIL as well as Nucor.

1 December 31, 2023.<sup>6</sup> Schedule SIL and the Stipulation from Case No. EO-2019-0244 include  
2 provisions that non-Schedule SIL customers will be held harmless from the service under  
3 Schedule SIL.

4 Q. How does this correction affect Staff's revenue calculations?

5 A. Incorporating the correct LMP stipulated by the Agreement decreased the total  
6 cost by approximately 51% or \*\* [REDACTED] \*\*. Hence, the amount of under recovery  
7 decreased to approximately \*\* [REDACTED] \*\*. The amount of under recovery is the net of  
8 revenues and costs during the period under review.

9 Q. Does the error detected in light of the Agreement call into question the overall  
10 results of the analysis that Staff performed for Nucor?

11 A. No. The error that Staff identified reflects a good-faith effort made by Staff  
12 to calculate the total revenue from the wind Purchase Power Agreement. Changing to the  
13 correct input LMP did affect the amount of under-recovery, but the overall analysis itself was  
14 done correctly.

15 Q. Has the correction that Staff has made to the cost of serving Nucor been applied  
16 to the revenue requirement?

17 A. Yes

18 Q. What other adjustments did Staff make to the revenue requirement?

19 A. Staff calculated the cost of Nucor exceeding its peak load forecast of  
20 \*\* [REDACTED] \*\*. Staff also made  
21 changes to the event balancing cost, to include the months of November and December of 2023,

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<sup>6</sup> The 12-months ending December 31, 2023 coincides with the update period utilized by Staff in this case.

Corrected Rebuttal Testimony of  
Justin Tevie

1 to reflect SPP balancing charges bringing the total amount to approximately \*\* [REDACTED] .\*\*

2 These adjustments were then used to calculate the amount of under recovery determined above.

3 Q. In light of Nucor exceeding its peak load forecast, what should be the new  
4 capacity requirement for Nucor?

5 A. Including the SPP planned reserve margin of 15%, the new capacity requirement  
6 should be approximately \*\* [REDACTED] .\*\*

7 Q. Does this conclude your rebuttal testimony?

8 A. Yes it does.



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**SCHEDULE JT-r1**

**HAS BEEN DEEMED**

**CONFIDENTIAL**

**IN ITS ENTIRETY**