

Exhibit No.:
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Witness: Brodrick Niemeier
Sponsoring Party: MoPSC Staff
Type of Exhibit: Surrebuttal / True-Up
Direct Testimony
Case No.: ER-2024-0189
Date Testimony Prepared: September 10, 2024

MISSOURI PUBLIC SERVICE COMMISSION

INDUSTRY ANALYSIS DIVISION

ENGINEERING ANALYSIS DEPARTMENT

SURREBUTTAL / TRUE-UP DIRECT TESTIMONY

OF

BRODRICK NIEMEIER

EVERGY MISSOURI WEST, INC.,

d/b/a Evergy Missouri West

CASE NO. ER-2024-0189

Jefferson City, Missouri
September 10, 2024

**** Denotes Confidential Information ****

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1 **MARKET PRICES**

2 Q. EMW witness Foo claims¹ in her rebuttal testimony that the wrong local market
3 price was used in the model for Cimarron Bend 3 (“CB3”). Is that correct?

4 A. Yes. In the fuel run Staff conducted for its direct filing, Staff did overlook the
5 structural difference of the CB3 contract from the other wind purchase power agreements
6 (“PPAs”). This error was corrected within my Rebuttal Testimony filing.

7 Q. Do the corrections made within your rebuttal testimony address all issues EMW
8 Witness Foo raised in rebuttal?

9 A. No. They do correct for the issues EMW Witness Foo had with Cimarron and
10 Nucor,² as both relate back to the choice of LMP data used for Cimarron, but the corrections
11 do not address Dogwood Energy Center (“Dogwood”), Gray County, and Ensign.

12 Q. Did EMW Witness Foo also comment on Staff’s market price inputs
13 more generally?

14 A. Yes. Staff witness Justin Tevie responds to the comments Ms. Foo made
15 regarding Staff’s market price inputs in his surrebuttal / true-up direct testimony.

16 **DOGWOOD INCLUSION**

17 Q. EMW Witness Foo states “Dogwood is not included in Staff’s production cost
18 model, and the costs associated with the Dogwood generating station are omitted in their fuel
19 and purchase power expense calculation.”³ Does Staff agree?

20 A. Yes. Dogwood was not initially included in Staff’s fuel run because EMW did
21 not own any portion of it in the 2023 test year. EMW’s Certificate of Convenience and

¹ On page 6 of Witness Foo’s rebuttal testimony.

² On pages 5 through 8 of Witness Foo’s rebuttal testimony.

³ ER-2024-0189 Evergy Witness Foo’s rebuttal testimony, page 10 lines 5-7.

1 Necessity to acquire Dogwood did not go into effect until April 20, 2024,⁴ and EMW did not
2 complete the purchase of a portion of the plant until April 24, 2024. As such, Staff viewed it
3 as reasonable to include Dogwood only in true-up, as EMW did own a portion of the facility
4 before the end of the true-up period, June 30, 2024.

5 **PURCHASE POWER EXPENSES**

6 Q. Can you explain the issue with Gray County's fuel and purchase power expense?

7 A. Yes. EMW Witness Foo claims that Staff used the incorrect value for Gray
8 County's Energy Payment Rate of ** [REDACTED] ** and that the correct value is ** [REDACTED] **. ⁵
9 Staff did use the incorrect PPA amendment to determine the Gray County Energy Payment Rate
10 for its fuel runs in its direct and rebuttal testimonies. This has been updated in the true-up run
11 to the value of ** [REDACTED] **

12 Q. Did Evergy use the Gray County Energy Payment rate of ** [REDACTED] ** in its
13 direct case?

14 A. No. The fuel workpapers provided in response to Staff DR⁶ 0041 show a price
15 of ** [REDACTED] ** was used by Evergy in its direct run for Gray County wind farm.

16 Q. Can you explain the issue with Ensign Wind's fuel and purchased
17 power expense?

18 A. Yes. EMW Witness Foo claims that Staff used the incorrect value for Ensign
19 Wind's Energy Payment Rate of ** [REDACTED] ** and that the correct value is ** [REDACTED] **. ⁷

20 Q. Does Staff agree?

⁴ According to the response to Staff Data Request 0444.

⁵ ER-2024-0189 Evergy Witness Foo rebuttal page 10 lines 13-22.

⁶ Data Request

⁷ ER-2024-0189 Evergy Witness Foo rebuttal page 11 lines 5-15.

1 A. In part. Staff agrees that in its direct and rebuttal fuel runs, it used an Energy
2 Payment Rate of ** [REDACTED] **. However, Staff is surprised by the price of ** [REDACTED] ** for
3 the Ensign Wind's Energy Payment Rate. In response to Staff DR 0065, EMW provided the
4 second revision of Ensign Wind's Purchase Power contract. According to the second revision
5 of Ensign's PPA, ** [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED] **. So either
9 another contract has been entered into by the parties for a higher Energy Payment Rate than
10 was already agreed to contractually and provided to Staff in the Company response to Staff DR
11 0065, or EMW Witness Foo's claim of that Energy Payment Rate is incorrect.

12 Q. Did EMW Witness Foo use ** [REDACTED] ** for the Ensign Wind Energy Payment
13 Rate in EMW's Direct case?

14 A. No. The fuel workpapers provided in response to Staff DR 0041 show a price
15 of ** [REDACTED] ** for Ensign wind farm.

16 Q. Did Evergy's workpapers imply that Ensign's new Energy Payment Rate
17 reflects the cost of repowering?

18 A. Yes. Evergy asserted that the new Ensign price reflects the cost of repowering.

19 Q. Was this a timing issue that the Repowering was just completed?

20 A. No. In Response to Staff DR 0065.1, ** [REDACTED]
21 [REDACTED]
22 [REDACTED] **.

1 **TRUE-UP CHANGES**

2 Q. For true-up, has Staff included Dogwood?

3 A. Yes. For true-up, Staff's production cost model run includes changes such as
4 the inclusion of Dogwood as an Evergy Missouri West resource. Staff's outages, renewable
5 generation, load, market prices, and fuel prices has been updated to account for changes in the
6 true-up period. I developed Staff's True-up production cost model inputs for the inclusion of
7 Dogwood, outages, and renewable generation. Staff witnesses Stahlman, Tevie, and Giacone
8 provides surrebuttal / true-Up direct testimony regarding load, market price inputs, and fuel
9 prices, respectively.

10 Q. With these changes applied, what is Staff's recommended Fuel and Purchased
11 Power Cost?

12 A. It becomes \$244,583,657 with all the above changes.

13 Q. Does this conclude your Surrebuttal testimony?

14 A. Yes, it does.

