## BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Evergy Metro, Inc. d/b/a	)	
Evergy Missouri Metro's and Evergy	)	File No. ET-2024-0182
Missouri West, Inc. d/b/a Evergy Missouri	)	Tracking No. JE-2025-0022 and
West's Solar Subscription Rider Tariff Filing	)	JE-2025-0023

#### STAFF'S COMPLIANCE TARIFF RECOMMENDATION

**COMES NOW** the Staff of the Missouri Public Service Commission and tenders the following compliance tariff recommendation.

On August 30, 2024, Evergy Metro, Inc. d/b/a Evergy Missouri Metro, Inc. d/b/a Evergy Missouri Metro and Evergy Missouri West, Inc. d/b/a Evergy Missouri West (collectively, Evergy), each submitted three revised tariff sheets, assigned tracking numbers JE-2024-0022 and JE-2025-0023. They bore an effective date of September 29, 2024. These tariff sheets were filed in compliance with the Commission's Report and Order issued on May 15, 2024 (Order), which rejected tariff sheets assigned tracking numbers JE-2024-0081 and JE-2024-0082 and authorized Evergy to file compliance tariffs with the direction set out in the order and to do so no later than September 1, 2024, with an effective date of no later than October 30, 2024. The order stated, specifically, in its ordered paragraphs:

3. The compliance tariffs shall include language as set out below:

Any remaining metered energy consumption will be billed under the rates associated with the Participant's standard rate schedule, including all applicable riders and charges, except that any Securitized Utility Tariff Charge or other charge promulgated pursuant to Section 393.1700 shall be applicable to all metered kWh, without any reductions for the Participant's share of the solar resource energy production.

4. Evergy may include in its SSP compliance tariffs a provision for the request for and grant of a waiver of the 50 percent cap and three-month waiting period for good cause.

Staff does not object to the Commission's approval of the tariff sheets. Staff is filing a memorandum contemporaneously with this pleading describing fully and in detail the basis of its recommendation. As set out in that memorandum, Staff recommends:

- That the Commission approve or allow to take effect by operation of law on September 29, 2024, the tariff sheets, tracking numbers JE-2025-0022 (Evergy Metro Inc.) and JE-2025-0023 (Evergy Missouri West);
- That the Commission direct Evergy to take reasonable steps to better align the application of solar participation generation with the billing of participants.

The three tariff sheets to be approved are:

### Evergy Metro, Inc. JE-2024-0022

P.S.C. MO. No. 7	6 <sup>th</sup>	Revised Sheet No. 39
Cancelling P.S.C. MO. No. 7	5 <sup>th</sup>	Revised Sheet No. 39
P.S.C. MO. No. 7	4 <sup>th</sup>	Revised Sheet No. 39A
Cancelling P.S.C. MO. No. 7	3 <sup>rd</sup>	Revised Sheet No. 39A
P.S.C. MO. No. 7	4 <sup>th</sup>	Revised Sheet No. 39B
Cancelling P.S.C. MO. No. 7	3 <sup>rd</sup>	Revised Sheet No. 39B

### Evergy Missouri West, Inc. d/b/a Evergy Missouri West JE-2025-0023

P.S.C. MO. No. 1	4 <sup>th</sup>	Revised Sheet No. 109
Cancelling P.S.C. MO. No. 1	3 <sup>rd</sup>	Revised Sheet No. 109
P.S.C. MO. No. 1	2 <sup>nd</sup>	Revised Sheet No. 109.1
Cancelling P.S.C. MO. No. 1	1 <sup>st</sup>	Revised Sheet No. 109.1
P.S.C. MO. No. 1	2 <sup>nd</sup>	Revised Sheet No. 109.2
Cancelling P.S.C. MO. No. 1	1 <sup>st</sup>	Revised Sheet No. 109.2

**WHEREFORE**, Staff respectfully prays that the Commission will accept this recommendation.

Respectfully Submitted,

Isl Paul 7. Graham #30416

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#### **CERTIFICATE OF SERVICE**

The undersigned by his signature below certifies that the foregoing pleading was served upon all counsel of record on this September 13, 2024, by electronic filing in EFIS, electronic mail, hand-delivery, or U.S. postage prepaid.

Isl Paul 7. Graham

#### **MEMORANDUM**

**TO:** Missouri Public Service Commission Official Case File

Case No. ET-2024-0182 and

Tariff Tracking Nos. JE-2025-0022 and JE-2025-0023

FROM: Sarah L. K. Lange, Economist

/s/ Sarah L. K. Lange / 9/13/2024

SUBJECT: Staff recommendation to authorize tariff sheets related to Evergy Metro and

Evergy Missouri West Solar Subscription Rider (SSR) to take effect, or to allow such to take effect by operation of law, and recommendation

concerning SSR billing procedures.

**DATE:** September 13, 2024

#### **Evergy Filing**

On August 30, 2024, Evergy Metro, Inc. d/b/a Evergy Missouri Metro ("EMM") submitted three tariff sheets as Tariff Tracking No. JE-2025-0022 and Evergy Missouri West, Inc. d/b/a Evergy Missouri West ("EMW") (collectively, "Evergy,") submitted three revised tariff sheets in Tariff Tracking No. JE-2025-0023, each bearing an issue date of August 30, 2024, with an effective date of September 9, 2024.

#### **Procedural History of ET-2024-0182**

On December 1, 2023, EMM submitted three tariff sheets as Tariff Tracking No. YE-2024-0081 and EMW submitted four revised tariff sheets in Tariff Tracking No. YE-2024-0082, each bearing an issue date of December 1, 2023, with an effective date of January 1, 2024. Following a hearing in this matter, the Commission entered its Report and Order on May 15, 2024, effective May 25, 2024, which rejected Tariff Tracking Nos. YE-2024-0081 and YE-2024-0082, and directed that Evergy "file tariff sheets in compliance with the direction set out in this order. Compliance tariffs must be filed no later than September 1, 2024, and have an effective date no later than October 30, 2024."

#### **Discussion**

On August 1, 2024, Evergy requested informal Staff review and provide feedback on draft tariff sheets similar to those which have been submitted as Tariff Tracking Nos. JE-2025-0022 and JE-2025-0023.

<sup>&</sup>lt;sup>1</sup> Report and Order at page 30.

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Staff provided such feedback on August 12, 2024, noting that a proposed change to the "Monthly Billing" provision 1 did not appear to be contemplated by the Report and Order, and requesting further information on the basis of that change. The current language of Billing Provision 1 is:

The monthly energy production of the solar resource will be measured and apportioned to each Participant based on their respective Subscription Level. To facilitate billing, energy production will be applied to the monthly billing one month after it occurs.

On August 29, Evergy provided a revised draft that incorporated some but not all of Staff's feedback. Among the items not addressed adequately was the proposed change to Monthly Billing Provision 1. Staff set up a call with Evergy on August 29, 2024 to discuss the unresolved feedback items. From that conversation, it is Staff's understanding that due to lags internal to Evergy's generation metering processes, and Evergy's billing processes, that Evergy is unable to comply with its current tariff in all instances to apply energy production to monthly bills one month after that energy production occurs.

Evergy's submitted tariff sheets in Tariff Tracking Nos. JE-2025-0022 and JE-2025-0023 include the following language for Monthly Billing provision 1:

The monthly energy production of the solar resource will be measured and apportioned to each Participant based on their respective Subscription Level. To facilitate billing, energy production will be applied to the monthly billing one to two bill cycles after it occurs.

[emphasis added]

Staff draws this change to the Commission's attention for two reasons; first, because it was not contemplated in the Report and Order authorizing the submittal of Tariff Tracking Nos. JE-2025-0022 and JE-2025-0023, and second to suggest the Commission include in its order authorizing Tariff Tracking Nos. JE-2025-0022 and JE-2025-0023 direction that Evergy take reasonable steps to better align energy production with application to a customer's bill. This alignment is impactful to customers in at least two regards:

1. The highest months of solar production tend to coincide with some of the highest months of energy production for customers, which would result in a greater amount of kWh netting for participants, and better place participants in the position they would be in if they owned the solar generation as net metered customers, and

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2. The highest months of solar production tend to coincide with summer billing months, when energy rates are significantly higher than non-summer billing months, such that for customers failing to receive the benefit of June and July solar participation generation during the June and July billing months, that bill difference will not be "made up," by the application of August and September solar participation generation during the October and November billing months. In other words, the modification to Monthly Billing provision 1 will allow Evergy to recover more revenue from customers due to a two month lag than it would due to a one month lag, most years, under most conditions.<sup>2</sup>

Because Evergy is not capable of complying with the currently-tariffed billing provision, and because other changes included in Tariff Tracking Nos. JE-2025-0022 and JE-2025-0023 are beneficial to customers, Staff does not object to the Commission approval of these tariff sheets at this time, or for such to be allowed to take effect by operation of law.

#### Recommendations

- 1. Staff recommends that the Commission approve or allow to take effect by operation of law the Tariffs sheets (Tariff Tracking Nos. JE-2025-0022 and JE-2025-0023.);
- 2. Staff further recommends that the Commission direct Evergy to take reasonable steps to better align the application of solar participation generation with the billing of participants, for the reasons set out above.

Staff has verified that Evergy Metro and Evergy Missouri West are not delinquent on any assessment and has filed its Annual Report. Evergy's treatment of Solar Subscriber Customers placement on time-based rate schedules is the subject of Count 3 of Staff's complaint, EC-2023-0092, and the Report and Order in ET-2024-0182 directed the filing of related testimony in the pending EMW rate case, ER-2024-0189.

<sup>&</sup>lt;sup>2</sup> Both solar generation and customer usage may vary considerably year to year.

# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

AFFIDAVIT OF SARAH L.K. LANGE  STATE OF MISSOURI ) ss COUNTY OF COLE )  COMES NOW Sarah L.K. Lange, and on her oath states that she is of sound mind and lawful age; that she contributed to the foregoing Staff Recommendation in Memorandum form; and that the same is true and correct according to her best knowledge and belief.  Further the Affiant sayeth not.  Sunch L.K. Lange  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 12 had of September 2024.	In the Matter of Evergy Metro, Inc. d/b/a Evergy Missouri Metro's and Evergy Missouri West, Inc. d/b/a Evergy Missouri West's Solar Subscription Rider Tariff Filings	) File No. ET-2024-0 ) Tracking Nos. JE-2 ) JE-2024-0023				
COMES NOW Sarah L.K. Lange, and on her oath states that she is of sound mind and lawful age; that she contributed to the foregoing Staff Recommendation in Memorandum form; and that the same is true and correct according to her best knowledge and belief.  Further the Affiant sayeth not.  Smah L.K. Lange  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 12n day of September 2024.  Lange  Notary Public	AFFIDAVIT OF SARAH L.K. LANGE					
lawful age; that she contributed to the foregoing Staff Recommendation in Memorandum form; and that the same is true and correct according to her best knowledge and belief.  Further the Affiant sayeth not.  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 13th day of September 2024.  Danne L. Vange  Notary Public	STATE OF MISSOURI ) ) ss COUNTY OF COLE )					
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 13th day of September 2024.	lawful age; that she contributed to the foregoing Stethat the same is true and correct according to her be Further the Affiant sayeth not.	ff Recommendation in Memo est knowledge and belief.				
for the County of Cole, State of Missouri, at my office in Jefferson City, on this 13th day of September 2024.	JURAT					
	for the County of Cole, State of Missouri, at m	nstituted and authorized No office in Jefferson City, o	tary Public, in and on this <u>134</u> day			
DIADRA C. YAUGITI I	DIANNA L. VAUGHT	Notary Public				

DIANNA L. VAUGHT
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: July 18, 2027
Commission Number: 15207377