

Exhibit No.:
Issue(s): *Special Incremental Load*
Witness: *Justin Tevie*
Sponsoring Party: *MoPSC Staff*
Type of Exhibit: *True-Up Rebuttal Testimony*
Case No.: *ER-2024-0189*
Date Testimony Prepared: *September 18, 2024*

MISSOURI PUBLIC SERVICE COMMISSION

INDUSTRY ANALYSIS DIVISION

TARIFF AND RATE DESIGN DEPARTMENT

TRUE-UP REBUTTAL TESTIMONY

OF

JUSTIN TEVIE

EVERGY MISSOURI WEST, INC.,

d/b/a Evergy Missouri West

CASE NO. ER-2024-0189

Jefferson City, Missouri

September 18, 2024

**TABLE OF CONTENTS OF
TRUE-UP REBUTTAL TESTIMONY OF
JUSTIN TEVIE
EVERGY MISSOURI WEST, INC.,
d/b/a Evergy Missouri West
CASE NO. ER-2024-0189**

1	
2	
3	
4	
5	
6	
7	EXECUTIVE SUMMARY1
8	LOCATIONAL MARGINAL PRICES1
9	LOAD COST2
10	ACCREDITED CAPACITY2
11	365-DAYS ADJUSTMENT3
12	CONCLUSION.....3

1 **TRUE-UP 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. My name is Justin Tevie and my business address is PO Box 360, Jefferson City,
9 Missouri, 65102.

10 Q. Are you the same Justin Tevie that provided direct, rebuttal, and
11 surrebuttal/true-up direct testimonies in this case?

12 A. Yes.

13 **EXECUTIVE SUMMARY**

14 Q. What is the purpose of your true-up rebuttal testimony?

15 A. My testimony responds to inaccuracies in the Evergy Missouri West (“EMW”)
16 NUCOR¹ load cost and the locational marginal price (“LMP”) used for ** [REDACTED] ** node
17 provided in the workpaper of EMW labelled “R-99 NUCOR Revenue – MO West True-Up.”
18 I will also respond to a partial change in the EMW accredited capacity assigned to NUCOR
19 from Cimarron Bend III wind farm provided in the quarterly tracking reports and the 365-day
20 adjustment provided in the workpaper labeled “R-20 Retail Revenue – MO True-up.”

21 **LOCATIONAL MARGINAL PRICES**

22 Q. Is EMW using the correct LMP to calculate revenues attributable to NUCOR?

¹ Nucor Steel Sedalia, LLC (“NUCOR”).

1 A. No. Staff could not verify the settlement prices used by EMW to derive
2 those revenues from the Cimarron Bend III wind farm. As select examples, Staff
3 calculated revenues generated in January, February and March of 2024 as ** [REDACTED] **,
4 ** [REDACTED] ** and ** [REDACTED] ** respectively using the real-time LMPs for the
5 ** [REDACTED] ** node, while EMW uses revenues of ** [REDACTED] **, ** [REDACTED] ** and
6 ** [REDACTED] ** for the same period. To put things into perspective, for the 12 months
7 ending April 2024, Staff's calculated revenues from the Cimarron Bend III wind farm was
8 ** [REDACTED] **, while that for EMW was ** [REDACTED] **.

9 **LOAD COST**

10 Q. How is the change in load cost reflected in NUCOR quarterly tracking reports
11 provided by EMW?

12 A. There are discrepancies between the load costs provided in the EMW quarterly
13 tracking reports to Staff and those used in the true-up workpaper. As select examples, the
14 computations from the quarterly tracking reports yielded a load cost of approximately
15 ** [REDACTED] **, ** [REDACTED] ** and ** [REDACTED] ** for January, February and March of
16 2024 respectively, while the EMW true-up workpaper used a load cost of ** [REDACTED] **,
17 ** [REDACTED] **, and ** [REDACTED] ** respectively. To put things into perspective, for the
18 12 months ending April 2024, Staff's total load cost was ** [REDACTED] **, while that for EMW
19 was ** [REDACTED] **.

20 **ACCREDITED CAPACITY**

21 Q. How is the change in the accredited capacity assigned to NUCOR reflected in
22 the EMW's true-up workpaper?

1 A. The accredited capacity increased from ** [REDACTED] ** to ** [REDACTED] **
2 in 2023.

3 Q. Did EMW provide documentation and support for this increase in capacity in its
4 workpapers?

5 A. No, EMW did not provide documentation in the form of its Southwest Power
6 Pool (SPP) resource adequacy worksheet to back the new accredited values.

7 **365-DAYS ADJUSTMENT**

8 Q. Did Staff perform a 365-days adjustment to NUCOR's revenues?

9 A. No.

10 Q. Has EMW provided support for the 365-days adjustment for Special Contract
11 Service ** [REDACTED] ** in its adjustment "R-20 Retail Revenue – MO True-up"?

12 A. No. This adjustment is inconsistent with the testimony² of EMW witness
13 Albert R. Bass, Jr., who opposed the use of a 365-day adjustment. Mr. Bass incorrectly
14 suggested that Staff had applied that adjustment to NUCOR's revenue and stated that the
15 Commission should reject that adjustment.

16 **CONCLUSION**

17 Q. What are Staff's recommendations?

18 A. Staff recommends that the revenue requirement of EMW should be reduced
19 by an amount equivalent to the under recovery (** [REDACTED] **) of NUCOR revenues
20 compared to the costs of serving NUCOR as stated in my surrebuttal/true-up direct testimony.
21 This amount includes an annualization for the rate change through April of 2024.

² ER-2024-0189, Rebuttal testimony of Albert R. Bass, Jr. page 3, lines 8-17.

True-up Rebuttal Testimony of
Justin Tevie

1 The SIL agreement between EMW and NUCOR and the stipulations and agreement³
2 (“2019 Agreement”) stipulate that the revenues generated should be greater than or equal to the
3 cost of serving NUCOR. Staff’s analysis revealed that there was an under recovery of
4 approximately ** [REDACTED] **. The hold harmless provision in the non-unanimous
5 Stipulation and Agreement ensures that non-participants are not penalized for any revenue
6 shortfall from the NUCOR operations. Staff recommends that the Commission reduce the
7 revenue requirement by approximately ** [REDACTED] ** based on an imputed revenue
8 adjustment to cover the revenue deficit in accordance with the 2019 Agreement as supported
9 by this testimony.

10 Q. Does this conclude your True-up Rebuttal testimony?

11 A. Yes it does.

³ File No. EO-2019-0244.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Evergy Missouri West, Inc.) d/b/a Evergy Missouri West’s Request for) Authority to Implement A General Rate) Increase for Electric Service)	Case No. ER-2024-0189
---	-----------------------

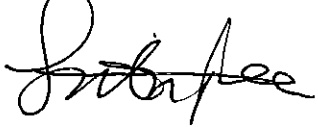
AFFIDAVIT OF JUSTIN TEVIE

STATE OF MISSOURI)
)
 COUNTY OF COLE)

ss.

COMES NOW JUSTIN TEVIE and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *True-Up Rebuttal Testimony of Justin Tevie*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

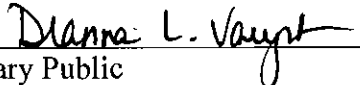


JUSTIN TEVIE

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 17th day of September 2024.

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



 Notary Public