

Exhibit No. 157

Evergy Missouri West – Exhibit 157
Albert R. Bass, Jr.
Rebuttal
File No. ER-2024-0189

Exhibit No.:
Issue: Weather Normalization;
365-day Year Adjustment;
Rate Switchers and
Customer Growth; Energy
Efficiency Annualization
Witness: Albert R. Bass, Jr.
Type of Exhibit: Rebuttal Testimony
Sponsoring Party: Evergy Missouri West
Case No.: ER-2024-0189
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MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2024-0189

REBUTTAL TESTIMONY

OF

ALBERT R. BASS, JR.

ON BEHALF OF

EVERGY MISSOURI WEST

**Kansas City, Missouri
August 2024**

REBUTTAL TESTIMONY

OF

ALBERT R. BASS, JR.

Case No. ER-2024-0189

1 **Q: Please state your name and business address.**

2 A: My name is Albert R. Bass, Jr. My business address is 1200 Main, Kansas City, Missouri
3 64105.

4 **Q: Are you the same Albert R. Bass, Jr. who submitted direct testimony in this docket**
5 **on February 2, 2024?**

6 A: Yes.

7 **Q: On whose behalf are you testifying?**

8 A: I am testifying on behalf of Evergy Missouri West.

9 **Q: What is the purpose of your testimony?**

10 A: The purpose of my rebuttal testimony is to respond to witness Michael Stahlman from the
11 Missouri Public Service Commission Staff (“Staff”) in response to customer growth, 365-
12 days adjustment, and Time-of-Use blocks adjustment.

13 **365-DAYS ADJUSTMENT**

14 **Q: Is there a difference in the customer growth adjustment for Small General Service**
15 **between Staff and the Company?**

16 A: Yes. Staff evaluated the average customer counts for the last two months of the update
17 period. However, the Company evaluated the trend in customer counts at the June 2024
18 true-up date then projected its customer count as the basis for its annualization adjustment.
19 The Company expects that there will be minimal difference at true-up when both Staff and

1 the Company utilize the two-month average of customer count at June 2024 true-up for the
2 basis of its customer annualization adjustment.

3 **Q: What is the purpose of the 365-days adjustment?**

4 A: Customer bills are calculated based on billing cycles, with each customer being assigned
5 to a cycle with different beginning and end dates each month. These billing cycles do not
6 begin and end with each calendar month. A collection of billing cycles for a particular
7 billing period is commonly referred to as a revenue month. Therefore, some billing cycles
8 may have more or less than 365 days over the course of twelve revenue months. The 365-
9 days adjustment is intended to adjust billed kWh so that they are representative of 365
10 days.

11 **Q: Was there a difference between the methods used by the company and Staff to
12 calculate a 365-days adjustment?**

13 A: Yes, the Company used a method historically used by both Staff and the Company used
14 until case ER-2022-0130, at which point Staff switched to a different method.

15 **Q: Is the Company's method appropriate for calculating a 365-days adjustment to the
16 test year billing determinants?**

17 A: Yes, the method employed by the Company utilized the average percentage of billing
18 determinant kWh per cycle to allocate daily weather adjusted kWh to billing cycles across
19 the January-December 2023 period. The resulting kWh were aggregated to billing and
20 calendar month totals. The ratio was computed comparing annual calendar month totals to
21 annual billing month totals to arrive at the 365-days adjustment factor.

1 **Q: How is the method used by Staff different?**

2 A: Staff utilized a percentage of billing determinant kwh per cycle in each respective month
3 to allocated daily weather adjusted kwh to billing cycles across the period January-
4 December 2023. Then computed the ratio of 365 days to total billed days for each billing
5 cycle and multiplied that ratio by the weather adjusted kwh for each respective bill cycle.
6 The sum of the weather-adjusted kWh multiplied by the day's ratio is divided by weather-
7 adjusted kWh to arrive at a 365-day adjustment factor.

8 **Q: Did Staff make a 365-days adjustment for any special contract customers?**

9 A: Yes.

10 **Q: Should there be a 365-days adjustment for this customer?**

11 A: No. This customer is billed based on a calendar month billing cycle, so a 365-day
12 adjustment should not be made.

13 **Q: Should the Commission adopt Staff's 365-days adjustment?**

14 A: No. The 365-days adjustment factors as calculated by the Company accounts for the
15 difference between customer billing determinants on billing cycle basis and a 365-day
16 calendar basis and is consistent with 365-days adjustments in previous cases. Additionally,
17 the Company is not making adjustments for customers who are on calendar billing cycle.

18 **TIME OF USE ("TOU")**

19 **Q: Do you agree with Staff's TOU block adjustment?**

20 A: No.

21 **Q: Why do you not agree with Staff's TOU block adjustment?**

22 A: Staff's method is imprecise and overly generalized. Staff is using a historical standard
23 residential load shape to calculate a different percentage to match the different time-of-use

1 blocks. This assumes that TOU customers on the rate codes MORPA, MORPAS,
2 MORPALIS, MORPANM, MORPAG, MORT, MORT2, MORT3, and MORTEV behave
3 the same usage as a typical historical residential customer prior to introducing the TOU
4 rate codes. That is likely not the case at all. The individual TOU rate codes can all have
5 varying and different load shapes and usage, therefore Staff's adjustment is not
6 representative of customers' TOU usage. Staff's analysis assumes the summer usage for
7 TOU customers will be similar to historical non-TOU customer usage. However, this is
8 unknown at this time since the new TOU rates have not been in place for a summer period.
9 The results can lead to a flawed analysis or at a minimum, imprecise.

10 **Q: Has the Company provided Staff with hourly TOU rate code level customer data?**

11 A: The Company provided Staff hourly rate class load data consistent with data provided in
12 the 2022 rate cases and based on readily available data.

13 **Q: Why has the Company not provided hourly TOU rate code customer data?**

14 A: Hourly loads reflective of 100% (or majority of customers) on Residential TOU rate did
15 not become available until December of 2023 when Residential customers were moved to
16 TOU rates. This move occurred after the Test Year. For the test period of July 2022
17 through June 2023, the TOU rate codes MORPA, MORPAS, MORPALIS, MORPANM,
18 MORPAG, MORT, MORT2, MORT3, and MORTEV were only initially being introduced
19 to customers and switching to those new rates did not start until July 2023. Moving all
20 Residential customers to the TOU default rate did not commence until October/November
21 2023. Therefore, the Company's direct filing did not have adequate hourly customer TOU
22 rate code data to utilize during the period. There would have only been a few months of

1 customer data under the new TOU rates at the update period of December 2023, which
2 would not be indicative of customer behavior under the new TOU rates.

3 In order to utilize the TOU customer data for weather normalization and development of
4 load shapes by each TOU rate codes, a minimum of twelve months of data would be needed
5 which was not available for this case.

6 **Q: Should the Commission adopt Staff's TOU block adjustment?**

7 A: No. Staff's TOU adjustment is speculative and may not represent the real usage under each
8 TOU rate code. The Company's TOU block adjustment is superior as it uses 12 months of
9 available actual rate code data and did not utilize overly general assumptions.

10 **ENERGY EFFICIENCY / MEEIA ADJUSTMENT**

11 **Q: Is there a difference in the Energy Efficiency/MEEIA rate case annualization between**
12 **Staff and the Company?**

13 A: Yes. Staff's adjustment uses actual kWh savings for the update period and the Company's
14 adjustment uses kWh savings projected through the end of the true-up date. Staff's
15 omission results in a difference/error of approximately \$600k difference, the Company
16 expects that there will be minimal difference at true-up when both Staff and the Company
17 align and correctly utilize actual kWh savings through the end of the true-up date as the
18 basis for the Energy Efficiency/MEEIA adjustment.

19 **Q: Does that conclude your testimony?**

20 A: Yes, it does.

