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Issues: Economic Development  
Trends and Power  
Needs  
Witness: G. Subash Alias  
Type of Exhibit: Direct Testimony  
Sponsoring Party: Evergy Missouri West  
Case No.: EA-2024-0292  
Date Testimony Prepared: October 25, 2024

**MISSOURI PUBLIC SERVICE COMMISSION**

**CASE NO.: EA-2024-0292**

**DIRECT TESTIMONY**

**OF**

**G. SUBASH ALIAS, CEO, Missouri Partnership**

**ON BEHALF OF**

**EVERGY MISSOURI WEST**

**Kansas City, Missouri  
October 2024**

**DIRECT TESTIMONY**

**OF**

**G. SUBASH ALIAS**

**Case No. EA-2024-0292**

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

2   A:   My name is G. Subash Alias. My business address is 120 S. Central. Suite 1275 St. Louis,  
3       MO 63105.

4   **Q:   By whom and in what capacity are you employed?**

5   A:   I am employed by Missouri Partnership and serve as Chief Executive Officer.

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

7   A:   I am testifying on behalf of Evergy Missouri West, Inc. d/b/a Evergy Missouri West  
8       ("EMW").

9   **Q:   What is Missouri Partnership and what are your responsibilities at the company?**

10  A:   Missouri Partnership is a public-private economic development organization formed in  
11       2008 for the specific purpose of marketing the state and attracting new companies to create  
12       jobs and investment in Missouri. Our organization works very closely with governmental  
13       and private partners to attract businesses to the state. Missouri Partnership works in  
14       collaboration with Hawthorn Foundation, the Missouri Department of Economic  
15       Development ("DED"), and many regional partners such as the Kansas City Area  
16       Development Council to attract companies that have created more than 33,500 jobs and  
17       \$7.6 billion in new capital investment in Missouri. As CEO, I am involved in leading the  
18       team of professionals that compete for business recruitment projects and market the State

1 of Missouri to companies that are considering relocating or investing in new operations in  
2 Missouri.

3 Economic development has four components – entrepreneurship, business  
4 expansion, business retention, and business attraction. Additionally, economic  
5 development organizations typically represent states, regions, counties, cities, industry  
6 sectors, and service territories. Often it takes multiple entities to effectively work together  
7 to advance economic development. Missouri Partnership represents the interests of the  
8 State of Missouri on business attraction efforts at the state level.

9 **Q: Please describe your education, experience and employment history.**

10 A: I have been with Missouri Partnership since April 2011. I have been actively engaged in  
11 marketing the state to companies that are considering relocating or investing in new  
12 operations in Missouri and competing for those projects. My experience crosses multiple  
13 sectors including aerospace and defense, automotive, advanced manufacturing, financial  
14 and professional services, and data centers.

15 Before joining Missouri Partnership, I worked for the Pittsburgh Regional Alliance  
16 (“PRA”), an affiliate of the Allegheny Conference on Community Development. At the  
17 PRA, I was engaged in business attraction, expansion, and retention efforts for the greater  
18 Pittsburgh region, as well as leading the PRA’s Pittsburgh Impact Initiative – an existing  
19 business outreach program.

20 Prior to working and living in Pittsburgh, I spent nine years in a similar role with  
21 the St. Louis Regional Chamber & Growth Association. Today the organization is known  
22 as Greater St. Louis, Inc. In addition to attraction/expansion/retention activities, I was

1 involved with the region's development and enhancement of the advanced manufacturing  
2 and transportation/distribution industry clusters.

3 In 1994 I earned my undergraduate degree in Business Administration from St.  
4 Ambrose University in Davenport, Iowa and received my MBA from the Olin School of  
5 Business at Washington University in St. Louis in 2002.

6 **Q: Have you previously testified in a proceeding at the Missouri Public Service**  
7 **Commission ("MPSC" or "Commission") or before any other utility regulatory**  
8 **agency?**

9 A: Yes, I testified before the Commission in Case No. EO-2023-0022 regarding a special  
10 high load factor market rate tariff.

11 **Q: What is the purpose of your direct testimony?**

12 A: The purpose of my direct testimony is to:

- 13 1. Describe feedback from site selection consultants and companies regarding  
14 the desire for new renewable energy options when serving their loads;
- 15 2. Address how the level of economic development activity and size of  
16 projects looking to potentially locate in Missouri is increasing;
- 17 3. Convey how the availability of electric power supply capacity for the  
18 amount needed and when it's needed is a very important site selection factor  
19 for industrial customers; and
- 20 4. Describe how in recent years there has been a significant increase in the  
21 amount of power required for recent prospect activity compared to historical  
22 requirements.

1 **Q: Please describe the priorities for Missouri Partnership in attracting businesses to**  
2 **Missouri.**

3 A: Missouri Partnership is interested in bringing new investment projects to Missouri that will  
4 create new jobs and quality wages that will increase prosperity in the state.

5 **Q: What are the key benefits that these large commercial and industrial companies bring**  
6 **to Missouri communities?**

7 A: Attracting large commercial and industrial companies to the state of Missouri creates  
8 significant direct, indirect and induced benefits. Direct benefits include the direct job  
9 creation and capital investment, which help to increase the tax base as well as opportunity  
10 for prosperity among Missouri citizens. Indirect and induced benefits include the creation  
11 of new construction jobs, the potential to attract additional supply chain partners to the  
12 state, and retail opportunities to support employees of the facilities. All of these  
13 opportunities help to strengthen and diversify Missouri's economy.

14 **Q: How has the state of Missouri sought to attract these types of companies?**

15 A: Missouri has sought to attract companies in targeted industries through our marketing,  
16 business development, and project management efforts. Through our marketing efforts,  
17 we strategically reach the broadest audience of industry professionals from targeted  
18 industries and site selection consultants to tell Missouri's story and tout the advantages of  
19 a Missouri location. We utilize digital advertising, social media, our website and blog, as  
20 well as media placements and earned media to talk about Missouri's advantages.

21 Our business development efforts are focused on building direct relationships with  
22 industry professionals and site selection consultants. We attend conferences and trade

1 shows to make direct connections and utilize lead generation services to identify companies  
2 that are potentially expanding.

3 When we engage with a company or site selection consultant representing a  
4 company that is actively interested in exploring Missouri for a location, our project  
5 management team acts as a concierge service to present solutions, and to ensure the  
6 company understands the advantages of a Missouri location and is able to connect to the  
7 appropriate resources. Often that request includes serving as the point of contact to  
8 coordinate all the components of the project, including identifying real estate; making  
9 connections with utility partners, state agencies and local economic developers; providing  
10 research and data on locations; and coordinating business incentives, among other needs.  
11 Our project management team strives to ensure a smooth path forward to selecting  
12 Missouri.

13 **Q: Are other states in our region attempting to recruit similar companies?**

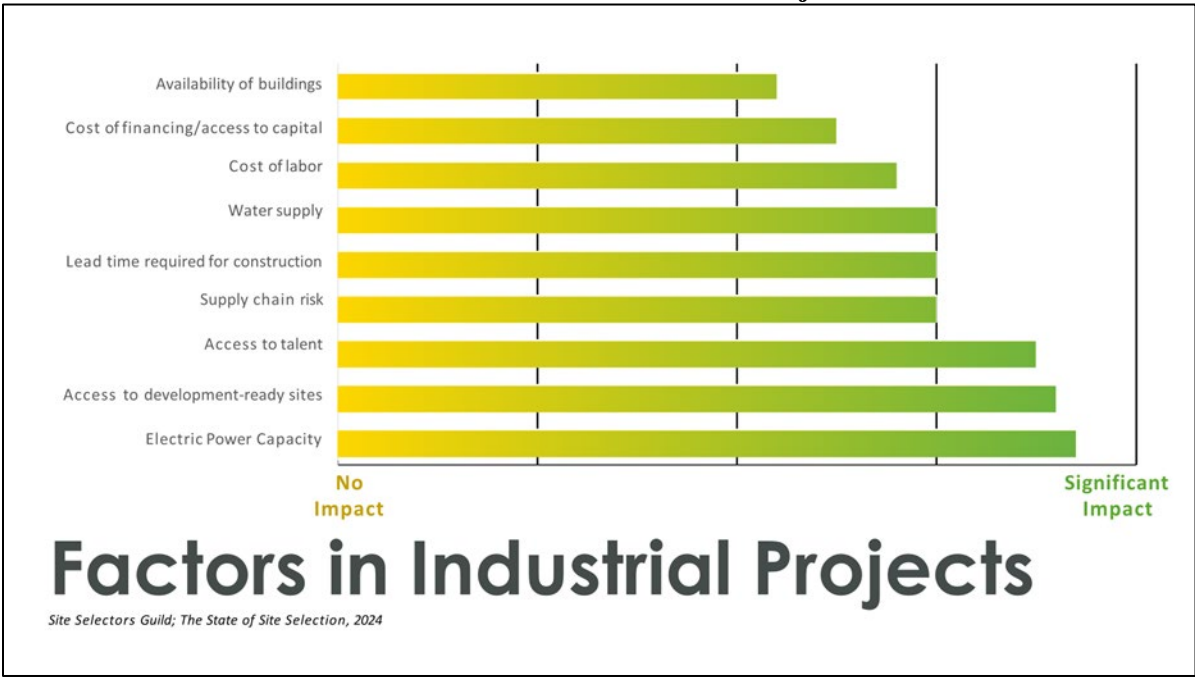
14 A: Yes, states in our region are actively competing to recruit similar companies. Many states  
15 are offering competitive incentive packages, including upfront cash incentives to help lure  
16 companies to their state. Some examples of recent success from states in our region  
17 include:

- 18       ▪ Panasonic (Kansas)
- 19       ▪ Gotion (Illinois)
- 20       ▪ Walmart Beef Packaging (Kansas)
- 21       ▪ SK Food Group (Tennessee)

**Q: Based on your experience, what factors contribute to the decision to locate these facilities in Missouri?**

**A:** We know the top factors that contribute to the decision to locate facilities include the availability of skilled labor, state and local incentives, available land and real estate, responsive state and local government, energy availability, energy costs, tax exemptions, highway accessibility, proximity to suppliers, and labor costs. This information comes from the Area Development Annual Consultants Survey, but also aligns with our experience working on projects. In an evaluation of our past projects, we determined that some of the top reasons that Missouri is winning and losing projects include real estate availability, workforce availability, supply chain/customer locations, infrastructure, business costs, utility rates, and incentives, among other factors. As of late, as shown below, the cost, availability, and timing of the delivery of electricity has now become a critical factor in the decision to locate a facility in Missouri or other states.

**Table 1: Factors in Industrial Projects**



**Q: What are the trends you are seeing with recent level of activity for these types of businesses and the size of projects looking to potentially locate in Missouri communities?**

A: In recent years we have seen a shift in project parameters. Capital expenditures have been increasing significantly, while job creation figures have been reduced. The electric power needs of projects have been increasing steadily, and the requirement for carbon-free power to meet environmental sustainability goals has become increasingly common.

**Q: How does the availability of electric power capacity and energy play into a decision for site selection consultants and prospective companies?**

A: The availability of electric power capacity and energy, especially renewable energy, has become a driving factor in site selection decisions. Because power needs are increasing for both industrial and data center users, electricity has become a resource treated with scarcity. Coined “The Great Electron Race” by experienced site selector Bradley Migdal, companies are looking to mitigate energy supply risks and to secure power resources. Further, the speed to build out infrastructure, which is often dependent on the availability of electrical infrastructure equipment, can be a critical factor in timing. Locations that can produce faster speed to market have an advantage.

**Q: How does electricity supply rank in terms of priority relative to other site selection factors?**

A: This consideration has become a critical decision factor. We have been involved in several recent and current projects where the cost of power and timing of delivery have become the “make or break” factor in our ability to compete with other locations. This factor has become increasingly important over time as the power needs of users have grown.



**Q: Has there been a significant increase in the amount of power required for recent prospect activity compared to historical requirements?**

**A:** Yes. In recent years, we have observed a significant increase in power requirements for projects from both manufacturing users and data center users.

**Table 2: Recent Project Sizes and Power Requirements**

| Jobs  | Capex           | Site Acreage Requirement | Building Square Footage Requirement | Electric Requirements                         |
|-------|-----------------|--------------------------|-------------------------------------|---|
| 1,500 | \$5,200,000,000 | 820                      |                                     | 480 MW<br>100% Renewable                      |
| 650   | \$3,300,000,000 | 2,200                    |                                     | 1,280 MW                                      |
| 675   | \$2,000,000,000 | 260                      |                                     | 1 GW<br>100% Renewable                        |
| 3,240 | \$1,500,000,000 | 200                      |                                     | 80 MW   |
| 1,000 | \$1,000,000,000 | 150                      |                                     | 400 MW by 2028                                |
| 205   | \$599,000,000   | 30                       | 450,000                             | 50 MW   |
| 388   | \$550,000,000   | 300                      | 1,500,000                           | 12 MW   |
| 326   | \$455,000,000   | 80                       |                                     | 100 MW  |
| 100   | \$320,000,000   | 650                      |                                     | 45 MW   |
| 500   | \$300,000,000   | 450                      |                                     | 65 MW by 2026                                 |
| 200   | \$140,000,000   | 50                       | 526,262                             | 9.5 MW<br>portion attributed to<br>renewables |
| 308   | \$121,000,000   | 50                       | 275,000                             | 12 MW   |
| 5,000 | \$0             | 1,000                    |                                     | 1,200 MW by 2042                              |

**Q: Has Missouri lost out on any project opportunities due to power related limitations?**

**A:** Yes, Missouri has lost projects due to the cost of power and the time it takes to deliver power infrastructure.

**Q: Is access to renewable energy an important factor to site selection consultants or prospective companies**

**A:** Yes, increasingly companies are seeking carbon-free power to align with environmental sustainability goals.

1   **Q:   Does the Missouri Partnership support the development of renewable resources to**  
2       **meet the needs of businesses in Missouri?**

3   A:   We don't take a formal position on legislation or policies. We know that many of our clients  
4       are looking for affordable solutions to provide large, reliable, and clean sources of energy.

5   **Q:   How are companies looking to address this need for renewable energy?**

6   A:   Companies are seeking locations that can provide economical solutions for carbon-free  
7       energy, including generation from solar, wind, hydroelectric, and other renewable sources.  
8       As an alternative, they will explore Renewable Energy Credits that would allow the  
9       company to lay claim to renewable energy use despite the generation portfolio.

10  **Q:   Are you aware of the proposed Green Solutions Connection program in this case?**

11  A:   Yes, I am aware of it but the proposed program is best described by Evergy witness  
12       Kimberly Winslow.

13  **Q:   Is the proposed program responsive to feedback you are hearing from site selection**  
14       **consultants and companies describing their interest in having access to renewable**  
15       **energy?**

16  A:   While I am not able to comment on the viability of this specific program, I would note that  
17       we are seeing an increase in the number of projects interested in accessing renewable  
18       energy for customer's electric power needs.

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

20  A:   Yes, it does.