

FILED
November 1, 2024
Data Center
Missouri Public
Service Commission

Exhibit No. 243

Staff – Exhibit 243
Michael Stahlman
Rebuttal
File No. ER-2024-0189

Exhibit No.:
Issue(s): *Weather Normalization*
Adjustment Factors
Witness: *Michael L. Stahlman*
Sponsoring Party: *MoPSC Staff*
Type of Exhibit: *Rebuttal Testimony*
Case No.: *ER-2024-0189*
Date Testimony Prepared: *August 6, 2024*

MISSOURI PUBLIC SERVICE COMMISSION

INDUSTRY ANALYSIS DIVISION

TARIFF/RATE DESIGN DEPARTMENT

REBUTTAL TESTIMONY

OF

MICHAEL L. STAHLMAN

EVERGY MISSOURI WEST, INC.,

d/b/a Evergy Missouri West

CASE NO. ER-2024-0189

Jefferson City, Missouri
August 6, 2024

1 **WEATHER NORMALIZATION ADJUSTMENT FACTORS**

2 Q. Does Staff have any significant issues with the weather normalization regression
3 analysis performed by Mr. Bass?

4 A. Generally no. There are some differences in the approach, such as Staff using only
5 two years of data since that avoided including a factor to account for the impacts of COVID,
6 but the method that Mr. Bass used is largely consistent with Staff's approach. The main issues
7 with the analysis stem from the weather input data, which is further discussed in the rebuttal
8 testimony of Staff witness Francisco Del Pozo.

9 Q. Does Staff have issues with how the factors from Mr. Bass's analysis were applied?

10 A. Yes. To be fair to Mr. Bass, the method he used is completely consistent with how
11 both EMW and Staff applied weather normalization adjustment factors in prior rate cases.
12 However, since nearly all residential customers in this case now have time-of-use ("TOU")
13 rates, Staff applied the factors in a way that better accounts for weather impacting peak hours
14 differently than off-peak hours, as discussed in my direct testimony.

15 Q. Is there evidence that weather does impact peak hours differently than
16 off-peak hours?

17 A. Yes. Both Staff and EMW perform two separate regression analyses; one for daily
18 energy consumption and the other for hourly peak usage. The resulting regression shows
19 significant differences between the weather's impacts on hourly peak usage and daily
20 energy consumption. In particular, the sign in front of the CDD2 (a cooling degree day variable)
21 coefficient in Mr. Bass's regression analysis changes between a positive and negative from the
22 energy regression to the peak regression.

Rebuttal Testimony of
Michael L. Stahlman

1 Q. Should these factors be applied to the net-metered customers?

2 A. No. A net-metered customer's response to weather will be different than a general
3 customer. For a net-metered customer, a clear sunny day would tend to bring about that
4 customer's highest generation generally around the same time that usage would be highest.

5 Q. Is Staff willing to look at an analysis specifically for net-metered customers?

6 A. Yes. Staff would be happy to review data of customers in a net metered class;
7 however, at this time EMW has been unable to provide data for these customers as an
8 isolated class.

9 Q. Was there any coefficient included in the regression analyses of Mr. Bass that
10 would account for the generation of net-metered customers?

11 A. I did not see any generation coefficients included in his models.

12 Q. Does this conclude your rebuttal testimony?

13 A. Yes it does.

