

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

In the Matter of Evergy Metro, Inc.)
d/b/a Evergy Missouri Metro’s Request)
for Authority to Implement A General)
Rate Increase for Electric Service)
Case No. ER-2022-0129

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-2022-0130

RESPONSE TO NOTICE OF ADDING NEW SPP CHARGE TYPES

COMES NOW the Office of the Public Counsel (“OPC”) and for its *Response to Notice of Adding New SPP Charge Types*, states as follows:

1. On November 1, 2024, Evergy Missouri West, Inc. d/b/a Evergy Missouri West and Evergy Metro, Inc. d/b/a Evergy Missouri Metro (collectively “Evergy” or “the Company”) filed a *Notice of Adding New SPP Charge Types* in the above styled cases pursuant to Commission rule 20 CSR 4240-20.090(8)(D)1A.

2. The stated purpose of this filing was to add six new SPP charge types related to Uninstructed Resource Deviation (“URD”) to the Company’s next FAR (“Fuel Adjustment Rate”) filing, which is expected to be filed on or about February 1, 2025.

3. The OPC now challenges this filing pursuant to Commission rule 20 CSR 4240-20.090(8)(D)1C.

4. Evergy's filing does not show that the URD cost covered by the new market settlement type or schedule possesses the characteristics of, and is of the nature of, a cost or revenue included in the electric utility's FAC because these URD costs result from brand new charge types the SPP has recently created to discourage operators from deviating from SPP dispatch instructions and there are currently no charge types included in Evergy's FAC that capture charges associated with the deviation of SPP dispatch instructions.

5. The OPC includes as Attachment A to this filing a memorandum prepared by an expert witness for the OPC to provide support for this filing.

WHEREFORE, the Office of the Public Counsel respectfully requests the Commission deny Evergy's proposal to add six new URD charge types to the Company's next FAR and grant any such other relief as is just and reasonable under the circumstances.

Respectfully submitted,

By: /s/ John Clizer
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CERTIFICATE OF SERVICE

I hereby certify that copies of the forgoing have been mailed, emailed, or hand-delivered to all counsel of record this twenty-sixth day of November, 2024.

/s/ John Clizer

MEMORANDUM

To: Missouri Public Service Commission Official Case File,
Case Nos. ER-2022-0129 & 0130 Evergy Metro & Evergy West

From: Angela Schaben, Utility Regulatory Auditor
Missouri Office of the Public Counsel

Re: Response to Evergy's Notice of Adding New SPP Charge Types

Date: 11/26/2024

I. Introduction

On November 1, 2024, Evergy Missouri West, Inc. d/b/a Evergy Missouri West and Evergy Metro, Inc. d/b/a Evergy Missouri Metro (collectively "Evergy" or "the Company") filed a *Notice of Adding New SPP Charge Types* in cases ER-2022-0129 and ER-2022-0130.¹ The purpose of this filing was to add six new SPP charge types related to Uninstructed Resource Deviation ("URD") to the Company's next FAR ("Fuel Adjustment Rate") filing, which is expected to be filed on or about February 1, 2025. Evergy cited Commission rule 20 CSR 4240-20.090(8)(D)1A, which requires the Company to give notice of a new market settlement type or schedule within 60 days prior to the due date for the electric utility's next FAR filing, as the legal basis for making the filing. After reviewing the filing made by the Company and conducting my own investigation, I have determined that Evergy failed to adhere to the rule requirements of 20 CSR 4240-20.090(8)(D)1B and have further determined that it would be improper to add the six new SPP URD charge types at this time based on the requirements set forth in the rule.

II. Evergy's Failure to Adhere to the Rule Requirements

Commission rule 20 CSR 4240-20.090(8)(D)1 allows a utility or another party to propose the inclusion of a new charge type implemented by a Regional Transmission organization ("RTO") as part of a utility's existing FAC. To make that proposal, the rule requires the party proposing the inclusion to make a filing that includes:

- I. Identification of the account affected by the change;
- II. A description of the new market settlement type or schedule demonstrating that the cost or revenue it covers possesses the characteristics of, and is of the nature of, a cost or revenue allowed in the electric utility's FAC by the commission in the most recent general rate proceeding; and

¹ Notice of Adding New SPP Charge Types, ER-2022-0129, EFIS Item no. 716; Notice of Adding New SPP Charge Types, ER-2022-0130, EFIS Item no. 735.

III. Identification of the preexisting schedule, or market settlement type which the new settlement type or schedule replaces or supplements;

The filing made by Evergy in the above referenced cases seeking to add the six new SPP URD charge types only includes the first of these three required pieces of information. The Company did identify that the charge types would be “recorded to FERC Account Number 447 revenues from off-system sales and FERC Account Number 555 purchased power.” However, Evergy’s filing has failed to provide a description of the URD charges that demonstrates how the cost or revenue covered by the new market settlement types possess the characteristics of, and is in the nature of, a cost or revenue allowed in Evergy’s current FAC. Additionally, the Company’s filing failed to identify the preexisting market settlement type which the new settlement type replaces or supplements.² Therefore, the Company has not complied with the requirements of rule 20 CSR 4240-20.090(8)(D)1B and the Commission should deny the Company’s request on its face.

III. These URD Charges Should Not Be Included in the FAC at This Time

The six URD charge types identified in Evergy’s request should not be included in the FAC at this time. These are brand new charge types the SPP has recently created to discourage operators from deviating from SPP dispatch instructions and there are currently no charge types included in Evergy’s FAC that capture charges associated with the deviation of SPP dispatch instructions. As such, the costs covered by these charge types do not possess any characteristics of a cost or revenue allowed in Evergy’s existing FAC, nor are they in the nature of any such costs. Including these URD charges in the FAC at this time would therefore improperly change the FAC between rate cases. I would further note that Evergy West recently concluded a general rate case³ and at no point during the rate case proceeding did Evergy mention any potential new FAC eligible SPP charge types.

Evergy still has the opportunity to argue for the inclusion of these costs as part of its next general rate proceeding. This is the most appropriate venue to bring up these new SPP URD charge types. Therefore, the Commission should deny Evergy’s request to include the six new URD charge types in Evergy’s next FAR filing and instead wait until Evergy’s next general rate proceeding to address these new charges.

² Evergy did provide what it considered the necessary information to meet requirements II and III in response to OPC data requests. However, the OPC does not concur with the Company’s response and, regardless, the information was not contained in the Company’s filing.

³ File No. ER-2024-0189.


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

AFFIDAVIT OF ANGELA SCHABEN

STATE OF MISSOURI)
) SS.
COUNTY OF COLE)

COMES NOW ANGELA SCHABEN and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Memorandum* and that the same is true and correct according to her best knowledge and belief.

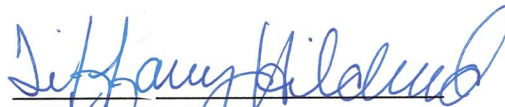
Further the Affiant sayeth not.



Angela Schaben
Utility Regulatory Auditor

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 25th day of November, 2024.



Tiffany Hildebrand
Notary Public

My Commission expires August 8, 2027.