

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

In the Matter of Evergy Metro, Inc. d/b/a)
Evergy Missouri Metro’s Notice of Intent to)
File an Application for Authority to) **File No. EO-2023-0369**
Establish a Demand-Side Programs)
Investment Mechanism)

In the Matter of Evergy Missouri West, Inc.)
d/b/a Evergy Missouri West’s Notice of)
Intent to File an Application for Authority to) **File No. EO-2023-0370**
Establish a Demand-Side Programs)
Investment Mechanism)

EVERGY RESPONSE TO ORDER DIRECTING FILING

COMES NOW, Evergy Metro, Inc. d/b/a Evergy Missouri Metro (“Evergy Missouri Metro”) and Evergy Missouri West, Inc. d/b/a Evergy Missouri West (“Evergy Missouri West”) (collectively, the “Company” or “Evergy”), *Response to Order Directing Filing* which was issued on November 18, 2024. In support of this pleading, Evergy states as follows:

BACKGROUND

1. Evergy, OPC, and Renew Missouri Advocates d/b/a Renew Missouri (“Renew Missouri”) filed a *Non-Unanimous Stipulation and Agreement* (“Agreement”) on September 27, 2024. Staff filed its response on October 4, 2024, indicating that Staff did not oppose the Agreement.

2. The Commission issued its *Order Directing Evergy to File Substitute Tariff Sheets and Setting Time for Responses* (“Order”) on October 8, 2024. The Order directed Evergy to file substitute tariff sheets reflecting the terms of the Agreement no later than October 15, 2024. The Order also directed Staff to file a recommendation regarding the substitute tariff sheets no later than October 18, 2024. Subsequently the filing deadline for the Staff Recommendation was extended to November 8, 2024.

3. On October 15, 2024, the Company filed substitute tariff sheets reflecting the terms of the Agreement.

4. On November 8, 2024, the Commission Staff filed its Staff Recommendation in which it suggested revisions to the Company's proposed tariffs and stated that "Staff concludes that the tariff sheets attached and incorporated herein comply with the Agreement." (Staff Recommendation, p. 2)

5. On November 18, 2024, the Commission issued its *Order Directing Filing* which directed Evergy to respond to Staff's concerns with the Agreement and to Staff's tariff recommendation with sufficient detail to justify the Commission considering the Agreement and associated tariff sheets as a reasonable resolution of Evergy's proposed MEEIA Cycle 4.

6. On November 26, 2024, Evergy and OPC filed their *Joint Response of Evergy and OPC to the Staff Recommendation And Joint Motion to Approve Substitute Tariffs* ("November 26th Joint Pleading"). In the November 26th Joint Pleading, Evergy and OPC informed the Commission that the Staff Recommendation and the substitute tariffs attached thereto (as subsequently modified by an additional filing of substitute tariff sheets on November 25, 2024) were acceptable to the Company and OPC. In addition, the November 26th Joint Pleading stated that as a result of subsequent discussions between the Company, Staff, and OPC, additional changes to the substitute tariffs attached to the Staff Recommendation were suggested by OPC to address issues related to the PAYS program. On November 25, 2024, Evergy filed revised substitute tariffs which included the subsequent edits related to the PAYS program. The Company and OPC agreed that the Agreement filed on September 27, 2024, and the revised substitute tariffs should be approved by the Commission to be effective on January 1, 2025.

7. In addition, the Company provided Staff the information it requested in its November 8, 2024 Staff Recommendation, which included the Net Margin values, the Load Shape Values, the updated TRM, and incentive ranges. The Company also filed the TRM and incentive ranges requested by Staff on November 25, 2024.

EVERGY RESPONSE TO ORDER DIRECTING FILING

8. In response to the *Order Directing Filing*, Evergy will further address the concerns raised by Staff to the Agreement and the revised tariffs.

9. First, Evergy would note that no party, including the Staff, has objected to the Agreement filed by Evergy, OPC, and Renew Missouri on September 27, 2024. As a result, the Agreement may be considered a unanimous stipulation and agreement under 20 CSR 4240-2.115(2)(c).¹

10. The concerns raised by Staff in paragraph 3(a)-(f) of the *Staff Response To Non-Unanimous Stipulation and Agreement* were largely addressed in Evergy’s pre-filed rebuttal and surrebuttal testimony² and its *Position Statement*³ in this proceeding and do not need to be repeated herein. With regard to the concern with the TRM expressed by Staff in Paragraph 3(g), Evergy has worked with Staff to provide the material requested for the TRM, as explained in more detail below. Most importantly, Staff stated in its Response: “However, despite the concerns listed above from Staff, and in recognition of this Stipulation being a step in the right direction in regards to MEEIA compared to the originally filed application, Staff does not object.”⁴

¹ In its recent *Order Approving Non-Unanimous Stipulation and Agreement in Re Union Electric Company d/b/a Ameren Missouri 4th Filing to Implement Regulatory Changes in Furtherance of Energy Efficiency as Allowed by MEEIA*, File No. EO-2023-0136 (November 14, 2024)(“Ameren MEEIA 4 Case”), the Commission stated: “Commission Rule 20 CSR 4240-2.115 allows the Commission to treat a non-unanimous stipulation as if it were unanimous if no party objects. Because no party objects, the Commission will treat the Stipulation as unanimous.”

² See e.g., Gunn Rebuttal, pp. 2-14; File Rebuttal, pp. 2-27; VandeVelde Rebuttal, pp. 2-15; Gunn Surrebuttal, pp. 2-42; File Surrebuttal, pp. 1-46; VandeVelde Surrebuttal, pp. 2-12.

³ Evergy Position Statement, pp. 8-24, 28-41.

⁴ Staff Response, p. 3. (emphasis added).

11. In the *Ameren MEEIA 4* case, Staff expressed virtually the same concerns mentioned in Paragraph 3(a)-(f).⁵ Notwithstanding the concerns raised by Staff related to the Non-Unanimous Stipulation and Agreement filed Ameren Missouri, OPC, Renew Missouri, and Consumers Council in File No. EO-2023-0136, the Commission approved the Ameren Missouri Stipulation and stated:

Decision

Commission Rule 20 CSR 4240-2.115 allows the Commission to treat a non-unanimous stipulation as if it were unanimous if no party objects. Because no party objects, the Commission will treat the Stipulation as unanimous.

Under MEEIA, and with Commission approval, electric utilities may offer demand-side programs and special incentives to participating customers designed to put demand-side initiatives on equal footing with traditional supply-side resources. In order to accomplish that equal footing, the law requires the Commission to do three things:

- (1) Provide timely cost recovery for utilities;
- (2) Ensure that utility financial incentives are aligned with helping customers to use energy more efficiently and in a manner that sustains or enhances utility customers’ incentives to use energy more efficiently; and
- (3) Provide timely earnings opportunities associated with cost-effective measurable and verifiable savings.

Based on the Commission’s impartial and independent review of the Stipulation, the Commission finds that the Stipulation meets the aforementioned MEEIA standards. Therefore, the Commission will approve the Stipulation, and will grant the requested variances. So that Ameren Missouri may begin implementing its MEEIA programs expeditiously, the Commission finds good cause to make this order effective in less than 30 days. The Commission thanks and commends all the parties for their diligent work in negotiating a stipulation that meets Missouri’s MEEIA goals of assisting customers to use energy more efficiently.⁶

⁵ See Staff Response To Non-Unanimous Stipulation And Agreement, File No. EO-2023-0136, pp. 1-4, paragraph 3(a)-(g),

⁶ *Order Approving Non-Unanimous Stipulation and Agreement*, pp. 1-2, Re Union Electric Company d/b/a Ameren Missouri 4th Filing to Implement Regulatory Changes in Furtherance of Energy Efficiency as Allowed by MEEIA, File No. EO-2023-0136 (November 14, 2024).

12. The Commission should similarly exercise its impartial and independent review of the Agreement in this case and approve the Agreement to be effective no later than January 1, 2025, as requested by the parties.

13. Second, the Staff concerns related to the substitute tariffs, Net Margin values, the updated TRM, and incentive ranges were addressed in the November 26th Joint Pleading filed by Evergy and OPC.

WHEREFORE, Evergy respectfully renews its request that the Commission approve the Agreement filed on September 27, 2024, and the revised substitute tariffs which were filed on November 25, 2024 to be effective on January 1, 2025.

Respectfully submitted,

/s/ Roger W. Steiner

Roger W. Steiner, MBN 39586
Evergy, Inc.
1200 Main Street
Kansas City, MO 64105
Phone: (816) 556-2791
Fax: (816) 556-2787
roger.steiner@evergy.com

James M. Fischer, MBN 27543
Fischer & Dority, P.C.
2081 Honeysuckle Lane
Jefferson City, MO 65109
Phone: (573) 353-8647
jfischerpc@aol.com

**ATTORNEYS FOR EVERGY MISSOURI
METRO AND EVERGY MISSOURI WEST**

CERTIFICATE OF SERVICE

The undersigned certifies that true and correct copies of the foregoing have been e-mailed to counsel of record for all parties this 26th day of November 2024.

/s/ Roger W. Steiner

Roger W. Steiner