

EVERGY METRO, INC. d/b/a EVERGY MISSOURI METRO

P.S.C. MO. No. 2 Original Sheet No. 2.39
Canceling P.S.C. MO. No. _____ Revised Sheet No. _____
For Missouri Retail Service Area

**RULES AND REGULATIONS
ELECTRIC**

23.22 MODIFIED PAY AS YOU SAVE (PAYS®)

PURPOSE:

The purpose of the Residential Modified PAYS® Program is to promote affordability and accessibility for energy efficient upgrades to residential customers to create long-term energy savings and bill reduction opportunities through an on-bill tariff tied to the premise.

AVAILABILITY:

This offer is available for participation by customers who are receiving services under any generally available Missouri residential rates and reside in a building with four (4) or fewer units, with each unit having its own entrance and meter. Evergy will target market this program in zip codes that generally fall below 300% Federal Poverty Income Levels based on current year’s practice.

BUDGET:

The program’s combined jurisdiction budget is below:

Combined Jurisdictions

Program	2025	2026	Total
Modified PAYS®	\$3,550,000	\$3,550,000	\$7,100,000

PROGRAM OFFER DESCRIPTION:

Participation

The Company will hire a Program Administrator(s) to implement the program. The Program Administrator(s) will provide the necessary services to effectively implement the program:

- **Step #1:** A visual home inspection/assessment with direct install of free energy savings measures. Homes that are deemed eligible for participation will move forward with a more in-depth data collection to record the actual features and conditions, including energy usage. Customers have the option to bypass the home assessment and enter through the Fast Track route if only HVAC upgrade is requested with the ability to complete a home inspection/assessment and direct install later.
- **Step #2:** The Program will analyze usage history, assessment data, and the participating contractor’s installation costs to determine each participant’s unique qualifying scope of work ensures that 80% of the estimated post upgrade savings over the lifetime of the measure makes up the monthly tariff charge, while 20% of the estimated post upgrade savings flow to the participant, capped at up to 15 years.
 - Copayment Option: If a project is not cost-effective, customers may agree to pay a portion of the project’s cost that prevents it from qualifying for the program as an upfront payment to the participating contractor.

Issued: October 15, 2024
Issued by: Darrin R. Ives, Vice President

Effective: January 1, 2025
1200 Main, Kansas City, MO 64105

EVERGY METRO, INC. d/b/a EVERGY MISSOURI METRO

P.S.C. MO. No. 2 Original Sheet No. 2.40
Canceling P.S.C. MO. No. _____ Revised Sheet No. _____
For Missouri Retail Service Area

RULES AND REGULATIONS ELECTRIC

MODIFIED PAY AS YOU SAVE (PAYS®)

(continued)

- Step #3: If a participant agrees to the scope of work, the Program will facilitate installation through the Company's network of trade allies / contractors.
 - Post Install Quality Control inspections – 100% of installations will be remotely inspected for quality assurance using geo-coded and time-stamped photo documentation.
 - Program Administrator to notarize and file Property Notice with the location's property records.
- Company will initiate on bill charge 45 days following verification of installation.

Participation Requirements:

- Location Ownership: If the participant is not the owner of the location, the owner must sign an Owner Agreement. The owner must agree to have a Property Notice attached to their property records.
- Notice: If the signature of the successor customer renting the location is not obtained on the Property Notice form, or if the purchaser in jurisdictions where the company cannot attach the Property Notice to property records does not receive notice, it will be considered as the owner's acceptance of consequential damages. This also grants permission for the tenant or purchaser to terminate their lease or sales agreement without penalty. Also, the customer can pay off the remaining balance including cost of upgrades and the Company's cost of capital remaining due.
- Energy History: The customer authorizes the use of energy usage history by the Program Administrator to true up its energy analysis and determine qualifying recommendations.

Energy Efficiency Plans:

The company will have its Program Administrator conduct a cost analysis and develop an Energy Efficiency Plan, outlining recommended upgrades to enhance energy efficiency and reduce utility costs. This report will be provided to the customer at no cost, aiming to incentivize and educate them on the suggested energy efficiency improvements.

- Incentive Payment: The Company will offer incentives currently available for an eligible residential Measure as defined in the Company's MEEIA 4 Demand-Side Plan. The company reserves the right to adjust incentives at its discretion based on targeted marketing to customers that reside in low-to-moderate income zip codes.
- Net Savings: Recommended upgrades shall be limited to those where the annual Service Charges and the utility's cost for capital, are no greater than 80% of the estimated annual benefit from reduction to customer annual utility charges based on electricity and/or gas rates.
- Co-Pay Option: If a project is not cost-effective, customers may agree to pay the portion of a project's cost that prevents it from qualifying for the Program as an upfront payment to the contractor. The Company will assume no responsibility for such upfront payments to the contractor. Co-payments will be applied after applying relevant incentive payments.

EVERGY METRO, INC. d/b/a EVERGY MISSOURI METRO

P.S.C. MO. No. 2 Original Sheet No. 2.41
Canceling P.S.C. MO. No. _____ Revised Sheet No. _____
For Missouri Retail Service Area

**RULES AND REGULATIONS
ELECTRIC**

MODIFIED PAY AS YOU SAVE (PAYS®)

(continued)

Service Charge:

The company will recover the costs for its investment including any fees as allowed in this tariff through a monthly Service Charge assigned to the location where upgrades are installed and paid by the Participant or successor customer occupying that location until all Company costs have been recovered. The Service Charge will also be set for a duration not to exceed 15 years. The Service Charge and duration of payments will be included in the Efficiency Upgrade Agreement.

- **Cost Recovery:** No sooner than 45 days after approval by the Company or its Program Administrator, the Participant shall be billed the monthly Service Charge as determined by the Company. The Company will bill and collect Service Charges until cost recovery is complete.
- **Eligible Upgrades:** All upgrades must have Energy Star certification, if applicable, the Program Administrator may seek to negotiate with contractors or upgrade suppliers extended warranties to minimize the risk of upgrade failure on behalf of customers.
- **Ownership of Upgrades:** During the duration that Service Charges are billed to customers at locations where upgrades have been installed, the Company will retain ownership of the installed upgrades. Upon completion of the cost recovery, ownership will be transferred to the location's owner.
- **Maintenance of Upgrades:** Participating customers and owner of the location (if the participant is not the owner) shall keep the installed upgrades in place, in working order, and maintained per manufacturer's instructions during the duration of the cost recovery. Participating customers shall report the failure of the installed upgrades to the Program Administrator or Company as soon as possible. If an upgrade fails, the Company is responsible for determining its cause and for repairing the equipment in a timely manner. If the owner, customer, or occupants caused the damage to the installed upgrades, they will reimburse the Company for the expenses incurred.
- **Termination of Service Charge:** Once the utility's cost for the upgrades at a location have been recovered, including its cost of capital, the cost paid to the contractor to perform the work, costs for any repairs made to the upgrades, the monthly service charge shall no longer be billed. Customers will have the option to pay off in full any costs associated with any installed upgrades early, with no penalties.
- **Vacancy:** If a location at which upgrades have been installed becomes vacant for any reason and electric service is disconnected, the Service Charge will be suspended until a successor customer takes occupancy. If the owner maintains electric service at the location, the owner will be billed the Service Charge as part of any charges it incurs while electric service is turned on.
- **Extension of Program Charge:** If the monthly service charge is reduced or suspended for any reason, once repairs have been successfully effected or service reconnected, the number of total monthly payments shall be extended until the total collected through the Service Charge is equal to the Company's cost for installation, including costs associated with repairs, deferred payments, and missed payments as long as the current occupant is still benefiting from the upgrades.
- **Tied to the Location:** Until cost recovery for upgrades at a location is complete or the upgrades fail, the terms of this tariff shall be binding on metered structure or facility and any future customer who shall receive service at that location.
- **Disconnection for Nonpayment:** As a charge paid in furtherance of an approved energy efficiency program, the Company may disconnect the metered structure for non-payment of the Service Charge under the same provisions as for any other electric service.

EVERGY METRO, INC. d/b/a EVERGY MISSOURI METRO

P.S.C. MO. No. 2 Original Sheet No. 2.42
Canceling P.S.C. MO. No. _____ Revised Sheet No. _____
For Missouri Retail Service Area

RULES AND REGULATIONS ELECTRIC

23.22 MODIFIED PAY AS YOU SAVE (PAYS®)

(continued)

- Non-Payment: Costs associated with participants who have fallen into non-pay status before complete recovery of equipment costs have been received will be recovered as a MEEIA program cost.
- Confirm Savings Actually Exceeded Tariff-Charge: Program Administrator will perform an analysis 12 months post installation date to evaluate weather-normalized 12 month post upgrade project cost savings that include meter based pre and post usage to confirm that the Service Charge remains lower than the estimated Project cost savings. In the event the analysis shows that the Service Charge exceeds the estimated Project Cost savings, an investigation will take place. If the investigation determines inaccurate cost savings estimates or faulty equipment installation and is not the result of changes in participant behavior or weather changes, the Service Charge may be reduced or eliminated to the extent needed for the Participant to realize savings.
- Repairs: Should at any future time during the billing of the Service Charge the Company determines that the installed upgrades are no longer functioning as intended, and that the occupant or building owner as applicable did not damage or fail to maintain the installed upgrades, the Company shall reduce or suspend the Service Charge until such time as the Company and/or its Program Partner can repair the upgrades. If the upgrades cannot be repaired or replaced cost effectively, the Company will waive the remaining Service Charges. If the Company determines the occupant or owner of the location as applicable, damaged or failed to maintain the upgrades in place, it will seek to recover all costs associated with the installation, including any fees, incentives paid to lower Project costs, and legal fees. The Service Charge will continue until the Company's cost recovery is complete, as long as the upgrades continue to function. The Company will not guarantee perfect operation of installed upgrades in every circumstance, and any suspension or waiver of unbilled Service Charges shall not entitle the Participant or owner to any refund or cancellation of previously billed Service Charges.

Eligible **Incentives** directly paid to customers and **Measures**, along with program **Terms and Conditions** can be found at www.evergy.com

EVALUATION

MPSC will hire a third-party evaluator to perform the Evaluation, Measurement, and Verification (EM&V) of the program. Associated costs will be funded utilizing Evergy's Demand Side Investment Mechanism (DSIM) rate rider.