

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

In the Matter of Evergy Missouri West, Inc.	)	
d/b/a Evergy Missouri West’s Demand Side	)	<b><u>File No. EO-2025-0174</u></b>
Investment Mechanism Rider Rate Adjustment	)	Tracking No. JE-2025-0086
and True-Up Required by 20 CSR 4240-	)	JE-2025-0104
20.093(4)	)	

**STAFF RECOMMENDATION**

**COMES NOW**, the Staff of the Missouri Public Service Commission (“Staff”), by and through counsel, and for its *Staff Recommendation*, states as follows:

1. On December 2, 2024, Evergy Missouri West, Inc. d/b/a Evergy Missouri West (“Evergy West”) filed a proposed *Tariff Revision* bearing an issue date of December 2, 2024, and an effective date of February 1, 2025, along with the *Direct Testimony of Linda J. Nunn* with the Missouri Public Service Commission (“Commission”) to adjust charges related to its approved Demand Side Investment Mechanism (“DSIM”) Rider, pursuant to Commission Rule 20 CSR 4240-20.093(4).

2. On December 3, 2024, the Commission entered an *Order Directing Notice, Establishing Intervention Date, and Directing Filing of Staff Recommendation*.

3. On December 20, 2024, Evergy West filed a revised tariff sheet<sup>1</sup> in this case with an issue date of December 2, 2024, and an effective date of February 1, 2025, and a withdrawal of the originally filed revision, which had been filed with the Commission on December 2, 2024.

4. Following the filing of the aforementioned revised tariff sheet on December 20, 2024, Staff filed a *Motion for Variance and Extension of Time to File*

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<sup>1</sup> Tariff Tracking No. JE-2025-0104

*Staff Recommendation and Expedited Treatment (Motion for Extension)* on December 24, 2024. The Commission granted Staff's *Motion for Extension* and ordered Staff to file its recommendation no later than January 17, 2025.

5. Commission rule 20 CSR 240-20.093(2) allows an electric utility to file an application with the Commission "to establish, continue, or modify" a DSIM under the provisions of the rule and 20 CSR 4240-2.060 and Section 393.1075, RSMo. Commission Rule 20 CSR 4240-20.093(4) specifically governs the requirements of what must be included in the application regarding the description of each program and the workpapers featuring models and spreadsheets with itemized elements included.

6. Rule 20 CSR 4240-20.093(4)(B) requires that any DSIM filing is to either take effect by operation of law within 60 days of the filing or should be ordered by the Commission in an interim rate adjustment to take effect in in 60 days.

7. Staff conducted a full review of the tariff revisions and accompanying testimony and recommends the Commission issue an order approving the following tariff sheet (Tariff Tracking No. JE-2025-0104), filed on December 20, 2024, for service on and after February 1, 2025, the requested effective date:

P.S.C. MO. No. 1

First Revised Sheet No. 138.28, Cancelling Original Sheet No. 138.28

8. The Staff's Memorandum, attached hereto and made a part herein as Attachment A, provides information regarding the Staff's review, findings, and recommendations regarding the current Missouri Energy Efficiency Investment Act ("MEEIA") rates and the new MEEIA rates for the proposed DSIM Rider as proposed by Evergy West.

9. Staff has verified that Evergy West is not delinquent on any assessment, and Staff is not aware of another matter before the Commission that affects or is affected by this filing.

10. Evergy West has filed its Annual Report, and is current on its submission of its Quarterly Surveillance Monitoring reports. Evergy West is thus in compliance with Commission Rule 20 CSR 4240-20.093(4)(D).

11. Staff's recommendation to approve this First Revised Sheet No. 138.28 is solely based on the accuracy of Evergy West's calculations and does not constitute a review of the prudence of Evergy West's actions in relation to its matter. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

**WHEREFORE**, Staff recommends the Commission issue an order approving and permits Evergy West's proposed Demand Side Investment Mechanism Rider tariff sheet (Tariff Tracking No. JE-2025-0104) filed December 20, 2024, to take effect on and after February 1, 2025; and grant such other and further relief as is just in the circumstances.

Respectfully submitted,

**/s/ Carolyn H. Kerr**  
Missouri Bar Number 45718  
Senior Staff Counsel  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, MO 65102  
573-751-5397 (Voice)  
[Carolyn.kerr@psc.mo.gov](mailto:Carolyn.kerr@psc.mo.gov)

Attorney for Staff of the  
Missouri Public Service Commission

**CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the foregoing document has been hand-delivered, emailed or mailed, postage prepaid, to the parties of record as listed in the Service List maintained for this case by the Commission's Data Center, on this 17th day of January, 2025.

**/s/ Carolyn H. Kerr**

## MEMORANDUM

**TO:** Missouri Public Service Commission Official Case File  
Case No. EO-2025-0174 and Tariff Tracking No. JE-2025-0086

**FROM:** Randall Jennings, Data Analyst  
Obianuju Ezenwanne, Economist

**SUBJECT:** Staff Recommendation to Approve Evergy Missouri West, Inc., d/b/a Evergy Missouri West's ("Evergy Missouri West") Proposed Tariff Sheet to Adjust Demand Side Investment Mechanism ("DSIM") Rider Rate effective February 1, 2025.

**DATE:** January 17, 2025

### **Evergy Missouri West Filing**

On December 2, 2024, Evergy Missouri West filed with the Commission one tariff sheet bearing an issue date of December 2, 2024, and an effective date of February 1, 2025, proposing to adjust charges related to Evergy Missouri West's DSIM Rider. Evergy Missouri West's filing also included the Direct Testimony of Linda J. Nunn and work papers consisting of electronic worksheets showing its calculation of the proposed rates. As filed, Evergy Missouri West's DSIM revenue requirement through December 2025 is approximately \$19.7 million.

On December 3, 2024, the Commission issued its *Order Directing Notice, Establishing Intervention Date, and Directing Filing of Staff Recommendation* which directed Staff to file its recommendation no later than January 2, 2025.

On December 20, 2024, Evergy Missouri West filed with the Commission a withdrawal of the tariff sheet filed on December 2, 2024, and filed a revised tariff sheet also bearing an issue date of December 2, 2024, and an effective date of February 1, 2025.

On December 24, 2024, Staff filed a *Motion for Variance and Extension of Time to File Staff Recommendation and Expedited Treatment* to allow Staff additional time for review.

On December 26, 2024, the Commission issued its *Order Granting Motion for Variance and Extension of Time to File Staff Recommendation* which directed Staff to file its recommendation no later than January 17, 2025.

**Change in Evergy Missouri West’s DSIM Rates**

Pursuant to 20 CSR 4240-20.093(4), Evergy Missouri West is required to adjust its DSIM rates no less often than annually<sup>1</sup> to reflect the amount of revenue that has been over/under collected.

The current Missouri Energy Efficiency Investment Act (“MEEIA”) mechanism rate per class of customer is collected through a line item on current bills and is based on an annual level of projected costs and incentives with reconciliations from actual prior periods and any ordered adjustments with interest. In addition to reconciliations for prior periods, this adjustment includes changes to the DSIM components based upon actual performance in the six-month period ending October 2024, as well as forecasted performance through December 2025 for Cycle 3 Program Costs (“PC”), Cycle 3 Throughput Disincentive (“TD”), Cycle 4 PC, and Cycle 4 TD, in addition to Earnings Opportunity (“EO”) for Cycle 2 for the three program years beginning April 2016 through March 2019, the EO for Cycle 2 extension program year April 2019 through December 2019 and the EO for Cycle 3 2020, 2021, 2022, and 2023 program years.

The table below provides a summary of the cumulative TD, PC, and EO for Cycles 2, 3, and 4 and the average cost per estimated kilowatt hour (kWh) saved. PC, EO, and TD values for the months of November and December of 2024 are forecasted data, which will be adjusted for actual data in the next filing.

	<b>MEEIA Cycle 4 through December 2024</b>	<b>MEEIA Cycle 3 through December 2024</b>	<b>MEEIA Cycle 2</b>	<b>MEEIA Cycle 1</b>	<b>Totals - All Cycles</b>
TD	\$ -	\$ 18,880,613	\$ 32,348,376	\$ 2,365,128	\$ 53,594,117
Program Cost	\$ -	\$ 79,047,728	\$ 72,280,835	\$ 9,347,462	\$ 160,676,025
EO	\$ -	\$ 10,702,785	\$ 10,400,157		\$ 21,102,942
<b>Total</b>	<b>\$ -</b>	<b>\$ 108,631,126</b>	<b>\$ 115,029,368</b>	<b>\$ 11,712,590</b>	<b>\$ 235,373,084</b>
Estimated kWh Saved	-	300,882,583	314,994,695		
Avg Cost per Estimated kWh saved	\$ -	\$ 0.36	\$ 0.37		

<sup>1</sup> Evergy Missouri West makes semi-annual adjustments to its DSIM rates.

Additionally, from January through December 2025, Evergy Missouri West is projecting to recover approximately \$793,000 for projected Cycle 3 TD, and \$180,000 for projected Cycle 4 TD, \$280,000 for projected Cycle 3 PC, and \$12.1 Million for projected Cycle 4 PC. Staff agrees these are reasonable projections based on past projections to actuals comparison.

Projected Costs Jan through Dec 2025	MEEIA Cycle 4	MEEIA Cycle 3	MEEIA Cycle 2	MEEIA Cycle 1	Totals - All Cycles
TD	\$ 180,015	\$ 792,836	\$ -	\$ -	\$ 972,851
Program Cost	\$ 12,184,946	\$ 279,483	\$ -	\$ -	\$ 12,464,429
EO	\$ -	\$ 10,702,785	\$ 10,400,157		\$ 21,102,942
	<b>\$ 12,364,961</b>	<b>\$ 11,775,104</b>	<b>\$ 10,400,157</b>	<b>\$ -</b>	<b>\$ 34,540,222</b>

In total, Evergy Missouri West is projected to recover from ratepayers approximately \$243.4 Million for energy efficiency programs for MEEIA Cycles 2, 3 and 4 through December 2025.

	MEEIA Cycle 4	MEEIA Cycle 3	MEEIA Cycle 2	MEEIA Cycle 1	Totals - All Cycles
TD	\$ 180,015	\$ 19,673,449	\$ 32,348,376	\$ 2,365,128	\$ 54,566,968
Program Cost	\$ 12,184,946	\$ 79,327,211	\$ 72,280,835	\$ 9,347,462	\$ 173,140,454
EO	\$ -	\$ 21,405,569	\$ 20,800,315	\$ -	\$ 42,205,884
Total	\$ 12,364,961	\$ 120,406,229	\$ 125,429,525	\$ 11,712,590	\$ 269,913,306
<b>Grand Total</b>	<b>\$ 269,913,306</b>				
	\$ 19,699,922	<b>DSIM Revenue Requirement December 2025</b>			
		<b>TOTAL CYCLES 2, 3 &amp; 4 + Revenue Requirement +</b>			
	<b>\$ 289,613,228</b>	<b>Projected Costs through December 2025</b>			

Listed below are the current MEEIA rates and the new MEEIA rates for the proposed DSIM Rider. The proposed DSIM Rider rate changes are applicable to all non-lighting kWh of energy supplied to customers under Evergy Missouri West’s retail rates schedules, excluding kWh of energy supplied to “opt-out” customers as stated in Tariff Sheet 138.09.

<b>Rate Schedule</b>	<b>Total Proposed DSIM (\$/kWh)</b>	<b>Total Current DSIM ER- 2024-0352 (\$/kWh)</b>	<b>Change Increase/(Decrease) (\$/kWh)</b>	<b>Incr/(Decr) to Customer Bill (for every 1,000 kWh's used) (\$)</b>
Residential Service	\$0.00258	\$0.00234	\$0.00024	\$0.24
Non-Residential – SGS	\$0.00260	\$0.00179	\$0.00081	\$0.81
Non-Residential – LGS	\$0.00356	\$0.00173	\$0.00183	\$1.83
Non-Residential – LPS	\$0.00468	\$0.00069	\$0.00399	\$3.99

The proposed change will increase residential customers' DSIM Rider rate from \$0.00234 to \$0.00258 per kWh. For a residential customer using 1,000 kWh, this would mean an increase of \$0.24 per month. For a non-residential customer using 1,000 kWh, this would mean a \$0.81 increase for Small General Service, a \$1.83 increase for Large General Service, and a \$3.99 increase for Large Power Service per month.

**Staff Recommendation**

The Commission Staff's Tariff/Rate Design Department has reviewed the filed tariff sheet and recommends the Commission issue an order approving the following tariff sheet, filed on December 20, 2024, for service on and after February 1, 2025, the requested effective date:

P.S.C. MO. No. 1

First Revised Sheet No. 138.28

Cancelling Original Sheet No. 138.28

Staff has verified that Evergy Missouri West is not delinquent on any assessment, and Staff is not aware of another matter before the Commission that affects or is affected by this filing. Evergy Missouri West is current on its submission of its Quarterly Surveillance Monitoring reports and Annual Reports as required in 20 CSR 4240-20.093(4)(D). Staff's recommendation to approve this First Revised Sheet No. 138.28 does not constitute a review of the prudence of Evergy Missouri West's actions in relation to its DSIM.



**BEFORE THE PUBLIC SERVICE COMMISSION**

**OF THE STATE OF MISSOURI**

In the Matter of Evergy Missouri West, Inc. )  
d/b/a Evergy Missouri West's Demand Side ) File No. EO-2025-0174  
Investment Mechanism Rider Rate ) Tracking No. JE-2025-0086  
Adjustments and True-Up Required by 20 CSR )  
4240-20.093(4) )

**AFFIDAVIT OF RANDALL T. JENNINGS**

STATE OF MISSOURI )  
 ) ss.  
COUNTY OF COLE )

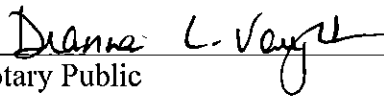
**COMES NOW RANDALL T. JENNINGS**, and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Recommendation, in Memorandum form*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

  
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**RANDALL T. JENNINGS**

**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 16<sup>th</sup> day of January 2025.

  
\_\_\_\_\_  
Notary Public

DIANNA L. VAUGHT  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for Cole County  
My Commission Expires: July 18, 2027  
Commission Number: 15207377

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**OF THE STATE OF MISSOURI**

In the Matter of Evergy Missouri West, Inc.	)	
d/b/a Evergy Missouri West's Demand Side	)	File No. <u>EO-2025-0174</u>
Investment Mechanism Rider Rate	)	Tracking No. <u>JE-2025-0086</u>
Adjustments and True-Up Required by 20 CSR	)	
4240-20.093(4)	)	

**AFFIDAVIT OF OBIANUJU S. EZENWANNE**

STATE OF MISSOURI	)	
	)	ss.
COUNTY OF COLE	)	

COMES NOW OBIANUJU S. EZENWANNE, and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation, in Memorandum form*; and that the same is true and correct according to her best knowledge and belief.

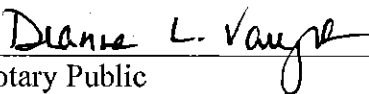
Further the Affiant sayeth not.

  
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**OBIANUJU S. EZENWANNE**

**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 15<sup>th</sup> day of January 2025.

DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: July 18, 2027 Commission Number: 15207377
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 Notary Public