

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

In the Matter of the Application of Evergy)
Metro, Inc. d/b/a Evergy Missouri Metro) **Case No. EO-2022-0205**
Containing its Semi-Annual Fuel)
Adjustment Clause True-Up)

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”), through counsel, and for its recommendation states:

1. On January 31, 2022, Evergy Metro, Inc. d/b/a Evergy Missouri Metro (“Evergy Missouri Metro”) filed its tenth fuel adjustment clause true-up filing under the provisions of 20 CSR 4240-20.090(9).

2. On February 1, 2022, the Commission ordered Staff to file a recommendation by March 2, 2022.

3. Staff reviewed and analyzed the direct testimony and supporting schedules of Evergy Missouri Metro’s witness Lisa Starkebaum, as well as the monthly information Evergy Missouri Metro submitted to the Commission. Staff has determined that Evergy Missouri Metro’s calculations for the true-up amount for Recovery Period 10 (“RP10”) are correct. However, Staff reserves its right to pursue this issue in other cases before the Commission.

4. The RP10 true-up amount without interest is the result of an under-collection of \$203,285 during RP10. However, this under-collected amount was offset by a correction due to the extraordinary costs for Winter Storm Uri that created an amount due to the customers of (\$2,428,136) and interest was added to this correction of (\$11,011) for a total proposed true-up adjustment of (\$2,235,862). Since this interest

correction of (\$11,011) is included on line 9 of the 7th Revised Sheet No. 50.31, the true-up amount on line 8 of the 7th Revised Sheet No. 50.31 is (\$2,224,850).

5. Based on its analysis, Staff recommends the Commission approve Evergy Missouri Metro's true-up filing for RP10 (billing months of October 2020 through September 2021), during which Evergy Missouri Metro over-recovered \$2,224,850 from its customers. Staff's analysis is in the attached *Memorandum*, marked as Appendix A.

6. Staff verified that Evergy Missouri Metro filed its 2020 annual report and is not delinquent on any assessment. Evergy Missouri Metro is current on submission of its surveillance monitoring reports, as required in 20 CSR 4240-20.090(6), and its periodic monthly reports, as required by 20 CSR 4240-20.090(5). With the exception of Evergy Missouri Metro's proposed changes to its current period fuel adjustment rates in its semi-annual FAC filing in File No. ER-2022-0206, Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

WHEREFORE, Staff recommends the Commission approve Evergy Missouri Metro's RP10 true-up filing for the billing months of October 2020 through September 2021, during which Evergy Missouri Metro over-collected \$2,224,850, before interest, from its customers, for inclusion in its FPA AP13 filing in File No. ER-2022-0206.

Respectfully submitted,

/s/ Don Cosp

Don Cosp
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CERTIFICATE OF SERVICE

I certify that copies of the foregoing have been emailed to all parties and/or counsel of record on this 2nd day of March, 2022.

/s/ Don Cospo

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
File No. EO-2022-0205

FROM: Cynthia M. Tandy, Senior Utility Regulatory Auditor

/s/ Cynthia M. Tandy /03-02-2022
Energy Resources Department / Date

/s/ Don Cosper /03-02-2022
Staff Counsel's Office / Date

SUBJECT: Staff's Analysis of and Recommendation Concerning Evergy Metro, Inc., d/b/a Evergy Missouri Metro Fuel Adjustment Clause True-up Filing Under the Provisions in 20 CSR 4240-20.090(9).

DATE: March 2, 2022

Staff Recommendation

Staff recommends that the Missouri Public Service Commission ("Commission") approve the true-up filing for Evergy Metro, Inc., d/b/a Evergy Missouri Metro ("Evergy Missouri Metro"), for Recovery Period 10 ("RP10") during which Evergy Missouri Metro over-collected \$2,224,850¹ from its customers. There was a correction due to Winter Storm Uri in True-Up for RP10.

Discussion

On January 31, 2022, Evergy Missouri Metro filed with the Commission its fuel adjustment clause ("FAC") true-up² for RP10 under the provisions of its FAC tariff sheets and 20 CSR 4240 20.090(9). RP10 began October 1, 2020 and ended September 30, 2021. It was preceded by Accumulation Period 10 ("AP10"), which began January 1, 2020 and ended June 30, 2020.

Evergy Missouri Metro's filing is supported by the direct testimony and supporting schedules of Lisa A. Starkebaum, Manager - Regulatory Affairs at Evergy Missouri Metro. The Missouri Public Service Commission Staff ("Staff") reviewed Ms. Starkebaum's direct testimony and supporting schedules, as well as the monthly information Evergy Missouri Metro submitted to the Commission in accordance with 20 CSR 4240-20.090(9).

¹ Lisa A. Starkebaum's testimony, on page 4, lines 20 through page 5, lines 1-3, discusses a total true-up of (\$2,235,862) to be refunded to customers. This is comprised of the true-up adjustment of \$203,285 and offset by a correction of (\$2,426,136) along with interest correction of (\$11,011) related to extraordinary amounts resulting from Winter Storm Uri.

² True-ups are defined on Evergy Missouri Metro, P.S.C.MO. No. 7, Original Sheet No. 50.30 as: After completion of each RP, the Company shall make a true-up filing by the filing date of its next FAR filing. Any true-up adjustments shall be reflected in component "T" above. Interest on the true-up adjustment will be included in component "I" above. The true-up amount shall be the difference between the revenues billed and the revenues authorized for collection during the RP as well as any corrections identified to be included in the current FAR filing. Any corrections included will be discussed in the testimony accompanying the true-up filing.

The RP10 true-up amount without interest is the result of an under-collection of \$203,285 during RP10. However, this under-collected amount was offset by a correction due to the extraordinary costs for Winter Storm Uri that created an amount due to the customers of (\$2,428,136) and interest was added to this correction of (\$11,011) for a total proposed true-up adjustment of (\$2,235,862). Since this interest correction of (\$11,011) is included on line 9 of the 7th Revised Sheet No. 50.31, the true-up amount on line 8 of the 7th Revised Sheet No. 50.31 is (\$2,224,850).

The interest of (\$50,944) on line 9 of P.S.C. MO. No. 7 7th Revised Sheet No. 50.31, as substituted on February 17, 2022³, includes all interest⁴ for RP10 and Accumulation Period 13 (“AP13”) of (\$39,933). It also includes interest of (\$11,011), resulting from a correction related to extraordinary amounts resulting from Winter Storm Uri. Ms. Starkebaum provides supporting work papers for the true-up amount of (\$2,224,850). Staff agrees with Evergy Missouri Metro’s calculations for this over-collection of \$2,224,850 during RP10.

Staff Review

Based on its review and analysis of the information Evergy Missouri Metro filed and submitted for RP10, Staff determined that Evergy Missouri Metro’s calculations for the true-up amount for RP10 are correct. However, Staff reserves its right to pursue this issue in other cases before the Commission.

Staff recommends the Commission approve Evergy Missouri Metro’s true-up filing for RP10, during which Evergy Missouri Metro over-collected \$2,224,850 from its customers. The over-collection amount is included in Evergy Missouri Metro’s proposed changes to its current period fuel adjustment rates in its semi-annual FAC filing in File No. ER-2022-0206, also filed on January 31, 2022, for AP13, which began July 1, 2021 and ended December 31, 2021.

Staff verified that Evergy Missouri Metro filed its 2020 Annual Report and is not delinquent on any assessment. Evergy Missouri Metro is current on its submission of its Surveillance Monitoring reports, as required by 20 CSR 4240-20.090(6), and its periodic reports, as required by 20 CSR 4240-20.090(5). With the exception of Evergy Missouri Metro’s proposed changes to its current period fuel adjustment rates in its semi-annual FAC filing in File No. ER-2022-0206, Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

³ File No. ER-2022-0206 and Tariff Tracking No. JE-2022-0216.

⁴ Interest is defined on Evergy Missouri Metro, P.S.C.MO. No. 7, Original Sheet No. 50.28 as: Interest applicable to (i) the difference between Missouri Retail ANEC and B for all kWh of energy supplied during an AP until those costs have been recovered; (ii) refunds due to prudence reviews (“P”), if any; and (iii) all under- or over-recovery balances created through operation of this FAC, as determined in the true-up filings (“T”) provided for herein. Interest shall be calculated monthly at a rate equal to the weighted average interest paid on the Company’s short-term debt, applied to the month-end balance of items (i) through (iii) in the preceding sentence.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Application of Evergy)
Metro, Inc. d/b/a Evergy Missouri) File No. EO-2022-0205
Containing Its Semi-Annual Adjustment) Tariff No. JE-2022-0216
Clause True-Up)

AFFIDAVIT OF CYNTHIA M. TANDY

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW CYNTHIA M. TANDY 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.

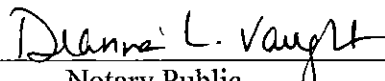


CYNTHIA M. TANDY

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 1st day of March, 2022.

DIANNA L. VAUGHT
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: July 18, 2023
Commission Number: 15207377



Notary Public