

Exhibit No.:  
Issue: Demand Side Investment Mechanism  
Rider  
Witness: Lisa A. Starkebaum  
Type of Exhibit: Supplemental Testimony  
Sponsoring Party: Evergy Missouri West  
Case No.: ER-2020-0155  
Date Testimony Prepared: January 10, 2020

**MISSOURI PUBLIC SERVICE COMMISSION**

**CASE NO.: ER-2020-0155**

**SUPPLEMENTAL TESTIMONY**

**OF**

**LISA A. STARKEBAUM**

**ON BEHALF OF**

**EVERGY MISSOURI WEST, INC. d/b/a EVERGY MISSOURI WEST**

**Kansas City, Missouri  
January 2020**

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

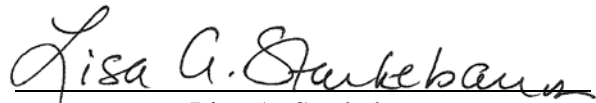
In the Matter of Evergy Missouri West's )  
Demand Side Investment ) Case No. ER-2020-0155  
Mechanism Rider Rate Adjustment and True-Up )  
Required by 20 CSR 4240-20.093(4) )

**AFFIDAVIT OF LISA A. STARKEBAUM**


**STATE OF MISSOURI** )  
 ) ss  
**COUNTY OF JACKSON** )

Lisa A. Starkebaum, being first duly sworn on her oath, states:

1. My name is Lisa A. Starkebaum. I work in Kansas City, Missouri, and I am employed by Evergy as Manager, Regulatory Affairs.
2. Attached hereto and made a part hereof for all purposes is my Supplemental Testimony on behalf of Evergy consisting of six ( 6 ) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.
3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.

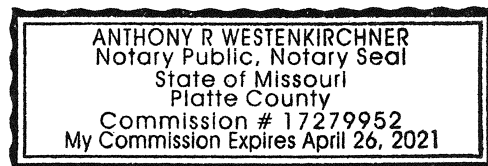
  
\_\_\_\_\_  
Lisa A. Starkebaum

Subscribed and sworn to before me this 1st day of January 2020.

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

My Commission expires:

4/26/2021



**SUPPLEMENTAL TESTIMONY**

**OF**

**LISA A. STARKEBAUM**

**Case No. ER-2020-0155**

1 **Q: Please state your name and business address.**

2 A: My name is Lisa A. Starkebaum. My business address is 1200 Main Street, Kansas City,  
3 Missouri 64105.

4 **Q: Are you the same Lisa A. Starkebaum who filed direct testimony in this case?**

5 A: Yes I am.

6 **Q: What is the purpose of your supplemental testimony in this case?**

7 A: At the time my December 2, 2019 direct testimony was filed, the MEEIA 3 Order in Case  
8 No. EO-2019-0132 had not been issued; therefore, only MEEIA Cycle 2 costs were  
9 included in my direct testimony calculation of the proposed rates. On December 11,  
10 2019, the Commission issued its Order approving the MEEIA Cycle 3 Plan and on  
11 December 20, 2019 issued its Order Approving Tariff in Compliance with Commission  
12 Report and Order granting expedited treatment and approving a January 1, 2020 effective  
13 date of tariffs. On December 23, 2019, the Company filed a motion requesting to  
14 supplement its testimony in Case No. ER-2020-0155 to include a projection of MEEIA  
15 Cycle 3 costs in its DSIM rider tariff sheets as well as extend the time for Staff to file a  
16 recommendation until February 1, 2020, rather than January 1, 2020. On December 30,  
17 2019, the Commission issued its Order Granting Variance of Commission Rule 20 CSR  
18 4240-20.093 and Granting Evergy's Motion to Supplement Testimony. As such, the  
19 Company is now updating the information previously filed on December 2 to include

1 projected MEEIA 3 costs and reflecting changes in the Demand Side Investment  
2 Mechanism (“DSIM”) Rider approved in MEEIA 3. The purpose of my supplemental  
3 testimony is to support the new proposed rate schedule, Sheet No. 138.17 filed by Evergy  
4 Missouri West to adjust the DSIM Rider consistent with Commission rules 20 CSR 4240-  
5 20.093(4) and MEEIA 3 compliance tariff Sheet Nos. 138.9-138.18 that became effective  
6 January 1, 2020. In addition, the Company is withdrawing tariff Sheet No. 138.7 that  
7 was filed on December 2, 2019 (Tracking No. JE-2020-0094) and filing a revision to  
8 tariff Sheet No. 138.7 that zeros out the currently effective MEEIA Cycle 2 rates that  
9 became effective August 1, 2019 and will remain in effect until March 1, 2020. As part  
10 of my supplemental testimony, I have included the information required for update of the  
11 DSIM rates in the attached Schedules LAS-1 and LAS-2.

12 **Q: Please describe the various DSIM rate components that make up the proposed**  
13 **DSIM rate.**

14 A: As the MEEIA Cycle 3 DSIM tariff describes, the DSIM rate components consist of 1)  
15 Program Costs (“PC”), Throughput Disincentive (“TD”) and Earnings Opportunity  
16 (“EO”) for the MEEIA Cycle 3 Plan, as well as PC, TD and EO for commission approved  
17 business program projects completed by June 30, 2020 counted under the MEEIA Cycle  
18 2 Plan; 2) Reconciliations, with interest, to true-up differences between revenues billed  
19 under the DSIM rider and total actual monthly amounts for PC, TD, EO and any  
20 remaining true-ups or unrecovered amounts for Cycle 2; and 3) any Ordered  
21 Adjustments.

22 **Q: Were there any additional changes in the DSIM calculation resulting from the**  
23 **implementation and inclusion of MEEIA Cycle 3?**

1 A: Yes, the changes in proposed DSIM rates have been updated to reflect the following:

- 2 • Inclusion of MEEIA Cycle 3 projected PC and TD in addition to projected  
3 MEEIA Cycle 2 PC, TD and EO for the 12-months ending December 31, 2020
- 4 • Projected Billed Retail kWh Sales, net of Opt-Outs, for the 12-month period of  
5 February 1, 2020 to January 31, 2021
- 6 • Rate structure change for the Non-Residential customer class to include Small  
7 General Service (“SGS”), Large General Service (“LGS”) and Large Power  
8 Service (“LPS”)
- 9 • Allocation of unrecovered MEEIA Cycle 2 Non-Residential costs to the separate  
10 Non-Residential rate classes (SGS, LGS and LPS classes) based on Cycle 2  
11 participation

12 **Q: How did you develop the various DSIM rate components that make up the proposed**  
13 **DSIM rate?**

14 A: As the DSIM tariff for MEEIA Cycle 3 describes, the DSIM rate components consist of  
15 projected PC for MEEIA 3 programs for Plan Year 1 in addition to projected TD for the  
16 12-months ending December 31, 2020. The MEEIA 3 costs included in this filing are  
17 consistent with the detailed support provided in the Company’s DSIM Application filed  
18 on November 29, 2018 in Case No. EO-2019-0132. The only exception is that the Cycle  
19 3 effective date has been updated from the original assumption of April 1, 2019 to  
20 January 1, 2020 as ordered.

21 Also included for recovery in the calculation of the DSIM rate are MEEIA Cycle 2  
22 PC, TD and EO for the 12-months ending December 31, 2020. The projected PC related  
23 to Cycle 2 included in this filing consists primarily of Evaluation, Measurement and

1 Verification (“EMV”) costs for the Extension savings of Cycle 2 programs, and projected  
2 TD associated with Cycle 2 for November 2019 through December 2020 as well as the  
3 reconciliation of actual and expected Program Costs and TD for Cycle 2 through October  
4 2019. Cycle 1 Program Costs and TD-NSB were fully collected during the current  
5 recovery period.

6 **Q: Please describe the amount of EO that has been included in this filing.**

7 A: The EO included in this filing is based on verified MWh and MW savings for the three  
8 program years of Cycle 2 beginning April 2016 through March 2019, including EO TD  
9 adjustments, which has been calculated in accordance with Tariff Sheet Nos. 138.6 and  
10 138.8. The MEEIA Cycle 2 tariff provides for the recovery of the EO over 24 months.  
11 The Company took the total adjusted EO for Plan Years 1-3 and divided that amount by  
12 the four semi-annual rate update periods and has included an EO amount for the current  
13 Effective Period (“EP”), or six-months beginning January 2020, plus the succeeding EP  
14 as described on tariff Sheet No. 138.11. An EO amount totaling \$5,436,565 has been  
15 included in the calculation of the DSIM rate in this filing.

16 **Q: Please continue.**

17 A: The sum of the PC, TD and EO amounts are divided by the projected billed retail kWh  
18 sales, excluding opt-out sales, by rate class for February 2020 through January 2021 to  
19 develop the proposed DSIM rates.

20 **Q: Are there any other items impacting this filing that should be mentioned?**

21 A: The Commission’s rule governing DSIM filings and submission requirements for electric  
22 utilities (20 CSR 4240-20.093(4)) requires Evergy Missouri West to make at least annual  
23 adjustments of DSIM rates that reflect the amount of revenue that has been over/under

1 collected. Evergy Missouri West's DSIM tariff requires two semi-annual rate  
 2 adjustments to become effective February 1 and August 1 of each year. These filings will  
 3 continue going forward; however, due to the timing of the Commission Order and  
 4 effective date of compliance tariffs related to MEEIA Cycle 3, the Company requested a  
 5 one-time extension to March 1, 2020 for the proposed effective date of DSIM rates in this  
 6 supplemental filing. This extension period provides additional time necessary for Staff's  
 7 review of the supplemental testimony and supporting documentation. The additional  
 8 Cycle 2 revenues collected for the month of February 2020 will be included in the Cycle  
 9 2 reconciliation in a subsequent semi-annual filing.

10 **Q: Please describe the impact of the change in costs and how it will affect Evergy**  
 11 **Missouri West customers.**

12 **A:** Please see the table below for a comparison of proposed DSIM rates to currently effective  
 13 rates and the impact to a customer's monthly bill.

<b>Rate Schedule</b>	<b>Total Current DSIM ER-2019-0397 (\$/kWh)</b>	<b>Total Proposed DSIM (\$/kWh)</b>	<b>Change Increase/ (Decrease) (\$/kWh)</b>	<b>Incr/(Decr) to Customer Bill (for every 1,000 kWh's used) (\$)</b>
Residential Service	\$0.00373	\$0.00504	\$0.00131	\$1.31
Non-Res Service – SGS	\$0.00437	\$0.00449	\$0.00012	\$0.12
Non-Res Service – LGS	\$0.00437	\$0.00363	(\$0.00074)	(\$0.74)
Non-Res Service – LPS	\$0.00437	\$0.00240	(\$0.00197)	(\$1.97)

1 **Q: What action is Evergy Missouri West requesting from the Commission with respect**  
2 **to the rate schedules that the Company has filed with this supplemental testimony?**

3 A: The Company requests the Commission approve the rate schedules to become effective  
4 March 1, 2020.

5 **Q: Does that conclude your testimony?**

6 A: Yes, it does.