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)	File No. ET-2021-0151
for Approval of a Transportation)	
Electrification Program.)	
In the Matter of the Application of Evergy)	
Missouri West, Inc. d/b/a Evergy Missouri)	File No. ET-2021-0269
West for Approval of a Transportation)	
Electrification Program.)	

REPLY BRIEF OF EVERGY MISSOURI METRO AND EVERGY MISSOURI WEST

COMES NOW, Evergy Metro, Inc. d/b/a as Evergy Missouri Metro ("Evergy Missouri Metro") and Evergy Missouri West, Inc. d/b/a Evergy Missouri West ("Evergy Missouri West") (collectively referred to as "Evergy" or "Company") and for its Reply Brief, states as follows:

I. <u>INTRODUCTION</u>

With the passage and signing of the *Infrastructure Investment and Jobs Act* ("HB3684") on November 15, 2021, the federal government has confirmed what the competent and substantial evidence in this proceeding has clearly demonstrated — there will be a tremendous need for electric vehicle ("EV") infrastructure stations and funding to meet the needs of the increasing number of EV drivers in the future. Evergy welcomes the federal government's efforts to spur the development of EVs and EV charging stations across the country. Evergy believes that its modest proposal in this proceeding as well as the federal government support and third-party developers' initiatives for transportation electrification ("TE") will be critical to achieving the underlying public policy goals of TE.¹

¹ Ex. 3, Caisley Surrebuttal, pp. 17-18; Tr. 115-119.

Contrary to the arguments of Staff ("Staff") of the Missouri Public Service Commission ("Commission") and the Office of the Public Counsel ("OPC"),² there is still a substantial need, if not moreover, for Evergy's participation in the EV charging infrastructure area in its service area and the approval by the Commission of Evergy's pilot programs and commercial time-of-use ("TOU") rates. OPC has estimated that under the *Infrastructure Investment and Jobs Act*, Missouri would expect to receive \$99 million over five years to support the expansion of an EV charging network in the state.³ While approximately \$20 million per year for five years for the entire state will be helpful in meeting the needs for EV charging infrastructure for the increasing number of EV drivers, Evergy's proposed \$2.8 million investment in EV charging infrastructure for underserved areas will also be needed to promote the goals of TE across Evergy's Missouri service area. Evergy will certainly work with other entities as federal funds are planned to be expended in Evergy's service area to avoid duplication of efforts, but such expenditures do not eliminate or lessen the need for Evergy's proposed investments in this proceeding, especially with regard to the non-highway corridor programs (i.e. public, workplace, fleet, multi-family) proposed by Evergy.

As Renew Missouri has argued, Evergy has an obligation to provide electric service to the EV customers in Missouri.⁴ This statutory and regulatory obligation must include the provision of safe and adequate facilities⁵ needed by the growing number of EV drivers, including underserved areas in public, workplace, fleet and multi-family environments.

The Commission should not let the passage of the *Infrastructure Investment and Jobs Act* in any way deter it from ensuring that Evergy is a participant in this market and learns lessons early

² Staff Br. at 5; OPC Br. at 43-47.

³ OPC Br. at 43-46.

⁴ Renew Missouri Br. at 4-5.

⁵ Section 393.130.1.

from the TE pilot projects proposed in this proceeding that will impact Evergy and its customers for decades to come. The learnings of the TE pilot projects will be even more important now that it appears the nation is firmly committed to moving forward with electrifying its transportation sector. There is no need to delay taking the next step to proceed with the electrification of the transportation industry, as Evergy has proposed in this proceeding.

Second, the Commission should not accept the Staff and OPC's arguments⁶ that mandatory TOU rates is all that is needed to meet the needs of the increasing number of EV drivers that are expected to be on Missouri's streets and highways in the next few years. Mandatory TOU rates will not result in the installation of EV charging infrastructure in underserved areas. It will not cause third-party developers to invest in areas where it is less likely that there will be an immediate profit from "at the pump" sales. Only direct investment in EV charging infrastructure in such underserved areas will result in the needed facilities to promote TE throughout Evergy's service area.

While the Company believes that optional TOU rates may be used to encourage EV customers to charge their electric vehicles in off-peak periods, it would be a mistake to mandate TOU rates for all EV drivers receiving residential or commercial rebates. Optional TOU rates is but only one solution that can be implemented for EV drivers. Mandates of various sorts are controversial topics in today's marketplace⁷, and customers have differing needs and situations. Evergy's existing whole-house TOU rate may not be an optimal choice for all EV owners.

⁶ Staff Br. at 25; OPC Br. at 19-22, 25.

⁷ We all are personally familiar with controversies surrounding mandates that require vaccination and the wearing of masks to fight the Covid-19 pandemic.

Learning whether and how these non-TOU customers can be influenced are important objectives of this limited pilot program.⁸

If the Commission believes that more financial incentives are needed to encourage EV drivers to sign up for TOU rates, then the Commission should consider the approach being recommended by Evergy, KCC Staff and Citizens' Utility Ratepayer Board ("CURB") in Kansas.⁹ In the TE proceeding pending before the Kansas Corporation Commission ("KCC"), the parties to the *Non-Unanimous Stipulation and Agreement* are recommending that a \$500 rebate will be authorized for EV customers that are enrolled in the EV end use rate or TOU rates, while only a \$250 rebate will be provided for EV customers that choose not to be enrolled the EV end-use rate or TOU rates in Kansas.¹⁰ Such an approach would serve as a financial incentive for residential EV drivers to opt into the whole house TOU rate, or commercial customers to utilize the end-use EV rates being proposed in this proceeding. As explained in Evergy's Initial Brief,¹¹ the Company believes it would be acceptable and appropriate to include similar provisions in an approved plan for its Missouri service areas. Such provisions would be an appropriate financial incentive for customers participating in the Residential Customer EV Outlet Rebate Program to also participate in the Company's optional TOU rates in Missouri.

Finally, the Commission should reject Staff and OPC's criticisms of Evergy's proposals that are based upon their perceived need for more analysis, a lack of detail and defined parameters, Staff's desire for different assumptions, and more developed education and marketing plans.¹²

⁸ Ex. 7, Voris Surrebuttal, pp. 14-15.

⁹ Evergy Initial Br. at 3-4.

 ¹⁰ Ex. 203 Attachment A, *Non-Unanimous Stipulation And Agreement*, <u>Re Application of Evergy Metro, Inc., Evergy Kansas Central, Inc., and Evergy Kansas South, Inc. for Approval of Transportation Electrification Portfolio</u>, Docket No. 21-EKME-320-TAR (July 29, 2021). <u>See also</u> Evergy Br. at 3-4
¹¹ Evergy Br. at 4.

¹² Staff Br. at 14-15, 17-22, 28-29; OPC Br. at 77-78.

While the Company would like to already have a more perfect knowledge of the likely results of its proposed pilot programs and optional commercial TOU rate plans, this information is exactly what the Company intends to investigate and develop as a result of implementing its TE proposals in this case. Evergy's TE proposals are pilot programs that are intended to "advance the electrical corporation's operational knowledge of deploying such technologies" as it relates to residential and commercial EV customers, "including to gain operating efficiencies that result in customer savings and benefits as the technology is scaled across the grid or network."¹³ The Commission should not let the need for more analysis or improved data get in the way of taking reasonable steps to promote TE through the pilot programs proposed in this proceeding.

In summary, as explained in Evergy's Initial Brief, the Commission should approve Evergy's proposed tariffs related to its TE pilot program, modify the CCN cap on the number of EV charging stations that are authorized in the service territories of Evergy Missouri Metro ("EMM") and Evergy Missouri West ("EMW"), as described in Section 4.8 of the Report, grant the requested variances of the relevant portions of the Promotional Practices Rules so that the tariffs implementing its TE pilot program can be approved, and grant it accounting authority to defer the program costs associated with the pilot program to a regulatory asset for inclusion in rates in its next electric general rate proceeding.

II. <u>LIST OF ISSUES</u>

While Evergy's Initial Brief has anticipated and adequately addressed most of the issues raised by Staff, OPC, and intervenors in this case, a few additional comments are necessary to clarify the record on the specific issues raised by the various parties in their briefs.

¹³ Section 393.1610.1, RSMo.

1. <u>The Commission should approve Evergy's proposed Residential Customer EV Outlet</u> <u>Rebate Program and Commercial EV Charger Rebate Program.</u>

Renew Missouri¹⁴, Sierra Club/NRDC¹⁵, and ChargePoint¹⁶ agree with Evergy that the Commission should approve Evergy's proposed (1) Residential Customer EV Outlet Rebate Program; and (2) Commercial EV Charger Rebate program (with some proposed modification discussed herein).

Evergy proposes the Residential Customer EV Outlet Rebate Program for residential customers to enable Level 2 ("L2"), managed charging and reduce the cost of home EV charging. Evergy is targeting the residential sector because light-duty private EV ownership constitutes the majority of existing and projected EV adoption in the Evergy territory over the next five years. With approximately 80% of charging activity typically occurring at home, the residential sector is a strategic way to serve this segment of EV drivers.

The Commercial EV Charger Rebates will reduce the costs associated with L2 and DC Fast Charging ("DCFC") EV charging station installations at a variety of locations (highway, public, workplace, fleet, multi-family) by providing a rebate to cover a modest portion of the customerside infrastructure and EV charger equipment costs. The program design will incentivize smart, network-capable chargers to enable controllable load management regardless of what type of L2 or DCFC charger is installed. These design considerations will also allow Evergy to collect and analyze charger utilization data for various use cases and better understand where EV charging is occurring on the system.

¹⁴ Renew Missouri Br. at 2.

¹⁵ Sierra Club/NRDC Br. at 4-6.

¹⁶ ChargePoint Br. at 1-9.

Based on Evergy's review of projected EV growth and the associated infrastructure needs, the Company anticipates that a mix of L2 and DCFC, in addition to Evergy's CCN stations, will be needed at commercial locations to meet the requirements and usage patterns of EV drivers.¹⁷ The Commercial Rebate Program is a pilot designed to reduce the costs associated with EV charging installations at a variety of locations (highway, public, workplace, fleet, and multifamily) by providing a rebate toward the customer-side, make-ready infrastructure and equipment costs.

<u>Staff and OPC's Criticisms of the Residential Customer EV Outlet and Commercial EV</u> <u>Charging Programs Should Be Rejected.</u>

Unlike Renew Missouri, Sierra Club/NRDC, and ChargePoint, Staff and OPC recommend rejection of both the Residential Customer EV Outlet Rebate Program¹⁸ and the Commercial EV Charging Program.¹⁹

Response To Staff Concerns

Staff's principal criticism is based upon its misunderstanding that there are no parameters to mitigate cost increases or program success.²⁰ Contrary to Staff's arguments, the Residential Customer EV Outlet Rebate Program will reduce the costs associated with L2 charger installation at home and provide customers with the ability to charge EVs in less time and with 7-15% less energy. The 240V outlet will enable drivers to use either their preferred charger or their vehicle's onboard charge management functionality.²¹ By dramatically reducing the amount of time required to complete charging, the Residential Customer EV Outlet Rebate facilitates the EV driver's ability

¹⁷ Ex. 1, Report, pp. 24-25; <u>See also, Ex. 7</u>, Voris Surrebuttal, pp. 21-26; Ex. 6, Nelson Surrebuttal, p. 9.

¹⁸ Staff Br. at 22-25; OPC Br.

¹⁹ Staff Br. at 4-7; OPC Br. at 8-19, 29-47.

²⁰ Staff Br. at 22-25.

²¹ <u>Id</u>. <u>See also</u> Ex. 7, Voris Surrebuttal, pp. 11-12.

to utilize Evergy's TOU rate, thereby creating a foundation for future active charge management programs.²²

Staff also argues that without TOU, charging will be unmanaged and add additional costs to the system.²³ Contrary to Staff's arguments, Evergy has and will continue to promote optional TOU rates to encourage off-peak charging to avoid adding additional costs to the system. Even if some charging occurs at peak times, Evergy's proposed residential and commercial rebate pilot programs are so small that the programs are unlikely to add significant costs to the system. Such a theoretical downside does not negate the benefits of the learnings that will occur from the residential and commercial pilot programs.

Second, Staff argues that the rebate programs have ill-defined parameters and program terms.²⁴ In particular, Staff raised issues related to the demand response expectations for commercial rebate customers. This issue was discussed by ChargePoint's counsel in the hearing²⁵ and in the ChargePoint Brief.²⁶ Evergy agreed in surrebuttal testimony²⁷ and in cross-examination²⁸ that Evergy would not impose any demand response requirements on commercial rebate recipients that install DC Fast Chargers. In addition, Evergy clarified that the commercial rebate recipients would not be expected to participate in every demand response event that is called, but the terms and conditions of the program will include safeguards to ensure that commercial rebate recipients do not opt out of demand response events on a wholesale basis.²⁹ Evergy also

²² Ex. 1, Report, p. 23; See also Ex. 7, Voris Surrebuttal, pp. 11-18; Ex. 3, Caisley Surrebuttal, p. 20).

⁶⁷ Ex. 100, Staff Rebuttal Report, pp. 1, 15.

²³ Staff Br. at 22-23.

²⁴ Staff Br. at 24-25.

²⁵ Tr. 159-69, 229-32.

²⁶ ChargePoint Br. at 8-9.

²⁷ Ex. 7, Voris Surrebuttal, p. 25.

²⁸ Tr. 181.

²⁹ Tr. 175, 293.

clarified that Evergy's CCN chargers will be subject to the same demand response requirements that apply to commercial rebate recipients.³⁰ ChargePoint recommends that the Commission approve these clarifications.³¹

Staff also raised concerns that the educational and marketing materials had not been fully developed.³² Evergy has already addressed this issue in its Initial Brief.³³ Given the significant benefits that EV adoption will bring to all customers, Evergy has a responsibility to help stimulate the EV market and inform customers about those benefits and available incentives, as well as educate customers about managing charging to save money and reduce the potential for negative grid impacts.³⁴ In addition, Exhibit 8 includes a summary of Evergy's Education and Marketing plans which was initially introduced in the Kansas TE proceeding. This Education and Marketing plan is part of the Kansas Stipulation and Agreement awaiting approval at the Kansas Corporation Commission.³⁵ An objective of Evergy's Marketing and Education budget is to determine whether data-informed communications can meaningfully influence charging behavior of Evergy's EV customers in the absence of a financial incentive (i.e. mandatory TOU rates).

As explained in Evergy's Initial Brief,³⁶ the residential and commercial rebate programs will offer customer education to support EV adoption and encourage participation in Evergy's program offerings. This will ensure that customers have the latest information regarding Evergy's EV rebates, tariffs, as well as the benefits of EVs, electric fuel costs, and charging station locations.

³⁰ Tr. 169-70.

³¹ ChargePoint Br. at 8-9.

³² Staff Br. at 25.

³³ Evergy Br. at 52-53.

³⁴ Ex. 1, Report, p. 30.

³⁵ Tr. 442.

³⁶ Evergy Br. at 53.

Evergy will expand its current role of "energy advisor" into the TE space by offering technical assistance to help customers navigate EV-related decisions and to maximize the benefits of EV adoption.

Response To OPC Concerns

OPC raised a few additional concerns related to Evergy's proposed residential and commercial rebate programs.

First, OPC raises the passage of the *Infrastructure Investment and Jobs Act* as a reason for the Commission to deny Evergy's proposed pilot programs.³⁷ Evergy has already addressed this concern in the Introduction Section of the Brief. However, it is noteworthy that the federal funding related to EV charging stations is largely focused on highway corridor EV charging stations, but this federal program will not be as helpful in addressing the needs of other public, workplace, fleet, multi-family locations.³⁸

Evergy, on the other hand, will also focus upon the unserved areas of public, workplace, fleet and multi-family locations, including a limited number of highway corridor locations. Among the commercial customers eligible for the Commercial EV Charger Rebates are public service fleets such as those comprised of urban transit bus, school bus, municipal service fleets, paratransit, rural transit, and public assistance vehicles – all of which have broad benefits for underserved communities.³⁹

³⁷ OPC Br. at 43-47.

³⁸ See Section 11401 of HB3684 (<u>https://www.congress.gov/bill/117th-congress/house-bill/3684</u>). The Purpose Section of 11401 states: (a) Purpose.—The purpose of this section is to establish a grant program to strategically deploy publicly accessible electric vehicle charging infrastructure, hydrogen fueling infrastructure, propane fueling infrastructure, and natural gas fueling infrastructure along designated alternative fuel corridors or in certain other locations that will be accessible to all drivers of electric vehicles, hydrogen vehicles, propane vehicles, and natural gas vehicles.

³⁹ Ex. 1, Report, p. 25.

The rebate structure for each site type included in the Commercial EV Charging Rebate program is summarized in Table 6 of the Report, p. 25:

Table 6: Commercial EV Charger Rebates by Site Type				
Site Type	e Type L2 Ports DCFC		Maximum Rebate per Site	
Highway	2	2	\$45,000	
Non-Highway Public	6	2	\$55,000	
Fleet/Workplace	10	2*	\$65,000	
Multi-Family	10	0	\$25,000	

This table illustrates that Evergy's focus in the Commercial EV Charging Rebate program will largely be on Non-Highway Public, Fleet/Workplace, and Multi-Family EV charging station projects. For this reason, the Commission should conclude the passage of the *Infrastructure Investment and Jobs Act* is not a reason for the Commission to deny Evergy's application in this case.

Second, OPC has a lengthy discussion of the data related to the alleged number of EVs in Evergy's service area and a comparison of data for the St. Louis area.⁴⁰ OPC's discussion is not helpful since it is based upon incomplete data from state registrations. Evergy addressed this problem in its Initial Brief.⁴¹ As explained therein, OPC has a fundamental flaw in its data related to the number of Plug-In Hybrid EVs ("PHEVs") included in the state registrations utilized by

⁴⁰ OPC Br. at 34-38.

⁴¹ Evergy Br. at 8-10.

OPC. According to OPC, only 7.5% of the EVs in Missouri are PHEVs.⁴² The conclusion that only 7.5% of the total EVs in Missouri are PHEVs is not consistent with overall sales of PHEVs in recent years. This fundamental flaw invalidates any conclusions made by OPC that Evergy does not have more EVs in its service area on a per capita basis than other areas of the state.

Evergy stands by its EV population estimates, which—like OPC's data—are founded upon actual state registration data. The difference between Evergy's data and OPC's data is that Evergy's data has been subjected to vehicle identification number ("VIN") decoding by a reputable third party (IHS Markit), which is a process that determines the vehicle type based on the registered vehicle's VIN. It is commonly known in the industry that without this correction, state registration data is prone to inaccuracies such as the failure to distinguish between a hybrid vehicle and a plugin hybrid vehicle.

2. <u>The Commission should approve Evergy's proposed Residential Developer EV Outlet</u> <u>Rebate Program</u>.

Renew Missouri⁴³, Sierra Club/NRDC⁴⁴, and ChargePoint⁴⁵ agree that the Commission should approve Evergy's proposed Residential Developer EV Outlet Rebate Program.

As explained in Evergy's Initial Brief, the Residential Developer EV Outlet Rebate is designed to incentivize developers to pre-wire new homes with adequate circuit capacity to accommodate L2 EV charging by future residents. In the absence of other mechanisms such as building codes that require EV ready residential construction, the Residential Developer EV Outlet Rebate provides Evergy with an opportunity to partner with developers to future-proof the

⁴² Tr. 577; See also Evergy Br. at 8-10.

⁴³ Renew Missouri Br. at 3.

⁴⁴ Sierra Club/NRDC Br. at 6.

⁴⁵ ChargePoint Position Statement, p. 2.

residential sector and prepare it for expected growth in demand for EVs. Accordingly, customer education and outreach activities associated with the Residential Developer EV Outlet Rebate will target developers and provide information about the benefits of installing infrastructure at the time of construction. The proposed Residential Developer EV Outlet Rebate program is a limited pilot program and has a relatively small budget, but the program will be an important source of information about contractor willingness to participate in the development of EV charging outlets in the residential market.

Unlike Renew Missouri, Sierra Club/NRDC, and ChargePoint, Staff and OPC do not support the Residential Developer EV Outlet Rebate pilot program.⁴⁶ The primary concerns of Staff and OPC were adequately addressed in Evergy Initial Brief, and they will not be repeated herein.⁴⁷ None of these concerns are sufficient to reject this pilot program.

3. <u>The Commission should approve Evergy's proposed Electric Transit Service Rate and</u> <u>Business EV Charging Service Rate</u>.

Renew Missouri, ⁴⁸ Sierra Club/NRDC, ⁴⁹ and ChargePoint ⁵⁰ recommend that the Commission approve Evergy's Electric Transit Service Rate and Business EV Charging Service Rate.

The new Electric Transit Service ("ETS") pilot rate option for transit bus fleet customers in Missouri is designed to increase EV adoption in this vehicle segment and support transit customers in realizing the benefits of Battery Electric Buses ("BEBs"). The ETS rate is a two-period TOU

⁴⁶ Staff Br. at 5-6; OPC Br. at 24-29.

⁴⁷ Evergy Br. at 29-30.

⁴⁸ Renew Missouri Br. at 3.

⁴⁹ Sierra Club/NRDC Br. at 6.

⁵⁰ ChargePoint Br. at 9-11.

rate with a 12-hour off-peak period (6 p.m.-6 a.m.) that aligns with typical transit fleet depot charging patterns.

Evergy's proposed new Business EV Charging Service ("BEVCS") pilot rate option for commercial customers is designed to increase EV adoption, meet workplace employee and fleet EV charging needs, support public EVSP networks, and maximize grid benefits of EV charging load at commercial locations. Any commercial customer with an EV charging station is eligible for this rate. While the rate was designed using actual costs and charging patterns at workplace and fleet charging sites, the new rate would be suitable for any commercial EVSP including highway corridors, multi-family dwellings, and other public destinations.⁵¹ The BEVCS tariff is a TOU rate with three peak periods (on-peak, off-peak and super off-peak) designed to align with actual costs and time periods for workplace and fleet charging.

Customers have the option under the ETS and BEVSC to elect that all of the electricity under these schedules to be from carbon free resources. The Company, at its sole discretion, agrees to generate or purchase energy from carbon free sources and/or purchase and retire renewable energy credits in an amount at least equal to the level of service purchased under this tariff.⁵²

Unlike Renew Missouri, Sierra Club/NRDC, and ChargePoint who support the new commercial TOU pilot rates, Staff, OPC, and MECG do not support the approval of the ETS and BEVSC, ⁵³ even though Staff and OPC are generally in favor of TOU rate options.

The concerns raised by Staff, OPC, and MECG are largely legal in nature and have been anticipated and addressed in Evergy's initial brief.⁵⁴ Interestingly, these parties totally ignored the

⁵¹ Ex. 1, Report, p. 28.

⁵² Evergy Tariff Nos,

⁵³Staff Br. at 7-9; OPC Br. 51-59; MECG Br. at 7-14.

⁵⁴ Evergy Br. at 38-43.

primary statutory authority (Section 393.1610) under which Evergy's filed its Application.⁵⁵ Section 393.1610 explicitly authorizes the approval of pilot programs such as Evergy has proposed in this case. These parties also ignored the long history of the Commission approving new experimental rates outside the context of rate cases.⁵⁶ The Commission should reject the legal obstacles being raised by Staff, OPC, and MECG and take the next step to bring electrification to the transportation industry in Missouri.

OPC also argues that it was "absurdly futile" for Evergy to have filed this case seeking approval of its pilot programs and experimental TOU rate options when it is also planning to file a general rate case in 2022.⁵⁷ As Company's counsel explained during the opening statements, it is important for Evergy (and its customers) to go forward with its pilot programs and expansion of its CCN as soon as possible.⁵⁸ Evergy does not want to delay these programs as the EV marketplace is obviously developing very rapidly.

4. <u>The Commission should approve Evergy's proposed Clean Charge Network</u> <u>Expansion</u>.

Like the other issues discussed above, Staff, OPC and MECG are the only parties opposing the proposed CCN expansion in this case.⁵⁹ Evergy proposes to modestly raise the cap on the CCN facilities so it may continue to collect and analyze charger utilization data for various use cases, better understand where EV charging is occurring on the system and enable further load analysis to support grid management activities. Evergy will build upon its customer outreach approach to

⁵⁵ Evergy Application, p. 1, filed in this case on February 24, 2021.

⁵⁶ Evergy Br. at 38, fn. 111.

⁵⁷ OPC Br. at 51.

⁵⁸ Tr. 25-26.

⁵⁹ Staff Br. at 9-12, 25-29; OPC Brief at 60-67; MECG Position Statement, p. 5.

spread awareness of the CCN, maintain up-to-date information about EV model availability, and hold events to engage customers.⁶⁰

Response to Staff and OPC on CCN Expansion

Staff and OPC's criticisms of Evergy's proposed expansion of the Clean Charge Network ("CCN") have been largely addressed in Evergy's Initial Brief.⁶¹ However, a few more specific arguments related to this issue will be addressed in this section.

Staff and OPC either support or do not oppose the expansion of the CCN to accommodate a streetlighting proposal partially funded by a grant from the U.S. Department of Energy to the Metropolitan Energy Center and the City of Kansas City for a pilot streetlight-charging program in the city's right of way.⁶² However, Staff and OPC continue to oppose Evergy's proposal to add eight chargers to the highway corridor site locations, and four DCFC sites in Missouri Metro intended for use by transportation network companies ("TNCs")/rideshare companies.⁶³

Staff's primary objections related to the fact that Evergy has not provided all the details regarding locations of the new chargers, and the allegation that the current CCN does not cover its cost of service.⁶⁴ These arguments have already been addressed in Evergy's Initial Brief.⁶⁵

OPC's primary objection to the expansion of the CCN along the Highway Corridor is that there is a possibility of federal funds for EV chargers under the Bipartisan Infrastructure Deal.⁶⁶ This criticism has already been addressed herein.

⁶⁰ Ex. 1, Report, p. 34.

⁶¹ Evergy Br. 50-51.

⁶² Staff Br. at 10; OPC Br. at 65-66.

⁶³ Staff Br. at 10; OPC Br. at 64-65, 66-67.

⁶⁴ Staff Br. at 29.

⁶⁵ Evergy Br. at 15-20.

⁶⁶ Ex. 100, Staff Rebuttal Report, p. 28.

Staff and OPC's criticisms should be rejected by the Commission. Any new CCN stations would focus on filling gaps in the market and serving underserved communities, such as "commercial locations in underserved communities, secondary and tertiary highway corridors, and potential designated charging to support rideshare and TNC [transportation network companies] use cases".⁶⁷ Upon approval by the Commission, Evergy will proceed to develop the specific locations for its expanded CCN using the principles discussed herein.

5. <u>The Commission should approve Evergy's request that the Commission find that the</u> <u>limited and targeted CCN expansion plans Evergy has proposed in this filing are prudent</u> from a decisional perspective.

Staff argued that decisional prudence is limited to proceedings involving Certificates of Convenience and Necessity and should not be used in a tariff proceeding.⁶⁸ OPC also argued that a finding of decisional prudence "is wholly unnecessary and improper."⁶⁹

Notwithstanding the arguments by Staff and OPC, the Commission has made decisional prudence determinations for other initiatives in the past.⁷⁰ As Mr. Caisley and Mr. Ives have stated during the hearings, Evergy needs to know that the Commission believes that Evergy's participation in the EV charging station market is appropriate and prudent before Evergy makes additional investments in its CCN.⁷¹ This is a reasonable request, especially in light of OPC's argument that public utilities should not be involved in the EV charging station marketplace and the free market should be the method of obtaining investments in such facilities.⁷²

⁶⁷ Id. at 5.

⁶⁸ Staff Br. at 11.

⁶⁹ OPC Br. at 68.

⁷⁰ *Report And Order*, pp. 22-27, <u>Re Proposed Regulatory Plan of Kansas City Power & Light Company</u>, Case No. EO-2005-0329 (July 28, 2005).

⁷¹ Tr. 90-92; 296.

⁷² Tr. 52-34; 530-32.

Evergy intends to take the guidance of the Commission regarding the appropriate role of the public utility in this marketplace as it makes its decisions about its future participation in the EV charger marketplace.⁷³ Evergy will request recovery of prudently incurred O&M expenses as well as rate base treatment of prudently incurred capital spend associated with the CCN deployments as part of a future general rate case consistent with other capital investments made by the Company and the Commission's decisional prudence determination in this proceeding.⁷⁴

III. CONCLUSION

Having fully responded to the arguments and issues in this case, Evergy respectfully requests that the Commission approve its proposed tariffs related to the Transportation Electrification pilot program, modify the CCN cap on the number of EV charging stations that are authorized in the service territories of EMM and EMW as described in Section 4.8 of the Report, grant the requested variances of the relevant portions of the Promotional Practices Rules cited above so that the tariffs implementing its Transportation Electrification Pilot Program can be approved, and grant it accounting authority to defer the program costs associated with the program to a regulatory asset for inclusion in rates in its next electric general rate proceeding. Evergy's proposal related to the pilot programs includes a conservative budget that will cost the typical customer a small amount per month. Based on an average monthly usage of 899 kWh, the bill impact would be approximately \$1.00 to \$2.00 per year for residential customers.⁷⁵ Yet, this proposal will minimize future grid impacts as a result of the learnings and education from these pilot programs.

⁷³ Tr. 89-92; 103-05.

⁷⁴ Ex. 1, Report, pp. 32-33; See also Ex. 3, Caisley Surrebuttal, pp. 21-22; Ex. 4, Ives Surrebuttal, pp. 8-16, 20.

⁷⁵ Ex. 6, Ives Surrebuttal, p. 19.

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. 101 Madison, Suite 400 Jefferson City, MO 65101 Phone: (573) 353-8647 jfischerpc@aol.com

Attorneys for Evergy Missouri Metro and Evergy Missouri West

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to counsel of record as reflected on the certified service list maintained by the Commission in its Electronic Filing Information System this 29th day of November 2021.

|s| Roger W. Steiner

Roger W. Steiner