FILED February 1, 2022 Data Center Missouri Public Service Commission

Exhibit No. 8

Evergy Missouri West – Exhibit 8 Non-Unanimous Stipulation and Agreement and attached Schedule 1 of Evergy/Velvet File No. EO-2022-0061

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of Evergy) Missouri West, Inc. d/b/a Evergy Missouri for) Approval of a Special High Load Factor Market Rate)

NON-UNANIMOUS STIPULATION AND AGREEMENT

COME NOW, Evergy Missouri West, Inc. d/b/a Evergy Missouri West ("EMW" or "Company"), and Velvet Tech Services, LLC ("Velvet") (collectively, "Signatories") by and through their respective counsel, and for their *Non-Unanimous Stipulation and Agreement* ("Stipulation"), respectfully state to the Commission:

BACKGROUND

1. On November 2, 2021, Evergy filed its Application requesting Commission authority for approval of a special high load factor market rate for a Data Facility in Kansas City, Missouri.

2. On November 9, 2021, the Commission granted the Applications to Intervene of Velvet Tech Services, LLC, the Midwest Energy Consumers Group and Google LLC.

3. The Signatories agree to the following terms and conditions regarding the Application and the approval of the special high load factor market rate.

AGREEMENTS

4. **Special High Load Factor Market Rate** – The Signatories agree that the Special High Load Factor Market Rate ("MKT") tariff attached to the Direct testimony of Darrin Ives as DRI-2, as modified and attached as Schedule 1 to this Stipulation, should be approved by the Commission and become effective no later than March 31, 2022. Contracts executed and approved by the Commission under the MKT tariff will have a term of no greater than five years. Subsequent Contracts can be negotiated and approved for service under the MKT tariff.

5. **Cost and Revenue Tracking** –Evergy will make the following provisions to uniquely identify the costs and revenues for each respective MKT Contract within its books and records.

- a) Evergy will identify and isolate the plant costs to provide service to the MKT Contract Customer.
- b) Evergy will identify and isolate supply costs attributable to the MKT
 Contract Customer. At this time these costs are expected to consist of:
 - energy priced at the SPP Day Ahead Integrated Marketplace hourly prices for the Missouri West load node and will be accounted for at these rates ;
 - a. all applicable SPP charges. Dependent on the process established to track and settle customer loads under Schedule MKT service, applicable SPP charge categories may include: Administration, Auction Revenue Rights / Transmission Congestion Rights, Day Ahead Ancillary, Day Ahead Energy, Day Ahead Uplift, Real Time Ancillary, Real Time Energy, and Real Time Uplift. The intention is to account for identifiable costs associated with the energy received by the Schedule MKT customer; and
 - ii) cost of capacity. Dependent on approach, this may include, but is not limited to, interconnection costs not paid upfront, transmission costs, pricing for construction of physical resources to serve capacity or pricing for a distinct, contract for firm capacity offered in the SPP

market, and any customer negotiated amounts, such as the Renewable Energy Support Charge.

c) All revenues received from the Schedule MKT customer, including any negotiated special contributions.

6. **Variance Authority.** The Signatories agree that the Commission should authorize the following variances, pursuant to its authority under 20 CSR 4240-20.100(11), from the Renewable Energy Standard ("RES") rule (20 CSR 240-20.100):

- a) Definition of "total retail electric sales", as defined in 20 CSR 4240.20.100 (1)(W). The Signatories agree that if a Schedule MKT customer demonstrates that it has retired, or had retired on its behalf, Renewable Energy Credits ("RECs") greater than or equal to the then existing RES requirement applied to the Schedule MKT customer load, then the Schedule MKT customer retail sales are not included in the definition of "total retail electric sales" under 20 CSR 4240-20.100(1)(W) and not included in the EMW's calculation of its RES portfolio requirements in 20 CSR 4240-20.100(2). The Signatories agree that good cause exists for these variances because (1) the customer will have demonstrated that it has retired, or had retired on its behalf, RECs greater than or equal to the then existing RES requirement applied to the Schedule MKT Customer load (2) such demonstration by the customer is not only consistent with but goes well beyond the state's existing renewable energy goals.
- b) Definition of RES revenue requirement. The Signatories agree that RES compliance costs needed to serve a Schedule MKT customer should not be characterized as part of EMW's RES revenue requirement under 20 CSR

4240-20.100(1)(S)(1). The Signatories agree that good cause exists for this variance because (1) the customer will have demonstrated that it has retired, or had retired on its behalf, RECs greater than or equal to the then existing RES requirement applied to the Schedule MKT Customer load (2) such demonstration by the customer is not only consistent with but goes well beyond the state's existing renewable energy goals.

7. Section 393.1655 RSMo. treatment – The Signatories agree that because the MKT Contract Customer rate will be fixed for five years and because the rate will be based on the least cost incremental cost to serve: (1) the MKT Contract Customer's average rate and kilowatt hours usage shall not be included in the rate limitation calculations performed under section 393.1655 RSMo; (2) the MKT Contract Customer's rate shall not be affected by the rate limitation provisions of 393.1655, RSMo.; and (3) the MKT Contract Customer shall not be considered to be, in whole or in part, a member of Evergy's large power service rate class under section 393.1655.7(4) RSMo.

GENERAL PROVISIONS

8. Contingent upon Commission approval of this Stipulation without modification, the Signatories hereby stipulate to the admission into the evidentiary record of the testimony of their witnesses, and the witnesses of the parties who do not oppose this Stipulation, on the issues that are resolved by this Stipulation.

9. This Stipulation is being entered into solely for the purpose of settling the issues in this case explicitly set forth above. Unless otherwise explicitly provided herein, none of the Signatories to this Stipulation shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation, any cost of service methodology or determination, method of cost determination or cost allocation or revenue-related methodology. 10. This Stipulation is a negotiated settlement. Except as specified herein, the Signatories to this Stipulation shall not be prejudiced, bound by, or in any way affected by the terms of this Stipulation: (a) in any future proceeding; (b) in any proceeding currently pending under a separate docket; and/or (c) in this proceeding should the Commission decide not to approve this Stipulation, or in any way condition its approval of same.

11. This Stipulation has resulted from extensive negotiations among the Signatories, and the terms hereof are interdependent. If the Commission does not approve this Stipulation unconditionally and without modification, then this Stipulation shall be void and no Signatory shall be bound by any of the agreements or provisions hereof.

12. This Stipulation embodies the entirety of the agreements between the Signatories in this case on the issues addressed herein, and may be modified by the Signatories only by a written amendment executed by all of the Signatories.

13. If approved and adopted by the Commission, this Stipulation shall constitute a binding agreement among the Signatories. The Signatories shall cooperate in defending the validity and enforceability of this Stipulation and the operation of this Stipulation according to its terms.

14. If the Commission does not approve this Stipulation without condition or modification, and notwithstanding the provision herein that it shall become void, (1) neither this

Stipulation nor any matters associated with its consideration by the Commission shall be considered or argued to be a waiver of the rights that any Signatory has for a decision in accordance with RSMo. §536.080 or Article V, Section 18 of the Missouri Constitution, and (2) the Signatories shall retain all procedural and due process rights as fully as though this Stipulation had not been presented for approval, and any suggestions, memoranda, testimony, or exhibits that have been offered or received in support of this Stipulation shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any purpose whatsoever.

15. If the Commission accepts the specific terms of this Stipulation without condition or modification, only as to the issues in these cases explicitly set forth above, the Signatories each waive their respective rights to present oral argument and written briefs pursuant to RSMo. §536.080.1, their respective rights to the reading of the transcript by the Commission pursuant to §536.080.2, their respective rights to seek rehearing pursuant to §536.500, and their respective rights to judicial review pursuant to §386.510. This waiver applies only to a Commission order approving this Stipulation without condition or modification issued in this proceeding and only to the issues that are resolved hereby. It does not apply to any matters raised in any prior or subsequent Commission proceeding nor any matters not explicitly addressed by this Stipulation.

WHEREFORE, the Signatories respectfully request the Commission to issue an order in this case approving the Stipulation subject to the specific terms and conditions contained therein.

Respectfully submitted,

By: Isl Roger W. Steiner

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ATTORNEYS FOR EVERGY MISSOURI WEST

By: **[s]** Stephanie S. Bell

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ATTORNEY FOR VELVET TECH SERVICES, LLC

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been handdelivered, emailed or mailed, postage prepaid, to the counsel or record for all parties this 24th day of January 2022.

[s] Roger W. Steiner

Roger W. Steiner

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

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Sheet No.

For Missouri Retail Service Area

Special High-Load Factor Market Rate Schedule MKT

PURPOSE

This rate schedule is designed to provide certain Non-Residential Customers access to energy pricing as set by the Southwest Power Pool Integrated Marketplace.

AVAILABILITY

This special rate is available to Non-Residential customers for service to accounts originating after March 31, 2022, at a single location who:

• Operate a facility with a load equal to or in excess of a monthly demand of one hundred thousand kilowatts or is reasonably projected to be at least one hundred and fifty thousand kilowatts within five (5) years of the new customer first receiving service from Company.

and

- At full load, Customer must be able to demonstrate and maintain an annual load factor throughout the year of 0.85 or greater. During initial startup or commissioning, not to exceed five years, the Customer must be able to demonstrate and maintain an average annual load factor throughout the year of 0.85 or greater.
- Able to demonstrate and maintain a load factor throughout the year of 0.85 or greater.

and-

 The primary business activity at the service location is consistent with North American Industry Classification System Code 518210 (Data Processing, Hosting, and Related Services) or Code 541511 (Custom Computer Programming Services)

Service is available under this schedule to the following types of customers based on voltage level:

Substation voltage customer - Service is taken directly out of a distribution substation at primary voltage. The customer will own the feeder circuits out of this substation.

Transmission voltage customer - The customer owns, leases, or otherwise bears financial responsibility for the distribution substation. Service is taken off of the Company's transmission system.

Company reserves the right to offer to additional voltage levels.

This rate is not available for standby, breakdown, supplementary, maintenance or resale service except as noted below. Sub-metering or the reselling of electricity is prohibited.

Service under this tariff may not be combined with service under an Economic Development Rider, an Economic Redevelopment Rider, the Renewable Energy Rider, the Solar Subscription Rider, service as a Special Contract, or be eligible for participation in programs offered pursuant to the Missouri Energy Efficiency Investment Act, or for participation in programs related to demand response or off-peak discounts, unless otherwise ordered by the Commission when approving a contract for service under this tariff.

Issued: Issued by: Darrin R. Ives, Vice President Effective: 1200 Main, Kansas City, MO 64105

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

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For Missouri Retail Service Area

Special High-Load Factor Market Rate Schedule MKT

AVAILABILITY (continued)

Availability of service under this tariff may be limited by the Company due to constraints with, or protection for, Company generation resources or the transmission grid and overall system. The Company will fully evaluate each Customer's operation and the expected impacts to the Company and remaining retail customers and reserves the right to will determine a Customer's ability to participate in this rate based on that evaluation. The Company will notify the Commission if participation is not allowed. Participation in this rate will not be allowed if the Company <u>or the Commission</u> determines it to be uneconomic for the Company or the remaining retail customers.

RATES & CONDITIONS

1. RATE FOR ENERGY SERVICE

An Energy Charge will be assessed based on the number of kilowatt-hours consumed in any given hour multiplied by the appropriate cost to purchase energy from the Southwest Power Pool (SPP) for that hour. The Company will specify the <u>load</u> node to be used in the Special High-Load Factor Market Rate Contract described below and that SPP node will be used to price the hourly energy and all applicable SPP charges. <u>All elements included in the rate will be specified in the Special High-Load Factor Market Rate Contract described below.</u>

2. RATE FOR CAPACITY SERVICE

The Company will use good utility practice to identify lowest cost capacity options available at the time each customer requests service under this schedule. The approach to identify these options may include, but is not limited to, pricing for construction of physical resources to serve capacity or a distinct, request for proposal for firm capacity offered in the SPP market. Recognizing that capacity may not be obtained in small increments to match Customer need, all efforts will be made to maximize the benefit of the capacity options for the Customer and the Company. As needed, the rate for capacity may be inclusive of other capacity-based costs-<u>including all applicable SPP charges</u>, infrastructure investment recovery or Customer contributions. The rate and all elements included in the rate will be specified in the Special High-Load Factor Market Rate Contract described below.

3. PRICING FOR ALL OTHER SERVICE

Pricing for Customer Charges and any other applicable charges applicable under this rate schedule are defined within the Special High-Load Factor Market Rate Contract described below and are intended to reflect the cost of service present at the time the Customer receives service. All charges for service under this rate schedule, and shall includeing all applicable minimum demand and or facilities charges, shall be limited to the charges set forth within this tariff and charged at the rates specified in the contract between the Company and the Customer.

Issued: Issued by: Darrin R. Ives, Vice President Effective: 1200 Main, Kansas City, MO 64105

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

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For Missouri Retail Service Area

Special High-Load Factor Market Rate Schedule MKT

RATES & CONDITIONS (continued)

4. CONTRACT DOCUMENTATION

The Special High-Load Factor Market Rate will be determined for each Customer based on expected loads planned to serve the Customer. Details about the rate start date, term, operating parameters, and terms and conditions related to the Special High-Load Factor Market Rate and all assumptions, inputs, and calculations used to determine that rate will be filed with the Commission and documented through a Special High-Load Factor Market Rate Contract. At least 60-90 days prior to the effective date of the Special High-Load Factor Market Rate Contract, the Company will file the individual Special High-Load Factor Market Rate Contract, the Company will file the individual Special High-Load Factor Market Rate Contract, the Special High-Load Factor Market Rate Contract, the filing shall include:

- a. Description of Service definition of the customer requesting service, the nature of the loads and the proposed service(s) to be provided by the Company.
- b. Cost of Service the expected costs and revenues associated with providing service under the rate, inclusive of all assumptions, inputs, and calculations used to determine the customer rate
- c. Economic Benefits the economic benefits expected to be brought to the area as a result of providing service

Any part of the Special High-Load Factor Market Rate Contract filing may be filed as confidential information subject to the provisions of 20 CSR 4240-2.135 Confidential Information.

Customer will not be eligible to take service under this rate until the Commission approves the individual Special High-Load Factor Market Rate Contract. If the Commission does not approve the individual Special High-Load Factor Market Rate Contract, Customer may take service under another rate schedule for which they qualify.

TERM

The minimum term may vary for each customer served under this rate schedule but in no instance, should the term be more than five (5) years. Customers may receive service for additional five-year terms subject to updated pricing. If pricing is updated, the revised Market Rate Contract will be submitted to the Commission under a <u>6090</u>-day tariff-review filing. Customers taking service under this rate schedule must provide written notice three monthsninety (90) days before switching to any other Company rate schedule. If a Customer elects to leave this rate schedule they will not be allowed to resume service under this schedule for a period of one year.

ADDITIONAL PROVISIONS

- 1. Billings under this rate will be managed to follow SPP settlement timing and may vary from other retail billing schedules identified in the Company Rules & Regulations. <u>As applicable, SPP settlements will be applied at the time received to the active billing period.</u>
- 2. Customers who fail to maintain the Availability provisions of this rate schedule will have ninety (90) days from the day the Company provides notice of the failure to rectify the failure. In the event that the failure is not rectified after ninety (90) days, the Customer will be immediately moved to another rate schedule for which they qualify.

Issued:

Effective:

Issued by: Darrin R. Ives, Vice President 1200 Main, Kansas City, MO 64105 EVERGY MISSOURI WEST, INC. d/b/a EVERGY MISSOURI WEST

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For Missouri Retail Service Area

Special High-Load Factor Market Rate Schedule MKT

ADDITIONAL PROVISIONS (continued)

- 2.3. The Special High-Load Factor Market Rate will be designed to recover no less than the incremental cost to serve the Customer over the term of the Special High-Load Factor Market Rate Contract.
- 4. The Company will make provisions to uniquely identify the costs and revenues for each respective Special High-Load Factor Market Rate Contract within its books and records. This information will be available to support periodic reporting as ordered by the Commission. At the time of a general rate proceeding the portion of the Company's revenue requirement associated with the incremental costs to serve the Customer shall be identified. The Customer's rate revenues shall be reflected in Company's net revenue requirement.

Non-Participating customers shall be held harmless for any deficiency in revenues from the cost to serve for which the rates were designed to recover by any customer served under this tariff. It is expressly recognized that the Company and the Schedule MKT customer shall have the right to present evidence for the Commission's consideration of other economic benefits as a result of Schedule MKT customers taking service from the Company. In the event that any Commission ordered deficiency adjustment is required, the Schedule MKT customer for which there is Commission determined deficiency of revenues to cover the incremental costs to serve will receive a Special High-Load Factor Market Rate Contract rate adjustment sufficient to pay for half the determined cost to serve, with the remainder of the deficiency being borne by the Company.

- 5. Service under this tariff shall be excluded from projected energy calculations used to establish charges under Riders FAC and RESRAM, and Customer will not be subject to any such charges, unless otherwise ordered by the Commission when approving a contract for service under this tariff. The Company will remove all identifiable costs of service under this tariff from the FAC charge recovered from all customers, and the Company will track those costs and identify those costs separately from other costs specifically identified in the FAC monthly reports submitted to the Commission. Customer may exercise the opt-out provisions contained in Section 393.1075.7, RSMo.1075.7, RSMo. to avoid being subject to Demand Side Investment Mechanism Rider charges.
- 6. Notwithstanding any provisions of the Company's RESRAM tariff to the contrary, a Schedule MKT Customer shall not be subject to RESRAM charges unless a Schedule MKT customer does not have has renewable attributes supporting its load greater than or equal to the then existing Renewable Energy Standard. For Schedule MKT customers with such renewable attributes, the kWh supported by Schedule MKT customer's "renewable attributes" will be subtracted from the calculation of total retail electric sales in in 20 CSR 4240-20.100. Renewable attributes means Renewable Energy Credits that the MKT Customer has retired, or had retired on its behalf, documented annually from an established renewable registry.

REGULATIONS

Subject to Rules and Regulations filed with the State Regulatory Commission.

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Special High-Load Factor Market Rate Schedule MKT

SPECIAL HIGH-LOAD FACTOR MARKET RATE CONTRACTS

Start Date	Name of Customer	Service Address

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