

# Exhibit No. 103

Staff – Exhibit 103  
Brad J. Fortson  
Surrebuttal Testimony  
File No. EF-2022-0155

*Exhibit No.:*  
*Issue(s):* *Fuel and Purchased  
Power Costs*  
*Witness:* *Brad J. Fortson*  
*Sponsoring Party:* *MoPSC Staff*  
*Type of Exhibit:* *Surrebuttal  
Testimony*  
*Case No(s):* *EF-2022-0155*  
*Date Testimony Prepared:* *July 22, 2022*

**MISSOURI PUBLIC SERVICE COMMISSION**

**INDUSTRY ANALYSIS DIVISION**

**ENERGY RESOURCES DEPARTMENT**

**SURREBUTTAL TESTIMONY**

**OF**

**BRAD J. FORTSON**

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

**CASE NO. EF-2022-0155**

*Jefferson City, Missouri  
July 2022*

1 **SURREBUTTAL TESTIMONY OF**

2 **BRAD J. FORTSON**

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

5 **CASE NO. EF-2022-0155**

6 Q. Please state your name and business address.

7 A. Brad J. Fortson, 200 Madison Street, Jefferson City, Missouri 65102.

8 Q. Are you the same Brad J. Fortson who filed rebuttal testimony on June 30, 2022?

9 A. Yes I am.

10 Q. What is the purpose of your surrebuttal testimony?

11 A. The purpose of my surrebuttal testimony is to update the jurisdictional factors  
12 applied to two Winter Storm Uri resettlement amounts, which affects Staff's recommended  
13 disallowance relating to the 95%/5% sharing mechanism computation.

14 Q. Does this change Staff's recommended disallowance?

15 A. Yes, very slightly. As explained further below, this changes Staff's recommended  
16 disallowance relating to the 95%/5% sharing mechanism from \$14,771,657.61 to \$14,771,977.11,  
17 an increase of \$319.50.

18 Q. Please briefly explain the jurisdictional factor.

19 A. Evergy Missouri West, Inc. d/b/a Evergy Missouri West's ("EMW" or "Company")  
20 Fuel Adjustment Clause ("FAC") requires them to accumulate actual net energy costs over a  
21 six month accumulation period ("AP"), followed by a twelve month recovery period during which  
22 the amount of Actual Net Energy Costs over the Net Base Energy Costs is reduced by a  
23 jurisdictional factor, and then 95% of that difference, combined with an interest calculation and  
24 true-up adjustment, is either returned to or collected from customers. This mechanism requires the  
25 Company to absorb 5% of any under-collected amounts or retain 5% of any over-collected

1 amounts. The retail jurisdictional factor, which is a part of the 5% sharing mechanism  
2 computation, is computed for every Fuel Adjustment Rate (“FAR”) filing based on an average of  
3 the six months in each AP.

4 Q. How does the jurisdictional factor relate to Staff’s updated recommended  
5 disallowance?

6 A. For the original deferred amount of \$297,316,443.79 and subsequent  
7 (\$3,900,115.13) resettlement adjustment, Staff used the jurisdictional factors reflected on the  
8 applicable FAR filings that were in effect for those time periods.<sup>1</sup> In rebuttal testimony, for the  
9 proposed disallowance involving the Winter Storm Uri resettlement adjustments of \$3,034,962.87  
10 in December 2021 and \$187,626.39 in February 2022, Staff used an estimated jurisdictional factor  
11 of 99.620%.<sup>2</sup> On July 1<sup>st</sup>, EMW made its FAR filing for AP 30, covering the months of  
12 December 2021 through May 2022. That FAR filing, in Case No. ER-2023-0011, included  
13 workpapers and tariff sheets reflecting a jurisdictional factor of 99.81828%. It also included the  
14 Winter Storm Uri resettlement adjustment amounts mentioned above. Staff’s recommended  
15 disallowance has been updated to reflect the correct jurisdictional factor of 99.81828% applied to  
16 the Winter Storm Uri resettlement adjustments made in December 2021 and February 2022. Due  
17 to replacing the estimated jurisdictional factor with the actual jurisdictional factor for the last two  
18 Winter Storm Uri resettlement adjustments, Staff’s recommended disallowance related to the  
19 95%/5% sharing mechanism is now \$14,771,977.11.

20 Q. Does this conclude your surrebuttal testimony?

21 A. Yes, it does.

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<sup>1</sup> The \$297,316,443.79 deferral related to AP 28 and a jurisdictional factor of 99.595363%, P.S.C. Mo. No. 1 5<sup>th</sup> Revised Sheet No. 127.23, line 4. The (\$3,900,115.13) adjustment related to AP 29 and a jurisdictional factor of 99.75558%, P.S.C. MO. No. 1, 6<sup>th</sup> Revised Sheet No. 127.23, line 4.

<sup>2</sup> 99.620% is the jurisdictional factor resulting from EMW’s last general rate case.

**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 ) Case No. EF-2022-0155  
West for a Financing Order Authorizing the )  
Financing of Extraordinary Storm Costs )  
Through an Issuance of Securitized Utility )  
Tariff Bonds )

**AFFIDAVIT OF BRAD J. FORTSON**

STATE OF MISSOURI )  
 ) ss.  
COUNTY OF COLE )

**COMES NOW BRAD J. FORTSON** and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Surrebuttal Testimony of Brad J. Fortson*; and that the same is true and correct according to his best knowledge and belief.

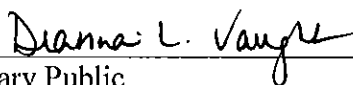
Further the Affiant sayeth not.

  
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**BRAD J. FORTSON**

**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 20<sup>th</sup> day of July, 2022.

**DIANNA L VAUGHT**  
Notary Public - Notary Seal  
STATE OF MISSOURI  
Cole County  
My Commission Expires July 18, 2023  
Commission #: 15207377

  
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Notary Public