

Exhibit No. 241

MoPSC Staff – Exhibit 241
Jordan T. Hull
Rebuttal Testimony
File Nos. ER-2022-0129 & ER-2022-0130

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Witness: Jordan Hull
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MISSOURI PUBLIC SERVICE COMMISSION
INDUSTRY ANALYSIS DIVISION
ENERGY RESOURCES DEPARTMENT

REBUTTAL TESTIMONY

OF

JORDAN T. HULL

Evergy Metro, Inc. d/b/a Evergy Missouri Metro
Case No. ER-2022-0129

Evergy Missouri West, Inc. d/b/a Evergy Missouri West
Case No. ER-2022-0130

Jefferson City, Missouri
July 2022

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**TABLE OF CONTENTS OF
DIRECT TESTIMONY OF
JORDAN T. HULL**

**Evergy Missouri West Inc. d/b/a Evergy Missouri West
And Evergy Metro, Inc. d/b/a Evergy Missouri Metro
Case Nos. ER-2022-0129 and ER-2022-0130**

EXECUTIVE SUMMARY1
MARKET BASED DEMAND RESPONSE (MBDR) PROGRAM.....2
RESPONSE TO SIERRA CLUB4

1 **REBUTTAL TESTIMONY**

2 **OF**

3 **JORDAN T. HULL**

4 **Evergy Missouri West Inc. d/b/a Evergy Missouri West**
5 **And Evergy Metro, Inc. d/b/a Evergy Missouri Metro**

6 **Case Nos. ER-2022-0129 and ER-2022-0130**

7
8 Q. Please state your name and business address.

9 A. Jordan T. Hull, 200 Madison Street, Jefferson City, MO 65101.

10 Q. By whom are you employed and in what capacity?

11 A. I am employed by the Missouri Public Service Commission (“Commission”
12 or “PSC”) as an Associate Engineer.

13 Q. Please describe your educational background and work experience.

14 A. Please refer to the attached Schedule JTH-r1.

15 Q. Have you previously filed testimony before this Commission?

16 A. Yes, I have. Please refer to the attached Schedule JTH-r2 for a list of cases in
17 which I have previously filed testimony.

18 **EXECUTIVE SUMMARY**

19 Q. What is the purpose of your rebuttal testimony?

20 A. The purpose of this testimony is to (1) express Staff’s opinion on the proposed
21 changes to the Evergy Missouri West, Inc. d/b/a Evergy Missouri West (“EMW”) and Evergy
22 Metro, Inc. d/b/a Evergy Missouri Metro’s (“EMM”) (collectively “Company”) Market-Based
23 Demand Response (“MBDR”) program outlined in Company Witness Kim Winslow’s direct
24 testimony; (2) respond to the Office of Public Counsel (“OPC”) witness Jordan Seaver’s

1 recommendation for the MBDR program; and (3) respond to Devi Glick's direct testimony on
2 behalf of Sierra Club in regards to the Company's coal fired generating units.

3 Q. What is Staff recommending the Commission order in this rebuttal testimony?

4 A. Staff recommends the Commission approve the Company's proposals to
5 the MBDR program in an attempt to increase participation. Staff also provides an informative
6 response to the Sierra Club for the Commission's consideration.

7 **MARKET BASED DEMAND RESPONSE (MBDR) PROGRAM**

8 Q. What is the MBDR program?

9 A. The Company was approved for this program in the prior general rate case.
10 MBDR is offered as a separate Tariff outside of the Missouri Energy Efficiency Investment Act
11 (MEEIA). MBDR offers qualified Business Demand Response participants an additional
12 opportunity to reduce their electric cost through participation with the Company in the
13 wholesale Southwest Power Pool (SPP) energy market by receiving payment for providing their
14 load reduction during high-energy price periods. MBDR is available to program participants
15 whose demand response (DR) resources are compliant with the SPP Tariff and SPP marketplace
16 protocol requirements and can provide sustainable load reduction during market participation.
17 An MBDR Participant has the option of committing its DR resources to the SPP energy market
18 unless the Company has scheduled a potential Business Demand Response Curtailment Event
19 for the same time period. Participation in the MBDR authorizes the Company to offer the
20 customer's curtailment amount in the SPP market, and participant compensation is based on
21 any SPP settlement payments less MBDR fees. All SPP registration and technical requirements,

1 market operating and settlement procedures, MBDR fees, etc., are detailed in the participants’
2 individual MBDR contract.¹

3 Q. How many customers are currently enrolled in the MBDR program?

4 A. Zero.

5 Q. What changes is the Company proposing to the MBDR Tariff?

6 A. The Company is requesting to update the tariff to better facilitate participation
7 by reducing the minimum KW load requirement from 1 MW to 100 kW per participant.
8 The second change is to include the potential for participation in additional SPP market
9 opportunities by adding the “real-time” wording in front of the “day-ahead” language in the
10 tariff. This would allow the more sophisticated customers to be able to participate in the
11 real-time market. According to the Company, these changes are being done to drive
12 participation.

13 Q. What is Staff’s conclusion about the changes to the MBDR program?

14 A. Although Staff is not convinced that the proposed changes will increase
15 participation, this program has no cost to non-participants. Therefore, Staff does not oppose
16 these two changes to allow the Company to try to drive participation which, if successful, would
17 provide Staff evidence that this program is a viable resource for the Company going forward.
18 Staff will reevaluate the MBDR program in the Company’s next general rate case to determine
19 if participation has increased and determine if it is needed moving forward.

20 Q. What does OPC witness Jordan Seaver recommend for the Company’s
21 MBDR program?

¹ EMW tariff sheet P.S.C. MO. No. 1 Original Sheet No. R-63.10.1 and EMM P.S.C. MO. No. 7 Fifth Revised Sheet No. 26 – 26 C.

1 A. Mr. Seaver recommends the MBDR program be discontinued.

2 Q. What support does Mr. Seaver provide for his MBDR recommendation?

3 A. As mentioned earlier in this testimony, Mr. Seaver also points out that since its
4 implementation in the Company's previous general rate case, this program has had no
5 participants. Mr. Seaver also states that because of that, the MBDR program has not shown
6 itself to be an effective way to achieve its stated aim.

7 Q. What is Staff's response to Mr. Seaver's recommendation for the
8 MBDR program?

9 A. As previously mentioned, Staff does not oppose the Company's revisions to
10 the MBDR program in an attempt to determine if the Company's proposed changes to
11 the MBDR program tariff sheet can increase participation to make it a more viable resource for
12 the Company going forward.

13 **RESPONSE TO SIERRA CLUB**

14 Q. What is a base load generating unit?

15 A. Base load generating units/plants are electric power sources that operate
16 continuously to meet minimum levels of power demand on a 24/7 basis. Base load plants are
17 usually large scale and are key components of an efficient and reliable electric grid. Base load
18 plants are not designed to respond to peak demands or emergencies. Examples of base load
19 units include coal and nuclear power plants.

20 Q. What is an intermediate generating unit?

21 A. Intermediate power plants/units are used during the transition between base load
22 and peak load demand. These plants are not as difficult to ramp up as base load plants or as
23 expensive to operate as peak load plants. Wind and solar and some natural gas power plants fall

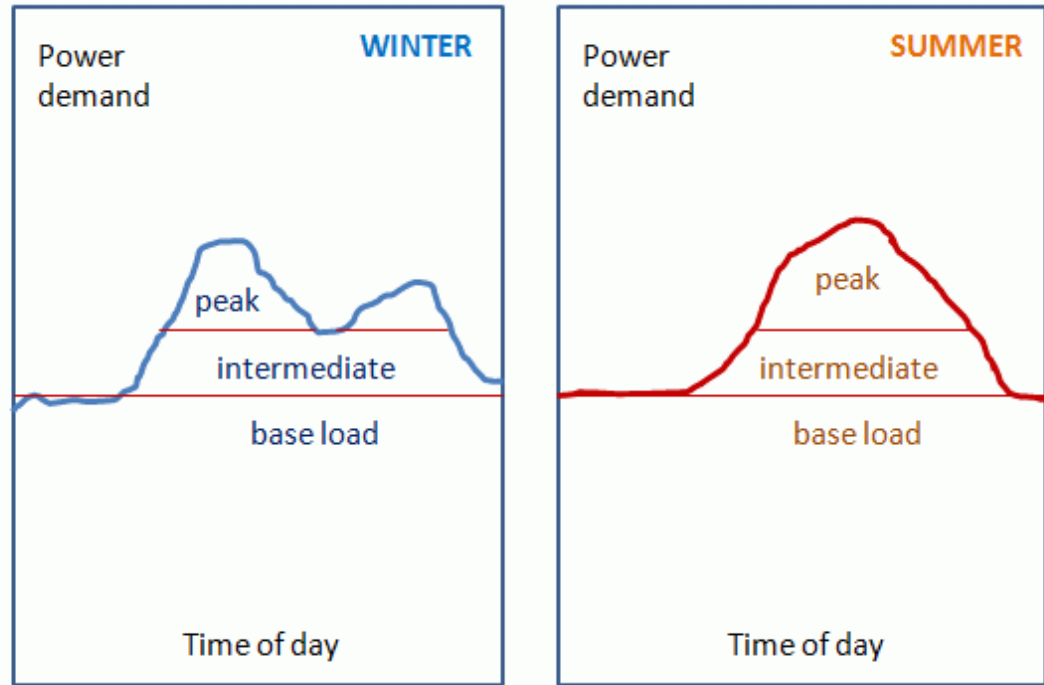
1 in the intermediate category. Because wind and solar resources are intermittent by nature, and
2 the electricity they generate fluctuates with the weather and the time of day, they cannot be
3 depended on to meet peak demand or to provide energy on a consistent basis for base
4 load purposes.

5 Q. What is a peaking generating unit?

6 A. A peaking power plant (commonly referred to as a “Peaker plant”) is one that
7 can switch on when additional power is needed, which will come online without much delay,
8 and will start generating power on a moments' notice. Once a peak has passed, they are returned
9 to standby mode for future peaks. Peaker plants are often used much less frequently over the
10 course of a year than base and intermediate plants.

11 Q. Are all three types of generation units (base load, intermediate, and peaking)
12 needed?

13 A. Utilities that have a diversified generation fleet, with all three types of
14 generation, helps form a more reliable, resilient, and stable grid for its customers.
15 Having sufficient amounts of each type increases grid reliability in the case of extreme weather
16 and emergencies. See the below graphic to illustrate how the three are utilized on a daily basis.



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2 Q. Did Sierra Club take the generation types into account when reviewing whether
3 a plant's retirement date needs to be expedited?

4 A. Staff did not notice anywhere in Sierra Club's testimony any mention of the
5 generation types or discussion of any base load alternatives in its discussion of the retirement
6 of current base load units.

7 Q. Does retiring base load and replacing it with intermediate (wind, solar)
8 concern Staff?

9 A. Yes. First, the two have very different operating characteristics. Utility
10 companies have no control over how much output a solar or wind turbine is going to produce
11 consistently. Solar and wind (renewables) are entirely reliant upon weather conditions to
12 generate. This is the reason they are considered intermediate and not baseload. Second, for
13 solar or wind to produce the same amount of megawatts (MW) that the Company's current base
14 load (coal) units are producing, it would take an extremely large amount of solar and wind to

1 even try to compete with the output of their current base load units. Replacing base load
2 with intermediate generation causes Staff concern about reliability in extreme weather
3 and emergencies.

4 Q. How much wind and/or solar would it take to replace the Company's entire
5 current coal generation?

6 A. The Company currently has approximately 2,700 MW of coal generation.
7 In order to replace that all at once with wind and/or solar, the Company would need to build
8 approximately 5,400 MW – 18,000 MW of nameplate capacity.

9 Q. What is nameplate capacity?

10 A. Nameplate capacity, also known as rated capacity, nominal capacity, installed
11 capacity, or maximum effect, is the intended full-load sustained output of a facility, such as a
12 power plant.

13 Q. When a utility company builds a solar or wind farm, will the facility get the
14 output at the nameplate capacity?

15 A. No. The company will get an accredited capacity through its Regional
16 Transmission Organization ("RTO") (in Evergy's case, SPP). This is generally based on its
17 geographical location and other plant characteristics. This accreditation is typically between
18 15% and 50% of its nameplate capacity, as the energy output is not consistent every hour of
19 everyday. This is also based on its geographical location. This is why solar and wind are not
20 reliable alternatives to base load units at this time.

21 Q. How much land would be needed if you were to replace Evergy's current coal
22 generation with solar or wind?

Rebuttal Testimony of
Jordan T. Hull

1 A. As a general rule of thumb, solar generation takes anywhere from 4-7 acres of
2 land to produce 1 MW of electricity. This range is due to the characteristics of the plant
3 (fixed, single axis, double axis) as well as its geographical location of the solar panels.
4 Currently the Company has 2,712 MW of coal generation. Meaning it would take
5 between 10,848-18,984 acres of land to produce the same amount of capacity using solar.
6 Wind takes anywhere from 2-40 acres per MW depending on the technology and geographical
7 location. This means it would take between approximately 5,424 and 108,480 acres of land to
8 get the same production out of wind generation that the Company is currently getting from its
9 coal generation.

10 Q. Does this conclude your rebuttal testimony?

11 A. Yes it does.

