MEMORANDUM

- TO: Missouri Public Service Commission Official Case File Case No. EO-2025-0283, Evergy Missouri West's Submission of Its 2024 Renewable Energy Standard Compliance Report
- FROM:Amanda ArandiaMay 30, 2025Engineering Analysis / Date
- **SUBJECT:** Staff Report and Conclusion on Evergy Missouri West's 2024 Renewable Energy Standard Compliance Report
- **DATE:** May 30, 2025

SUMMARY

Evergy Missouri West ("EMW") filed its 2024 Annual Renewable Energy Standard Compliance Report ("Report") on April 15, 2025. Based on its review of the Report, Staff has not identified any deficiencies.

Regarding EMW's request for waiver, Staff recommends the Commission grant EMW a limited waiver from the requirements of Rule 20 CSR 4240-20.100(8)(A)1.I.(V) to substitute invoices or another reasonable substitute when meter readings are not available for energy purchases from Gray County, Ensign, Osborn, Prairie Queen, Pratt, Rock Creek, and Cimarron Bend III wind farms.

Staff utilized the North American Renewables Registry (NAR) to independently verify the retirement of the Renewable Energy Credits (RECs) and Solar-Renewable Energy Credits (S-RECs) by EMW for its 2024 Renewable Energy Standard (RES) compliance.¹ EMW has achieved compliance with the RES requirements for the 2024 compliance year.

OVERVIEW

On April 15, 2025, EMW filed its Report for calendar year 2024. The Report was filed in accordance with 20 CSR 4240-20.100(8), Electric Utility Renewable Energy Standard

¹ <u>http://narecs.com/.</u>

MO PSC Case No. EO-2025-0283 Official Case File Memorandum May 30, 2025 Page 2 of 10

Requirements, Annual RES Compliance Report and RES Compliance Plan. This rule states, in part:

Each electric utility shall file a RES compliance report no later than April 15 to report on the status of both its compliance with the RES and its compliance plan as described in this section for the most recently completed calendar year.

Subparagraphs 20 CSR 4240-20.100(8)(A)1. A. through P. provide the minimum requirements for the Report. Subsection 20 CSR 4240-20.100(8)(D) requires that Staff examine EMW's Report and file a report within forty-five (45) days of the filing. On April 15, 2025, the Commission ordered Staff to file its report no later than May 30, 2025.

DISCUSSION

Staff has reviewed EMW's Report in accordance with the established requirements to verify that EMW has provided the information required by rule. The results of this review are detailed below, with appropriate rule subparagraphs A. through P. identified and quoted.

A. "Total retail electric sales for the utility, as defined by this rule;"

EMW provided the total retail electric sales for 2024 expressed as total megawatt-hours (MWh) sold to EMW consumers as 8,510,700 MWh. This is consistent with EMW's FERC Form 1 filed on May 15, 2025 in File No. BMAR-2025-1706.

B. "Total jurisdictional revenue from the total retail electric sales to Missouri customers as measured at the customers' meters;"

EMW provided the total retail electric sales for 2024 expressed as annual operating revenues (dollars) from EMW consumers of \$855,248,512. This amount is consistent with the amount listed on the Missouri Jurisdictional 2024 FERC Form 1 filed with the Commission on May 15, 2024.

C. "Total retail electric sales supplied by renewable energy resources, as defined by section 393.1025(5), RSMo, including the source of the energy;"

EMW provided the 2024 total retail electric sales by renewable resource based on its energy allocation presumption.

EMW utilized three company-owned renewable energy generating facilities during 2024: St. Joseph Landfill Gas, Hawthorn Solar and Greenwood Solar. EMW also has seven operational purchase power agreements ("PPA"), with Gray County Wind Energy, LLC ("Gray County"), Ensign Wind, LLC ("Ensign"), Osborn Wind Energy ("Osborn"), Prairie Queen Windfarm, LLC ("Prairie Queen"), Pratt Wind, LLC ("Pratt"), Rock Creek Wind ("Rock Creek"), and Cimarron Bend Windpower III ("Cimarron Bend"). Additionally, EMW provided the total estimated generation (MWh) supplied by its newly interconnected customer-generators.

	2024 (MWh) reported	NAR Project Account Holder
Gray County Wind	263,917	KCP& L Greater Missouri Operations
Ensign Wind	464,220	KCP& L Greater Missouri Operations
Osborn Wind	279,653	Kansas City Power & Light
Prairie Queen	332,980	Prairie Queen Wind Farm, LLC
Pratt	514,750	NextEra Energy Resources
Rock Creek Wind	432,511	Rock Creek Wind Projects, LLC
Cimarron Bend III	348,456	Cimarron Bend Wind Project III, LLC
St. Joseph Landfill Gas	9,646	KCP& L Greater Missouri Operations
Hawthorn	3,953	KCP& L Greater Missouri Operations
Greenwood Solar	4,102	KCP& L Greater Missouri Operations
Customer Generators	58,442	KCP& L Greater Missouri Operations
TOTAL	2,712,630	

Reported MWh by Facility

MO PSC Case No. EO-2025-0283 Official Case File Memorandum May 30, 2025 Page 4 of 10

Staff was able to verify these RECs in NAR. Cimarron Bend III RECs have been entered with "No" under Missouri, this denotes that they are not eligible for use in Missouri. Staff asked EMW about this in Staff Data Request No. 0005. EMW stated that Enel is responsible for the asset settings in NAR and that Cimarron Bend III is currently only utilized for tariff programs. EMW has no intention of using these RECs for RES compliance. If EMW intends to use these RECs for tariff programs in Missouri, this designation for eligibility in Missouri will need to be changed.

D. "The number of RECs and S-RECs created by electrical energy produced by renewable energy resources owned by the electric utility. For the electrical energy produced by these utility-owned renewable energy resources, the value of the energy created. For the RECs and S-RECs, a calculated REC or S-REC value for each source and each category of REC;"

EMW reported the number of RECs and S-RECs produced in 2024 and the value of energy created for each company-owned facility.

Facility	Number of RECs	Compliance Equivalency ²	Value of Energy	Value of RECs
St. Joseph Landfill Gas	9,646	12,058	\$160,508	0
Hawthorn Solar	3,953	N/A	\$127,478	0
Greenwood Solar	4,102	5,128	\$125,778	0

RECs Produced in 2024

EMW reports no value to its owned resources. However, Staff believes there is a value to the RECs and S-RECs created by EMW's owned generation though that value is not transparent.

E. "The number of RECs acquired, sold, transferred, or retired by the utility during the calendar year;"

EMW provided the information regarding the number of RECs acquired, sold, transferred and retired during the calendar year in Appendix E of its Report for each

² Renewable resources located in Missouri, qualifies for the one and twenty-five hundredths (1.25) credit multiplier allowed by statute and regulation; 393.1030.1., RSMo; 20 CSR 4240-20.100(3)(G).

individual facility. Staff reviewed the information provided in Appendix E and confirmed its accuracy in NAR. The following table represents the number of RECs acquired, sold, transferred, and retired during the calendar year. While EMW did not specifically provide the information as listed in this table, Staff was able to create this table using the information provided in Appendix E and simple addition.

	Number of RECs (Compliance Equivalency)	Number of S-RECs (Compliance Equivalency)
Acquired	2,636,487 (2,814,528)	58,442 (59,468)
Retired ³	1,153,612 (1,251,074)	20,427 (25,534)
Sold ⁴	786,389 (786,389)	0
Transferred	0	0

RECs Acquired, Sold, Transferred or Retired in 2024

EMW reported the sale of 786,389 RECs in 2024.

EMW retired 2021 vintage wind RECs from Gray County, Ensign, Osborn, Prairie Queen, Pratt, Rock Creek, and St. Joseph Landfill. Staff verified that EMW retired 1,251,074 RECs (includes in-state factor for RECs generated in Missouri) to meet the non-solar requirement of 1,251,073.⁵ EMW also retired 25,534 S-RECs (includes in-state factor for customer-generated S-RECs) to meet the solar requirement of 25,532.⁶

³ In appendix E, retirements for the 2024 calendar year are listed under the vintage year 2021 as "MO Compliance for 2024".

⁴ EMW did not report the sale of any RECs from Rock Creek in 2024, however it has come to Staff's attention that Ameren has publicly reported retiring RECs purchased from Rock Creek in 2024. (Ameren Missouri Renewable Energy Standard Compliance Report 2024, EO-2025-0281, page 10) Staff confirmed with EMW that these RECs were sold by Evergy Kansas Metro.

⁵ Pursuant to 20 CSR 4240-20.100(2)(C)1, the total amount of RECs necessary is determined by calculating fifteen percent of EMW's total retail sales. The non-solar requirement is the total amount of RECs necessary to achieve compliance, less the solar requirement.

⁶ Pursuant to 20 CSR 4240-20.100(2)(D)1, the amount of S-RECs necessary is determined by calculating three-tenths percent (0.3%) of the total RES requirement.

These RECs were registered and retired in NAR utilized for compliance purposes. In accordance with statute and regulation, these RECs were produced by a qualified facility and were banked and utilized appropriately.⁷

F. "The source of all RECs acquired during the calendar year;"

EMW provided a resource list as Table 3 of the Report.

G. "The identification, by source and serial number, or some other identifier sufficient to establish the vintage and source of the REC, of any RECs that have been carried forward to a future calendar year;"

EMW provided a listing, by source and serial number, of RECs that are being carried forward for future year(s) as Appendix B of the Report. This list includes 2022, 2023, and 2024 vintage RECs.

H. "An explanation of how any gains or losses from sale or purchase of RECs for the calendar year have been accounted for in any rate adjustment mechanism that was in effect for the utility;"

Revenues reflected in FERC account 509000 and gains or losses to be recorded in FERC accounts 411800 and 411900 from the sale of RECs that are not needed to meet the Missouri Renewable Energy Standard less the cost associated with making the sale.

I. "For acquisition of electrical energy and/or RECs from a renewable energy resource that is not owned by the electric utility, except for systems owned by customer-generators, the following information for each resource that has a rated capacity of ten (10) kW or greater: "

"(I) Facility name, location (city, state), and owner;"

EMW provided a resource list as Table 3 of the Report, which includes the name, location, and owner of the facilities.

⁷ Qualified facility per 393.1025(5), RSMo and 20 CSR 4240-20.100(1)(K); Banked RECs per 393.1030.2, RSMo and 20 CSR 4240-20.100(1)(J).

"(II) That the energy was derived from an eligible renewable energy technology and that the renewable attributes of the energy have not been used to meet the requirements of any other local or state mandate;"

EMW notes that the Generator Owners for Gray County, Ensign, and Osborn have designated EMW as the Responsible Party in NAR, this represents that the generator owner has not granted similar authority to another person or entity in NAR or any other similar registry. Additionally, EMW provided the Responsible Party designation forms in response to Staff Data Request No. 0002. Rock Creek, Prairie Queen, and Pratt are registered in NAR to their respective owners.⁸

Staff also verified that Gray County, Ensign, Osborn, Pratt, Rock Creek, and Cimarron Bend III are listed on the Missouri Department of Natural Resources ("MDNR") list of Renewable Energy Standard Certified facilities.⁹ Please see the below table of these facilities as they are listed on the MDNR list of Renewable Energy Standard Certified facilities.

Facility Name	Certification Date	Location	Applicant	Total Nameplate Capacity (MW)
Gray County Wind	11/02/0011			112.2
Energy, LLC	11/23/2011	Gray County, KS	KCP&L	112.2
Ensign Wind, LLC	12/6/2012	Gray County, KS	GMO	98.9
Osborn Wind Farm,		DeKalb County,		
LLC	3/14/2017	MO	KCP&L & GMO	200
Rock Creek Wind				
Project	4/25/2018	Fairfax, MO	KCP&L	300
Pratt Wind, LLC	5/29/2019	Pratt, KS	GMO	244
			Evergy Missouri Metro	
Cimarron Bend			and Evergy Missouri	
Wind Project III,			West (formerly	
LLC	11/11/2020	Clark County, KS	KCP&L and GMO)	198.84

Facility Listings in MDNR list of Renewable Energy Standard Certified Facilities

⁸ <u>https://apx.com/registries/nar-1/public-records-and-reports/</u>

⁹ Renewable Energy Standard (RES) Certification | Missouri Department of Natural Resources (mo.gov).

"(III) The renewable energy technology utilized at the facility;"

The renewable energy technology was included in Table 3.

"(IV) The dates and amounts of all payments from the electric utility to the owner of the facility; and"

The payments to the facility owners are provided in Appendix C of the Report.

"(V) All meter readings used for the calculation of the payments referenced in part (IV) of the paragraph;"

The required meter readings were not provided in the Report. EMW requested a limited waiver from this rule requirement (20 CSR 4240-20.100(8)(A)1.I.(V)) for purchased RECs, stating the meter reading information is not provided by the vendors from which EMW purchases RECs.

The purpose of this subparagraph is to demonstrate the validity of RECs and/or S-RECs obtained from sources that are not owned by the electric utility. Generation of renewable energy at company-owned resources is typically monitored by revenue quality meters and/or reported through an independent system operator. Resources to which this subparagraph applies are not necessarily monitored by the utility that seeks to retire the associated RECs for compliance purposes. This subparagraph compensates for the lack of utility ownership/control of the renewable energy resource.

The RECs associated with energy purchased from Gray County, Ensign, Prairie Queen, Pratt, Osborn, Cimarron, and Rock Creek are registered in NAR. A Qualified Reporting Entity (QRE) is defined in NAR's Operating Procedures as "an entity reporting meter reading and other generation data to the NAR Administrator." **

Since EMW is subject to a renewable energy standard, to qualify as a QRE in NAR, it must be able to demonstrate that there is an independent group responsible for reporting separate from the group which is engaged in marketing functions or REC

**

retirement under the principles defined by the FERC's Independent Functioning and No Conduit Rules.¹⁰ **

11.**

Based on its review of the information provided by EMW and other sources, Staff recommends the Commission grant EMW a limited waiver from the requirements of Rule 20 CSR 4240-20.100(8)(A)1.I.(V) to substitute invoices, which were provided in appendix C of the Report, or another reasonable substitute when meter readings are not available for energy purchases from Gray County, Ensign, Osborn, Prairie Queen, Pratt, Rock Creek, and Cimarron Bend III.

- J. "For acquisition of electrical energy and/or RECs from a customer-generator"
 - "(I) Location (zip code);"

"(II) Name of aggregated subaccount in which RECs are being tracked in;"

"(III) Interconnection date;"

- "(IV) Annual estimated or measured generation; and"
- "(V) The start and end date of any estimated or measured RECs being acquired;"

EMW had no new net metered accounts added in 2024.

K. "The total number of customers that applied and received a solar rebate in accordance with section (4) of this rule;"

EMW reported it paid 0 solar rebates during calendar year 2024.

L. "The total number of customers that were denied a solar rebate and the reason(s) for each denial;"

EMW reported no customers were denied a rebate during calendar year 2024.

¹⁰ NAR Requirements for Qualified Reporting Entities.

¹¹ Response to Staff Data Request No. 0004 in EO-2014-0289.

M. "The amount expended by the electric utility for solar rebates, including the price and terms of future S-REC contracts associated with the facilities that qualified for the solar rebates;"

EMW reported that it paid \$0 in solar rebates for calendar year 2024. Staff reserves the right to comment on the prudency of solar rebate expenditures when rate recovery is requested.

N. "An affidavit documenting the electric utility's compliance with the RES compliance plan as described in this section during the calendar year;"

EMW filed a signed Affidavit with the Report.

O. "If compliance was not achieved, an explanation why the electric utility failed to meet the RES; and"

EMW provided a statement that it believes it has achieved compliance with the RES. Additionally, EMW retired the appropriate number of RECs to meet the RES solar and non-solar requirements.

P. "A calculation of its actual calendar year retail rate impact."

EMW included its actual calendar year retail rate impact, 0.175%, on Page 9 of the Report.

CONCLUSION

EMW has achieved compliance with the RES requirements for the 2024 compliance year.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

)

)

)

)

In the Matter of Evergy Missouri West, Inc., d/b/a Evergy Missouri West's Submission of its 2024 Renewal Energy Standard Compliance Report

File No. EO-2025-0283

AFFIDAVIT OF AMANDA ARANDIA

STATE OF MISSOURI)	
)	SS.
COUNTY OF COLE)	

COMES NOW AMANDA ARANDIA and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Report* in memorandum form; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

randia AMANDA ARANDIA

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 29^{4} day of May 2025.

D. SUZIE MANKIN Notary Public - Notary Seal State of Missouri Commissioned for Cole Count My Commission Expires: April 04, 20 Commission Number: 12412070

sullankin Notary Public (