

Exhibit No.:
Issue: Demand Side Investment Mechanism
Rider
Witness: Leigh Anne Jones
Type of Exhibit: Direct Testimony
Sponsoring Party: Evergy Missouri Metro
Case No.: ER-2025-_____
Date Testimony Prepared: June 2, 2025

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2025-_____

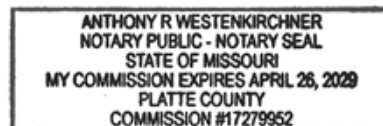
DIRECT TESTIMONY

OF

**LEIGH ANNE JONES
ON BEHALF OF**

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

**Kansas City, Missouri
June 2025**



DIRECT TESTIMONY

OF

LEIGH ANNE JONES

Case No. ER-2025-_____

1 **Q: Please state your name and business address.**

2 A: My name is Leigh Anne Jones. My business address is 1200 Main Street, Kansas City,
3 Missouri 64105.

4 **Q: By whom and in what capacity are you employed?**

5 A: I am employed by Evergy Metro, Inc. or the “Company” and serve as Senior Director -
6 External Reporting, Policy and Property Accounting for Evergy Metro, Inc. d/b/a as Evergy
7 Missouri Metro (“Evergy Missouri Metro”), Evergy Missouri West, Inc. d/b/a Evergy
8 Missouri West (“Evergy Missouri West”), Evergy Metro, Inc. d/b/a Evergy Kansas Metro
9 (“Evergy Kansas Metro”), and Evergy Kansas Central, Inc. and Evergy South, Inc.,
10 collectively d/b/a as Evergy Kansas Central (“Evergy Kansas Central”) the operating
11 utilities of Evergy, Inc.

12 **Q: What are your responsibilities?**

13 A: My current responsibilities include oversight of the 10-Q and 10-K filings with the
14 Securities and Exchange Commission, technical accounting research and accounting
15 policy, and oversight of the property accounting function. Immediately prior to this, my
16 responsibilities included oversight of various accounting tasks such as accounting for
17 energy efficiency programs, leases, equity compensation, debt, equity, investments, and
18 pension and post-retirement.

1 **Q: Please describe your education, experience and employment history.**

2 A: I have a Bachelor of Science Degree in Accounting from William Jewell College. I joined
3 KCP&L in 2001 and held positions of progressive responsibility in Accounting in the areas
4 of external reporting, technical accounting research and corporate accounting. In 2016 I
5 was promoted to Director - Accounting, in 2023 I was promoted to Senior Director -
6 Corporate Accounting and in 2025 I became Senior Director - External Reporting, Policy
7 and Property Accounting.

8 **Q: Have you previously testified in a proceeding before the Missouri Public Service**
9 **Commission (“MPSC” or “Commission”) or before any other utility regulatory**
10 **agency?**

11 A: Yes I have provided written testimony before the MPSC.

12 **Q: What is the purpose of your testimony?**

13 A: The purpose of my testimony is to support the rate schedule filed by Evergy Missouri
14 Metro to adjust the Demand Side Investment Mechanism (“DSIM”) Rider. My testimony
15 will explain the change to the DSIM components based upon actual performance in the six-
16 month period ending April 2025, as well as forecasted performance through June 2026 for
17 Cycle 3 Program Costs (“PC”), Cycle 3 Throughput Disincentive (“TD”), Cycle 4 PC, and
18 Cycle 4 TD. In addition, Earnings Opportunity (“EO”) for Cycle 2 for the three program
19 years beginning April 2016 through March 2019, the EO for the Cycle 2 extension program
20 year April 2019 through December 2019 and the EO for Cycle 3 2020, 2021, 2022, 2023,
21 and 2024 program years are included in this rider update. The proposed change in rates
22 will result in a decrease to a residential customer’s rate from \$0.00493 to \$0.00402 per
23 kWh, or a decrease of \$0.91 for every 1,000 kWh used. Please see the table below for a

comparison by rate schedule of proposed DSIM rates to currently effective rates and the impact to a customer using 1,000 kWh.

Rate Schedule	Total Proposed DSIM (\$/kWh)	Total Current DSIM EO-2025-0173 (\$/kWh)	Change Increase/ (Decrease) (\$/kWh)	Incr/(Decr) to Customer Bill (for every 1,000 kWh's used) (\$)
Residential Service	\$0.00402	\$0.00493	\$(0.00091)	\$(0.91)
Non-Res Service – SGS	\$0.00395	\$0.00407	\$(0.00012)	\$(0.12)
Non-Res Service - MGS	\$0.00602	\$0.00554	\$0.00048	\$0.48
Non-Res Service – LGS	\$0.00230	\$0.00233	\$(0.00003)	\$(0.03)
Non-Res Service – LPS	\$0.00211	\$0.00156	\$0.00055	\$0.55

Q: Please explain the projected costs.

A: Evergy's Missouri Energy Efficiency Investment Act ("MEEIA") Cycle 4 Portfolio was included in the September 27, 2024 Non-Unanimous Stipulation and Agreement in Case No. EO-2023-0369 and approved by the Commission on December 11, 2024 for Program Years 1-3 beginning January 2025. The budget caps and floors for the May 2025 through June 2026 MEEIA Cycle 4 projected PC amounts are included in this rider update.

Q: What are the MEEIA rule requirements for adjustments of DSIM rates?

A: The requirements for adjustment of DSIM rates are found in Commission rules 20 CSR 4240-20.093(4). In summary, the requirements outline that the update filing include applicable DSIM rate tariff sheets, supporting testimony, and inclusion of the following:

- A) Amount of revenue that was over-collected or under-collected through the most recent recovery period by rate class.
- B) Proposed positive or negative adjustments by rate class.
- C) Electric utility's short-term borrowing rate.
- D) Proposed adjustments to the current DSIM rates.

1 E) Complete documentation for the proposed adjustments to the current DSIM rates.

2 F) Any additional information the Commission ordered to be provided.

3 G) Annual report as required by 20 CSR 4240-20.093(9).

4 As part of my Direct Testimony, I have included the information required for update of the
5 DSIM rate in the attached Schedules LAJ-1 and LAJ-2. The 2024 Demand-Side Program
6 Annual Report for MEEIA Cycle 3, referenced in Item G above, was filed on March 31,
7 2025, in Case No. EO-2025-0260.

8 **Q: Are you sponsoring this information?**

9 A: Yes, I am.

10 **Q: Please explain why Evergy Missouri Metro has filed an adjusted DSIM rate schedule**
11 **at this time?**

12 A: The Commission's rule governing DSIM filings and submission requirements for electric
13 utilities specifically 20 CSR 4240-20.093(4) requires Evergy Missouri Metro to make at
14 least annual adjustments of DSIM rates that reflect the amount of revenue that has been
15 over/under collected. Evergy Missouri Metro's DSIM tariff requires two semi-annual rate
16 adjustments to become effective February 1 and August 1 of each year. Based upon actual
17 and estimated performance during the six-month time period(s), DSIM rates may be
18 adjusted up or down.

19 **Q: Please describe the various DSIM rate components that make up the proposed DSIM**
20 **rate.**

21 A: As the MEEIA Cycle 4 DSIM tariff describes, the DSIM rate components consist of 1) PC,
22 TD and EO for the MEEIA Cycle 4 Plan; PC, TD and EO for the MEEIA Cycle 3 Plan;
23 and PC, TD and EO for the MEEIA Cycle 2 Plan; 2) Reconciliations, with interest, to true-
24 up differences between revenues billed under the DSIM rider and total actual monthly

amounts for PC, TD, EO and any remaining true-ups or unrecovered amounts for Cycle 2, Cycle 3, and Cycle 4; and 3) any Ordered Adjustments (“OA”) for Cycle 2 and Cycle 3.

Q: How did you develop the various DSIM rate components that make up the proposed DSIM rate?

A: As the DSIM tariff for MEEIA Cycle 3 describes, the DSIM rate components consist of projected TD for MEEIA Cycle 3 programs for May 2025 through June 2026 as well as the reconciliation of actual and expected PC, TD, EO and OA for Cycle 3 through April 2025. The MEEIA Cycle 3 costs included in this filing are actual levels of program participation and related costs. Secondly, as the DSIM tariff for MEEIA Cycle 4 describes, the DSIM rate components include projected PC and TD for MEEIA Cycle 4 programs for May 2025 through June 2026. The MEEIA Cycle 4 costs included in this filing are current forecasted levels of program participation and related costs. Also included for recovery in the calculation of the DSIM rates are the reconciliation of actual and expected TD and EO for Cycle 2 through April 2025.

Q: Please describe the amount of EO that has been included in this filing.

A: Consistent with the current DSIM rates effective February 1, 2025, the EO included in this filing is based on verified MWh and MW savings for the three program years of Cycle 2 beginning April 2016 through March 2019, including EO and TD adjustments, and for the Cycle 2 extension year April 2019 through December 2019, including EO and TD adjustments, which has been calculated in accordance with Tariff Sheet Nos. 49M and 49P. The MEEIA Cycle 2 tariff provides for the recovery of the EO over 24 months. The Company took the total adjusted EO and divided that amount by the four semi-annual rate update periods and has included an EO amount for the current Effective Period (“EP”), or six-months beginning July 2025, plus the succeeding EP as described on tariff Sheet No.

1 49S. An EO amount totaling (\$1,693) for Cycle 2 representing EO and TD adjustments
2 has been included in the calculation of the DSIM rate in this filing. In addition, the EO
3 included in this filing is (1) based on verified MWh and MW savings for the 2020, 2021
4 and 2022 program years of Cycle 3, including EO and TD adjustments and (2) based on
5 actual program cost spend for the 2023 and 2024 program year, which has been calculated
6 in accordance with Tariff Sheet Nos. 49X and 49Z. The MEEIA Cycle 3 tariff provides
7 for the recovery of the EO over 12 months. The Company took the total adjusted EO and
8 divided that amount by the 12 months and has included an EO amount for the current EP,
9 or six-months beginning July 2025, plus the succeeding EP as described on tariff Sheet
10 No. 49S. An EO amount totaling \$2,119,969 for Cycle 3 has been included in the
11 calculation of the DSIM rate in this filing. The sum of the PC, TD, EO and OA amounts
12 are divided by the projected billed retail kWh sales, excluding opt-out sales, by rate class
13 for August 2025 through July 2026 to develop the proposed DSIM rates.

14 **Q: If the rate schedule filed by Evergy Missouri Metro is approved, what safeguards**
15 **exist to ensure that the revenues the Company bills to its customers do not exceed**
16 **actual DSM Program Costs, TD incurred, as well as the earnings opportunity or**
17 **performance incentive?**

18 A: Evergy Missouri Metro's DSIM Rider mechanism and the Commission's rules provide two
19 mechanisms to ensure that amounts billed to customers do not exceed Evergy Missouri
20 Metro's actual, prudently incurred DSM PC, TD and EO. First, at the end of each recovery
21 period, the Company is required to true up amounts billed to customers through the DSIM
22 Rider based upon PC and TD actually incurred during that six-month period. Per MEEIA
23 rule 20 CSR 4240-20.093(4), these adjustments will be supported by complete
24 documentation and workpapers that demonstrate the need for DSIM rate adjustment. All

1 proposed adjustments and supporting documentation are subject to review by MPSC Staff
2 and all MEEIA stakeholders. Second, per MEEIA rule 20 CSR 4240-20.093(11), Evergy
3 Missouri Metro's DSIM is subject to periodic prudence reviews by MPSC Staff to ensure
4 that only prudently incurred PC and TD are billed to customers. These two mechanisms
5 serve as checks to ensure that the Company's customers pay only the prudently incurred,
6 actual PC and TD resulting from implementation of MEEIA DSM programs.

7 **Q: Has Evergy Missouri Metro made any adjustments to the DSIM calculation?**

8 A: No, there are no changes to the DSIM calculation in this filing.

9 **Q: Has Evergy Missouri Metro been subject to any prudence reviews by MPSC Staff?**

10 A: Yes, Evergy Missouri Metro has been through six prudence reviews.

11 **Q: Are there any issues impacting this filing as a result of the prudence reviews**
12 **conducted by MPSC Staff?**

13 A: No, there is no impact to this filing. Most recently in the sixth prudence review covering
14 the period of April 2021 to March 2023, Case No. EO-2023-0407, on June 26, 2024, the
15 Commission approved the Stipulation and Agreement filed on June 10, 2024, where the
16 Company agreed to not seek recovery through its DSIM for any gifts or awards given to
17 employees or contractors, any promotional items not specific to MEEIA programs, any
18 events with alcohol provided or any sponsorships when a membership has already been
19 purchased.

20 In the previous fifth prudence review covering the period of January 2020 through
21 March 2021, Case No. EO-2021-0417, on July 21, 2022, the Commission approved the
22 Stipulation and Agreement filed on July 1, 2022, where the Company agreed and in DSIM
23 filing, Case No. ER-2023-0183 included a credit of \$20,464 to return disallowed program

1 costs from the review period of January 2020 through March 2021 and a credit of \$459,718
2 to resolve the alleged Home Energy Reports TD double-recovery issue.

3 **Q: What action is Evergy Missouri Metro requesting from the Commission with respect**
4 **to the rate schedule that the Company has filed?**

5 A: The Company requests the Commission approve the rate schedule to become effective
6 August 1, 2025.

7 **Q: Does that conclude your testimony?**

8 A: Yes, it does.