### BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of a Motion for an Emergency Order Establishing a Temporary Moratorium on Utility Discontinuances to Protect Public Health and Safety by Mitigating the Spread of the COVID-19 Pandemic.

Case No. AO-2021-0164

### EVERGY MISSOURI METRO AND EVERY MISSOURI WEST RESPONSE IN OPPOSITION TO CONSUMERS COUNSEL OF MISSOURI'S MOTION FOR EMERGENCY ORDER

COMES NOW Evergy Metro, Inc. d/b/a Evergy Missouri Metro ("Evergy Missouri Metro") and Evergy Missouri West, Inc. d/b/a Evergy Missouri West ("Evergy Missouri West")(collectively, "Evergy"), by and through counsel, and files this response in opposition to Consumer Counsel of Missouri's ("CCM") *Motion for Emergency Order and Request for Expedited Treatment* ("Motion") pursuant to the Missouri Public Service Commission ("Commission") *Order Directing Notice and Shortening Time for Responses* ("Order") dated December 8, 2020. In support thereof, the Company states as follows:

1. Evergy fully appreciates the effects of COVID-19 on its customers, but opposes CCM's unprecedented attempt to mandate a one-size-fits-all response to the pandemic with its request for an emergency order. The Company took early proactive steps beginning on March 13, 2020 to suspend disconnections and waive a variety of charges and fees. In June , it established customer payment programs. Most recently, during the week of November 23, 2020, it decided to re-institute a moratorium on disconnecting residential customers for non-payment through at least March 1, 2021. There is no reason for the Commission to impose the across-the board emergency order requested by CCM on Evergy and all other Missouri utilities, who are each impacted by the pandemic in different ways and have each taken different steps in response to the pandemic,

especially given CCM's unverified request to impose a state-wide mandate unlike any other order that the Commission has ever issued under Section  $386.310^1$  in its history.

2. On May 22, 2020, Evergy submitted an application regarding its COVID-19 customer programs and the Commission issued an order on May 28, 2020 permitting the programs to take effect. As a result, the Evergy's voluntary moratorium on disconnection of service to residential and small business customers for non-payment and waiver of late fees in effect at that time was extended to July 15, 2020. In addition, Evergy offered incentives for residential and small business customers to resolve arrearages through one- and four-month payment plans in June, July and August. Evergy also offered twelve-month payment plans to residential and small business customers seeking flexibility regarding the payment of their electric bills, and Evergy will continue to offer those twelve-month payment plans to small business through at least December 31, 2020, and to residential customers (pursuant to the cold weather rule) through at least March 31, 2021.

3. The additional payment plan options have been utilized by customers to assist in keeping their electric service connected. Evergy has approximately 30,000 Missouri customers on pay arrangements at the end of November 2020 versus approximately 13,000 during same period in 2019. Evergy's Missouri customer arrears at end of November are similar to 2019.

4. Evergy has also provided additional support to help its customers recover from the impact of the Covid-19 pandemic, including a pledge of \$2.2 million in contributions to help agencies, communities and customers. Included in this support is \$400,000 already pledged for Evergy Emergency Grants to help non-profit agencies on the front lines that are delivering essential services. Also included is \$800,000 in grants to non-profit agencies for Evergy's Hometown Economic Recovery Program that support small business and entrepreneurial efforts,

<sup>&</sup>lt;sup>1</sup> All statutory citations are to the Missouri Revised Statutes (2016), as amended.

business attraction and retention and workforce training and development. In addition, Evergy has announced that it is committing up to \$1,000,000 to Dollar-Aide, Project Deserve and other programs that assist customers with energy bill payments. These contributions are being recorded below the line and Evergy will not seek to recover them in rates.

5. Although Evergy's moratorium on disconnection of service to residential and small business customers for non-payment initially ended in mid-July 2020, Evergy has continued to waive late payment fees and security deposits and has not been reporting non-payment, late payment, or any other debt to credit bureaus. In addition, Evergy has been following the Cold Weather Rule guidelines which have reduced any residential disconnect activity since November 1, 2020. Evergy reinstated its moratorium on residential service disconnects in late November as a result of the pandemic, the winter season, and upcoming changes to its customer systems. Currently the moratorium extends to March 1, 2021, when it will be re-evaluated. As a result, no residential customers have been disconnected since before Thanksgiving, and Evergy will continue suspending late fees, collections and disconnect processes until at least March 1, 2021. Evergy also made the decision not to disconnect commercial customers during the Thanksgiving week and re-instituted a moratorium on disconnecting commercial customers for non-payment after December 10, 2020 due in part to the Customer Forward conversion process. This moratorium will also be extended until at least March 1, 2021 given considerations for the current resurgence of COVID-19 infections. In addition, pursuant to the provisions recommended in Paragraph 18 of the EU-2020-0350) Stipulation, waiver of late payment fees will continue through March 31, 2021, as will Evergy's current proactively initiated practice of not submitting external credit reporting.<sup>2</sup>

<sup>&</sup>lt;sup>2</sup> See Paragraph 18 of the Non-Unanimous Stipulation and Agreement filed on October 8, 2020 in Case No. EU-2020-0350.

6. As the Commission is also aware, Evergy entered into a settlement agreement on October 8, 2020, in its Accounting Authority Order application (EU-2020-0350) where, following a Commission order deciding the contested issues as recommended in the non-unanimous stipulation, the Company will evaluate the advisability of extending its offering of twelve-month payment plans to small business and residential customers, respectively, beyond December 31, 2020 and March 31, 2021, in consultation with Staff, the Office of the Public Counsel and National Housing Trust. In addition, the Company will evaluate the advisability of offering additional customer assistance programs after December 31, 2021, in consultation with Staff, the Office of the Public Counsel and National Housing Trust. Following a Commission order resolving the contested issues in that case as recommended in the non-unanimous stipulation, the Company also will continue the practices currently in place of waiving late payment fees and not undertaking full credit external reporting of its customers through March 31, 2021, unless that date is changed by subsequent order of the Commission, and will also waive re-connect fees through the end of the same time period.<sup>3</sup>

7. As a result of the above actions taken by Evergy, CCM's request<sup>4</sup> for an emergency order establishing a moratorium until March 31, 2021 on customer disconnects is unnecessary and unwarranted. Evergy is taking proactive steps to meet its customers' needs. In addition, a Commission ordered moratorium will increase the likelihood that the funds available for customer assistance will not be utilized by customers.

<sup>&</sup>lt;sup>3</sup> See Paragraphs 8 and 18 of the Non-Unanimous Stipulation and Agreement filed on October 8, 2020 in Case No. EU-2020-0350.

<sup>&</sup>lt;sup>4</sup> The Company notes that CCM's request for a moratorium on disconnects would contradict the Commission's disconnection rules and it does not appear that CCM's request considers the implications of the Commission's obligations under the emergency rulemaking requirements of section 536.025.

**WHEREFORE**, Evergy submits this response in opposition to CCM's Motion and pursuant to the Commission's Order.

Respectfully submitted,

# [s] Roger W. Steiner

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### ATTORNEY FOR EVERGY MISSOURI METRO and EVERGY MISSOURI WEST

## **CERTIFICATE OF SERVICE**

I hereby certify that a true and copy of the foregoing application was emailed on this 14<sup>th</sup> day of December 2020, to the Office of the General Counsel and the Office of the Public Counsel.

|s| Roger W. Steiner

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