

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held by telephone/internet  
audio conference on the 28<sup>th</sup> day of  
May, 2020.

In the Matter of the Application of Evergy	)	
Metro, Inc. d/b/a Evergy Missouri Metro and	)	
Evergy Missouri West, Inc. d/b/a Evergy	)	<b><u>File No. EO-2020-0383</u></b>
Missouri West for Approval of COVID-19	)	
Related Customer Programs and Motion for	)	
Expedited Treatment	)	

**ORDER PERMITTING COVID-19 CUSTOMER PROGRAMS**

Issue Date: May 28, 2020

Effective Date: June 7, 2020

On May 22, 2020,<sup>1</sup> Evergy Metro, Inc. d/b/a Evergy Missouri Metro and Evergy Missouri West, Inc. d/b/a Evergy Missouri West (collectively, the Company or Evergy) filed an Application for Approval of COVID-19 Related Customer Programs (Application) and a Motion for Expedited Treatment per Rules 20 CSR 4240-2.060; and 20 CSR 4240-4.017(1)(D). The Company also requested a variance from the 60-day notice requirement of 20 CSR 4240-4.017. On May 26, the Commission directed the Commission Staff to file a recommendation on Evergy's Application no later than 8:30 a.m. on May 27. The same deadline was set for any other party wishing to file objections or comments. On May 27, the Staff recommended approval and the Office of Public Counsel concurred.

The Company states that because of the COVID-19 pandemic and consistent with the Commission's statements and its orders in other Missouri utility proceedings, Evergy has suspended disconnections and the accumulation of interest and late fees related to non-payment at least through June 1, 2020 for all but its largest business customers.

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<sup>1</sup> All date references will be to 2020 unless otherwise indicated.

Evergy states it is offering customers flexible payment arrangements over a 12-month period and is working case-by-case with commercial and industrial customers on payment arrangements as needed. The Company states that as a result of these actions and the economic impact the pandemic is having on customers' ability to pay bills generally, arrearages have substantially increased and will continue to rise, and Evergy expects this to result in significantly higher bad debt expense.

The Company states it does not believe Commission authorization is required for the programs. Evergy believes it has management discretion with respect to collection activities, including whether to disconnect for non-payment if arrearages are present and not paid in full, whether to apply late fees, whether to offer a customer an extended payment plan and whether to forgive any portion of an arrearage.

Evergy proposes to adopt the programs without filing and getting approval of a specific tariff. It contends the programs are consistent with the approach used with bill credits in the merger approved in Case No. EM-2018-0012 because the program results in no change of rates. It states its programs are also consistent with the intent behind the government declarations of a "state of emergency" in the Company's service territories and the Commission's recognition of the impact the pandemic is having on customers in its Orders in Case No. AW-2020-0356. It states that moving forward without requiring approval of a specific tariff will allow the Company to begin providing assistance as quickly as possible.

The Company states that even though time constraints may render it impossible for the Commission to grant prior approval, the Company is placing the Commission on notice it will start offering the residential customer incentives described in the Application on June 1 unless otherwise directed. It states it understands Commission action on the

Application will neither grant nor deny authority to defer costs associated with such programs to a regulatory asset and will neither grant nor deny recovery of program costs in rates. The Company, however, reminds the Commission that it is addressing the costs of the one- and four-month payment programs in its request for an accounting authority order in Case No. EO-2020-0293.

The Commission finds that because of the exigent circumstances created by the pandemic, the Rule 20 CSR 4340-4.017 60-day notice requirements should be waived. The Commission likewise finds that on balance it should not limit management's discretion in meeting the pandemic crisis. The Commission will issue an order permitting Evergy to implement the programs described in the Application. The Commission's order, however, will not be deemed approval of the programs, a rate-making order or a determination as to prudence, as to whether the Company's programs are preferential, or as to whether their costs should be accommodated in an accounting authority order. Because Evergy wishes to implement its programs immediately and no party has objected to the programs, the Commission will make the order effective in ten days.

**THE COMMISSION ORDERS THAT:**

1. The Commission grants Evergy's motion for a variance from the 60-day notice requirement of 20 CSR 4240-4.017.
2. Evergy shall be permitted to implement the COVID-19 program described in its Application.
3. For each residential customer that enters the programs described in the Company's Application, c. ii and c. iii, Evergy shall provide Staff the residential customer billing and payment history from the March 2020 billing cycle through the customer's completion of the program and receipt of the bill credit(s).

4. Staff shall review the residential customer data provided by Evergy to determine Evergy's compliance with the provisions of its COVID-19 customer programs (Company Application c. ii and c. iii). Within sixty days of receiving the customer data, Staff shall file a report or a pleading advising the Commission when its report will be filed, identifying any noncompliance issues, quantifying the dollar amount in total of bill credits provided to residential customers under the Company's Application c. ii and c. iii, and including any relevant observations as to the effectiveness of the specific customer programs

5. This Order shall be effective on June 7, 2020.



**BY THE COMMISSION**

A handwritten signature in black ink that reads "Morris L. Woodruff".

Morris L. Woodruff  
Secretary

Silvey, Chm., Kenney, Rupp, Coleman, and  
Holsman CC., concur.

Graham, Regulatory Law Judge

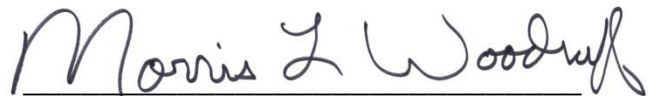
**STATE OF MISSOURI**

**OFFICE OF THE PUBLIC SERVICE COMMISSION**

**I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.**

**WITNESS my hand and seal of the Public Service Commission,  
at Jefferson City, Missouri, this 28<sup>th</sup> day of May 2020.**



  
**Morris L. Woodruff**  
**Secretary**

**MISSOURI PUBLIC SERVICE COMMISSION**

**May 28, 2020**

**File/Case No. EO-2020-0383**

**Missouri Public Service  
Commission**

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Commission**

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**Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).**

**Sincerely,**



**Morris L. Woodruff  
Secretary**

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Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.