

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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 Missouri West for an Accounting)
Authority Order Allowing the Companies to)
Record and Preserve Costs Related to)
COVID-19 Expenses)

File No. EU-2020-0350

ORDER DIRECTING FILING REGARDING DEMONSTRATIVE EXHIBIT

Issue Date: November 17, 2020

Effective Date: November 17, 2020

On November 12-13, 2020, the Commission conducted an evidentiary hearing in the application of Evergy Metro Inc. d/b/a Evergy Missouri Metro and Evergy Missouri West, Inc. d/b/a Evergy Missouri West (collectively “Evergy”) for an accounting authority order to govern costs and financial impacts associated with the COVID-19 pandemic. The hearing was conducted by phone and video conference, accessible by Webex.

During the hearing, counsel for Evergy used a presentation, consisting of an eight-page document entitled “Evergy Opening Statement.” The presentation was circulated to the parties and the Commission before the hearing and was displayed in the Webex program during Evergy’s opening statement during the hearing.

To preserve the presentation document in the record, the Commission will direct any objection to admission of the eight-page document to the record as a demonstrative exhibit, to be marked as Exhibit 11. The document is attached to this order.

THE COMMISSION ORDERS THAT:

1. Any objection to admission of the “Evergy Opening Statement” as a demonstrative exhibit and any request for the marking of the exhibit shall be filed no later

than November 23, 2020.

2. This order shall be effective when issued.



BY THE COMMISSION

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

Morris L. Woodruff
Secretary

Jana C. Jacobs, Regulatory Law Judge,
by delegation of authority pursuant to
Section 386.240, RSMo (2016).

Dated at Jefferson City, Missouri,
on this 17th day of November, 2020.



Evergy Opening Statement

EU-2020-0350

MPSC Presentation

November 12, 2020





Extraordinary Event and Extraordinary Times

- National Emergency Declared by President (March 13, 2020)
- Public Health Emergency Declared January 31, 2020
- Governor Parson directed Department of Health and Senior Service to issue orders:
 - Closing Schools
 - Closing Government Offices
 - Closing and Restricting Businesses
- Stay-At-Home and Shelter-In-Place Orders issued by Local Authorities



Evergy's COVID-19 Customer Response Plan

- Voluntary Moratorium on Disconnection of Service for Non-Payment;
- Waiver of All Charges, Fees, and Deposits Associated With Non-Payment or Late Payment;
- Innovative Payment Plans; and
- Aggressive Customer Communications and Outreach.



Shareholder-Funded Customer Programs

- \$2.2 Million Pledge to Support Agencies, Communities and Customers
 - \$400,000--Everygy Emergency Grants
 - \$800,000—Hometown Economic Recovery Program
 - \$1 Million—Dollar Aide and Project Deserve



Filed Position of Parties

Party ►	Evergy	Staff	MECG / MIEC	OPC	Sierra Club	NHT
Pandemic-related financial impacts ▼						
Expenses related to the protection of employees and customers such as cleaning supplies, personal protective equipment, and temperature testing	Yes	Yes	Yes	No	Did not address.	Did not address.
Information technology-related expenses incurred to enable employees to work from home including hardware, licensing and connectivity costs	Yes	Yes	Yes, except for connectivity cost	No	Did not address.	Did not address.
Waived late payment fees in excess of amounts included in the cost of service established in the most current rate case	Yes	Yes	Yes	No	Did not address.	Did not address.
Preparation and any actual sequestration of employees	Yes	Yes	Yes	No	Did not address.	Did not address.
Costs related to new assistance programs implemented to aid customer with the payment of electric bills	Yes	Yes	Yes	No	Did not address.	Did not address.
Lost revenues due to load degradation	Yes	No	No	No	No	Did not address.
Carrying costs	No ⁽¹⁾	No ⁽¹⁾	No ⁽¹⁾	No	Did not address.	Did not address.
Other incremental costs or savings resulting from the pandemic not included elsewhere	Yes	Yes	No, but Evergy may ask Commission for additional authority in subsequent filing.	No	Did not address.	Did not address.

⁽¹⁾ No deferral but addressed in next rate case.



Non-Unanimous Stipulation & Agreement

Primary AAO

AAO will track Incremental Costs with Cost Reductions caused by COVID-19

Costs	Reductions
O&M Expense	Travel & Training
Bad Debt Expense	Office Supplies
Customer Assistance Programs	Utility Service to Company Facilities
Waived Late Payment & Reconnection Fees	Reduced Employee Compensation & Benefits
[Para. 2]	Tax Benefits & Government Assistance
	[Para. 7]

Mar. 1, 2020

2Q

3Q

4Q

Mar. 31, 2021

Secondary Bad Debt Expense AAO

If Actual Net Write-Offs per Quarter Exceed Net Write-Offs *in last General Rate Case* by 10% = Regulatory ASSET

If Net Write-Offs *in last General Rate Case* Exceed Actual Net Write-Offs Per Quarter by 10% = Offset to Regulatory ASSET
[Para. 8]

April 1, 2021

3Q

Sept. 30, 2021

Reports:

Initial Report (3/1-6/30/20): Due 2 weeks after Commission approval

Subsequent Quarterly Reports: Due 45 days after end of quarter





Duration of AAOs

- Duration of Primary AAO: March 31, 2021, unless extended, renewed or terminated upon agreement of the Signatories and/or the Commission if the Signatories do not agree;
- Duration of Bad Debt AAO: September 30, 2021.
 - On a quarterly basis, if actual net write-offs differ from net write-offs by 10% or more, deferral or offset to deferral of uncollectibles expense will be triggered.

Questions



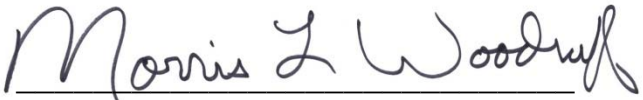
STATE OF MISSOURI

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 17th day of November, 2020.




Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

November 17, 2020

File/Case No. EU-2020-0350

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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**

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