

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 15th day of September, 2021.

In the Matter of the Application of Evergy)
Metro, Inc. d/b/a Evergy Missouri Metro for)
Authority to Implement Rate Adjustments)
Required by 20 CSR 4240-20.090(8) and the)
Company's Approved Fuel and Purchased)
Power Cost Recovery Mechanism)

File No. ER-2022-0025
Tariff No. JE-2022-0024

ORDER REJECTING TARIFF TO CHANGE FUEL ADJUSTMENT RATES

Issue Date: September 15, 2021

Effective Date: September 25, 2021

On July 30, 2021, Evergy Missouri Metro, Inc. (Evergy Metro) submitted direct testimony and a tariff designed to implement an adjustment to its Fuel and Purchased Power Adjustment Clause (FAC). The Commission ordered its Staff (Staff) to file a recommendation regarding Evergy Metro's FAC filing. On August 27, 2021, Staff recommended that the Commission reject Evergy Metro's FAC tariff revision, Tariff No. JE-2022-0024.

Staff states that Evergy Metro's deferral of extraordinary revenues incurred from off-system sales resulting from Winter Storm Uri pursuant to Evergy Metro's interpretation of Commission Rule 20 CSR 4240-20.090(8)(A)2.A.(XI) is incorrect. Staff interprets this rule as allowing Evergy Metro to defer extraordinary costs, but not extraordinary revenues.

Evergy Metro responded to Staff's recommendation stating that nothing in Section 386.266 RSMo authorizing FACs indicates it was intended to preclude an accounting authority order for deferral of extraordinary costs or revenues from severe weather

events. Evergy Metro also states that because its proposal includes carrying costs on deferred amounts, customers are protected from any lag due to refund timing. Evergy Metro does not agree with Staff's interpretation and asks to be heard by the Commission.

The disagreement between Staff and Evergy Metro raises issues about whether the proposed fuel adjustment rates comply with Evergy Metro's FAC tariff and the Commission's rules. As required by Commission Rule 20 CSR 4240-20.090(8)(H), the Commission will reject the tariff revision, Tariff No. JE-2022-0024, suspend the timeline for the fuel adjustment rate (FAR) filing in this case, set a date for a prehearing conference, and order the parties to propose a procedural schedule. Because the parties disagree regarding whether 12th Accumulation Period revenues should be included in this FAR filing, the Commission will order the parties to determine if there is any part of the proposed adjustment not now in question that could be included in an interim FAC rate adjustment tariff revision.

Because the proposed tariff revision bears an effective date of October 1, 2021, and because this order is scheduling a prehearing conference for September 27, 2021, the Commission will make this order effective on September 25, 2021.

THE COMMISSION ORDERS THAT:

1. The proposed tariff revision, assigned Tariff No. JE-2022-0024, is rejected.
2. The timeline of Evergy Metro's fuel adjustment rate filing in ER-2022-0025 is suspended.
3. A prehearing conference is scheduled for 2:00 p.m. on September 27, 2021, to be conducted via WebEx. The WebEx link and access code will be distributed by email to all counsel of record.

4. The parties shall determine if there is any part of the proposed adjustment not now in question that could be included in an interim FAC tariff revision, and be prepared to discuss an interim tariff revision at the prehearing conference.

5. The parties shall file a proposed procedural schedule no later than September 30, 2021.

6. This order shall be effective on September 25, 2021.



BY THE COMMISSION

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

Morris L. Woodruff
Secretary

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

Clark, Senior 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 15th day of September, 2021.




Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

September 15, 2021

File/Case No. ER-2022-0025

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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.