

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held by telephone
and internet audio conference
on the 20th day of January, 2021.

In the Matter of the Ninth Prudence Review of	)	
Costs Subject to the Commission-Approved	)	<u>File No. EO-2020-0262</u>
Fuel Adjustment Clause of Evergy Missouri	)	
West, Inc. d/b/a Evergy Missouri West	)	

ORDER APPROVING PARTIAL STIPULATION AND AGREEMENT

Issue Date: January 20, 2021

Effective Date: January 30, 2021

This case concerns the ninth fuel adjustment clause (FAC) prudence review for Evergy Missouri West, Inc. d/b/a Every Missouri West and Evergy Missouri Metro, Inc. d/b/a Evergy Missouri Metro (collectively referred to as “Evergy”). On October 21, 2020, the Commission set a procedural schedule, including dates for an evidentiary hearing. On December 18, 2020, Evergy, the Staff of the Commission, and the Office of the Public Counsel (collectively referred to as “Signatories”) filed a *Partial Stipulation and Agreement*.

With regard to Evergy Missouri West, the agreement provides:

- Evergy Missouri West will remove Sibley retirement costs included in Accumulation Period 23 (File No. ER-2019-0198) from its FAC calculation through an Ordered Adjustment of \$1,039,646, or \$984,898 Missouri jurisdictional and 95% sharing applied.
- Evergy Missouri West will remove \$984,898, with interest, from the FAC in its first fuel adjustment rate case following a Commission order approving the agreement.

- Evergy Missouri West will record the retirement costs of \$1,039,646 to the Sibley accounting authority order (AAO) regulatory liability FERC Account 254081 established in File No. EC-2019-0200 for consideration in Evergy Missouri West's next general rate case. An appropriate Missouri jurisdictional amount will be calculated in the general rate case if it is determined that these costs are recoverable.

With regard to Evergy Missouri Metro, the Signatories agreed that:

- Evergy Missouri Metro will remove Montrose fuel residual costs identified in Accumulation Period 8 (File No. ER-2020-0025) from its FAC calculation amounting to \$15,492.
- Evergy Missouri Metro will remove \$15,492, with interest, from the FAC in Evergy Missouri Metro's first fuel adjustment rate case following a Commission order approving the agreement.
- Evergy Missouri Metro will remove the Missouri retail Montrose costs amounting to \$183,612 from its FAC calculation from FERC Account 501 and will record this amount to Cost of Removal FERC Account 108 for consideration in Evergy Missouri Metro's next general rate case. Only the Missouri jurisdictional costs will be recorded in Account 108 since the non-Missouri jurisdictional portion of these costs have been accounted for. If a determination is made that these costs are recoverable, no changes to this amount will be made.

- Everygy Missouri Metro will remove \$183,612, with interest, from the FAC in Everygy Missouri Metro's first fuel adjustment rate case following a Commission order approving the agreement.

Commission regulations allow non-signatory parties seven days to object to a nonunanimous stipulation and agreement.¹ If no party timely objects, the Commission may treat the agreement as unanimous.² More than seven days have elapsed since the agreement was filed and no party objected. Thus, the Commission will treat the agreement as unanimous.

After reviewing the unopposed agreement, the Commission determines that its terms are a reasonable resolution of the issues addressed by the agreement and it should be approved. Because the evidentiary hearing on the remaining contested issues will begin on January 27, 2021, the Commission finds that this order should become effective in less than 30 days.

THE COMMISSION ORDERS THAT:

1. The *Partial Stipulation and Agreement* filed on December 18, 2020, is approved as a resolution of the specific set out in that agreement. The signatory parties are ordered to comply with the terms of the agreement. A copy of the *Partial Stipulation and Agreement* is attached to this order and incorporated by reference.

2. This order shall become effective on January 30, 2021.

¹ 20 CSR 4240-2.115(2)(B).

² 20 CSR 4240-2.115(2)(C).



BY THE COMMISSION

A handwritten signature in dark ink, reading "Morris L. Woodruff".

Morris Woodruff
Secretary

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

Dippell, Senior Regulatory Law Judge

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

In the Matter of the Ninth Prudence Review of Costs	)	
Subject to the Commission-Approved Fuel Adjustment	)	File No. EO-2020-0262
Clause of Evergy Missouri West Inc., d/b/a Evergy	)	
Missouri West	)	

In the Matter of the Third Prudence Review of Costs	)	
Subject to the Commission-Approved Fuel Adjustment	)	File No. EO-2020-0263
Clause of Evergy Metro, Inc., d/b/a Evergy Missouri	)	
Metro	)	

PARTIAL STIPULATION AND AGREEMENT

COME 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 referred to as “Evergy” or the “Company”) and, by and through its counsel, and for this Stipulation and Agreement (“Stipulation”), respectfully states as follows to the Missouri Public Service Commission (“Commission”):

BACKGROUND

1. This docket was established pursuant to the provisions of 20 CSR 4240-20.090(11)(B) so Staff (“Staff”) for the Commission could conduct a prudence review of the costs and revenues associated with the Company’s Fuel Adjustment Clause (“FAC”).

2. Parties to this docket have engaged in settlement discussions and, as a result of said settlement discussions Evergy, Staff, and the Office of the Public Counsel (“OPC”) (the “Signatories”) have negotiated and authorized the filing of this Stipulation and the Signatories request that the Commission approve it to resolve certain issues in this proceeding, as detailed below. Counsel for the Sierra Club has indicated that it does not oppose the Stipulation.

3. The negotiation of this Stipulation as a resolution of these issues does not constitute a waiver, dismissal, or admission by any party to this agreement as to any claim that the costs involved were either prudently or imprudently incurred or included in the FAC of either Evergy Missouri Metro or Evergy Missouri West.

AGREEMENTS

4. Evergy Missouri West agrees to remove Sibley retirement costs included in Accumulation Period (“AP”) AP23 (Case No. ER-2019-0198) from its FAC calculation through an Ordered Adjustment (“OA”) amounting to \$1,039,646, or \$984,898 Missouri jurisdictional and 95% sharing applied. Evergy Missouri West will remove \$984,898, with interest, from the FAC in Evergy Missouri West’s first fuel adjustment rate (“FAR”) case following a Commission order approving this Stipulation. The Company will record the retirement costs of \$1,039,646 to the Sibley AAO regulatory liability FERC Account 254081 established in Case No. EC-2019-0200 for consideration in Evergy Missouri West’s next general rate case.¹

5. Evergy Missouri Metro agrees to remove Montrose fuel residual costs identified in AP8 (Case No. ER-2020-0025) from its FAC calculation amounting to \$15,492. Evergy Missouri Metro will remove this amount, with interest, from the FAC in Evergy Missouri Metro’s first FAR case following a Commission order approving this Stipulation.

6. Evergy Missouri Metro agrees to remove the Missouri retail Montrose costs amounting to \$183,612 from its FAC calculation from FERC account 501 and will record this amount to Cost of Removal FERC Account 108 for consideration in Evergy Missouri Metro’s next

¹ An appropriate Missouri jurisdictional amount will be calculated in the rate case if it is determined that these costs are recoverable.

general rate case.² Evergy Missouri Metro will remove this amount, with interest, from the FAC in Evergy Missouri Metro's first FAR case following a Commission order approving this Stipulation.

GENERAL PROVISIONS

7. Contingent upon Commission approval of this Stipulation without modification, the Signatories hereby stipulate to the admission into the evidentiary record of the testimony of their witnesses, and the witnesses of the parties who do not oppose this Stipulation, on the issues that are resolved by this Stipulation.

8. This Stipulation is being entered into solely for the purpose of settling the issues in this case explicitly set forth above. Unless otherwise explicitly provided herein, none of the Signatories of this Stipulation shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation, any cost of service methodology or determination, method of cost determination or cost allocation or revenue-related methodology.

9. This Stipulation is a negotiated settlement. Except as specified herein, the Signatories of this Stipulation shall not be prejudiced, bound by, or in any way affected by the terms of this Stipulation: (a) in any future proceeding; (b) in any proceeding currently pending under a separate docket; and/or (c) in this proceeding should the Commission decide not to approve this Stipulation, or in any way condition its approval of same. No Signatory shall assert the terms of this agreement as a precedent in any future proceeding.

10. This Stipulation has resulted from extensive negotiations among the Signatories, and the terms hereof are interdependent. If the Commission does not approve this Stipulation

² Only the Missouri jurisdictional costs will be recorded in account 108 since the non-Missouri jurisdictional portion of these costs have been accounted for. If a determination is made that these costs are recoverable, no changes to this amount will be made.

unconditionally and without modification, then this Stipulation shall be void and no Signatory shall be bound by any of the agreements or provisions hereof.

11. This Stipulation embodies the entirety of the agreements between the Signatories in this case on the issues addressed herein, and may be modified by the Signatories only by a written amendment executed or authorized in writing by all of the Signatories.

12. If approved and adopted by the Commission, this Stipulation shall constitute a binding agreement among the Signatories. The Signatories shall cooperate in defending the validity and enforceability of this Stipulation and the operation of this Stipulation according to its terms.

13. If the Commission does not approve this Stipulation without condition or modification, and notwithstanding the provision herein that it shall become void, (1) neither this Stipulation nor any matters associated with its consideration by the Commission shall be considered or argued to be a waiver of the rights that any Signatory has for a decision in accordance with RSMo. §536.080 or Article V, Section 18 of the Missouri Constitution, and (2) the Signatories shall retain all procedural and due process rights as fully as though this Stipulation had not been presented for approval, and any suggestions, memoranda, testimony, or exhibits that have been offered or received in support of this Stipulation shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any purpose whatsoever.

14. If the Commission accepts the specific terms of this Stipulation without condition or modification, only as to the issues in these cases explicitly set forth above, the Signatories each waive their respective rights to present oral argument and written briefs pursuant to RSMo.

§536.080.1, their respective rights to the reading of the transcript by the Commission pursuant to §536.080.2, their respective rights to seek rehearing pursuant to §536.500, and their respective rights to judicial review pursuant to §386.510. This waiver applies only to a Commission order approving this Stipulation without condition or modification issued in this proceeding and only to the issues that are resolved hereby. It does not apply to any matters raised in any prior or subsequent Commission proceeding nor any matters not explicitly addressed by this Stipulation.

WHEREFORE, the Company respectfully requests the Commission to issue an order in this case approving the Stipulation subject to the specific terms and conditions contained therein.

Respectfully submitted,

/s/ Roger W. Steiner

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Evergy Missouri West**

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**Attorney for the Office of the Public
Counsel**

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been hand-delivered, emailed or mailed, postage prepaid, to the Staff of the Commission and to the Office of Public Counsel this 18th day of December 2020.

/s/ Roger W. Steiner

Roger W. Steiner

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 day of 20th January, 2021.**




Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

January 20, 2021

File/Case No. EO-2020-0262

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

Sincerely,

A handwritten signature in black ink that reads "Morris L. Woodruff". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

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.