STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held by telephone and internet audio conference on the 10th day of February, 2021.

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

ORDER APPROVING STIPULATION AND AGREEMENT REGARDING FUTURE IRP FILINGS

Issue Date: February 10, 2021 Effective Date: February 20, 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 January 27 and 28, 2021, an evidentiary hearing was held in this matter. During the course of the hearing, Evergy, the Staff of the Commission, and the Office of the Public Counsel (collectively referred to as "Signatories") filed a *Unanimous Partial Stipulation* and Agreement.¹

The agreement resolves Issues 1, 2, and 3 as set out in the issues list filed on January 19, 2021.² The Signatories have agreed that with regard to Evergy's future

¹ Although the agreement was titled as a "unanimous" agreement, there are parties that did not sign the agreement.

² List of Issues, Order of Witnesses, Order of Opening Statements, Order of Cross-Examination and Joint Stipulation of Facts, (filed January 19, 2021), p. 1. Those issues are:

^{1.} Was Evergy imprudent by virtue of the assumptions it included in the integrated resource planning process?

^{2.} Was the decision by Evergy to include capacity sales in its assumptions for its IRP imprudent?

^{3.} Was it imprudent for Evergy to not include FAC cost reductions arising from capacity sale contracts in its FAC rate calculations as modeled in its IRP?

integrated resource plan (IRP) filings (including, File Nos. EO-2021-0035 and EO-2021-0036), Evergy will model specific plans regarding excess capacity sales and will provide specific documentation about those models and their assumptions.

Commission regulations allow non-signatory parties seven days to object to a nonunanimous stipulation and agreement.³ If no party timely objects, the Commission may treat the agreement as unanimous.⁴ More than seven days have passed 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 has concluded and initial briefs are due on February 22, 2021, the Commission finds that this order should become effective in less than 30 days.

THE COMMISSION ORDERS THAT:

1. The *Unanimous Partial Stipulation and Agreement* filed on January 27, 2021, is approved as a resolution of the specific issues set out in that agreement. The signatory parties are ordered to comply with the terms of the agreement. A copy of the *Unanimous Partial Stipulation and Agreement* is attached to this order and incorporated by reference.

⁴ 20 CSR 4240-2.115(2)(C).

³ 20 CSR 4240-2.115(2)(B).

2. This order shall become effective on February 20, 2021.



BY THE COMMISSION

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)	

UNANIMOUS 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"), Staff ("Staff") for the Missouri Public Service Commission ("Commission"), and the Office of the Public Counsel ("OPC"), (collectively the "Signatories"), by and through their counsel, and for this Unanimous Partial Stipulation and Agreement ("Stipulation"), respectfully state as follows to the Commission:

BACKGROUND

- 1. This docket was established pursuant to the provisions of 20 CSR 4240-20.090(11)(B) so Staff for the Commission could conduct a prudence review of the costs and revenues associated with the Company's Fuel Adjustment Clause ("FAC").
- 2. On December 18, 2020, Evergy filed a *Partial Stipulation and Agreement* ("Partial Stipulation") between Evergy, Staff, and OPC in this docket, which was approved by the Commission Order dated January 20, 2021.

- 3. On January 15, 2021, Evergy filed a *Unanimous Partial Stipulation and Agreement* ("Unanimous Stipulation") between Evergy, Staff, OPC, and Sierra Club ("Sierra Club") in this docket, which was approved by Commission Order dated January 27, 2021.
- 4. Parties to this docket have continued to engage in settlement discussions. As a result of said settlement discussions, the Signatories have negotiated and authorized the filing of this Stipulation, and the Signatories request that the Commission approve it to resolve Issues 1, 2 and 3 contained in the Issues List filed in this docket.
- 5. 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

6. Pursuant to the Commission's approval of this Stipulation: In Evergy's future IRP filings (including, without exception, case numbers EO-2021-0035 and EO-2021-0036), Evergy agrees that, for every modeled plan with assumed sales of excess capacity, the company shall model a plan that is identical in all other respects but which does not include the assumed sales of excess capacity. For each modeled plan that includes sales of excess capacity, Evergy agrees it will provide documentation as to the amount of capacity it modeled to be sold, the price of the capacity and energy used along with how it determined these assumptions, and the result of the models run with and without excess capacity sales.

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 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 Signatories respectfully request the Commission 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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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 counsel for all parties this 27th day of January 2021.

|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 10th day of February, 2021.

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Morris L. Woodruff Secretary

MISSOURI PUBLIC SERVICE COMMISSION February 10, 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,

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.