Exhibit No. 603

Commission – Exhibit 603
EO-2025-0154-Report and Order
Case No. ET-2025-0184

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 Approval of New and Modified Tariffs for Service to Large Load Customers	))))))	**Case No. EO-2025-0154**

REPORT AND ORDER

Issue Date: November 13, 2025

Effective Date: December 13, 2025

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APPEARANCES

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Regulatory Law Judge: **Karolin Walker**

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REPORT AND ORDER

The Missouri Public Service Commission (Commission) having considered all the competent and substantial evidence upon the whole record, makes the following findings of fact and conclusions of law. The positions and arguments of all of the parties have been considered by the Commission in making this decision. Failure to specifically address a piece of evidence, position, or argument of any party does not indicate that the Commission has failed to consider relevant evidence, but indicates rather that the omitted material was not dispositive of this decision.

Procedural History

On February 14, 2025, Evergy Metro, Inc. d/b/a Evergy Missouri Metro (EMM) and Evergy Missouri West, Inc. d/b/a Evergy Missouri West (EMW) (collectively "Evergy") filed an *Application for Approval of Evergy's Large Load Power Service (LLPS) Rate Plan and Associated Tariffs* (Application) requesting rates and tariffs for customers with loads larger than 100 megawatts (MW) in Evergy's service areas. Along with its Application, Evergy filed direct testimony. Notice was issued and the following parties, listed in order, were granted intervention: Data Center Coalition (DCC), Nucor Steel Sedalia, LLC (Nucor), Velvet Tech Services, LLC (Velvet), Google LLC (Google), Sierra Club, Renew Missouri Advocates d/b/a Renew Missouri (Renew Missouri), Union Electric Company d/b/a Ameren Missouri (Ameren), and Empire District Electric Company d/b/a Liberty (Liberty) (collectively referred to as "Intervenors"). The Staff of the Commission (Staff) and the Office of the Public Counsel (OPC) also participated as parties in the case.

On May 13, 2025, an order setting a procedural schedule was issued. On July 25, 2025, the parties filed rebuttal testimony. On September 12, 2025, the parties filed surrebuttal testimony. On September 18, 2025, Staff, on behalf of the parties, filed a list of issues, order of opening statements, list and order of witnesses, and order of cross-examination.

On September 25, 2025, Evergy, Ameren, Google, Velvet, Nucor, DCC, Renew Missouri, and Sierra Club, (collectively, the "Signatories") filed a document titled *Non-Unanimous Global Stipulation and Agreement* (Agreement). Staff, OPC, and Liberty were not signatories to the Agreement, though the Agreement indicated that Liberty did not object. On September 29, 2025, Staff filed objections to the Agreement. Pursuant to Commission Rule 20 CSR 4240-2.115(2)(D), a stipulation and agreement that is objected to may become the position statement of the signatories.

An evidentiary hearing was held on September 30, 2025, through October 1, 2025, during which testimony was heard and the exhibits admitted giving all parties an opportunity to be heard by the Commission.

After the hearing, initial briefs were filed on October 29, 2025, and reply briefs on November 5, 2025. Additionally, the Application and Agreement were admitted into the record without objection on November 10, 2025, as Commission Exhibits A and B, respectively.

Evergy filed this case to comply with Section 393.130.7, RSMo, as set forth in SB4.[1] That section, in part, requires large electrical utilities to file a schedule to include in its service tariff containing rates to charge large load customers. Economic development was one of the main purposes of SB4. At the signing of SB4, Governor Mike Kehoe stated:

[1] SS#2 SB4, First Regular Session of the 103rd General Assembly, effective August 28, 2025.

"With this legislation, Missouri is well-positioned to attract new industry, support job growth, and maintain affordable, reliable energy for our citizens."

<u>Staff's Proposal and the Agreement</u>

The Commission has been presented with two proposals. First, Evergy and the other Signatories present their Agreement as the resolution to this case. The Agreement addressed a majority of the issues the parties put forth in the List of Issues for the Commission's determination. Second, Staff presented its own proposal to resolve this case.

The parties may propose issues for the Commission's determination, but the Commission ultimately decides the issues that are appropriate to address in its order. Having reviewed the evidence regarding the two proposals to determine if they satisfy the newly enacted law for schedules to serve large load customers, the Commission has determined the terms of the Agreement are the appropriate resolution to this case and it should be approved as to the issues it addresses.

Findings of Fact

General Findings of Fact

1. EMM is a Missouri corporation and is an "electrical corporation" and "public utility" as defined by Section 386.020, RSMo, and is authorized to provide electric service to portions of Missouri.[2]

[2] Exhibit A, Application, paragraph 1.

2. EMM is engaged in the generation, transmission, distribution and sale of electricity in western Missouri and eastern Kansas and operates primarily in the Kansas City metropolitan area.[3]

3. EMW is a Delaware corporation and is an "electrical corporation" and "public utility" as defined by 386.020, RSMo, and is authorized to provide electric service to portions of Missouri.[4]

4. EMW is engaged in the generation, transmission, distribution and sale of electricity in western Missouri, including suburban Kansas City, St. Joseph, and surrounding counties.[5]

5. OPC is a party to this case pursuant to Section 386.710(2), RSMo, and by Commission Rule 20 CSR 4240-2.010(10).

6. Staff is a party to this case pursuant to 20 CSR 4240-2.010(10).

Data Centers

7. Data centers are facilities that house computing machines, and related hardware and software. They provide the essential digital infrastructure that supports the applications, platforms and services people rely on every day.[6]

8. Data centers are not just large consumers of power; they are economic and operational partners that provide important advantages to electric utilities and their customers. The operational advantages of data centers are numerous and include:

a. Data centers are consistent and predictable consumers of energy, which supports more efficient operation and planning of the electric utility grid;

[3] Ex. A, Application, para. 1.
[4] Ex. A, Application, para. 2.
[5] Ex. A, Application, para. 2.
[6] Ex. 400, Higgins Rebuttal, Page 4.

b. Data centers enable utility system planners and grid operators to optimize existing generation and transmission infrastructure, which can delay new infrastructure investments and improve overall system efficiency; and

c. Many large load customers engage in demand management, which further enhances grid stability and reliability.[7]

9. The economic advantage associated with data centers is that their consistent energy usage helps distribute fixed costs across a larger energy volume, which contributes to a lower average cost per kilowatt-hour for all customers.[8]

10. Some data centers, including Google, are engaging in strategic initiatives to develop long-term energy storage and improve data center demand-side flexibility, which can provide operational benefits to electric utilities and their customers.[9]

11. Google and other data center developers are also investing in advanced transmission technologies. For example, Google recently announced an initiative to accelerate deployment of next-generation transmission technology—specifically advanced conductors—across the U.S. electric grid to enhance the capacity of existing transmission lines at a fraction of the cost of installing new transmission infrastructure.[10]

12. Data centers support customers in many industries, including healthcare, financial services, transportation, and e-commerce.[11]

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[7] Ex. 550, Berry Rebuttal, Page 8.
[8] Ex. 550, Berry Rebuttal, Page 8.
[9] Ex. 550, Berry Rebuttal, Pages 8-9.
[10] Ex. 550, Berry Rebuttal, Page 9.
[11] Ex. 402, Higgins Surrebuttal, Pages 18-19.

13. AI technology, combined with the widescale electrification of various industries, and policy and security desires to domestically locate many of the data centers and manufacturing plants needed to support these advancements, is driving significant electric load growth across the country and globe.[12]

The Agreement

14. On September 25, 2025, Evergy, Ameren, Google, Velvet, Nucor, DCC, Renew Missouri, and Sierra Club, filed their *Non-Unanimous Global Stipulation and Agreement.*[13]

15. The Signatories ask the Commission to approve Evergy's LLPS Rate Plan as modified by the Agreement.[14]

16. Staff objected to parts of the Agreement.[15]

17. A majority of the issues put forth for the Commission's determination are addressed in the Agreement.[16]

18. The emerging industry standard for tariffs to serve LLPS customers prioritizes the establishment of terms and conditions to ensure large load customers contribute their fair share of costs and minimize risk to other customers if anticipated large load growth fails to materialize following significant investments.[17]

19. Common terms and conditions adopted in emerging tariffs include a contract term, a threshold size for applicability, minimum demand or bill charges, collateral requirements, provisions for reducing contract capacity and exiting, and options

[12] Ex. 100, Gunn Direct, Page 4.
[13] Ex. B, Non-Unanimous Global Stipulation and Agreement, filed September 25, 2025.
[14] Non-Unanimous Global Stipulation and Agreement, Pages 1-2.
[15] Staff's Objections to the Non-Unanimous Stipulation and Agreement, filed September 29, 2025.
[16] Ex. B, Non-Unanimous Global Stipulation and Agreement, filed September 25, 2025.
[17] Ex. 551, Berry Surrebuttal, Pages 7-8.

for clean energy. Changes in rate design are generally minor. As a package these terms and conditions ensure, to an acceptably high degree, that the rates paid by large load customers reflect their representative share of costs.[18]

20. The LLPS Proposal outlined in the Agreement incorporates a definite and clear description of service/contract term requirements. Specifically, service under the proposed Schedule LLPS shall be for a minimum term that includes up to five years of an optional transitional load ramp period plus twelve years (the "Term"). The Term under the proposed schedule will commence on the date permanent service begins, or as set forth in the LLPS Service Agreement. During the transitional load ramp period, the customer's maximum load may be lower than 75 MW.[19]

21. The LLPS Proposal outlined in the Agreement incorporates a definite and clear eligibility threshold of 75 MW, that is even broader than the minimum 100 MW threshold set out in SB4.[20]

22. Under the LLPS Proposal outlined in the Agreement, a LLPS Service Agreement must include a Contract Capacity schedule specifying the customer's forecasted annual steady-state peak load requirement for the post-load ramp period of the Term. The Contract Capacity schedule shall also specify the peak load requirement during the load ramp, if any.[21]

[18] Ex. 551, Berry Surrebuttal, Pages 7 and 8.
[19] Ex. B, Non-Unanimous Global Stipulation and Agreement, Page 6.
[20] Ex. B, Non-Unanimous Global Stipulation and Agreement, Page 2.
[21] Ex. B, Non-Unanimous Global Stipulation and Agreement, Page 4.

23. The LLPS Proposal outlined in the Agreement incorporates detailed, definite and clear provisions for clear minimum demand, reducing contract capacity, and assessing capacity reduction charges.[22]

24. The LLPS Proposal outlined in the Agreement incorporates detailed, definite and clear provisions for exiting or changing rate schedules and assessing applicable charges. One key provision is the requirement that in order to terminate or change rate schedules before the end of the Term or any Extension Term, the customer must provide written notice 36 months prior to the requested date of termination or schedule change. In such circumstance, the customer would be subject to an exit fee equal to the nominal value of the Minimum Monthly Bill times the number of months remaining in the Term or Extension Term, or for 12 months, whichever is greater (the "Exit Fee"). An additional fee would apply if the customer seeks to terminate with less than 36-months' notice (the "Early Termination Fee"). In such case, the Early Termination Fee shall be equal to the Exit Fee plus two times the nominal value of the Minimum Monthly Bill times the number of months, less than the 36-months' notice required for termination.[23]

25. The LLPS Proposal outlined in the Agreement incorporates minimum monthly bill provisions based on minimum demand a bill charges. Specifically, customers taking service under Schedule LLPS shall be subject to a Minimum Monthly Bill that includes and is the sum of each of the following charges:

a. Demand Charge (with minimum monthly demand set at 80 percent of the Contract Capacity ("Minimum Demand"));

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[22] Ex. B, Non-Unanimous Global Stipulation and Agreement, Pages 4-5.
[23] Ex. B, Non-Unanimous Global Stipulation and Agreement, Page 4.

b. Customer Charge (metering, billing, customer support);

c. Grid Charge (substation and transmission-related costs, exclusive of direct customer-owned substation and transmission-related costs) (for purposes of the Grid Charge, Grid Demand shall be the higher of: (a) the Monthly Maximum Demand occurring in the last 12 months including the then-current month or (b) the Minimum Demand);

d. Reactive Demand Adjustment (where Evergy may determine the customer's monthly maximum 15-minute reactive demand in kilovars. The maximum reactive demand shall be computed similarly to the Monthly Maximum Demand, as set forth in Schedule LLPS);

e. Other Demand-Based Riders approved by the Commission in the future; and,

f. The Cost Stabilization Rider, with minimum monthly demand set at the Minimum Demand.[24]

26. The LLPS Proposal outlined in the Agreement incorporates detailed collateral and security requirements. Those requirements include in part that: (i.) at the time of executing their LLPS Service Agreement, a Schedule LLPS customer must provide collateral in an amount equal to two (2) years of Minimum Monthly Bills, as calculated by Evergy (the "Collateral Requirement"); (ii.) any Collateral Requirement would be recomputed quarterly based upon the customer's rolling twenty-four (24)-month load forecast; (iii.) an LLPS customer may be exempted from twenty-five (25) to sixty (60) percent of the Collateral Requirement if they meet specific credit rating and liquidity

[24] Ex. B, Non-Unanimous Global Stipulation and Agreement, Pages 9-10.

requirements; and (iv.) no interest will accrue on any collateral held by Evergy under the Collateral Requirement.[25]

27. The LLPS Proposal outlined in the Agreement incorporates definite and clear options for clean energy. Specifically, it incorporates four new optional clean and renewable energy riders that would be available to LLPS customers meeting specific requirements and allow them to participate in specific programs, the cost of which would be borne by the participating LLPS customer and/or Evergy.[26]

28. The LLPS Proposal outlined in the Agreement would require any customer receiving service under Evergy's Economic Development Riders to be subject to a Cost Stabilization Rider. The Cost Stabilization Rider would be a new rider that would be updated annually and designed to ensure costs incurred to serve Schedule LLPS customers are recovered from those same customers.[27]

29. Under the LLPS Proposal outlined in the Agreement, for extensions of transmission or substation facilities, any LLPS customer requesting service with substation or transmission facilities shall pay all costs associated with such extensions. These costs will not include any resulting network upgrade costs for facilities classified as transmission under the Southwest Power Pool (SPP) Open Access Transmission Tariff.[28]

30. SPP oversees the bulk electric system and administers the wholesale power market on behalf of a group of electric utilities, including EMM and EMW.[29]

[25] Ex. B, Non-Unanimous Global Stipulation and Agreement, Pages 12-15.
[26] Ex. B, Non-Unanimous Global Stipulation and Agreement, Pages 18-20.
[27] Ex. B, Non-Unanimous Global Stipulation and Agreement, Page 10.
[28] Ex. B, Non-Unanimous Global Stipulation and Agreement, Page 21.
[29] Ex. 201, Staff Report and Recommendation, Page 15.

31. The Agreement establishes reasonable protections and safeguards for Evergy's existing customers, ensures that new large load customers will pay their share of system costs associated with serving new large loads, and provides a competitive rate program that will help drive economic development in Missouri.[30]

32. The Signatories to the Agreement represent a broad range of diverse stakeholder interests including multiple large load customer interests (Google, Velvet, and DCC), conservation interests (Sierra Club and Renew Missouri) and utility interests (Evergy and Ameren).[31]

33. As modified by the Agreement, the LLPS Rate Plan requires large load customers to enter enforceable long-term service commitments, bearing substantial financial risk, and also be assessed rates that will recover the costs to serve large load customers, while providing ratemaking benefits to non-large load customers with opportunities for additional revenues and contributions from large load customers' participation in a suite of riders.[32]

34. The commercial terms and conditions agreed to in the Agreement establish safeguards for non-LLPS customers with a minimum bill requirement, substantial minimum demand requirements, a minimum service term, and the creation of the Schedule LLPS customer class.[33]

35. The Agreement is broadly consistent with emerging national trends in tariffs for service to large load customers, including the settlement recently reached by Evergy Metro, Inc. d/b/a Evergy Kansas Metro, Evergy Kansas South, Inc., and Evergy Kansas

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[30] Ex. 106, Gunn Testimony in Support of Stipulation and Agreement, Page 2.
[31] Ex. 106, Gunn Testimony in Support of Stipulation and Agreement, Page 18.
[32] Ex. 106, Gunn Testimony in Support of Stipulation and Agreement, Page 17.
[33] Ex. 106, Gunn Testimony in Support of Stipulation and Agreement, Pages 17-20.

Central, Inc., with all of the parties in the large load tariff case in their Kansas service territory.[34]

36. The Agreement includes mechanisms to provide protection for other ratepayers if a large load customer terminates its service agreement before the end of the minimum service term, including requirements that the LLPS customer post and maintain collateral and pay a substantial exit fee in the event of termination.[35]

37. The Cost Stabilization Rider and the Demand Charges are intended to capture incremental transmission and/or interconnection, facilities, and capacity costs driven by large load customers and then apportion costs to them.[36]

38. Minimum bill commitments and credit standards set out in the Agreement reduce stranded cost and cross subsidy risks.[37]

39. The riders, especially the renewable riders, set out in the Agreement allow the large data centers to achieve their sustainability targets.[38]

Staff's Exemplar Tariff Proposal

40. Staff rejected Evergy's LLPS proposal, proposed an alternative LLPS proposal, and offered an exemplar tariff proposal consisting of a new rate design, terms and conditions, and riders.[39]

41. Staff's proposal creates a barrier to economic development in Missouri and is far outside of the industry norm for similar tariffs.[40]

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[34] Ex. 106, Gunn Testimony in Support of Stipulation and Agreement, Page 17.
[35] Ex. 106, Gunn Testimony in Support of Stipulation and Agreement, Pages 17-18.
[36] Ex. 106, Gunn Testimony in Support of Stipulation and Agreement, Pages 10-14.
[37] Transcript Vol. II, Pages 17-18.
[38] Transcript Vol. III, Pages 131-132.
[39] Ex. 105, Lutz Surrebuttal, Page 25.
[40] Transcript Vol. III, Page 126, and Ex. 105, Lutz Surrebuttal, Page 25.

Industry Norms

42. Staff's proposal was developed without the benefit of an engagement process with large load customers or utilities or stakeholders, or a thorough analysis of comparable tariffs from other jurisdictions.[41]

43. Staff's proposal is fundamentally different from emerging industry standards for LLPS tariffs because it focuses on a redesign of rates, while the emerging industry standard prioritizes the establishment of terms and conditions to ensure large load customers contribute their share of costs and minimize risk to other customers if anticipated large load growth fails to materialize following significant investments.[42]

44. While Staff's proposal includes an eligibility threshold, a contract term, and a collateral requirement, it fails to include minimum demand or bill charges, options to reduce contract capacity, or options to secure renewable or clean energy, which are all key components of the emerging standard for large load terms and conditions.[43]

Complex Structure with Economic Implications

45. The design of Staff's proposal is complex.[44] The rate structure includes distinct pricing for 25 rate elements, and many of the rate elements depend on tracking deviations to execute the billing. This would complicate billing and tariff administration.[45]

46. Staff's proposal creates rate instability for large load customers.[46]

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[41] Ex. 551, Berry Surrebuttal, Page 6, and Transcript Vol. 2, Pages 213-215.
[42] Ex. 551, Berry Surrebuttal, Pages 7 and 8.
[43] Ex. 551, Berry Surrebuttal, Page 9.
[44] Ex. 105, Lutz Surrebuttal, Page 29 and Ex. 704, Wills Surrebuttal, Pages 12-15.
[45] Ex. 105, Lutz Surrebuttal, Pages 29-30.
[46] Ex. 551, Berry Surrebuttal, Pages 4, 19, and 20.

47. Under Staff's proposal, it is unclear how a large load customer, or Evergy on behalf of the large load customer, could confidently model the expected rate to inform their site selection efforts, which could drive away large load customers from the state.[47]

48. Staff's proposal imposes new costs and requirements on large load customers with little acknowledgment of the significant benefits they contribute to the broader system.[48]

49. Staff's proposal is unduly discriminatory in its proposed treatment of each large load customer as a separate commercial pricing node.[49] Staff's proposed rate structure would add administrative burdens of separately registering large loads in energy markets to track very minor categories of cost.[50]

50. Under Staff's proposed framework, large load customers face charges disconnected from actual costs and are denied any viable pathway to achieving their clean energy goals.[51]

51. Staff's proposal is very prescriptive and restricts Evergy's ability to exercise reasonable discretion in serving large load customers, whose needs are often highly individualized and not amenable to a one-size-fits-all approach.[52]

52. If every aspect of service must be pre-approved through a lengthy regulatory process, as proposed by Staff, utilities would lose the ability to respond quickly with flexibility to large load customer requests. This may result in delays that cause prospective large load customers to seek opportunities in other states with more agile

[47] Ex. 105, Lutz Surrebuttal, Pages 29-30.
[48] Ex. 551, Berry Surrebuttal, Pages 4- 5.
[49] Ex. 551, Berry Surrebuttal, Pages 4, 10, and 13.
[50] Ex. 704, Wills Surrebuttal, Page 18.
[51] Ex. 551, Berry Surrebuttal, Page 5.
[52] Ex. 104, Gunn Surrebuttal, Page 8.

regulatory environments, thus decreasing Missouri's economic development opportunities.[53]

53. Exit fees exist to ensure a long-term revenue stream is available to provide a fair contribution to the costs of long-lived assets. Given the size of the investments that may be accelerated to serve a large load customer, such fees could be substantial.[54]

54. Staff's proposal includes an automatic trigger of exit fees any time a large load customer's demand falls below 50 percent of their contract demand for three consecutive months.[55]

55. A three-month reduction in usage by a large load customer would not be a clear indication of a permanent termination of service.[56]

56. Automatically requiring a large load customer to pay potentially substantial exit fees immediately following a three-month reduction in usage irrespective of whether the customer intends to continue operations in the service territory is not reasonable.[57]

57. Staff's proposal risks diminishing the incentive for large load customers to invest in and locate in Missouri. From an electrical infrastructure perspective, these advantages include benefits that enhance reliability, improve efficiency, and prepare the utility for a sustainable energy future.[58]

58. Staff's proposal is primarily a cost allocation and rate design proposal, and does not fully address the scope of terms and conditions required for a large load tariff. It

[53] Ex. 104, Gunn Surrebuttal, Page 9.
[54] Ex. 704, Wills Surrebuttal, Page 36.
[55] Ex. 704, Wills Surrebuttal, Pages 35-36.
[56] Ex. 704, Wills Surrebuttal, Page 36.
[57] Ex. 704, Wills Surrebuttal, Page 36.
[58] Ex. 551, Berry Surrebuttal, Pages 5-6.

also lacks cost of service models and the expert rate design analysis that a general rate case would provide.[59]

59. Staff's proposal would not promote rate transparency or consistency, as it includes additional charges, such as the capacity shortfall rate, the capacity cost sufficiency rider, and the economic development discount responsibility rider.[60] These rate components include price levels dependent on volatile endogenous and exogenous variables beyond the LLPS customers' control, which increases the cost uncertainty the LLPS customer may be exposed to under the schedule. This uncertainty could brand Missouri as unattractive to LLPS customers, as additional charges and rate complexity does not equate to transparency for large load customers.[61]

60. Staff's proposal is not in-line with what other jurisdictions are adopting. Many of the conditions Staff recommends stray from the categories of terms and conditions that are emerging nationally for serving large loads, including: (1) extensive detailed load requirements where the large load customer defines its anticipated load by month and year for a minimum of 15 years, (2) demand measurement intervals, (3) time-based energy charges, and (4) termination fees.[62]

61. Ratemaking in Missouri is based on a review of the utility's cost of providing service over a historical period as compared to its revenues over the same period, subject to certain normalizations, annualizations and other regulatory adjustments. The use of a historical test year results in regulatory lag.[63]

[59] Ex. 551, Berry Surrebuttal, Page 10.
[60] Ex. 201, Staff Recommendation, Page 67.
[61] Ex. 104, Gunn Surrebuttal, Page 17.
[62] Ex. 104, Gunn Surrebuttal, Page 15.
[63] Ex. 704, Wills Surrebuttal, Page 38.

62. Regulatory lag can be positive for the utility resulting in increased revenues when there is customer growth between rate cases, resulting in revenues above those set in base rates. Conversely, regulatory lag can be negative for the utility in a rising cost environment when actual operating costs are above those set in base rates or when significant investment in plant is made between rate cases resulting in foregone depreciation and return on equity investment.[64]

63. Evergy files quarterly surveillance reports that give Staff earnings information.[65]

Conclusions of Law

A. Evergy is an "electrical corporation" and a "public utility" as defined in Sections 386.020(15) and 386.020(43), RSMo, respectively, and as such is subject to the personal jurisdiction, supervision, control and regulation of the Commission under Chapters 386 and 393 of the Missouri Revised Statutes.

B. Sections 393.130 and 393.140, RSMo, mandate that the Commission ensure that all utilities are providing safe and adequate service and that all rates set by the Commission are just and reasonable.

C. Section 393.130.7, RSMo, requires that regulated electrical corporations providing electric service to more than two hundred fifty thousand customers must develop and submit to the commission schedules (a tariff) applicable to customers who are reasonably projected to have above an annual peak demand of 100 MW or more.

[64] Ex. 704, Wills Surrebuttal, Pages 38-48.
[65] Ex. 104, Gunn Surrebuttal, Pages 6-7.

D. Section 393.130.7, RSMo, requires that each regulated electrical corporation providing electric service to two hundred fifty thousand or fewer customers as of January 1, 2025, shall develop and submit to the Commission such schedules applicable to customers who are reasonably projected to have above an annual peak demand of 50 MW or more.

E. Section 393.130.7, RSMo, states that the schedules should reasonably ensure such customers' rates will reflect the customers' representative share of the costs incurred to serve the customers and prevent other customer classes' rates from reflecting any unjust or unreasonable costs arising from service to such customers.

F. The Commission may file an action "upon its own motion or upon complaint" if it suspects that the utility's rates or charges are "unjust, unreasonable, unjustly discriminatory or unduly preferential or in any wise in violation of any provision of law."[66]

G. Pursuant to Commission Rule 20 CSR 4240-2.115(2)(D), a nonunanimous stipulation and agreement to which a timely objection has been filed becomes a position of the signatory parties. However, the Signatories are not bound by the position in the objected to nonunanimous stipulation and agreement and all issues remain for determination by the Commission.

H. Commission Rule 20 CSR 4240-2.115(2) provides that a party objecting to a nonunanimous stipulation and agreement must identify the specific provisions of the stipulation and agreement to which they are objecting.

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[66] Section 393.140(5), RSMo.

I. Missouri regulated utilities are required to serve all persons within their service territory.[67]

Decision

Every regulated utility in Missouri, including Evergy, has an obligation to serve any customer who requests service within their territory (with few exceptions). This case asks the Commission to decide how Evergy should serve customers anticipated to consume large amounts of energy, consistent with recently enacted state law encouraging economic development while protecting existing customers.

Evergy's original LLPS Rate Plan, contained in its Application, was modified by the Agreement filed a few days before the evidentiary hearing was set to begin. Staff put forth its own proposal to counter the proposal in Evergy's Application.

The Agreement requests approval of Evergy's proposed comprehensive LLPS Rate Plan, as amended by the terms of the Agreement, including a new Schedule LLPS, together with related riders and tariff modifications, and asks the Commission to find the package reasonable and in the public interest. The LLPS Rate Plan, as amended by the Agreement, applies to new facilities or expansions at a monthly maximum demand of 75 MW.

The proposed Agreement was signed by 7 out of 10 participants in the case. Those Signatories represent the interests of large load customers such as Google, Velvet, and DCC; environmental interests such as Sierra Club and Renew Missouri; as well as utility

[67] "The certificate of convenience and necessity issued to the utility is a mandate to serve the area covered and it is the utility's duty, within reasonable limitations, to serve all persons in an area it has undertaken to serve." *State v. Public Service Commission*, 343 S.W.2d 177, 181 (Mo.App.1960).

interests such as Evergy and Ameren. The Signatories to the Agreement represent a diverse and extensive group of stakeholders who support the LLPS plan. The Signatories assert that Evergy's original LLPS Rate Plan, as modified by the Agreement, establishes reasonable protections and safeguards for Evergy's existing customers while ensuring that LLPS customers pay their appropriate share of system costs required to serve new large loads as well as providing a competitive rate program which will benefit all Missourians. For the reasons set out in more detail below, the Commission finds that the record supports this assertion.

Because the Agreement reflects emerging trends in LLPS tariffs being implemented in other jurisdictions, approving it will put Missouri on a level playing field with other states in seeking to attract large load customers and the economic benefits they bring. Also consistent with emerging trends, the Agreement includes protections for other ratepayers and provisions that require those large load customers to pay their respective share of incremental costs.[68]

Evergy's LLPS Rate Plan proposal, as modified by the Agreement, is the best resolution of this case because it implements a complete LLPS framework that aligns with Section 393.130.7, RSMo, by establishing a tariffed service and class for customers at or above 75 MW of demand, with clear eligibility, pricing, commitments, and safeguards that ensures these customers pay their share of costs while enabling Missouri to compete for transformational loads.

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[68] Section 393.130.7, RSMo, states that the schedules should reasonably ensure such customers' rates will reflect the customers' representative share of the costs incurred to serve the customers and prevent other customer classes' rates from reflecting any unjust or unreasonable costs arising from service to such customers.

The Agreement balances flexibility through customer-specific LLPS Service Agreements. The Agreement reduces stranded cost risks and protects other customers from bearing the unanticipated consequences of an LLPS customer‘s load leaving before the end of their contract term.

The Agreement contains built in protections. The Minimum Monthly Bill includes a Demand component with the minimum demand set at 80 percent of Contract Capacity; a Customer Charge; a Grid Charge defined by measured grid demand; a Reactive Demand Adjustment; and other demand-based riders. It adds a Cost Stabilization Rider, designed to ensure recovery of costs incurred to serve LLPS customers, calculated annually and made non-bypassable relative to any Economic Development Rider discount so that LLPS customers cover the costs they impose. These features will make the LLPS class self-sustaining.

To guard against credit risk, the Agreement requires collateral equal to two years of Minimum Monthly Bills, with exemptions tiered to credit ratings and liquidity, quarterly re-computation, and clear forms of acceptable security, including guarantees and letters of credit with specific draw rights upon breach.

As with emerging tariffs being proposed in other jurisdictions, the Agreement provides large load customers options to achieve their clean energy and infrastructure goals. It incorporates four new optional clean and renewable energy riders that would be available to qualifying LLPS customers and allow them to participate in specific programs, the cost of which would be borne by the participating LLPS customer and/or Evergy. This would enable large customers, including data centers, to meet sustainability goals without shifting costs to others.

The Commission finds that Evergy's LLPS Rate Plan as modified by the Agreement, which is backed by a broad coalition - spanning utilities, industrial customers, technology companies, and environmental organizations - satisfies the requirements of Section 393.130.7, RSMo.

The Commission is not persuaded by Staff's assertion that the Agreement should be rejected in favor of Staff's proposal. Testimony in the hearing showed that Staff's proposal was developed without the benefit of an engagement process with large load customers or utilities or stakeholders, or a thorough analysis of comparable tariffs from other jurisdictions. Staff's proposal is fundamentally different from emerging industry standards for LLPS tariffs in that it is primarily a cost allocation and rate design proposal and fails to adequately address the full scope of terms and conditions required for a large load tariff. Under Staff's proposed framework, large load customers would face charges disconnected from actual costs and would be denied any viable pathway to achieving their clean energy goals. Additionally, Staff's proposed rate structure and requirement that each large load customer be served by a separate commercial pricing node would add significant administrative burdens to track very minor categories of cost.

Staff's proposed one-way revenue tracker is also unreasonable. It would require Evergy to absorb any cost increases associated with large load service while a hundred percent of the revenues resulting from that service would be deferred in a one-way tracker for future return to customers. Such a proposal is inconsistent with balancing all parties' interests.

Staff's proposal is also unreasonably complex and would both increase rate uncertainty and diminish incentives for large load customers to locate and invest in

Missouri. Staff's proposed rate structure includes distinct pricing for 25 rate elements, and many of those rate elements depend on tracking deviations to execute the billing. Staff's proposal also includes additional charges, which include price levels dependent on volatile endogenous and exogenous variables beyond the LLPS customers' control, which would further increase LLPS customer cost uncertainty. Under Staff's proposal, neither a prospective large load customer nor Evergy on the customer's behalf could confidently model the expected rate to inform their site selection efforts, which could drive away large load customers from the state and deprive ratepayers of the advantages such customers can provide.

The Commission finds that Evergy's LLPS Rate Plan, as amended by the Agreement, offers the best resolution for providing service to LLPS customers and satisfies the requirements of Section 393.130.7, RSMo. It resolves issues related to serving LLPS customers, reflects broad stakeholder consensus, sets the framework for an LLPS rate schedule, and contains strong safeguards to ensure that large new loads pay their fair share while enabling growth that benefits Missouri. It offers a comprehensive, workable framework that gives Missouri a competitive LLPS program while embedding firm protections for existing customers.

Issues not addressed in the Agreement

Issue C - Should any limit be placed on Evergy concerning the amount of LLPS load that it may serve?

Findings of Fact

64. Staff proposed a restriction that only up to 33 percent of the annual Missouri jurisdictional load of the respective utility could be comprised of LLPS customers.[69]

65. There is no specific justification for the 33 percent proposed by Staff, which is an arbitrary limit that could have many unintentional consequences, such as denying service to a large load customer with clear economic benefit to the state.[70]

Conclusions of Law

J. There are no additional Conclusions of Law for this issue.

Decision

The Commission finds Staff's proposal to restrict the LLPS customer load to a set percentage of Evergy's Missouri jurisdictional load unreasonable. Further, Staff provided no analysis to support why any such limit should be set at 33 percent. The Commission will not order a limit on the load from LLPS customers.

Issue K - Are changes needed for the Emergency Energy Conservation Plan tariff sheet and related tariff sheets to accommodate LLPS customers?

Findings of Fact

66. Staff recommends the Emergency Energy Conservation Plan tariff sheets should indicate that customers taking service under Schedule LLPS may be interrupted during grid emergencies under the same circumstances as any other customer.[71]

67. OPC recommends service under the LLPS schedule be subject to mandatory emergency curtailments as warranted.[72]

[69] Ex. 201, Staff Recommendation, Page 69.
[70] Ex. 105, Lutz Surrebuttal, Page 33.
[71] Ex. 201, Staff Recommendation, Page 112.
[72] Ex. 301, Marke Rebuttal, Page 25.

68. Both EMW and EMW have an Emergency Energy Conservation Plan in their respective General Rules and Regulation, which were aligned on January 1, 2025, and comply with the North American Electric Reliability Corporation Standard EOP-011-1. The plans define an emergency and highlight the major steps that will be taken during an emergency called the SPP Reliability Coordinator. Under the Emergency Energy Conservation Plan, LLPS customers are subject to curtailment unless they are deemed an essential service.[73]

Conclusions of Law

K. There are no additional Conclusions of Law for this issue.

Decision

Both Staff and OPC recommended that Evergy's Emergency Energy Conservation Plan explicitly include LLPS customers for potential curtailment in different manners. LLPS customers, including data centers, provide different types of service, including to different types of customers, which will dictate on a case-by-case basis if they are classified as essential service. Evergy's Emergency Energy Conservation Plan outlines that LLPS customers are subject to curtailment unless deemed an essential service. Therefore, with an existing plan in place, the Commission does not see the need for modifications proposed by either Staff or OPC and the Commission rejects both Staff's and OPC's proposals.

Issue L - What studies should be required for customers to take service under the LLPS tariff?

Findings of Fact

[73] Ex. 105, Lutz Surrebuttal, Page 21.

69. Evergy's proposed studies are outlined in its "Path to Power", which outlines a process for load interconnection of large load customers. The "Path to Power" is a 5-phase process, which includes steps to assess if transmission upgrades are required along with reviews by SPP.[74]

70. According to Evergy, new large load projects are evaluated and negotiated in groups to help Evergy and SPP better understand the broader system implications of new large customer load. Evergy gathers all necessary information to submit the project to SPP for an Area Qualification (AQ) study consistent with SPP's standard process, and as part of Evergy's "Path to Power" process. The AQ study determines if new load can be reliably connected to the grid and identifies any potential transmission upgrades that may be needed to reliably interconnect the facility.[75]

71. Staff proposed that Evergy should conduct studies as contemplated by its proposed Path to Power approach, including any requirements under its Transmission Facility Interconnection Requirements.[76]

72. OPC recommends three studies, which are Total Harmonic Distortion, Power Usage Effectiveness and Water Usage Effectiveness.[77]

73. The studies proposed by OPC have not been identified as part of Evergy's industry reviews and do not appear to be a normal component of utility large load processes.[78]

[74] Ex. 102, Martin Direct, Pages 7-13.
[75] Ex. 102, Martin Direct, Pages 9-11.
[76] Ex. 205, Corrected Eubanks Surrebuttal, Page 5.
[77] Ex. 301, Marke Rebuttal, Pages 5-15.
[78] Ex. 104, Gunn Surrebuttal, Page 20.

74. Evergy's Interconnection Standards and its general oversight of power quality are the appropriate place to address the concern that would be covered by the Total Harmonic Distortion study.[79]

75. Large load customers tend to have a high focus on efficiency concerns and Evergy has not noticed a need to become involved in their behind the meter activities related to energy efficiency and water conservation.[80]

76. Meta reports that its Kansas City Data Center is LEED Gold certified, which means that this data center has achieved very high standards for energy efficiency, water conservation, supply chain responsibility and recycling. They also state, "We're also prioritizing water stewardship, incorporating a cooling technology that is significantly more water efficient than the industry standard."[81]

77. The parties in the Agreement agreed to reflect the framework of the Path to Power in Evergy's General Rules and Regulations.[82]

Conclusions of Law

L. No additional Conclusions of Law are necessary for this issue.

Decision

Water conservation and energy efficiency are important factors for large load customers in meeting their sustainability goals and are key elements they manage behind the meter. To require every large load customer to perform a total harmonics study instead of addressing any concerns through Evergy's interconnection standards and

[79] Ex. 104, Gunn Surrebuttal, Pages 22-23.
[80] Ex. 104, Gunn Surrebuttal, Page 21.
[81] Ex. 104, Gunn Surrebuttal, Page 21.
[82] Non-Unanimous Global Stipulation and Agreement, Page 21.

oversight of power quality standards would make the process unduly onerous for large load customers, thereby creating barriers to entry into the Missouri market. The Commission does not find the evidence presented by OPC in support of these studies convincing and finds the studies would be duplicative of efforts already performed by large load customers and Evergy. The Commission rejects OPC's proposal for the Power Usage Effectiveness, Water Usage Effectiveness, and Total Harmonic Distortion studies.

Staff's proposal to perform the studies outlined in the "Path to Power" are already incorporated into the provisions of the Agreement.

The Commission will not order any additional studies.

Issue M - Should a form customer service agreement be included in the Commission approved LLPS tariffs resulting from this case?

Findings of Fact

78. Staff recommends the inclusion of a form service agreement in the tariff coupled with Commission approval, be applicable to any electric utility service large loads as defined in Section 393.130.7, RSMo.[83]

79. Staff recommends that terms of service and rates for service be reflected in the promulgated tariff and not reserved to confidential agreements that are not subject to Commission review and might be subject to change at Evergy's discretion.[84]

80. Due to a very diverse customer base, a form energy service agreement would not provide Evergy with the flexibility to deal with customers and their particular

[83] Ex. 205, Corrected Eubanks Surrebuttal, Page 3.
[84] Ex. 104, Gunn Surrebuttal, Page 8.

abilities and capabilities but would potentially hamper Evergy's ability to negotiate with these customers.[85]

Conclusions of Law

M. There are no additional Conclusions of Law for this issue.

Decision

Staff asks the Commission to require Evergy to include a form LLPS service agreement in its tariff to serve LLPS customers. Large load customers are often highly individualized and not amenable to a one-size-fits all approach. A form service agreement would hamper Evergy's ability to exercise reasonable discretion in the service to its large load customers.

The Commission will not require Evergy to include a form LLPS service agreement in its tariff.

Issue N - Should Evergy be required to disclose information about prospective customers?

a. **If so, what review should the Commission have of prospective customers and terms applicable to specific customers?**
b. **In what case should said review occur?**

Findings of Fact

81. To help track the uptake and success of the LLPS Rate Plan, Evergy stated it will provide the Commission with an annual report - either in this docket or through a repository docket - that will include the number of new or expanded customers that have enrolled in Schedule LLPS; the total estimated load enrolled under each rate; the sector

[85] Transcript Vol. II, Page 150.

the customer is in; and the estimated number of new or retained jobs associated with each new customer (to the extent available).[86]

82. Because large load customers often consider their energy usage information to be proprietary and commercially sensitive information, Evergy proposes to provide these updates on an anonymized basis.[87]

83. Staff asked the Commission to require Evergy, and every other regulated electric utility in Missouri, to provide actual potential customer lists to the Commission and anticipated loads for each customer on a quarterly basis.[88]

84. Staff indicated this customer specific information is needed for the following four reasons:

a. To ensure that the claims that are being made by the utility are correct;
b. To be able to compare utilities within the state to ensure that multiple Missouri utilities are not counting the same potential customer;
c. To be able to evaluate the magnitude, location, and timing of energy usage impacts to fuel and purchased power costs as well as the planning of transmission and distribution facilities; and
d. To be able to review the overall load characteristics of a potential large load customer.[89]

Conclusions of Law

N. There are no additional Conclusions of Law for this issue.

[86] Ex. 100, Gunn Direct, Page 25.
[87] Ex. 100, Gunn Direct, Page 25.
[88] Ex. 200, Busch Rebuttal, Page 13.
[89] Ex. 200, Busch Rebuttal, Pages 13-15.

Decision

Staff did not provide a convincing argument as to why such proprietary and commercially sensitive information is needed prior to a utility executing an LLPS Service Agreement with a prospective customer. The Commission will not order Evergy to disclose information on its prospective customers.

Issue O - Should LLPS customers be included in the FAC?

a. **What, if any, changes should be made to Evergy's existing FAC tariff sheet?**
b. **When/in what case should these changes be made?**
c. **What if any FAC related costs should the Commission order tracked?**

Findings of Fact

85. When a new LLPS customer comes onto the system it will begin paying for every kWh of energy it consumes. The energy rates under current consideration range from $0.02988 per kWh under Evergy's requested EMM rate, and $0.0288 per kWh under Evergy's requested EMW rate, to Staff's around-the-clock average EMM rate of $0.0270 per kWh and $0.0269 per kWh for EMW, with specific rates depending on the time period in which energy is consumed.[90]

86. Simultaneously, EMM and EMW will reflect additional energy costs in their respective utilities' FAC. While required Federal Energy Regulatory Commission (FERC) netting may result in this additional load appearing as an increase to expense or as a decrease to revenue in any given accumulation period filing, the reality is that the simple act of selling more energy to retail customers results in EMM or EMW transacting more

[90] Ex. 201, Staff Recommendation, Page 64.

energy purchases through the FAC. This is applicable to the Day Ahead market, the Real Time market, the ancillary services market, and for various SPP schedules which are assessed to EMM and EMW based on metrics like the load-ratio share, or various measures of demand.[91]

87. Staff acknowledges a reverse effect as well if a LLPS customer leaves the system and reduces Evergy's load after that customer has been recognized in base rates and the FAC base factor. Evergy would then no longer incur the wholesale energy and transmission expense associated with service to that customer. In this case, it would be reasonable to make an adjustment so that other customers do not unreasonably benefit from the significant reduction in wholesale energy expense that results. This is a mechanism similar to the "N Factor" that was utilized in the Ameren Missouri FAC associated with its service to Noranda.[92]

88. It is Staff's understanding that FAC tariff sheets cannot be changed outside of a general rate case. Therefore, Staff recommends that the FAC LLPS adjustments be incorporated in the FAC tariff sheet and agreed to by the parties to take place in the next general rate case(s). Until then, however, the LLPS adjustments should be tracked and recorded as a regulatory asset or liability until the next rate case(s).[93]

89. Staff recommends the following treatment of LLPS customer revenues:

a. Until a rate case recognizing the customer at the full level of projected demand, the difference between the revenue for each charge considered for that customer in the last general rate case, and the

[91] Ex. 201, Staff Recommendation, Page 64.
[92] Ex. 201, Staff Recommendation, Pages 65-66.
[93] Ex. 201, Staff Recommendation, Page 66.

current level of revenue for that charge will be recorded to a regulatory liability account. This treatment is applicable to revenue from all charges except the Customer Charge, Facilities Charge, Demand Deviation Charge, Imbalance Charge, Capacity Shortfall Rate, the Capacity Cost Sufficiency Rider, and the RES Compliance Charge. The resulting regulatory liability will be treated as an offset to production rate base with a 50-year amortization. The annualized and normalized revenue from these charges shall be reflected in each rate case.

b. All revenue billed under the RES Compliance charge will be recorded to a regulatory liability, and that regulatory liability will be treated as an offset to production rate base with a 50-year amortization. Revenue for the RES Compliance charge will only be addressed through this accumulated regulatory liability and shall not be considered as rate revenue in rate cases.

c. All revenue billed under the Demand Deviation Charge, Imbalance Charge, Capacity Shortfall Rate, and the Capacity Cost Sufficiency Rider will be used to offset expense associated with the increased cost of service caused by the LLPS customer in any applicable rate case or through the FAC, if applicable.

d. Unless the FAC is modified to address positive regulatory lag associated with LLPS customer growth, the difference caused by positive customer growth between normalized and actual LLPS Day Ahead Energy Charge revenues shall be recorded to a regulatory liability. The resulting

> regulatory liability will be treated as an offset to production rate base with a 50-year amortization. The annualized and normalized revenue from these charges shall be reflected in each rate case. [94]

90. Under Evergy's-recommended LLPS tariff, Evergy determined the FAC tariff could be used without changes. FAC changes would only be needed to address renewable program additions.[95]

91. There are concerns with the large number of new charges that could directly or indirectly impact the FAC under the Staff-recommended LLPS tariff. Most of the concerns are raised in response to the proposed use of commercial pricing nodes, something not currently common at the SPP. These concerns include the list of alternate data Staff believes is necessary if the commercial pricing node recommendation is not accepted.[96]

92. The list of alternate data is based entirely on Staff's opinion and has not been vetted to determine if the data should be provided or even if the data can be provided. The full impact of the Staff-proposed approaches has not been reconciled to the level required to effectuate the FAC.[97]

93. The SPP Market Working Group rejected a proposal for separate commercial pricing nodes for Conditional High Impact Large Load ("CHILL") customers at a meeting in September 2025.[98]

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[94] Ex. 201, Staff Recommendation, Page 67, "Treatment of LLPS Customer Revenues" table.
[95] Ex.105, Lutz Surrebuttal, Page 33.
[96] Ex. 105, Lutz Surrebuttal, Pages 33-34
[97] Ex. 105, Lutz Surrebuttal, Page 34.
[98] Transcript Vol. II, Pages 192, 194.

94. Regionally, SPP is seeking approval of Revision Request 696 – Integrate and Operate High Impact Large Loads from its Board and FERC. Revision Request 696 includes several elements related to the process of interconnection and study. Additionally, it creates a path for conditional service through a proposed solution referred to as CHILL, "with the trade-off of potential temporary curtailments, in exchange for quick and thorough study results that allow them to integrate and operate as quickly as possible.[99]

95. OPC proposed to split the FAC into two; one for non-LLPS customers and the second for LLPS customers.[100]

Conclusions of Law

O. Section 386.266(5), RSMo, provides that the Commission shall have the power to approve, modify, or reject adjustment mechanisms, such as the FAC, only after providing the opportunity for a full hearing in a general rate proceeding.

Decision

Staff proposes tracking FAC costs of LLPS customers so they can be recorded as a regulatory asset or liability included in a rate case. FAC cost separation could occur if LLPS customers are registered as a separate pricing node, but SPP voted down such a process for CHILL customers.

OPC proposed to modify Evergy current FAC by splitting it into LLPS and non-LLPS customers. OPC argues that non-LLPS customers will pay the costs of LLPS customers through the FAC and non-LLPS customers should subsidize LLPS costs. As

[99] Ex. 201, Staff Recommendation, Page 112.
[100] Ex. 300, Mantle Surrebuttal, Page 3.

previously concluded, the Commission cannot do as OPC proposes as it cannot modify Evergy's current FAC outside of a general rate proceeding.

The Commission will not change the existing FAC tariff sheet until a rate case is filed.

Issue P - Should LLPS customers be registered with a separate Southwest Power Pool ("SPP") commercial pricing node (subject to SPP support) or alternatively should Evergy be required to provide the Staff-recommended data (Appendix 2, Schedule 2) node?

Findings of Fact

96. Separate commercial pricing nodes would require the utility to allocate its resource stack on a nodal, rather than system basis. This would require the utility to decide which generation asset would be assigned to each node, which increases concerns of cross-subsidization and transparency, contrary to Section 393.130.7.[101]

97. There are a multitude of issues with the disaggregation of commercial pricing nodes. The settlement process would forego the single, unified energy charge and would require separate accounting for fuel procurement expense, uplift charges, and congestion-management costs.[102]

98. Disaggregation magnifies forecasting errors. Under an aggregated model, any over or under-estimation at a specific node is statistically decreased by the diversity of the broader portfolio.[103]

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[101] Ex. 103, Brown Surrebuttal, Page 11.
[102] Ex. 103, Brown Surrebuttal, Page 10.
[103] Ex. 103, Brown Surrebuttal, Page 10.

99. Once the portfolio is separated into discrete, high-volume nodes, that diversity benefit of an aggregated model is lessened, and forecasting inaccuracies accumulate, thereby increasing volatility in settlement results.[104]

Conclusions of Law

P. The Federal Power Act (FPA), 41 Stat. 1063, as amended, 16 U.S.C. Section 791a et seq., authorizes the FERC to superintend the sale of electricity in interstate commerce.[105]

Q. The FPA gives FERC authority to regulate "the sale of electric energy at wholesale in intrastate commerce."[106].

Decision

The SPP's aggregate utility load does not have customer-by-customer node registration and there is no provision for discrete pricing nodes for retail customers. To have each large load customer registered at a commercial pricing node would require disaggregation of commercial pricing node information, which would result in significantly more work for the utility and lead to significant accuracy issues. The SPP Market Working Group rejected separate commercial pricing nodes for CHILL customers.

Ultimately, SPP determines where nodes are located throughout its footprint. Its treatment of where it places nodes should be consistent throughout the footprint.

The Commission will not require LLPS customers to have a commercial pricing node nor will they require Evergy to provide data on that node.

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[104] Ex. 103, Brown Surrebuttal, Page 10.
[105] *NRG Power Marketing, LLC, v. Main Public Utilities Commission*, 558 U.S. 165, 169 (2010).
[106] 16 U.S.C. Section 824(b)(1), See also, *NRG Power Marketing, LLC, v. Main Public Utilities Commission*, 558 U.S. 165, 171 (2010).

Issue R - What treatment is needed to address revenues from LLPS customers occurring between general rate cases?

Findings of Fact

100. If dollars from existing customers were collected through a construction work in progress (CWIP) accounting those dollars could be directly offset by revenues collected from any LLPS customers receiving service .[107]

101. Staff's proposal would require Evergy to track revenues associated with a large load customer after it came online between rate cases. The proposal is two pronged. It is intended to deal with positive regulatory lag, and it's also intended to be a direct offset to additional rate base.[108]

102. Evergy‘s recent general rate case before the Kansas Corporation Commission included an earnings-sharing mechanism to address revenues between rate cases. The Commission here would have the authority to approve a similar mechanism in a future rate case after LLPS customers begin receiving service in Missouri.[109]

103. The earnings-sharing mechanism proposed in Kansas assumed Evergy was earning its authorized rate of return.[110]

Conclusions of Law

R. The ability to use a deferral mechanism is a policy decision within the Commission’s discretion, the Commission has generally followed the guidance in the

[107] Transcript Vol III, Pages 56-57.
[108] Transcript, Vol III, Page 57.
[109] Transcript Vol. II, Pages 151-152.
[110] Transcript Vol. II, Pages 151-152.

Uniform System of Accounts (USOA) that costs should not be deferred to another accounting period except for "extraordinary items."[111]

S. The Commission has authority to defer extraordinary costs of a utility for consideration in a later period. In doing so, it is not engaging in single-issue rate making.[112]

T. An AAO permits "extraordinary items" to be deferred and accounted for in a future accounting period.[113]

Decision

There are no current LLPS customers and no rate base being collected through CWIP accounting from existing customers. Thus, there are no known and measurable revenues, or a quantification of how those revenues could be a direct offset to additional rate base constructed to meet the energy needs of LLPS customers that might be recovered from existing customers before a rate case. Staff's reasoning that revenues resulting from positive regulatory lag would be used to offset the implementation of a mechanism to reduce negative regulatory lag is only hypothetical at this point in time. In other words, it is premature for the Commission to establish a regulatory mechanism at this time to capture dollars that do not currently exist. Any treatment of revenues from LLPS customers will be determined in a future rate case where those revenues would be known and measurable.

Issue U - Should the Commission order a community benefits program as described in the testimony of Dr. Geoff Marke?

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[111] *Kan. City Power v. Public Serv. Comm*, 509 S.W.3d 757 at 770 (Mo.App. W.D. 2016).
[112] *State ex rel. Office of Pub. Counsel v. Pub. Serv. Com'n of Mo.,* 858 S.W. 2d 806 (Mo. App. W.D. 1993).
[113] See State ex rel. Aquila, Inc. v. Pub. Serv. Comm'n, 326 S.W.3d 20, 27 (Mo. App. W.D. 2010).

Findings of Fact

104. OPC's recommendation to include a community benefits program to counterbalance the subsidization of LLPS customers by non-LLPS customers is not found in other states.[114]

105. OPC witness Dr. Marke points to reductions in funding for Low Income Home Energy Assistance Program, Low-Income Weatherization Assistance Program, and the City of Kansas City's Urban Heat Island Mitigation initiative as the primary needs to be addressed by the program. It is uncommon that customer funding is used to support these governmental initiatives.[115]

Conclusions of Law

U. There are no additional Conclusions of Law for this issue.

Decision

OPC posits that the societal transition caused by LLPS customers, specifically data centers, will impact federally funded programs like the Low Income Home Energy Assistance Program (LIHEAP), the Low Income Weatherization Assistance Program (LIWAP) and the City of Kansas City's Urban Heat Island mitigation program. There is no evidence presented showing the inclusion of data centers and large load customers will create a societal transition. In addition, OPC provided no authority for the Commission to require one customer class to fund any program for another customer class.

The Commission will not order implementation of a community benefits program.

[114] Ex. 105, Lutz Surrebuttal, Page 23.
[115] Ex. 105, Lutz Surrebuttal, Page 23.

Closing

In making this decision, the Commission has considered the positions and arguments of all of the parties. After applying the facts to the law to reach its conclusions, the Commission concludes that the substantial and competent evidence in the record supports the conclusion that Evergy has met, by a preponderance of the evidence, its burden of proof to demonstrate that its LLPS Rate Plan as modified by the Agreement will produce schedules compliant with the requirements of Section 393.130.7, RSMo, and is the appropriate resolution of the majority of the issues in this case. Therefore, the Commission authorizes Evergy to file a LLPS tariff consistent with the terms of its LLPS Rate Plan, as modified by the Agreement, and the findings and determinations of this order.

THE COMMISSION ORDERS THAT:

1. Evergy is authorized to file LLPS schedules consistent with the LLPS Rate Plan filed with its Application, as modified by the terms of the Agreement, and the findings and determinations of this order.
2. This Report and Order shall become effective on December 13, 2025.

BY THE COMMISSION

Nancy Dippell

Nancy Dippell
Secretary

Hahn, Ch., Coleman, Kolkmeyer,
and Mitchell CC., concur and certify compliance
with the provisions of Section 536.080, RSMo (2016).

Walker, 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 13th day of November 2025.

Nancy Dippell

Nancy Dippell
Secretary

MOPSC Digitally signed by MOPSC
Date: 2025.11.13
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MISSOURI PUBLIC SERVICE COMMISSION

November 13, 2025

File/Case No. EO-2025-0154

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

Sincerely,

Nancy Dippell

Nancy Dippell
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.