

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

In the Matter of Evergy Metro, Inc.)	
d/b/a Evergy Missouri Metro's)	<u>Case No. EO-2026-0138</u>
Demand Side Investment Mechanism)	Tracking No. JE-2026-0073
Rider Rate Adjustment and True-Up)	
)	
In the Matter of Evergy Missouri West, Inc.)	<u>Case No. EO-2026-0139</u>
d/b/a Evergy Missouri West's Demand Side)	Tracking No. JE-2026-0074
Investment Mechanism Rider Rate Adjustment)	
and True-Up)	

STAFF RECOMMENDATION

COMES NOW, the Staff of the Missouri Public Service Commission ("Staff"), by and through counsel, and for its *Staff Recommendation*, states as follows:

1. On December 1, 2025, Evergy Metro, Inc. d/b/a Evergy Missouri Metro and Evergy Missouri West, Inc. d/b/a Evergy Missouri West (collectively, Evergy) filed revised tariff sheets, with supporting testimony, to adjust charges related to their approved Demand Side Investment Mechanism (DSIM) Riders. The tariff sheets bear an effective date of February 1, 2026, and have been assigned Tracking Nos. JE-2026-0073 and JE-2026-0074, respectively.

2. Commission Rule 20 CSR 4240-20.093(4) requires Staff to examine and analyze the information Evergy has filed and to submit a recommendation no later than 30 days after Evergy filed its tariff revisions.

3. On December 2, 2025, the Commission entered an order directing staff to file its recommendation no later than December 31, 2025, and limited applications to intervene to be filed no later than December 17, 2025.

4. The Commission Staff's Tariff/Rate Design and Energy Resources Departments reviewed the filed tariff sheets and recommends the Commission issue an

order approving the tariff sheets filed on December 1, 2025, for service on and after February 1.

5. Staff's recommendation to approve these tariffs is based upon Staff's acceptance of Evergy's non-verified work papers and does not constitute a review of the prudence of Evergy's actions in relation to its DSIM. Staff has verified that Evergy is not delinquent on any assessment and has filed its Annual Report. Evergy is current on its submission of its Quarterly Surveillance Monitoring reports as required in 20 CSR 4240-20.093(4)(D).

WHEREFORE, Staff respectfully request that the Commission accept its Recommendation on this matter; approve the tariff sheets bearing tracking Nos. JE-2026-0073 and JE-2026-0074; and to grant such other and further relief as the Commission considers just and reasonable in the circumstances.

Respectfully submitted,

/s/ Ray Cunneen

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**Attorney for Staff of the
Missouri Public Service Commission**

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by electronic mail, or First-Class United States Postal Mail, postage prepaid, on this 31st day of December 2025, to all parties and/or counsel of record.

/s/ Ray Cunneen

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
File No. EO-2026-0138 and Tariff Tracking No. JE-2026-0073

FROM: Randall T. Jennings, Senior Research/Data Analyst
Obianuju S. Ezenwanne, Economist
Industry Analysis Division

SUBJECT: Staff Recommendation to Approve Evergy Missouri Metro (“Evergy Metro”) Proposed Tariff Sheet to Adjust Demand Side Investment Mechanism (“DSIM”) Rider Rate effective February 1, 2026.

DATE: December 31, 2025

Evergy Missouri Metro Filing

On December 1, 2025, Evergy Metro filed with the Commission one tariff sheet bearing an issue date of December 1, 2025, and an effective date of February 1, 2026, proposing to adjust charges related to Evergy Metro’s DSIM Rider. Evergy Metro’s filing also included the Direct Testimony of Leigh Anne Jones and work papers consisting of electronic worksheets showing its calculation of the proposed rates. As filed, Evergy Metro’s DSIM revenue requirement through December 2026 is approximately \$23.3 million.

On December 2, 2025, the Commission issued its *Order Directing Notice, Establishing Intervention Deadline, and Directing Staff Recommendation* which directed Staff to file its recommendation no later than December 31, 2025.

Change in Evergy Metro’s DSIM Rates

Pursuant to 20 CSR 4240-20.093(4), Evergy Metro is required to adjust its DSIM rates no less often than annually¹ to reflect the amount of revenue that has been over/under collected.

The current Missouri Energy Efficiency Investment Act (“MEEIA”) mechanism rate per class of customer is collected through a line item on current bills and is based on an annual level of projected costs and incentives with reconciliations from actual prior periods and any ordered adjustments with interest. In addition to reconciliations for prior periods, this adjustment includes:

¹ Evergy Metro makes semi-annual adjustments to its DSIM rates.

- Changes to the DSIM components based upon a reconciliation of actual and expected performance in the six-month period ending October 2025, with interest, for Cycles 2, 3, & 4;
- Projected performances through December 2026 for Cycle 4 Program Costs (“PC”) and Cycles 3 & 4 Throughput Disincentive (“TD”).
- Cycle 3 Earnings Opportunity (“EO”) 1) including TD adjustments based on verified MWh savings for the 2022 program year and 2) based on actual program cost spend for the 2024 program year.

The table below provides a summary of the cumulative TD, PC, and EO for Cycles 2, 3, and 4 and the average cost per estimated kilowatt hour (kWh) saved. PC, EO, and TD values for the months of November and December of 2025 are forecasted data, which will be adjusted for actual data in the next filing.

	MEEIA Cycle 4 through Dec 2025	MEEIA Cycle 3 through Dec 2025	MEEIA Cycle 2	MEEIA Cycle 1	Totals - All Cycles
TD	\$ 46,079	\$ 32,353,657	\$ 45,342,418	\$ -	\$ 77,742,154
Program Cost	\$ 9,935,514	\$ 72,015,943	\$ 67,774,562	\$ -	\$ 149,726,019
EO	\$ -	\$ 9,647,899	\$ 7,805,033	\$ -	\$ 17,452,932
Total	\$ 9,981,593	\$ 114,017,499	\$ 120,922,012	\$ -	\$ 244,921,104
Estimated kWh Saved	0	278,194,150	314,994,695		
Avg Cost per Estimated kWh Saved	\$ -	\$ 0.41	\$ 0.38		

Additionally, from January 2026 through December 2026, Evergy Metro is projecting to recover approximately \$5.8 Million for projected Cycle 3 TD, \$585,000 for projected Cycle 4 TD, and \$16.4 Million for projected Cycle 4 PC. Staff agrees these are reasonable projections based on past projections to actuals comparison.

Projected Jan through Dec 2026	MEEIA Cycle 4	MEEIA Cycle 3	MEEIA Cycle 2	MEEIA Cycle 1	Totals - All Cycles
TD	\$ 585,428	\$ 5,770,394			\$ 6,355,822
Program Cost	\$ 16,442,212				\$ 16,442,212
EO	\$ -	\$ 9,510,612	\$ 7,805,033		\$ 17,315,645
	\$ 17,027,640	\$ 15,281,006	\$ 7,805,033	\$ -	\$ 40,113,679

In total, Evergy Metro is projected to recover from ratepayers approximately \$285 Million for energy efficiency programs for MEEIA Cycles 2, 3 and 4 through December 2026.

	MEEIA Cycle 4	MEEIA Cycle 3	MEEIA Cycle 2	MEEIA Cycle 1	Totals - All Cycles
TD	\$ 631,507	\$ 38,124,051	\$ 45,342,418	\$ -	\$ 84,097,976
Program Cost	\$ 26,377,726	\$ 72,015,943	\$ 67,774,562	\$ -	\$ 166,168,231
EO	\$ -	\$ 19,158,511	\$ 15,610,066	\$ -	\$ 34,768,577
Total	\$ 27,009,233	\$ 129,298,505	\$ 128,727,045	\$ -	\$ 285,034,783
Grand Total	\$ 285,034,783				
	\$ 23,288,596	DSIM Revenue Requirement December 2025			
		TOTAL CYCLES 2, 3 & 4 + Revenue Requirement +			
	\$ 308,323,379	Projected Costs through December 2026			

Listed below are the current MEEIA rates and the new MEEIA rates for the proposed DSIM Rider. The proposed DSIM Rider rate changes are applicable to all non-lighting kWh of energy supplied to customers under Evergy Metro’s retail rates schedules, excluding kWh of energy supplied to “opt-out” customers as stated in Tariff Sheet 49.

Rate Schedule	Total Proposed DSIM (\$/kWh)	Total Current DSIM ER-2024-0351 (\$/kWh)	Change Increase/(Decrease) (\$/kWh)	Incr/(Decr) to Customer Bill (for every 1,000 kWh’s used) (\$)
Residential Service	\$0.00296	\$0.00402	(\$0.00106)	(\$1.06)
Non-Residential – SGS	\$0.00603	\$0.00395	\$0.00208	\$2.08
Non-Residential – MGS	\$0.00633	\$0.00602	\$0.00031	\$0.31
Non-Residential – LGS	\$0.00123	\$0.00230	(\$0.00107)	(\$1.07)
Non-Residential – LPS	\$0.00004	\$0.00211	(\$0.00207)	(\$2.07)

The proposed change will decrease residential customers' DSIM Rider rate from \$0.00402 to \$0.00296 per kWh. For a residential customer using 1,000 kWh, this would mean a decrease of \$1.06 per month. As shown in the above table, the new rates would result in rate increases or decreases for all Non-Residential rate classes per 1,000 kWh.

Staff Recommendation

The Commission Staff's Tariff/Rate Design Department has reviewed the filed tariff sheets and recommends the Commission issue an order approving the following tariff sheets, filed on December 1, 2025, for service on and after February 1, 2026, the requested effective date:

P.S.C. MO. No. 1

3rd Revised Sheet No. 49.8

Cancelling 2nd Revised Sheet No. 49.8

Staff has verified that Evergy Metro is not delinquent on any assessment and has filed its Annual Report. Evergy Metro is current on its submission of its Quarterly Surveillance Monitoring reports as required in 20 CSR 4240-20.093(4)(D). Staff's recommendation to approve this Third Revised Sheet No. 49.8 is based upon Staff's acceptance of Evergy Metro's non-verified work papers and does not constitute a review of the prudence of Evergy Metro's actions in relation to its DSIM.

