# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

)

)

)

)

In the Matter of Evergy Metro, Inc. d/b/a Evergy Missouri Metro's Request for Authority to Implement A General Rate Increase for Electric Service

Case No. ER-2022-0129

#### **NOTICE OF ADDING NEW SPP CHARGE TYPES**

**COMES NOW**, Evergy Metro, Inc. d/b/a Evergy Missouri Metro ("Evergy Missouri Metro" or the "Company"), by and through counsel and pursuant to 20 CSR 4240-20.090(8)(D)1A, files this *Notification of Adding new SPP Charge Types* ("Notification"). In this regard, the Company respectfully states to the Missouri Public Service Commission ("Commission"):

1. Commission Rule 20 CSR 4240-20.090(8)(D)1A provides that Evergy Missouri Metro file a notice in its last rate case 60 days prior to the Company including a new schedule, charge type cost or revenue in its next Fuel Adjustment Rate ("FAR") filing. As detailed below, the Company does plan to file new Southwest Power Pool ("SPP") charge types in its next FAR filing to be made by February 1, 2024.

2. On January 28, 2022 and amended on May 9, 2022, SPP submitted revisions to Attachment AE for the SPP Integrated Marketplace to add Uncertainty Reserve products. On August 16, 2022 the Federal Energy Regulatory Commission ("FERC") approved those revisions in Docket Nos. ER22-914-000 and ER22-914-001.

3. SPP has added new charge types effective with operating date July 6, 2023 to implement Uncertainty Reserve products. These products are designed to expand system flexibility regarding capacity. SPP explains in its FERC filings that the rising penetration of renewable resources in its resource mix has increased the variability that it must manage, resulting in a need for flexible capacity when realized generation, load and net scheduled interchange deviate from SPP's forecasts.

4. Commission Rule 20 CSR 4240-20.090(8)(D)1B requires the following information be included in the Company's notice:

B. The filing shall include, but is not be limited to: (I) Identification of the account affected by the change; (II) A description of the new market settlement type or schedule demonstrating that the cost or revenue it covers possesses the characteristics of, and is of the nature of, a cost or revenue allowed in the electric utility's FAC by the commission in the most recent general rate proceeding; and (III) Identification of the preexisting schedule, or market settlement type which the new settlement type or schedule replaces or supplements;

These new charges will be consistent with revenue or purchased power produced by any other resources currently settling with SPP. They will be included in the FAR calculation as they are recorded to FERC Account Number 447 revenues from off-system sales and FERC Account Number 555 purchased power.

SPP proposes to calculate the Uncertainty Reserve requirement in both the dayahead and real-time markets based on the forecasted net obligation change and the historical net obligation forecast error within a one-hour period. SPP states that it expects the Uncertainty Reserve product will: (1) increase the reliability of market operations by factoring statistical uncertainty impacts into both commitment and dispatch; (2) reduce make-whole payments and the impacts of price suppression resulting from out-of-market actions taken to maintain the reliability of the bulk electric system; and (3) provide transparent prices and a new revenue stream for online and offline resources that can participate.

The types of activity that will be included in each of these charge types are as follows: Day-Ahead Uncertainty Reserve Amount, Day-Ahead Uncertainty Reserve Distribution Amount, Real-Time Uncertainty Reserve Amount, Real-Time Uncertainty Reserve Distribution Amount, Real-Time Uncertainty Reserve Non-Performance Amount, and Real-Time Uncertainty Reserve Non-Performance Distribution Amount.

5. The Company will update the lists of charge types listed in its Fuel Adjustment Clause ("FAC") tariff in its next general rate case.

WHEREFORE, the Company submits to the Commission this Notification.

Respectfully submitted,

[s] Roger W. Steiner

Roger W. Steiner, MBN 39586 Evergy, Inc. 1200 Main – 16<sup>th</sup> Floor Kansas City, Missouri 64105 Phone: (816) 556-2314 Fax: (816) 556-2787 E-mail: roger.steiner@evergy.com

### Attorney for Evergy Missouri Metro

### **VERIFICATION**

STATE OF MISSOURI ) ) ss COUNTY OF JACKSON )

Darrin Ives, being first duly sworn, on his oath and in his capacity as Vice President – Regulatory Affairs of Evergy, Inc., states that he is authorized to execute this document on behalf of Evergy Missouri Metro and Evergy Missouri West, and has knowledge of the matters stated in this document, that said matters are true and correct to the best of his knowledge, information and belief.

Darrin Ives

Subscribed and sworn to before me this 1st day of August 2023.

Notary Public

ANTHONY R. WESTENKIRCHNER NOTARY PUBLIC - NOTARY SEAL

MY CO

DUR

COUNT

APRIL

26, 2025

My Commission expires:

4/24/2025

## **CERTIFICATE OF SERVICE**

I hereby certify that a true and copy of the foregoing application was emailed on this 1st day of August 2023, to the Office of the General Counsel and the Office of the Public Counsel.

|s| Roger W. Steiner

Roger W. Steiner