

## Exhibit No. 57

Exhibit No.:

Issue: Resource Planning, Wind Purchased  
Power Agreements

Witness: Kayla Messamore

Type of Exhibit: Surrebuttal Testimony

Sponsoring Party: Evergy Missouri Metro and Evergy Missouri  
West

Case No.: ER-2022-0129 / 0130

Date Testimony Prepared: August 16, 2022

**MISSOURI PUBLIC SERVICE COMMISSION**

**CASE NOS.: ER-2022-0129 / 0130**

**SURREBUTTAL TESTIMONY**

**OF**

**KAYLA MESSAMORE**

**ON BEHALF OF**

**EVERGY MISSOURI METRO and EVERGY MISSOURI WEST**

**Kansas City, Missouri**

**August 2022**

**Table of Contents**

I. Prudence of Evergy Missouri West’s Resource Planning ..... 2

II. Discounting of Actual FAC Costs for Recovery ..... 15

III. Capping Purchased Power Agreement (“PPA”) Cost Recovery ..... 17

IV. Staff Response to Sierra Club ..... 17

**SURREBUTTAL TESTIMONY**

**OF**

**KAYLA MESSAMORE**

**Case No. ER-2022-0129 / 0130**

1 **Q: Please state your name and business address.**

2 A: My name is Kayla Messamore. My business address is 1200 Main, Kansas City,  
3 Missouri 64105.

4 **Q: Are you the same Kayla Messamore who previously filed rebuttal testimony**  
5 **in these dockets?**

6 A: Yes.

7 **Q: On whose behalf are you testifying?**

8 A: I am testifying on behalf of Evergy Metro, Inc. d/b/a Evergy Missouri Metro  
9 (“Evergy Missouri Metro” or “EMM”) and Evergy Missouri West, Inc. d/b/a  
10 Evergy Missouri West (“Evergy Missouri West” or “EMW”) (collectively, the  
11 “Company”).

12 **Q: What is the purpose of your surrebuttal testimony?**

13 A: The purpose of my surrebuttal testimony is to respond to portions of the rebuttal  
14 testimony of the Office of the Public Counsel (“OPC”) witness Lena Mantle in  
15 Sections I through III and to the rebuttal testimony of Commission Staff (“Staff”)  
16 witness Jordan Hull regarding the recommendations of the Sierra Club in Section  
17 IV.

1 **Q: Please summarize the recommendations outlined in Ms. Mantle's testimony**  
2 **which you will be responding to.**

3 A: Ms. Mantle makes several recommendations on pp. 2-3 of her testimony. At a high  
4 level, I will discuss them as:

5 I. Prudence of Evergy Missouri West's Resource Planning (Mantle Rebuttal, p. 2  
6 line 17),

7 II. Discounting of Actual Fuel Adjustment Clause ("FAC") Costs for Recovery  
8 (Mantle Rebuttal, p. 2 lines 18-25),

9 III. Capping Purchased Power Agreement ("PPA") Cost Recovery (Mantle  
10 Rebuttal, p. 3 lines 1-8).

11 **I. Prudence of Evergy Missouri West's Resource Planning**

12 **Q: What support does OPC provide for the allegation that EMW's resource**  
13 **planning was imprudent?**

14 A: As outlined in the testimony of Company witness John Reed, OPC relies on no  
15 established prudence standard to support its allegation of imprudence. Instead,  
16 OPC attempts to support the allegation with a variety of incomplete, inaccurate,  
17 unsubstantiated, and inappropriate assertions, which I will address in detail below.

18 **Q: Please summarize the basis of OPC's allegation of imprudence, as you**  
19 **understand it.**

20 A: OPC attempts to support its claim that EMW's resource planning is imprudent with  
21 the assertion that EMW does not have "enough generation resources to meet the  
22 energy requirements of its customers" (Mantle Rebuttal p. 6, line 13-14), that "it is  
23 relying on Evergy Metro's capacity to meet the SPP resource adequacy requirement

1 and the energy from other utilities in the SPP to meet its customers' needs" (Mantle  
2 Rebuttal, p. 6 line 15-17), and that the fuel costs and resource mix of EMW are  
3 "vastly different" than those of Evergy Metro ("EM") (Mantle Rebuttal, p. 4 line 1-  
4 16).

5 **Q: Do you agree with Ms. Mantle's explanation of the difference between capacity**  
6 **and energy and her explanation of how the SPP market interacts with**  
7 **generation and load? (Mantle Rebuttal, p. 9-11)**

8 A: Generally, yes, but with several very important exceptions:

9 (1) Ms. Mantle states that EMW "can only meet SPP resource adequacy  
10 standards when combined with Evergy Metro" (Mantle Rebuttal, p. 10 line 8-10).  
11 This is not an accurate statement, as I will explain later in my testimony.

12 (2) Ms. Mantle also states that EMW's resource plan depends on SPP  
13 to provide energy (Mantle Rebuttal, p. 10 line 10-11). This is true of EMW, but  
14 also of every other participant of SPP and is thus not a meaningful distinction of  
15 EMW's resource planning. All participants of SPP purchase all of their energy  
16 from the SPP market. I will expound on this in more detail below.

17 (3) Similarly, elsewhere in Ms. Mantle's testimony, she states "when  
18 the generation from Evergy West's plants is not enough to meet the needs of Evergy  
19 West's customers, it purchases energy from the SPP market to cover its customers'  
20 loads" (Mantle Rebuttal, p. 8 lines 22-25). This is incorrect. All of the energy

1 needed to meet the needs of EMW's customers is purchased from the SPP market  
2 regardless of what its plants are producing, as I will explain in more detail below.

3 (4) Ms. Mantle states that a generator with a variable cost of \$15/MWh,  
4 when market prices are also \$15/MWh, will have its variable costs covered but will  
5 not produce revenue for the owner of that generator (Mantle Rebuttal, p. 11 line 1-  
6 3). That is not completely accurate. The generator will produce *revenue* of  
7 \$15/MWh—which is what covers its variable costs. The distinction Ms. Mantle is  
8 making is that this generator, which has variable costs equal to market prices in that  
9 hour, will not produce additional *margin* (or profit) to offset overall fuel and  
10 purchased power costs.

11 (5) Ms. Mantle states that “if a utility has generation that can produce  
12 at a price lower than the market and at an amount equal to or greater than its load,  
13 then the revenues produced by that utility offset the load costs.” (Mantle Rebuttal,  
14 p. 11 line 9-11) It is true that, in the case where a utility has generation which is  
15 economically dispatched in an amount equal to or greater than its load, it will  
16 *partially* offset its load costs, but it will not fully offset them. Using Ms. Mantle's  
17 example: Assume a utility has a load of 100 MW and a 100 MW generator with  
18 variable costs of \$15/MWh and the SPP market price is \$20/MWh for both load  
19 and generation (no congestion) so the generator is economically dispatched on for  
20 the hour and the utility purchases its load from the market for that hour for  
21 \$20/MWh. In that case, the utility's load costs would be \$2,000 while its generation  
22 margin would be \$500 (\$5/MWh), for net costs of \$1,500. In that example, in order  
23 to truly offset all load costs, the utility would either need a \$0/MWh variable cost

1 resource or would need 400 MW (four times its load) of \$15/MWh variable cost  
2 generation.

3 **Q: Please explain how utilities like EMW or Evergy Metro interact with SPP as it**  
4 **relates to both capacity and energy.**

5 A: As it relates to capacity, utilities act as Load Responsible Entities ("LRE") and are  
6 responsible for meeting Resource Adequacy Requirements which are designed to  
7 ensure that SPP has sufficient capacity to reliably serve its Balancing Authority  
8 Area's peak demand. Through these Requirements, each LRE is responsible for  
9 maintaining capacity required to meet load and planning reserve obligations. (SPP  
10 Open Access Transmission Tariff Attachment AA Section 1) The planning reserve  
11 margin for SPP (12%, for the last several years) is developed using a probabilistic  
12 Loss-of-Load-Expectation ("LOLE") study which identifies the amount of capacity  
13 in excess of forecasted peak load required to maintain a loss-of-load-expectation of  
14 less than 0.1 day per year (or 1-day-in-10 years). It is this probabilistic study which  
15 evaluates the "probability customers will be without energy" (Mantle Rebuttal, p.  
16 13 line 20) and is then utilized in establishing the standard for capacity planning for  
17 all LREs in SPP, including EMW and Evergy Metro. There is no requirement that  
18 the LRE procure energy from all capacity resources utilized to meet its Resource  
19 Adequacy Requirement – the energy from the resources simply needs to be  
20 available to serve the LREs load, whether through network transmission service or  
21 deliverable capacity.

22 As it relates to energy, SPP is the Balancing Authority and is responsible  
23 for maintaining the balance of generation and load (energy) in real time. Prior to



1 the implementation of the Integrated Marketplace in 2014, Evergy Metro and EMW  
2 each acted as Balancing Authorities – maintaining the balance of generation and  
3 load in their areas in real time. However, within the Integrated Marketplace and  
4 SPP’s role as the Consolidated Balancing Authority, the role of utilities has  
5 changed. Utilities’ obligations as they relate to the Integrated Marketplace for  
6 energy are: (1) purchase load from the energy market (either day-ahead or real-  
7 time); (2) offer all available generation in the day-ahead market to meet at least  
8 90% of its maximum daily load; and (3) offer all available generation in the real-  
9 time market. Items (2) and (3) are generally referred to as “Must Offer  
10 Requirements.”

11 **Q: Is a utility like EMW responsible for balancing its generation with load?**

12 A: No. It is not the responsibility of the utility to balance its generation with its load.  
13 This does not mean that the utilities have ceded all control to the SPP and are thus  
14 no longer concerned about the adequacy of energy supply for their customers. On  
15 the contrary, it means that utilities are able to benefit from the scale of the SPP  
16 market to provide the most economic mix of energy to their customers (Integrated  
17 Market) while also ensuring sufficient resources are available to maintain energy  
18 reliability (Resource Adequacy and Must Offer Requirements).

19 If, hypothetically, a utility chose to dispatch its generation to meet its load  
20 (as if it were the Balancing Authority) as opposed to dispatching based on SPP  
21 market prices, it would necessarily result in higher energy costs for customers

1 because the costs of the generation that is dispatched would be greater than SPP  
2 market prices.

3 **Q: Why is this relationship between EMW and SPP important in understanding**  
4 **OPC’s allegations regarding EMW’s resource planning?**

5 A: Because OPC repeatedly conflates the roles of EMW and SPP as they relate to  
6 energy balancing. OPC also conflates “energy availability” with “net energy  
7 purchases.”

8 As its primary explanation for why EMW’s resource planning is imprudent,  
9 OPC states that EMW does not have “enough generation resources to meet the  
10 *energy* requirements of its customers [emphasis added].” It is unclear what that  
11 statement means in the SPP Integrated Market. The energy requirements of EMW,  
12 Evergy Metro, and all other utilities participating in the SPP Integrated Market are  
13 procured from SPP, not from their generation resources. As the Balancing  
14 Authority, SPP is responsible for maintaining a balance of generation and load  
15 (energy) across its footprint. Other than during the extreme events of Winter Storm  
16 Uri when SPP directed controlled manual load shed across the footprint, EMW  
17 customers’ energy requirements have been met in every single hour without supply  
18 interruption, just as Evergy Metro’s customers’ (and other SPP members’) energy  
19 requirements have been.

20 What OPC is focused on is not actually the *availability* of energy, but the  
21 *source* of that energy (although the issues are erroneously referred to  
22 interchangeably). OPC’s concern is that EMW generally procures more energy  
23 from the SPP market (load) than it sells (generation).

1           Ultimately, decisions around the *source* of energy are economic decisions  
2 because, assuming a MWh is available (which Resource Adequacy and Must Offer  
3 Requirements are intended to ensure), the source of that energy has zero impact on  
4 its efficacy in meeting customer energy requirements. In the operational timeframe,  
5 these economic decisions are made by SPP when it dispatches the most economic  
6 mix of resources given load, wind output, generation costs, generation availability,  
7 transmission congestion, and other factors. However, over the long term these  
8 economic decisions are made through an Integrated Resource Plan (“IRP”) which  
9 uses all-in generation costs (fixed, variable, fuel), expected market prices using a  
10 large variety of scenarios, and forecasted capacity requirements (Resource  
11 Adequacy) to select a Preferred Plan with a primary goal of minimizing long-term  
12 customer costs.

13 **Q: Please explain EMW’s resource planning process and its primary objectives.**

14 A: EMW completes and files an Integrated Resource Plan (“IRP”) every three years,  
15 with annual updates in intervening years, as outlined in the IRP rules in 20 CSR  
16 4240-22. As outlined in those rules, “the fundamental objective of the resource  
17 planning process at electric utilities shall be to provide the public with energy  
18 services that are safe, reliable, and efficient, at just and reasonable rates, in  
19 compliance with all legal mandates, and in a manner that serves the public interest  
20 and is consistent with state energy and environmental policies.” This objective is  
21 met through the evaluation of a variety of Alternative Resource Plans (“ARPs”)  
22 which include sufficient quantities of demand- and supply-side resources to meet  
23 expected customer demands and SPP reserve margin requirements. These ARPs are

1 modeled in a large number of different scenarios which reflect the combination of  
2 varying levels of Critical Uncertain Factors to determine the costs of different ARPs  
3 in different market environments. This modeling is done in order to assess the risk  
4 presented to ARP economics as a result of market uncertainty. Ultimately, in each  
5 IRP a Preferred Plan is selected with the minimization of long-term customer costs,  
6 calculated on the basis of net present value of revenue requirement (“NPVRR”), as  
7 the primary objective function under the Commission’s IRP rules.

8 As an example of this process, in the 2017 Annual IRP Update when the  
9 retirement of Sibley 3 and the procurement of bilateral capacity PPAs were  
10 identified as part of the Preferred Plan, this resource plan was modeled across 18  
11 different scenarios – combinations of varying load growth, carbon price, and natural  
12 gas price forecasts – and was shown to be more economic than continuing to  
13 operate Sibley 3 in all modeled scenarios. Based on this risk analysis, that plan was  
14 selected as EMW’s Preferred Plan.

15 **Q: Does Evergy Missouri West utilize a resource planning process which**  
16 **combines it with Evergy Metro as OPC alleges (Mantle Rebuttal p. 4, line 17-**  
17 **18)?**

18 A: No. This process is conducted for EMW standalone and has been, as required by  
19 the IRP rules, for as long as IRPs have been conducted by EMW and its  
20 predecessors. This process includes developing ARPs which meet EMW’s load  
21 and reserve margin requirements, evaluating NPVRR for EMW ARPs under a  
22 variety of market scenarios, and selecting a Preferred Plan for EMW. While  
23 Evergy does and has conducted Joint Planning which evaluates ARPs across its

1 utilities in order to assess potential shared resource additions or decisions related to  
2 jointly-owned plants, this is ultimately for the purpose of informing the selection  
3 of a plan for each individual utility – including EMW – which meets the  
4 fundamental IRP objectives from the perspective of that utility alone. This is the  
5 process which Evergy and its predecessors have followed for years and OPC should  
6 be well aware of it given they have reviewed all of Evergy’s IRP filings, but this is  
7 a fact which is conveniently ignored in OPC’s testimony in this case because it does  
8 not support their narrative.

9 **Q: Does OPC’s testimony regarding the prudence of EMW’s resource planning**  
10 **align with the fundamental objective outlined in the IRP rules?**

11 A: No. Ms. Mantle puts forward a few different “objectives” for a supposedly prudent  
12 resource planning process which contradict each other and are not consistent with  
13 the IRP rules. As an example, in Ms. Mantle’s white paper attached to her rebuttal  
14 testimony, she claims that “the resource planning objective of the prudent utility is  
15 to meet its customers’ loads 8,760 hours of the year at a reasonable cost that  
16 minimizes risks and values flexibility of various futures – some of which includes  
17 extreme market prices. Its resource planning objective is to be *able to provide*  
18 *generation required by its customers every hour at a cost below market prices.”*  
19 See Sched. LRR-R-1 at 6, Mantle Rebuttal (emphasis added). However, elsewhere  
20 in her testimony, Ms. Mantle poses the question: “Should the objective of resource  
21 planning be to acquire generation with *variable costs that are below the market*  
22 *price on a regular basis?”* She answers: “No. This would be resource planning to  
23 beat the market not resource planning to provide safe and adequate electricity at a

1 reasonable cost for the utility’s customers.” See Mantle Rebuttal at 15 (emphasis  
2 added).

3 First, it’s unclear why Ms. Mantle feels it is necessary to put forward  
4 supplementary “objectives” when a fundamental objective is already included in  
5 the IRP rules . Second, the “objectives” put forward in these two different portions  
6 of her testimony are in conflict. If a utility’s objective is to provide generation at a  
7 cost below market prices in every hour (Sched. LMM-R-1, p. 6), that means  
8 planning to have generation with variable costs at or below the market price not  
9 just “on a regular basis,” but *in every* hour. However, this is the objective which  
10 Ms. Mantle states a utility should *not* have on p. 15 of her rebuttal testimony.

11 **Q: Do you agree that the resource planning process should include planning for**  
12 **extreme market pricing as Ms. Mantle asserts in her white paper, Sched.**  
13 **LMM-R-1?**

14 A: No, and it is not clear if Ms. Mantle even agrees with it. On p. 13 of her rebuttal  
15 testimony, Ms. Mantle states: “There is no way to accurately plan for all extreme  
16 circumstances.” I agree with her. There are an infinite number of potential  
17 “extreme circumstances” that could occur over the course of a 20-year IRP planning  
18 period. It is impossible to incorporate any or all of them into the IRP process in  
19 any meaningful way. As an example, "extreme market pricing” could mean: (a)  
20 prices spike to \$5,000/MWh one day every summer for 20 years; (b) prices spike  
21 to \$5,000/MWh one hour per month every fifth year over the next 20 years; (c)  
22 prices spike to \$1,000/MWh and stay there for three years; or (d) prices spike to

1 \$10,000 for one week at the same time there are coal supply constraints and the  
2 majority of coal generation is unavailable.

3 Each of these “extreme” occurrences would have different implications for  
4 the operations of EMW’s fleet and would drive different resource plans to look  
5 more economic. Ultimately, if EMW tried to plan for extreme circumstances in its  
6 long-term resource planning, it would likely build costly new resources which  
7 would only provide benefits for customers if a particular extreme scenario  
8 happened to occur. This is why the IRP is built around the evaluation of the impacts  
9 of macroeconomic, structural uncertainty in the long-term, such as gas prices or  
10 carbon price, but not short-term market volatility or extremes.

11 Short-term market volatility and extreme conditions are best managed  
12 through adopting practices related to hedging and forward fuel procurement, as well  
13 as ensuring that the generating fleet is resilient and as prepared as reasonably  
14 possible to operate in extreme conditions.

15 **Q: What is your response to Ms. Mantle’s statement that EMW and Evergy**  
16 **Metro have combined their resources to meet their 12% reserve margin**  
17 **requirement and removed the need for “Evergy to invest in additional**  
18 **generation to meet SPP’s resource adequacy requirements”?** (Mantle Rebuttal  
19 **p. 8 line 2-7)**

20 A: This statement is based on reporting to SPP and not EMW’s actual resource mix.  
21 EMW and Evergy Metro have joint Network Integration Transmission Service  
22 (“NITS”) from SPP and thus have the ability to report their resources and loads on  
23 a combined basis because the energy from all network resources included in that

1 NITS service is equally available to both entities through their network  
2 transmission service. This ability to report them as a combined entity has existed  
3 since they began taking joint NITS service from SPP in 2015. However, as  
4 described above, that has not changed anything about how EMW conducts resource  
5 planning, which is still based on its stand-alone load, reserve margin requirement,  
6 and capacity resources.

7 **Q: Ms. Mantle claims that “Eversource West does not have enough generation  
8 capacity through its owned resources and purchased power agreements to  
9 meet the SPP resource adequacy standards (Mantle rebuttal, pp. 10, l. 7-8).  
10 Does EMW currently have sufficient capacity to meet its share of the SPP  
11 resource adequacy requirements as a stand-alone entity?**

12 A: Yes, it does. Some of EMW’s capacity comes from a PPA with Eversource Metro, but  
13 this is a valid source of capacity, procured based on an open and fair RFP process.  
14 This capacity allows EMW to meet SPP’s Resource Adequacy Requirements even  
15 if it was viewed as a stand-alone entity by SPP.

16 **Q: Does EMW’s IRP process incorporate the fact that in hours where it has less  
17 generation than load, EMW is a net purchaser from the SPP market?**

18 A: Yes. Although OPC ignores the fact that every IRP includes an assessment of  
19 EMW’s stand-alone resource plans and its economics, those analyses have been  
20 done to support all of EMW’s Preferred Plans over the years. The IRP model works  
21 largely the same way as the SPP market. EMW’s generation is dispatched based  
22 on its economics relative to the SPP market. When EMW’s load can be served  
23 more economically by the SPP market overall, it purchases energy from the market.



1 For example, this means that when EMW modeling showed that a resource plan  
2 which included the retirement of Sibley Unit 3, contracted capacity and market  
3 energy was more economic than keeping Sibley in operation, it incorporated the  
4 costs of purchasing energy from the market without any offsetting margins from  
5 Sibley generation (at a large variety of market prices across different scenarios).

6 **Q: How do you respond to OPC’s reference to generators as “hedges” against the**  
7 **market?**

8 A: I agree with it in concept, but the discussion of “hedges” in Ms. Mantle's testimony  
9 (Mantle Rebuttal, p. 12) completely ignores the fixed costs of any potential resource  
10 as a consideration in making resource planning decisions. This discussion focuses  
11 simply on the benefit of any resource in the energy market being the difference  
12 between the cost to produce energy and the market price for that energy. However,  
13 the “cost to produce energy” for an owned generating resource is much greater than  
14 just the short-run marginal (variable) cost which is included in determining its  
15 market economics on a per-MWh basis. In addition, market economics of a  
16 resource and its value as a hedge are impacted by variability in fuel costs (as well  
17 as other variable costs). Short-run marginal costs are not simply static \$/MWh  
18 values throughout the life of the plant. The IRP process is designed to compare the  
19 all-in costs of different resources versus their value as market price “hedges” by  
20 evaluating a large variety of different market price scenarios in the selection of a  
21 Preferred Plan.

1 **Q: OPC cites the difference between EMM and EMW’s fuel and purchased**  
2 **power costs in this case as evidence which “demonstrate[s] that Evergy West’s**  
3 **resource planning is imprudent”. Do you agree that such a comparison**  
4 **supports its claim?**

5 A: I do not. As OPC states, EMM and EMW have different resource mixes which  
6 result in different fuel and purchased power costs. Making a judgement that one is  
7 "prudent" while the other isn't simply because the costs are lower in this case does  
8 not align with any established standard for prudence, as Mr. Reed explains in more  
9 detail. In addition, focusing only on fuel and purchased power costs again ignores  
10 the fixed costs (capital and O&M) associated with each company's resource mixes.

11 **Q: Please summarize your testimony on this issue.**

12 A: OPC's allegation that EMW's resource planning is imprudent should be rejected  
13 because it is unsupported. EMW has conducted resource planning which aligns  
14 with the Commission's IRP rules and is based on meeting the needs of its  
15 customers. OPC has presented no evidence which supports an allegation of  
16 imprudence in this process. OPC's focus on outcomes and hindsight relies upon  
17 the exact opposite support for a disallowance as a prudence review calls for, as  
18 more fully discussed by Evergy witness Reed in his surrebuttal testimony.

19 **II. Discounting of Actual FAC Costs for Recovery**

20 **Q: Please explain OPC's recommended adjustment to EMW's fuel and**  
21 **purchased power ("F&PP") costs.**

22 A: OPC recommends that EMW's FAC costs should be discounted based on the ratio  
23 between a calculated "weighted average fuel cost" between EMM and EMW (based

1 on weighted average F&PP cost per MWh times EMW load) and EMW's actual  
2 FAC costs. It recommends that this disallowance should continue "until prudent  
3 resources have been obtained by Evergy West" and states that a corresponding  
4 adjustment should not be made to EMM's FAC costs.

5 **Q: Does OPC provide support for why this adjustment is appropriate?**

6 A: No. OPC states that this adjustment is being recommended "because Evergy has  
7 chosen to do resource planning for the combined utilities" (Mantle Rebuttal, p. 18  
8 line 6) which is incorrect. As I've described, resource planning is and has been  
9 conducted for each utility on a stand-alone basis since the IRP rules were  
10 implemented. As a result, OPC's recommended adjustment has no basis.

11 Beyond this fundamental error, OPC's statement that this adjustment should  
12 carry forward until "prudent resources have been obtained" also has no basis, given  
13 OPC has not provided any actual evidence that EMW's resource planning has been  
14 imprudent or provided any definition of what a "prudent resource" would be.

15 Finally, stating that this adjustment should be made based on a weighted  
16 average \$/MWh between EMW and EMM would be unfair to Evergy Metro  
17 customers who are (and have been for many years) paying for the fixed costs of  
18 resources which are now producing F&PP benefits for EMM. OPC's proposal  
19 would pass a portion of those savings on to EMW customers without any additional  
20 compensation to EMM customers for those fixed costs.

1           **III.    Capping Power Purchase Agreement (“PPA”) Cost Recovery**

2   **Q:    What is OPC’s recommended change to the Evergy Missouri Metro and**  
3   **Evergy Missouri West FAC?**

4   A:    OPC expands Staff witness Fortson’s original recommendation regarding capping  
5   wind PPA cost recovery to include all existing wind PPAs once they reach a certain  
6   threshold of “cumulative net costs” (100,000 times contracted MW capacity).

7   **Q:    Do you agree with this proposed change?**

8   A:    No. Similar to Staff’s original proposal, this amended proposal should be rejected  
9   because it is without merit.

10  **Q:    Please explain.**

11  A:    Beyond the concerns that I raised in my rebuttal testimony on Staff’s original  
12  proposal, OPC’s amended proposal simply exacerbates those concerns by  
13  expanding the scope of the proposal. In addition, the “100,000 times contracted  
14  capacity” threshold which OPC proposes has no reasonable basis in fact or policy,  
15  is not premised on a prudence standard analysis, and is completely arbitrary.

16   **IV.    Staff Response to Sierra Club**

17  **Q:    What are your views on Staff Witness Jordan Hull's rebuttal testimony that**  
18  **responds to Sierra Club witness Devi Glick’s Direct testimony?**

19  A:    I agree with Staff’s comments regarding the risk and impracticality of replacing all  
20  or most of Evergy Metro’s and EMW’s current baseload resources with wind and  
21  solar resources.

22           To supplement Staff’s comments, I have a few minor clarifications. First,  
23  typically wind and solar would be referred to as “intermittent” resources as opposed

1 to “intermediate.” Intermediate resources are generally natural gas combined cycle  
2 or more flexible coal resources which can follow the market more quickly than  
3 baseload resources, but not as quickly as peaking resources. Having a separate  
4 “intermittent” category more clearly defines the distinction between renewable  
5 (intermittent) resources and dispatchable (baseload, intermediate, and peaking)  
6 resources.

7 Second, the calculation of the land mass that would be required to replace  
8 Evergy’s coal generation with wind or solar resources does not factor in the  
9 difference in accreditation between the different resources. The amount of actual  
10 land that would be required for such a transformation would likely be a minimum  
11 of two to a maximum of ten times what Staff calculated on a nameplate capacity  
12 basis.

13 **Q: Does that conclude your testimony?**

14 **A:** Yes, it does.

**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 ) Case No. ER-2022-0129  
Implement A General Rate Increase for Electric )  
Service )

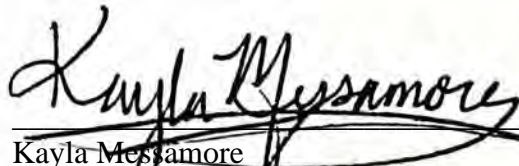
In the Matter of Evergy Missouri West, Inc. d/b/a )  
Evergy Missouri West's Request for Authority to ) Case No. ER-2022-0130  
Implement A General Rate Increase for Electric )  
Service )

**AFFIDAVIT OF KAYLA MESSAMORE**

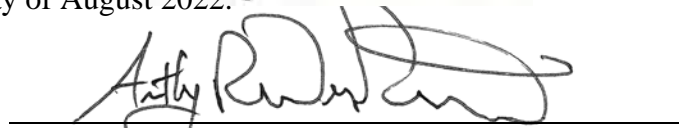
**STATE OF MISSOURI** )  
 ) ss  
**COUNTY OF JACKSON** )

Kayla Messamore, being first duly sworn on his oath, states:

1. My name is Kayla Messamore. I work in Kansas City, Missouri, and I am employed by Evergy Metro, Inc. as Vice President Strategy and Long-Term Planning.
2. Attached hereto and made a part hereof for all purposes is my Surrebuttal Testimony on behalf of Evergy Missouri Metro and Evergy Missouri West consisting of eighteen (18) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.
3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.

  
\_\_\_\_\_  
Kayla Messamore

Subscribed and sworn before me this 16<sup>th</sup> day of August 2022.

  
\_\_\_\_\_  
Notary Public

My commission expires: 4/26/2025

