BEFORE THE
PUBLIC SERVICE COMMISSION
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-2026-0143

ON-THE-RECORD PRESENTATION

TRANSCRIPT OF PROCEEDINGS

TAKEN ON BEHALF OF THE MISSOURI PUBLIC SERVICE COMMISSION

October 13, 2026

Governor Office Building
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Jefferson City, MO 65101

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LEXITAS

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(Proceedings commenced at 10:01 a.m.)

THE COURT: Good morning. Today is October 13th of 2026, and the current time is 10:01 a.m. This proceeding is being held in room 310 of the governor's office building as well as electronically via Webex. The commission has set aside this time for an on-the-record presentation concerning the six non-unanimous stipulations and agreements filed in the case captioned as, in the matter of Evergy Metro, Inc., doing business as Evergy Missouri Metro's request for authority to implement a general rate increase for electric service, and that is case number ER-2026-0143.

My name is John Clark. I'm the regulatory law judge, presiding over this on-the-record presentation today. With me to my right are the chair of the commission, Kayla Hahn, Commissioner Mitchell is online, and I believe we will be joined by other commissioners today. I've been told that Commissioner Coleman will be present as well.

Before we start, as just kind of a point of clarification, I want to be sure that I've got the correct objections so far to the stipulations and agreements so I know what the status of each one is or could be. Now, in regard to the non-unanimous stipulation and agreement regarding pensions and other

employment benefits, I don't have down that any objections were received to that stipulation. Is that correct?

MR. FISCHER: Judge, I intend to go through those at length, as far as -- one by one, the stipulation in my opening, if that helps, who has objected and on what provision and what's left, and that's kind of the focus of my mini-opening today. If you'd like to wait a bit, I think you'll get answers to all those, who has objected and who hasn't, and that kind of thing.

THE COURT: Thank you for letting me know that. This is an on-the-record presentation, kind of like every other on-the-record presentation. It is not the evidentiary hearing in this case. It is not addressed like the evidentiary hearing. We are not swearing witnesses in. That's not usually done at on-the-record presentation.

If there are questions, I will allow each party to make an opening if they like in regard to the stipulations and agreements, and then if there are commission questions, those will be asked to the parties, and if the witness is necessary to answer those questions, I'll let the commission know.

Who wants to make a mini-opening today? Who is going to be? I see Evergy, Google, Staff. Okay. I am

going to, just for ease, go by the -- I think I'm going to move one around. I'll do Evergy, Staff, Public Counsel, MECG, Renew, Google, and Velvet in that order. Any objections? Okay. Mini-opening from Evergy?

MR. FISCHER: Thank you, Judge. Are you ready?

THE COURT: Please go ahead, Mr. Fischer.

MR. FISCHER: Thank you. For the record, my name is Jim Fischer, and I'm representing today the Evergy Missouri Metro. Thank you very much for having the on-the-record because I think we need a bit of a roadmap to who's objected and who's not and what we have left. So if you have questions about that as I go through, don't hesitate to ask, but I'll certainly wait for questions at the end too.

This on-the-record proceeding concerns the six stipulations and agreements filed in this case. With two narrow exceptions, no party opposes four of these stipulations, and I'd like to discuss those stipulations together. I'll summarize the four that are being objected to, but I will primarily focus on the two that Staff and public counsel oppose -- I'm sorry, the four that are not objected to, I'll summarize those, but I want to focus on the ones that have been objected to, and those are the rate design settlement and also the LLPS stipulation.

THE COURT: And when you say rate design, you mean the non-C&I rate design?

MR. FISCHER: That's correct, Your Honor. This slide is a little bit busy, but I want to show you on this side the four agreements that are basically without opposition. Turning to those four that are not objected to, the company and Staff filed three of the four, on October the 2nd. The first resolves the pension and other employment benefits cost and continues the tracker of those expenses.

Now, this is a fairly standard recurring stipulation that you've seen in many rate cases. It identifies the important pension and OPEP costs. The second addresses the non-commercial and industrial rate design, and among other things, it keeps the residential customer service charge at $12.

The third, the partial stipulation and agreement is perhaps the broadest of the six. It resolves many of the accounting issues of the case. Its terms are given in exchange for a $46 billion increase in Staff's revenue requirement filed with the true-up rebuttal testimony.

And then the fourth, filed on October the 7th by the company, Staff, and Renew Missouri covers the income eligible and other customer programs. Now, no

party objected to the first two, so the commission can consider that a unanimous stipulation, those two. Public counsel, Renew Missouri, and Google do not oppose the partial stipulation, and MECG does not oppose it except for one issue; Mr. Andrew's life estimate adjustments, which is 17(a) on the list of issues. That one remains open as a part of the depreciation issue.

Google, MECG, and Velvet Tech do not oppose the program's agreement, and public counsel objects to it only because it doesn't include a customer charge waiver program, which is issue 16(e). That was preserved for hearing and the Commission heard that last week.

Turning to the two agreements that Staff and public counsel oppose. First, the rate design settlement. The non-unanimous partial settlement on rate design, which was filed on October the 5th, was signed by the company and MECG, and Google does not oppose it. It covers issues 29, 30, and 32; the nonresidential rate design, the other rate schedules, and revenue apportionment and the implementation of the rates.

Now, under the proposal contained in this stipulation, the residential class would receive 100 percent of the systemwide average increase. So to explain it a little more; if you had it across the board increase, they're getting exactly what the residential

class would get if they were getting the average of the systemwide average.

The small general service and the MGS classes would receive 112.44 percent of the system average increase, as well as EV and lighting classes would receive that percentage increase. The LLPS and the large general service classes would receive a rate increase of 94 percent of the systemwide average increase.

The stipulation adopts the company's demand-based class, thresholds and a 15-minute demand interval. It eliminates the hours-use rate structure for all nonresidential rates and the reactive demand charges in the medium and large general service rates. It also eliminates the commercial and industrial all-electric rates. It adopts the company's optional time-of-use rate as modified.

It also increases and then freezes the time-related pricing rate for the nonresidential customers now on it, which are very few. And to put the new rate design into effect with the rates in this case by bill cycle. So that's what that stipulation does.

If we go to the fourth slide, this shows over here the side where Staff does not object, and this side over here shows where Staff does object. The Staff objects to the rate design settlement only in part.

Staff does not object to the restructuring of the company's rates using what we call the Bright Lines proposal.

They don't object to the company's energy time periods or a 15-minute on peak demand measure modified for winter demand measurement to begin at 7:00 a.m. Nor does Staff object to eliminating the all-electric rates or to freezing the time-related pricing rate for current customers. But rather Staff objects to -- oh, sorry for the technology problem.

On the right-hand side, the slide shows what are being objected to by Staff. Staff objects to the apportionment of the rate increase among the classes. It objects to the timing of implementation of the restructured rates; to the larger increase on demand charges than on energy charges; to removing reactive demand; to leaving the voltage review for the next rate case; to optional time-of-use rates; and to the 1.1 multiplier on the time-related pricing rate.

Public counsel, as I understand it, opposes the shifts in the revenue responsibility among and within the classes and reallocating revenue responsibility without a migration study, which Staff had recommended. It also opposes the 15-minute interval, the elimination of the all-electric rates and the freeze on the time-related

pricing rate, none of which Staff has objected to.

Because of those objections, the settlement is the position of the company and MECG, and the issues it covers remain for the commission to decide after the hearing based upon the evidence in the case. The company witnesses on these issues are Graham Janes (phonetic) and Brad Lutz joined by Darrin Ives on issue 32, and these gentlemen are available for questions from the bench or from the parties.

Let's turn now to the LLPS stipulation. That stipulation was filed on October the 5th by the company and Google, and it covers 3(a), which is the large load revenues; issues 22, 23(a), 23(d), and 25 on the fuel adjustment clause; issue 37, which is the revenue sharing mechanism issue; and issue 5, which is the fuel and purchase power issue.

Now, this is the stipulation that reflects the $60 million of large load revenues in the revenue requirement, and it sets billing demand for the LLPS minimum monthly bill at the higher of measured demand or 80 percent of annual contract capacity in addition to all the other scheduled LLPS charges, including any energy charges. It keeps LLPS customers in one fuel adjustment clause and raises the company's share of cost changes allocated to the LLPS kWh sales from 5 percent to 10

percent.

It adds an annual earnings review, which we sometimes call the sharing mechanism, that returns to customers 65 percent of earnings, more than 20 basis points above the authorized return. In other words, there is a 20 basis point deadband, and then the earnings are shared 65 percent to customers and 35 percent to shareholders. So why is the LLPS stipulation opposed by Staff and other parties?

It's Evergy's understanding that Staff is opposed to the amount of the revenue requirement -- excuse me, the revenue adjustment. They're opposed to the FAC treatment of LLPS revenues and costs and the details of the sharing mechanism. From our perspective, the LLPS stipulation that we've entered into is a continuation of the core construct of the LLPS tariff and rate plan, which was approved by the commission in case number EO-2025-0154, with minor updates to reflect the transitional nature of the case.

Staff and public counsel were opposed to the settlement that was entered into by Evergy and several other intervenors in that case, and they similarly continued to stand on those objections or opposition in this case. As Evergy and Google advanced, the only positions that maintained the fundamentals of the LLPS

tariff and the rate plan that was adopted in 0154.

Darrin Ives or Ron Klote (phonetic) are both available to answer any questions about the sharing mechanism. On October the 6th, Staff filed objections to the earnings review or the sharing mechanism, and to the billing demand for the minimum bill, to the fuel adjustment clause terms and the two long-term capacity subaccounts added to the FAC under our stipulation. And I think they also oppose the revenue and kilowatt-hour values in paragraph 13, and it says the stipulation omits -- the Staff indicates it omits the reporting requirements.

Public Counsel opposes paragraphs 1 through 11 and paragraph 13, and does not oppose paragraph 12, which is the transmission percentage that Staff uses at 31.8 percent. MECG objects to the extent necessary to preserve its ability to take a position on these issues in the post-hearing briefs. From the company's perspective, the stipulation continues the LLPS tariff and rate plan that was approved in the LLPS tariff case without restructuring it with limited changes that reflect the transitional nature of this case.

Paragraph 4 on billing demand for the minimum monthly bill clarifies how the existing schedule LLPS applies, and it brings that billing demand into closer

alignment with Ameren Missouri's application of a similar component. Staff objects to the settlement in the 0154 and public counsel did not sign it. And here, in this case, they continued to oppose it, and public counsel would lower the LLPS threshold from 75 to 25 megawatts and raised the minimum demand from 80 to 90 percent, two terms which the commission did approve in the tariff case.

The company and Google advanced the positions that keep the fundamentals of the LLPS tariff and the rate plan that the commission adopted. The stipulation therefore is a joint position of the company and Google, and every party's position on these issues remains before the commission.

Now, on Friday, Evergy filed a reply in support of the LLPS stipulation and agreement, and included an affidavit from Darrin Ives. This one supports the LLPS stipulation in response to the live testimony that Staff witnesses provided at the hearing last week on the LLPS issue. The company will ask that the commission admit the affidavit of Darrin Ives today, and we can do it several ways, so we can just admit it if there's no objection or I can have him take the stand and sponsor the exhibit and take any questions.

So what does the company ask? Company thanks

the parties for all the efforts to resolve so many of the issues that are embodied in these six agreements. And for all the efforts in those of the non-opposing ones to put a lot of these issues to rest. Evergy requests that the commission issued an order approving each of the six agreements, subject to the specific terms and conditions contained in each, which is the request that the agreement has to.

For the two that are unopposed, that means deciding issues 29, 30, and 32 and issues 3(a), 5, 22 -- I'm sorry, let me go back. I'm talking about the two that are opposed. That means you're going to have to decide issues 29, 30, and 32 and issues 3 (a), 5, 22, 23(a), 23(d), 25, and 37 based upon the competent substantial evidence in the record.

Now, based on that evidence, the company will ask the commission to approve the rate design settlement and the LLPS stipulation without conditions or modifications. As I mentioned, I have Darrin Ives, Ron Klote, Brad Lutz, Linda Dunn (phonetic) and Graham Janes available today to answer your questions on these stipulations. I can also have other witnesses available, I think, if I need to, if you have other technical questions or more specific questions.

So at this point, maybe I should ask how you

prefer to go forward with the affidavit of Mr. Ives. (Indiscernible) admitted into the record, and then you just take questions from him at some point, or I can ask for him to come up at the appropriate time and sponsor the exhibit.

THE COURT: Why don't you go ahead and offer it? we'll see if there's any objections?

MR. FISCHER: At this time then I would offer what would be Exhibit 91 and 92, the highly confidential version and the public version of the affidavit of Darrin Ives, which was filed last Friday.

MR. POSTON: Public Counsel objects. He's aggrandizing the record in this case after the hearing is closed, or he's attempting to. I also object as improper surrebuttal. Staff has not had a chance to respond to Mr. Ives's assertions in this affidavit.

THE COURT: Well, I'm assuming the affidavit is for the on-the-record, correct?

MR. FISCHER: It's filed in EFIS, Judge. But I do want it in evidence.

MR. POSTON: And also, well, the affidavit primarily responds to Staff's live testimony from last Tuesday. He's had a week to prepare that and that is just a violation of Staff's due process rights?

MR. FISCHER: And as I understood the judge's

ruling, I went back at the videos, at 1 hour and 27 minutes, you indicated we should take it up on-the-record. We'd have the opportunity to do some live testimony if we wanted and also to respond to the Staff's position from that live testimony. That's what we're trying to do.

THE COURT: I'll allow you to do that, but at the same time, I agree with both Staff and public counsel that this amounts to -- basically, you have essentially pre-filed testimony that they weren't able to respond to or would have to respond to live here today. I have no problem with them offering live testimony here today and them having to respond to it live, but I'm going to agree with them that they did not have an opportunity to respond to this.

MR. FISCHER: I understand. We had that same problem when we had Staff testimony.

THE COURT: I'm going to sustain the objections, and that will not be admitted onto the hearing record.

MR. FISCHER: Well, I would take any questions that the commission has. Otherwise, I'll sit down.

THE COURT: Are there any commission questions for Evergy Missouri Metro at this time? Okay. We may have some questions for Evergy later. I've got a few

questions for you. I just want to go over real quick. They're more general in nature. Now, you had indicated that there were four that were not objected to and two that were. So how are you reading MECG's objection to the partial stipulation and agreement other than objecting to the depreciation (indiscernible).

MR. FISCHER: That would be one that'll have to be decided by the commission.

THE COURT: But as an objection, you would agree that that reduces the remainder of the stipulation to a position statement?

MR. FISCHER: I think all the other issues -- well, I think because there is an objection, it would be a position statement of the signatories, but that particular issue is the only one that's been carved out.

THE COURT: I understand. I'm just trying to now kind of move on here. Both of these stipulations are between industrials or commercials and the company, but they do things in rate design that will in fact affect residential customers, correct?

MR. FISCHER: Yes, yes. There would be an across-the-board increase at the system average. And I think that's where -- on the rate design, that would be the primary thing that would happen to residential.

THE COURT: And I'll probably ask MECG to

discuss this a little bit, but it seems like in most rate cases before the commission where industrial customers are involved. There's a big push to reduce what they call the residential subsidy, which is to -- which is an attempt to shift more costs from the commercial industrial customers to the other classes to reduce a perceived inequity. Is that correct?

MR. FISCHER: I've been in a lot of those cases. In this case, the residentials, if they adopted our stipulation, would get the systemwide average rate. It would not impact -- there's no increase above the systemwide average to the residential class. And we're concerned about affordability too, and we thought that was appropriate. What it does do is shift some of the -- the cost studies indicate that the larger power classes are in need of an adjustment, and we take that adjustment from the small general service and the medium general service. That's where the shifts are going on.

THE COURT: And I'm looking at that here. So the shift is for the LPS and the large general services. It looks like they will be reduced to 94 percent of the system systemwide average increase, correct?

MR. FISCHER: That's what the proposal is, yes.

THE COURT: And that amount is made up by shifting that to the small general service, MGS, the

electric vehicle class, and lighting. Is that correct?

MR. FISCHER: That's correct.

THE COURT: And why is it just for those classes to pay more?

MR. FISCHER: Because the cost of service studies that were performed by the company, and I think validated by MECG, showed that's where the shift should go. I think the test -- those results are found in Graham Janes's testimony in the case.

THE COURT: Thank you, Mr. Fischer.

MR. FISCHER: Thank you.

THE COURT: Staff have a mini-opening they would like to do.

MS. HANSEN: Yes, thank you.

THE COURT: Go ahead, Staff.

MS. HANSEN: Thank you very much. Good morning, and may it please the commission. My name is Andrea Hansen, and I'm an attorney with the Staff counsel's office. I'm representing Commission Staff here today primarily concerning rate design and revenue allocation.

As counsel for EMM indicated, this morning we are discussing a number of different stipulations. Mr. Pringle will also be coming up to give a small mini-opening regarding the stipulation on LLPS. From the

outset of this case, EMM requested to restructure the rate schedules available to its nonresidential, nonlighting customers. Through its pre-filed testimony, Staff raised concerns with the time period selected, the pricing of the rate elements for the restructured rates, and most importantly, with the implementation of the restructuring.

As the commission is aware, MECG and EMM filed a non-unanimous partial settlement resolving certain rate design issues among signatories. Staff filed its objection to this agreement on Wednesday. I'm not going to read the entire objection to you today; however, there are certain points from the objection I would like to highlight for the commission, and this does speak to some of the points that were just made by EMM.

First, as Staff indicated earlier in this case, Staff does not generally object to EMM's proposed class restructuring, although Staff does have some recommended modifications. It is important to note that Staff support of this rate restructuring as modified is meant to enable EMM to immediately begin work on a customer migration and determinants study. Such a study is essential in order to calculate rates to be ordered in compliance tariffs in this case.

Such a study will assist customers in

understanding what is changing and how it impacts them. Second, Staff objects to the revenue allocation MECG and EMM have agreed to. No reliable class cost-of-service study is available in this case. Therefore, the only justifiable outcome would be an equal percentage increase to all classes. The class cost of service studies EMM and MECG relied on misclassified distribution cost of service.

The study results are that MGS, SGS, and residential customer classes revenue responsibility is significantly overstated, while LGS and LPS customer classes revenue responsibility is significantly understated. And the study results relied on by MECG and EMM will cause residential and small business customers to pay disproportionately for the cost of owning renewable generation while also causing the largest customers to benefit disproportionately from the value of the energy generated and from the renewable energy credits generated.

And finally, if adopted by the commission, the allocations in EMM and MECG's joint position will result in LLPS rates being increased by a smaller amount than the rate increases applied to residential and small business customers. Sarah Lange and Marina Gonzalez (phonetic), both economists in the tariff and rate design

department, provided testimony regarding these issues.

Ms. Lange is adopting Ms. Gonzalez's testimony and is available for questioning. I can also answer any questions you might have or refer you to the witness who might be able to be best suited to answer those questions.

CHAIR HAHN: Good morning, Ms. Hansen. I am going to have a couple questions. I want to make sure I know who to call on. With regard to the customer migration study, who should I visit with about that?

MS. HANSEN: Ms. Sarah Lange is going to be the witness for the customer migration and determinant study.

CHAIR HAHN: And I thought there were billing determinants in testimony of Kim Cox (phonetic) and Randall Jennings (phonetic). Is that accurate?

MS. HANSEN: I do think that's accurate. And Staff can correct me if I'm wrong, but I think at least Kim Cox, it was residential customers or residential class determinants. I do know that Amanda Rucker (phonetic) also covered billing determinants for LPS.

CHAIR HAHN: So on the very first day, our opening statements said that, in this case, there were no billing determinants. I think there are billing determinants. I'm trying to figure out the disparity.

MS. HANSEN: Absolutely, we can --

MR. JABRA: If I may, Chair Hahn. Yes, the billing determinants, this has more to do with the C&I, the MECG, Evergy agreement. There are no billing determinants for that agreement to confirm whether or not the , I guess, the analysis is correct in that stipulation. And I believe if you have any question about that Sarah Lange, it would be best to address the lack of billing determinants.

MR. FISCHER: And we have witnesses and we would address that Graham Janes or Brad Lutz.

CHAIR HAHN: Thank you. One other item from this stipulation is that no reliable CCOS study is available to support a result other than an equal percentage increase to all classes. So, Staff did not conduct a CCOS in this case. Is that correct?

MS. HANSEN: That is correct. Staff did not.

CHAIR HAHN: I think that's all my questions. Thank you.

THE COURT: Chair Hahn actually touched on my question. So my understanding is there's really only one class cost-of-service study that was done, and that's Evergy's, correct? The others are derived from it.

MS. HANSEN: That is my understanding. Again, I would defer to Staff to kind of more thoroughly answer to that, but that is also my understanding.

THE COURT: Was there a reason that Staff elected not to do a class cost-of-service study? Because I imagine you were aware that there was only one in the case. It just seems like you're setting up your argument that there's no good study and we didn't do one either.

MS. HANSEN: So with the class cost of study, my understanding is Staff did not -- and again, Staff, can correct me if I'm wrong, but if I recollect correctly, there were a few moving pieces in this case that made it difficult to do the class cost-of-service study that would have been reliable. And if I remember correctly, one of the things was that there was going to be a customer migration, and then, I think that another issue was that there was the addition of a large load customers.

MR. PRINGLE: And if I may add to that as well, Judge, part of that also, the lack of this class cost-of-service study from Staff has to do with the transitional nature of this case, and they were just not really being in Staff's opinion, the data necessary to perform a full class cost of service in this case. And that could best be addressed by Staff witness, Sarah Lange, when she takes the stand.

THE COURT: And I may have some questions. I've just noticed in the last few rate cases, I don't

remember seeing other cost of service studies other than the companies. You brought up the customer migration, and that one of the criticisms I remember hearing that Staff had of this stip was that, without the customer migration study, it will result in higher winter rates for customers. Am I misstating that?

MS. HANSEN: I don't know that you are. I cannot speak to that off the top of my head, but I would refer you to Sarah Lange. She would be, I think, the one to give you an informed answer on that.

THE COURT: And how long would this study take?

MS. HANSEN: Again, I don't quite remember off the top of my head, but Sarah Lange would be able to speak to that.

THE COURT: How would that cost study align with the expected start date of rates in this case? Would that need to be delayed? Would the study go on while new rates are already in effect?

MS. HANSEN: If I am remembering correctly, that would result in a delay. But again, I don't want to misstate anything, so I would refer you to Ms. Sarah Lange.

THE COURT: Thank you very much.

MS. HANSEN: Thank you.

THE COURT: Any other questions from

commissioners? Thank you very much.

MR. PRINGLE: And if I may, Judge, I have the answer to that question you asked, if you'd like it from me.

THE COURT: If you want to include that in your mini-opening, that would be great.

MR. PRINGLE: All right, I will.

THE COURT: And while I got a moment, I will note for the record that counsel for Renew is present. I don't remember if I noted that counsel for Velvet Tech Services is present, but both of those -- counsel for both those companies are present on the record here today. And Mr. Pringle, go ahead on behalf of Staff.

MR. PRINGLE: Thank you, Judge Clark. And good morning, Judge Clark, Chair Hahn, Commissioner Coleman. My name is Travis Pringle, and I'm appearing on behalf of Staff regarding the LLPS stipulation and agreement. For the most part, my opening statement from last Tuesday captured Staff's position in opposition to that stipulation, but there were a few things I just kind of wanted to bring back up to the forefront before we get into this on-the-record.

And before I dive into the LLPS, Judge, when it comes to that customer migration study, Staff's idea of having the time to get that study implemented and making

sure we get everything right would be to delay these restructured rates agreed to between MECG and Evergy until November of 2027 at the earliest.

THE COURT: Do you mind if I go ahead and ask a few questions based on that now?

MR. PRINGLE: Go for it.

THE COURT: Well, given that the companies come in, because they believe that rates are unjust and unreasonable at this point, and I'm assuming that they're saying that they need a rate case because they are or will be underearning soon. If you're delaying the impact -- if you're delaying new rates taking effect, doesn't that exacerbate that situation?

MR. PRINGLE: Well, that's part of us not having this study. We're not quite sure how bad the situation really is. This study would also go a long way in helping us with the education component to make sure customers are aware of this rate restructuring. Part of our rate design case had to do with -- we do not think there is a comprehensive education program in place.

THE COURT: So in a report and order, what would the commission be doing here if it followed Staff's suggestion? We'd be issuing an order saying that these are approved, that the company has to do a study and that rates can't take effect until when?

MR. PRINGLE: Well, the rate restructuring would be approved but delayed until the completion of this study, which would be roughly what Staff thinks if we go through the process that is included in attachment A to Staff's objection. It would take up till about November 2020, so.

THE COURT: So you're thinking slightly more than a year?

MR. PRINGLE: Roughly. But also we are as also open to any kind of commission input on how to potentially speed that up. That's just kind of our best guess scenario at getting that accomplished.

THE COURT: That would actually be less than a year from the January 7th (indiscernible).

MR. PRINGLE: Correct. We don't want to belabor it any further than needed, but we do believe that study and the education component are key.

THE COURT: Why is that necessary? We change rates all the time for companies. We provide some notice. We don't provide a lot of education with everything. Why is that necessary here, when it's just a rate change and rate changes are something that occur?

MR. PRINGLE: That question would be best addressed by Sarah Lange.

THE COURT: Thank you. I interrupted. Go on.

MR. PRINGLE: And so without repeating what I said last Tuesday in my opening statement regarding the LLPS stipulation, I kind of do just want to continue to clear up that Staff is not relitigating EO-2025-0154, Staff is not relitigating positions that the commission rejected from Staff in that case.

If anything, the substantial changes to the LLPS tariff are coming from the signatories to that stipulation and the addition of this earnings sharing mechanism that is approved in Kansas, but not approved in Missouri when there is one that this commission has analyzed and ordered for a Missouri utility already in place.

Also, there is a lot of FAC work in that stipulation that from Staff's perspective kind of ignores the incremental capacity expense terms within the LLPS tariff to help make sure that costs are fully recovered without pushing more costs into the FAC. That question can be -- that concern can be better addressed by Staff witness Brooke Mastriani (phonetic) if anyone has any questions about it.

But overall for the LLPS stipulation, Staff continues to have take the position that the commission should reject it in full and for the resolution of those issues that are well resolved between Google and Evergy,

the commission should order the reasonable recommendation put forward by Staff.

THE COURT: Any commission questions? I guess one concern of mine is we do have six stips filed in this case, which is well beyond the normal I'm used to. There appear to not be more than a couple parties on each stipulation. So it's between a limited number of parties. Generally, those parties' interests tend to be aligned, but as has been indicated, many of these have now defaulted to position statements.

And so the commission ultimately will be crafting a report and order. And my concern is when you have so many stipulations where there are parts defined and parts undefined, that the commission may issue a report and order that, in fact needs a lot of clarification or reworking for the parts to work together. Do you follow what I'm saying?

MR. PRINGLE: I'm following you Judge, yes.

THE COURT: How do you believe the commission should address that if there appear to be inconsistencies?

MR. PRINGLE: I know at least from Staff's perspective when it comes to briefing process, we plan on kind of making it clear the split between the stips that we signed on to and how those can be implemented versus

the ones that we did not sign on to and objected to.

THE COURT: Thank you. That would be helpful. You may sit down.

MR. PRINGLE: Thank you, Judge. Thank you, Commissioners.

THE COURT: Are there any other mini-openings? Mr. Cunneen?

MR. CUNNEEN: Good morning. May it please the Commission. My name is Ray Cunneen. I'm here on behalf of Staff for the issue of depreciation. As you're aware, Staff and Evergy agreed to a partial stipulation and agreement, where MECG has reserved issue 17(a) for this hearing here. The signatories agreed to adopt the depreciation rates prepared by Staff and attached to the partial stipulation and agreement marked as Corrected Exhibit C.

In response to the partial stipulation and agreement, MECG witness, Brian Andrews, disagrees with the depreciation end-of-life rates for Iatan Unit 1 and La Cygne Unit 2. The signatories do not hold that position. We believe that extending the retirement date beyond the probable date that it will retire increases cost to customers or the risk of over-collection.

Staff asked the commission to approve the depreciation rates filed by Evergy and Staff, and reject

the retirement dates proposed by Brian Andrews at this time. Staff witness, Amanda Arandia, can answer any questions you have. Otherwise, I can answer what questions you might have at this time. Thank you.

THE COURT: Any Commission questions at this time? As part of that, didn't the company agree to adopt Staff's depreciation -- is it rates or methodology that they agreed to adopt?

MR. CUNNEEN: They're adopting the entire depreciation rates and schedules.

THE COURT: Thank you.

MR. CUNNEEN: Thank you.

THE COURT: Any other openings?

MR. JABRA: Yes, Judge.

THE COURT: I believe I was going to let -- I was going to do the company, Staff, then public counsel, then intervenors. Is that okay?

MR. JABRA: Certainly. Thank you.

THE COURT: Go ahead, Mr. Williams.

MR. WILLIAMS: May it please the commission. Nathan Williams appearing on behalf of the Office of Public counsel and the public. I just want to emphasize that what the commission has to do in this case is arrive at just and reasonable rates at the end. It's not required to accept any stipulation and agreement. It's

not required to adopt any position.

What you really have in front of you at this point are parties' positions, whether they've done it through stipulation and agreement, or whether they've done it through an opposed stipulation and agreement. You don't have to adopt any of those, but in the end, you should be doing just and reasonable rates that are supported by the record that's in front of you, and I'll leave it at that. Thank you.

THE COURT: Thank you, Mr. Williams. Any questions for Mr. Williams? Public counsel?

SPEAKER 1: (No verbal response.)

THE COURT: Thank you. I do have one thing I want to take care of. Evergy had put up a demonstrative exhibit with their opening and titled "Stipulations and Agreements." Is there any objection to the commission admitting that as a demonstrative exhibit? Hearing none, the opening by Mr. Fischer's Stipulations and Agreements, is admitted as a demonstrative exhibit, and I shall call it Commission Exhibit 1. Google?

(Commission Exhibit 1 was received into evidence.)

MR. SCHULTE: Good morning, Judge Clark. Good morning commissioners. Andrew Schulte with Polsinelli, PC on behalf of Google. And thank you for the

opportunity to discuss the LLPS stipulation this morning.

As discussed in our initial opening statement last week, Google's objective is to invest responsibly and be a good community and grid partner, and to support a framework that balances the opportunities for growth with meaningful protections for other customers.

When the commission established that LLPS tariff, it established a clear objective and transparent framework for infrastructure investments in Evergy's service territory. The tariff fulfills the directives of Senate Bill 4 by ensuring large load customers bear their respective share of cost and by preventing other customers' rates from reflecting unjust or unreasonable cost arising from service to large load customers.

The LLPS tariff only became effective in December 2025, which also happens to be the last month of the test year in this case. Accordingly, there are no LLPS customers in the test year for this case as you have heard numerous times.

Despite this being a transition case with no large load customers in the test year, other customers will still see an immediate benefit from large load customers in the form of a $60 million reduction in the revenue requirement, which is referred to the revenue adjustment, and that is reflected in the LLPS

stipulation. I'll address the details of that revenue adjustment and some other features of the LLPS stipulation momentarily. What I first want to address is the business model and regulatory structure that makes those benefits possible.

Specifically, Evergy is a vertically integrated rate-regulated public utility. Vertically integrated means the Evergy owns the generation, transmission, and distribution required to serve its customers. It plans its system through an integrated resource planning process that accounts for all the needs of its system. It accounts for load growth, resource adequacy requirements, demand-side management opportunities, and investments in established and emerging generation technologies.

Google is an important part of this process and of Evergy's integrated system. As I discussed in my initial opening statement, the commission recognized in its report and order in the LLPS tariff proceeding that data centers are not just large consumers of electricity, but they are, "economic and operational partners."

Staff and OPC have taken positions in this case that would divorce large load customers from this integrated system. This is represented by Staff's proposed option 2 for the fuel adjustment clause or FAC.

Under Staff's option 2, which is supported by OPC, LLPS customers would be removed from the FAC going forward. In order to back out costs associated with LLPS customers from the FAC, Staff proposes using SPP wholesale market locational marginal prices or LMPs, and they want to match those LMPs with LLPS customers load shape and do that on a going forward basis.

This proposal is highly problematic for multiple reasons. First, it ignores the fact that Evergy operates an integrated system for all of its customers. Carving out one customer class from the FAC and treating it differently is therefore discriminatory. Second, Staff's use of LMPs confuses the market price of energy with the cost of producing energy. The purpose of the FAC is to recover the cost of producing energy. So, using a market price of energy is not cost-based and it will not result in the accurate recovery of costs.

Third, there is no substantial, competent evidence supporting Staff's drastic restructuring of the FAC. This is a transitional case with no LLPS customers in the test year. Accordingly, there is no reliable data on how LLPS customers impact the class cost of service or the allocation of fuel cost through the FAC.

Staff has claimed that their proposal for restructuring the FAC is not drastic. They've said that

they are not trying to re-litigate LLPS tariff issues, and they said that, parties who have called Staff's proposal drastic are suffering from, "Startling lack of understanding of Staff's position."

But this is not the case. Google understands Staff's position very well. Staff wants to carve out one customer class for distinct and discriminatory treatment and they want to use wholesale energy costs to do so. It should be noted that the LLPS tariff currently includes a FAC charge. So LLPS customers are currently paying a FAC charge. Carving that out of the LLPS tariff and creating this structure where costs are tied to wholesale market prices is a drastic change.

Staff might point out that this is a good thing for LLPS customers because there would not be a FAC charge on LLPS customers' invoices under Staff's option 2. However, Google is not interested in short-term discounts that are based on fundamentally flawed methodology. And making no mistake, Staff's proposed methodology is flawed and drastic.

Staff may also point out that option 1 is less drastic than option 2, because option 1 maintains LLPS customers within the FAC. However, this option is also problematic because it also uses LMPs to estimate fuel costs associated with LLPS customers to be included in

the base factor for the FAC.

Staff's use of LMPs as a proxy for energy costs is based on its continued misinterpretation of the buy-all, sell-all nature of wholesale energy markets. Without full recognition of the equal and offsetting transactions that only result in, "true purchase power," when Evergy needs to supplement its own fleet of resources with market resources. Because Evergy serves the majority of its load through its own fleet of resources and not through wholesale market purchases, reliance on wholesale market prices to set rates is not cost-based.

Dr. Barry (phonetic) explains in her rebuttal testimony that Evergy's cost to serve its customers consists primarily of the cost of running its own generation resources, which consists primarily of fuel costs, which are recovered through the FAC. Therefore, it is appropriate and necessary to continue to apply the FAC to all customer classes.

Google's support for the LLPS stipulation is not based on obtaining lower rates for LLPS customers. In fact, the LLPS stipulation does the opposite. The LLPS stipulation increases rates for LLPS customers in two important ways. First, Google supports maintaining LLPS customers in the FAC so that we will pay the same

per kilowatt-hour FAC rate as other customers. Second, Google advocated for an interpretation of the minimum demand requirement in the LLPS tariff that increases Google's monthly invoices.

The LLPS stipulation adopts Google's position; the billing demand must be at least 80 percent of annual contract capacity with energy-based charges payable in addition thereto. That gives practical effect to the protections established in the LLPS tariff case. It should also be noted that Google is not opposed to the revenue allocations in the C&I rate design stipulation, which assigns 94 percent of the system average increase to LLPS customers, and maintains the tie between LLPS customers and LPS customers for the purposes of the premium that was established in the LLPS tariff case.

That premium is going to carry forward to the next EMM rate case and other customer classes will be credited with that premium amount in the class cost-of-service study, once there is a rate case filed with LLPS customers in the test year.

The LLPS stipulation advances affordability. The revenue requirement in this proceeding, as I mentioned, will be reduced by 60 million because of the annualized LLPS revenues. The earnings sharing mechanism in the LLPS stipulation provides another direct customer

benefit. Dr. Barry explained the timing issue with large load customers ramping up during the rate effective period. That is, as large-load revenues grow -- sorry -- as large loads grow revenues may grow faster than the cost reflected in rates. An earnings sharing mechanism allows customers to participate in that upside without eliminating Evergy's incentive to attract and serve new load.

The LLPS stipulation also includes an additional discount for customers on cost flowing through the FAC. For costs associated with LLPS load on a kilowatt-hour ratio basis, Evergy will bear 10 percent rather than 5 percent of the incremental FAC costs. This is above and beyond the 95/5 split that applies to incremental FAC costs currently.

In summary, the LLPS stipulation does four things. First, it recognizes the revenues from LLPS customers that are available now. There is a $60 million revenue adjustment. Second, it enforces the commitments already made in the LLPS tariff by confirming the operation of the minimum demand charge. Third, it shares the benefits of growth with all customers through an earnings-sharing mechanism. And fourth, it maintains the current structure of the FAC and reserves any broader changes for an evidentiary record that can support those

broader changes.

As demonstrated by the LLPS tariff and the LLPS stipulation in this case, Missouri can welcome responsible investment and protect affordability at the same time. Google urges the commission to incorporate the LLPS stipulation as part of a balanced and comprehensive resolution of this case.

Thank you for your consideration. Happy to answer any questions.

THE COURT: Any commission questions? Chair Hahn?

CHAIR HAHN: Yeah, I'll let you take a drink first. Catch your breath. Just want to understand this better. The LLPS 80 percent contract capacity plus energy, I'm having a hard time understanding and it may be in Mr. Ives's surrebuttal about the energy and capacity purchases split because I am confused about how not all capacity or energy purchases for large users would be assigned to large users. Can you speak to that? Or maybe I'll ask Mr. Ives later.

MR. a: How all capacity and energy will be --

CHAIR HAHN: Sorry, all energy purchases would not be assigned to the LLPS user. I'm pretty sure I read in Mr. Ives's surrebuttal to Staff's objection, something about this, and I'm trying to make sense of it.

MR. SCHULTE: You may be touching on the incremental capacity part of the LLPS tariff?

CHAIR HAHN: Yes, thank you.

MR. SCHULTE: So that is an option that is written into the LLPS tariff, where if Evergy's system does not have enough capacity on an interim basis to serve a new large load customer, then they could go out and purchase the capacity that they need and assign the cost directly to the customer. That is only intended for interim requirements and it is not intended to apply to capacity that is purchased for the system as a whole.

CHAIR HAHN: Thank you. I appreciate that. Sorry to walk you around about that.

MR. SCHULTE: No, no problem.

CHAIR HAHN: That's all I had.

THE COURT: Any other commission questions? Okay. I've got a couple. I always relish this moment when you guys find out exactly how little I actually know. You had indicated that the FAC was designed to recover variations in the cost of the production of energy, but my understanding is that as part of the SPP market, they're bidding everything in and buying it out. Is that correct?

MR. SCHULTE: That is correct in a very technical sense, yes.

THE COURT: So doesn't that mean that the cost of energy is the cost that they're purchasing their own energy back at?

MR. SCHULTE: No. So, because everything has to go through the SPP process in order to dispatch the entire region on the most effective way possible. All of the load serving entities bid all of their generation into the market that's available, but then they get equal and offsetting revenue back from the market. And so if they're running their own generation, it's a wash. They sell in at the same price that they received it back for. And so really that's not cost driving process. The costs driving process is what does it cost to operate their own fleet.

And occasionally they will purchase if they don't have enough on their own fleet or if there's a more attractive option in the market, they'll buy from the market, and so then there will be a true purchase of power from the market, and that could be incorporated into the FAC as well. But generally speaking, the driving cost is the operations of their own fleet.

THE COURT: Thank you for clarifying that for me. Now, there's been a lot of talk about there's no LLPS customers in the test year. Are there LLPS customers now?

MR. SCHULTE: Yes.

THE COURT: There's been a lot of opining about how there will be extra benefits from LLPS customers. Given that there are -- I'm assuming a very low number right now, not none -- is it even likely that any of these benefits will be realized in the first year?

MR. SCHULTE: Yes. They're already being realized in this case through the revenue adjustment.

THE COURT: And that's the $60 million revenue adjustment you're referring to earlier?

MR. SCHULTE: Yes. And then, there is still a premium on LLPS rates over and above LPS rates as established in the LLPS tariff case. And under Google's support non-objection to the C&I rate design, that premium would be maintained because the LLPS rates will go up to the same degree that the LPS rates will go up, which means that there's a premium available to be credited to other customer classes in the next rate case, and that's being maintained through the C&I rate design stipulation.

THE COURT: And this may just be a lack of understanding on my part. There's been a lot of talk of revenue sharing. I believe there was a 90/10 provision that had been discussed. Are those even realizable during the ramp-up period? Or am I misunderstanding

that?

MR. SCHULTE: Yes. So, all we have right now is the end of -- all we have right now is the end of the true-up period, which is June of this year. And so, the only known and measurable that we use to calculate the revenue adjustment, the 60 million, that's based on known and measurable as of June 2026 and then annualized. But the ramp continues to occur, and so there are already revenues that are available based on the continuing ramp that could be recognized in the earnings sharing mechanism and shared with other customers.

THE COURT: Thank you.

MR. SCHULTE: Thanks.

THE COURT: Any further Commission questions? I hear none. Thank you, Mr. Schulte. Is there any other party who wish to do a mini-opening?

MS. BELL: For the record, I'll just say that Velvet Tech stands on the opening that we gave in the case itself. Thank you.

THE COURT: Thank you.

MR. FISCHER: Judge, if we're done with mini-openings, I'd like to take you up on your offer at the time that we objected to live testimony from Staff on October the 6th. You indicated we could give some live testimony in response at the on-the-record proceeding in

this case. And I believe that if you go back in the video, it's at 1 hour and 27 minutes, where that was said. And Staff also suggested -- Mr. Pringle suggested it's not uncommon for folks to file responses in a form of an affidavit to support those stipulation and agreement. That was at 1 hour and 18 minutes.

And we'd like to take you up on that offer, and Mr. Ives can answer to your questions that came from the bench, I think, quite well and quite succinctly. And we do have an exhibit that was attached to his affidavit, which is a response to the Staff's exhibit that was put in the record in live testimony, and it's appropriate that we're not going to object to her exhibit if we get the opportunity to put this one in the record. If not, we'll continue the objection.

THE COURT: Well, we've talked about that. I mean, I already said "no." And I've said, "no" in that, "no, it's not coming in to the -- the affidavit and response are not coming into the evidentiary record as evidence." You're right. We do allow responses and those responses are generally filed in the case and they're read, but they are given the weight of argument.

MR. FISCHER: You allowed live testimony over our objection.

THE COURT: I am going to allow live testimony.

That's what I'm telling you. I'm getting there. I'm just not going to -- again, this is not a second chance to get that in. If there is something attached to the affidavit that you want to offer during testimony for the purposes of this hearing, you can do that and I will entertain it under objections.

I don't have a problem with any of the parties offering live testimony at this proceeding because this is a -- I hate the word, "transitional," as everybody has thrown out. I'll just say, "new and novel." Yeah, I'm going to let you call a witness. I'm not swearing witnesses in for the purpose of this. This is just argument, essentially. I mean, the commission can ask questions.

MR. FISCHER: Well, Judge, we need this in evidence so that you can rely on it in the record and in the order. This will not just be argument. This will be facts that should be placed in evidence.

THE COURT: So you'll be asking that this go into evidence (indiscernible).

MR. FISCHER: Yes. And I'd ask that he be sworn at the outset.

THE COURT: Oh, I see where you're going.

MR. PRINGLE: And Judge, if I may. For Staff, at least especially on the rate design stip, we would

also need to have facts and evidence to brief the rate design issues because we wanted to address that all at once. Judge?

THE COURT: No. Hold on just a second. Mr. Ives, that made sense. That clicked with me. We'll call witnesses and I will swear them in.

MR. FISCHER: We would call Mr. Darrin Ives to the stand.

MR. WILLIAMS: Judge, if I may. Public Counsel objects to the extent this is being used to develop the evidentiary record for a decision in the case. My understanding of on-the-records is that they're opportunity for the commission to inquire as to the stipulations and agreements, or whatever the parties have done in terms of agreements they raised for the commission to understand the matter and decide how much, I guess, to the extent it wants to rely on them, not to aggrandize the record upon, which the commission's making its decision per se.

THE COURT: Thank you, Mr. Williams. I'll overrule that objection.

MR. JABRA: And Staff has an objection to Mr. Ives testifying regarding LLPS due to the fact that those issues have been litigated already. They were litigated last Tuesday. Mr. Ives took the stand at that time, and

everybody failed to elicit any further information from him during then. So for that purpose, we believe the LLPS issues have already been fully litigated, so there is no need to open the record up on the LLPS issues.

THE COURT: (Indiscernible) respond to that briefly?

MR. FISCHER: Yes, Your Honor. We raised that objection at the time of the hearing for Sarah Lange, Brooke's testimony, as well as Kim's. They were allowed to give live testimony on that issue and the commission ruled, "Evergy, you can do that at the on-the-record. We wanted to push that off to a later time." And now, we're just trying to take advantage of that to do what the commission said we should do.

If recall, that was objected to and that's the result. So, that's what we're doing. We're asking him to take the stand and we'd like for him to answer your questions. We also like to suggest that it's appropriate that he have that affidavit put into the record just like the commission Staff offered an exhibit at the time of the LLPS.

This particular exhibit will address directly and respond directly to that particular exhibit the Staff brought on to us that morning. It had originally been attached to an objection. So we had a day or two to look

at it, I guess, but you allowed us -- you said we could take it up at the time of the stip --

THE COURT: That was in the evidentiary hearing though. Wasn't that where Staff offered that?

MR. WILLIAMS: That's correct, Judge. And also that exhibit has not been entered on the record subject to Evergy's objection. We are still awaiting a ruling on those two exhibits of mine.

THE COURT: What two exhibits?

MR. WILLIAMS: They were attached to Staff's objection regarding LLPS. It was one had to do with the $60 million revenue calculation and the other had to do with the FAC.

THE COURT: So these are objections to the stip. Yes.

MR. WILLIAMS: (Indiscernible) we had them as demonstratives in my opening, we did plan on moving them as exhibits on the record, Evergy objected, and I don't believe we had a ruling yet on whether those two exhibits would be on the record or just demonstratives.

MR. FISCHER: We will have no objection if we are given this opportunity.

THE COURT: I understood your position. Why don't you go ahead and call Mr. Ives?

MR. FISCHER: Mr. Darren Ives?

THE COURT: And I'll let you do some brief direct.

Mr. Ives, this is a separate proceeding and I'm going to swear you in again. Do you solemnly swear or affirm that the testimony you're about to give at this on-the-record proceeding is the truth?

MR. IVES: I do.

DARRIN IVES,

of lawful age, being produced, sworn, and examined testified as follows:

THE COURT: Please be seated. And state and spell your name for the court reporter.

MR. IVES: My name is Darrin, D-A-R-R-I-N. Last name is Ives, I-V-E-S.

THE COURT: Thank you, Mr. Ives. And I'm going to, for cross, follow the order of cross that we were going by in the evidentiary hearing. So, Evergy, go ahead.

MR. JABRA: Thank you.

THE COURT: I am going to say I do as much as possible. I want to keep this on the stips and do as much as possible, want to talk about those issues.

MR. JABRA: Yes.

CROSS EXAMINATION

BY MR. JABRA:

Q. Mr. Ives, were you in the hearing room on October 6 when Staff witnesses, Sarah Lange, Brooke Mastriani and Kim Bolin presented live testimony on the LLPS revenues --

MR. WILLIAMS: Objection, form of the question. We are dealing with live testimony for the evidentiary hearing on Tuesday, not the contents of the stip.

THE COURT: Say that again.

MR. WILLIAMS: The question seems to be addressing the live testimony from last Tuesday and not the contents of the stipulation and agreement.

MR. JABRA: But the live testimony was in response to the stipulation.

THE COURT: Kind of my understanding on this was we moved a lot of this over here because the parties didn't -- they kind of wanted to waive testimony and get it here. So I'm going to be a lot more lenient in terms of what I allow here. So, go on. And, Mr. Pringle, Staff's overruled right now.

MR. JABRA: I can't remember if the witness answered the question.

THE COURT: I don't believe so.

MR. IVES: I was here during that testimony.

BY MR. JABRA:

Q. Mr. Ives, during that live testimony of Sarah Lange on the large load power service issue, she discussed an Attachment B that was attached to Staff's objection to the large load power service stipulation. Do you recall that testimony?

A. I remember she discussed that, yes.

Q. Did the Staff's objection and Ms. Lange's testimony suggests that LLPS revenues, values in paragraph 13 of the large load power service stipulation, which reflects a $60 million revenue adjustment relied on improper bill calculations and unreasonably low kilowatt hour amounts?

A. That's my recollection.

Q. Was Staff's assertion correct?

A. No, it's not.

Q. Please explain why Staff's -- please explain why the LLPS stipulation does not (indiscernible) upon improper bill calculations and low kilowatt hour amounts.

A. This all started with the 60 million in the LLPS stipulation. What, what, what we did is we used the, the only known and measurable adjustment that's been advanced in this case. We, we looked at the June revenues billed and the billing determinants, which was the last month of the true-up period, and annualized that, so essentially took that June amount, the actual

known amount times 12, to set the revenue offset for this case.

What, what Staff's approach does is it utilizes a forward look of contract capacity and then attempts to apply a forward estimate of what an energy load factor would be prospectively to, to apply to that. So it, it completely breaks the link of a true-up period and the known and measurable adjustments that we would typically look at, at a rate case. That's why Staff asserts their number is larger, because they have broken that, that true-up link and gone beyond the true-up period in this case.

Q. Did the LLPS stipulation rely upon Dr. Barry's calculation of the appropriate large load power service revenue adjustment?

A. It, it did. I would say we, we were similarly situated with Dr. Barry in terms of utilization of known bills and determinants at the true-up date, but, but with the clarification that Dr. Barry advanced to apply the energy charges on top of the minimum demand. That's what the stip agreed to and that's how we got to the $60 million at June 30 annualized level.

Q. Mr. Ives, did the Staff objection to the large load power service stipulation identify any error in the signatories' calculation?

A. It did not identify an error. What it identifies is, as I discussed, a difference in methodology where Staff has utilized a projected load factor and utilized a, a contract capacity value that goes out beyond the true-up date in this case.

Q. One minute. Mr. Ives have you calculated the correct bill calculation using known and measurable information in response to Staff's Attachment B?

A. Yes. Yes, we have.

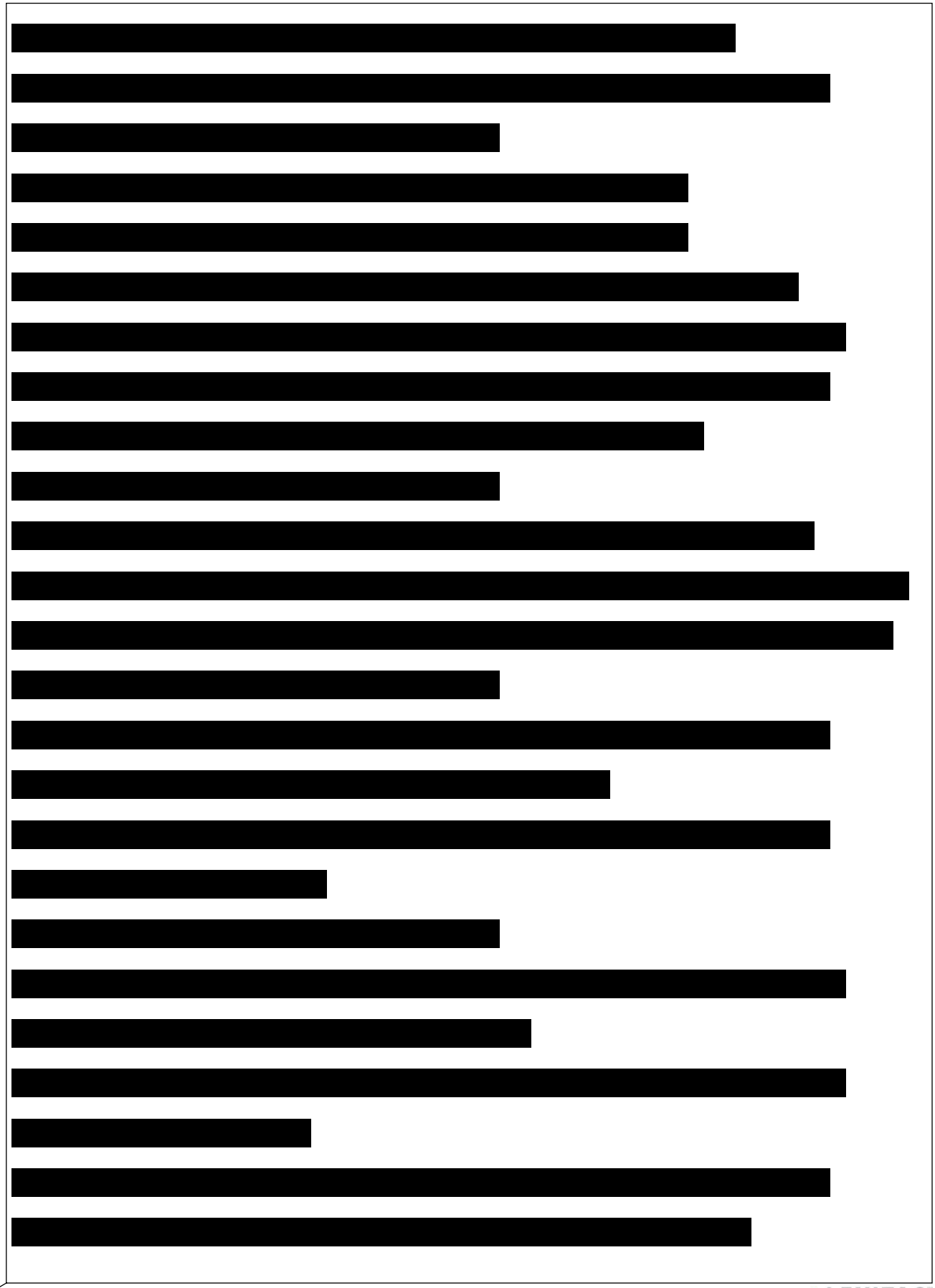
MR. JABRA: Your Honor, I approached the witness and we're going to distribute a hearing exhibit, a demonstrative exhibit.

THE COURT: Yes, and this is demonstrative, you say?

MR. JABRA: Yes, and it's highly confidential, so probably ought to go in camera.

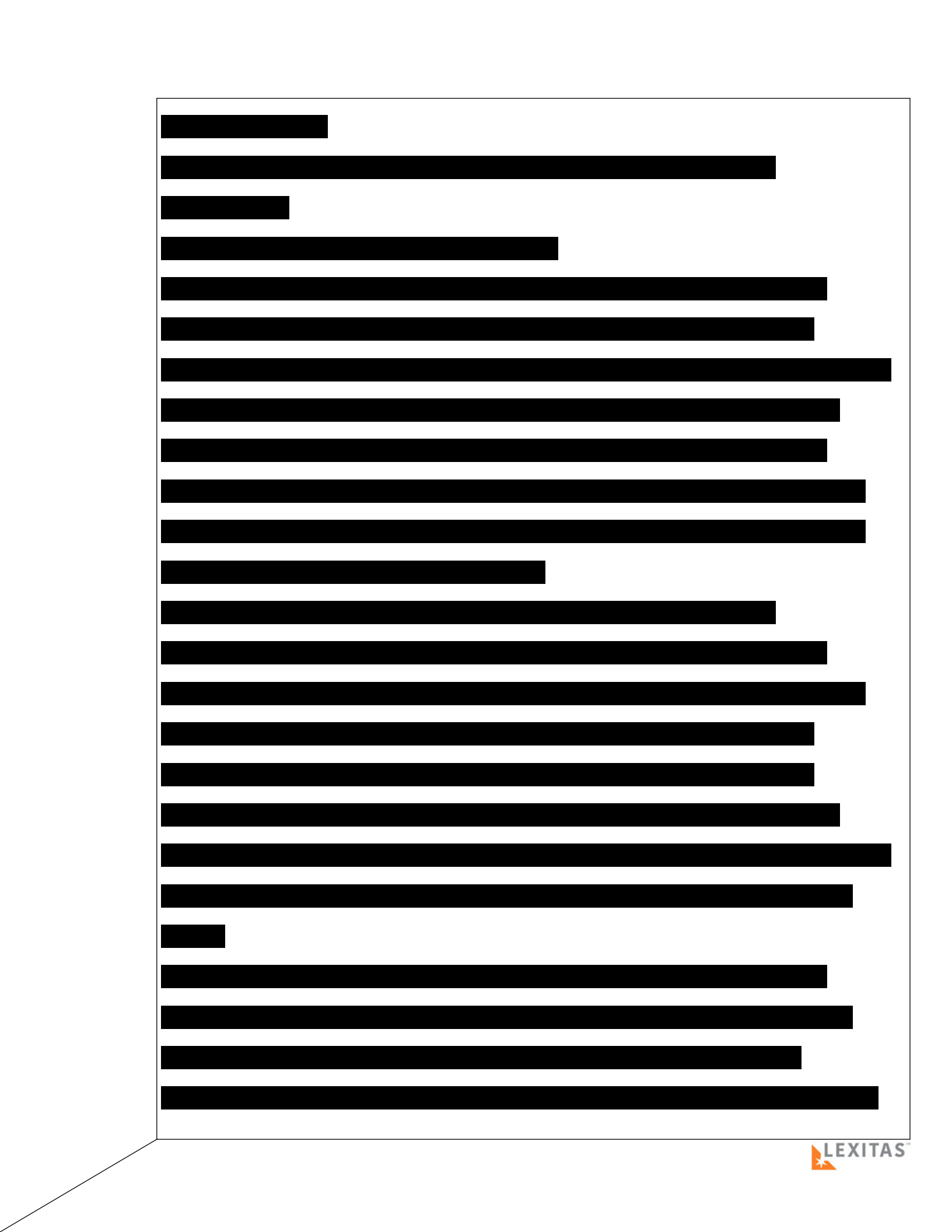
THE COURT: Let's go in camera. [redacted]

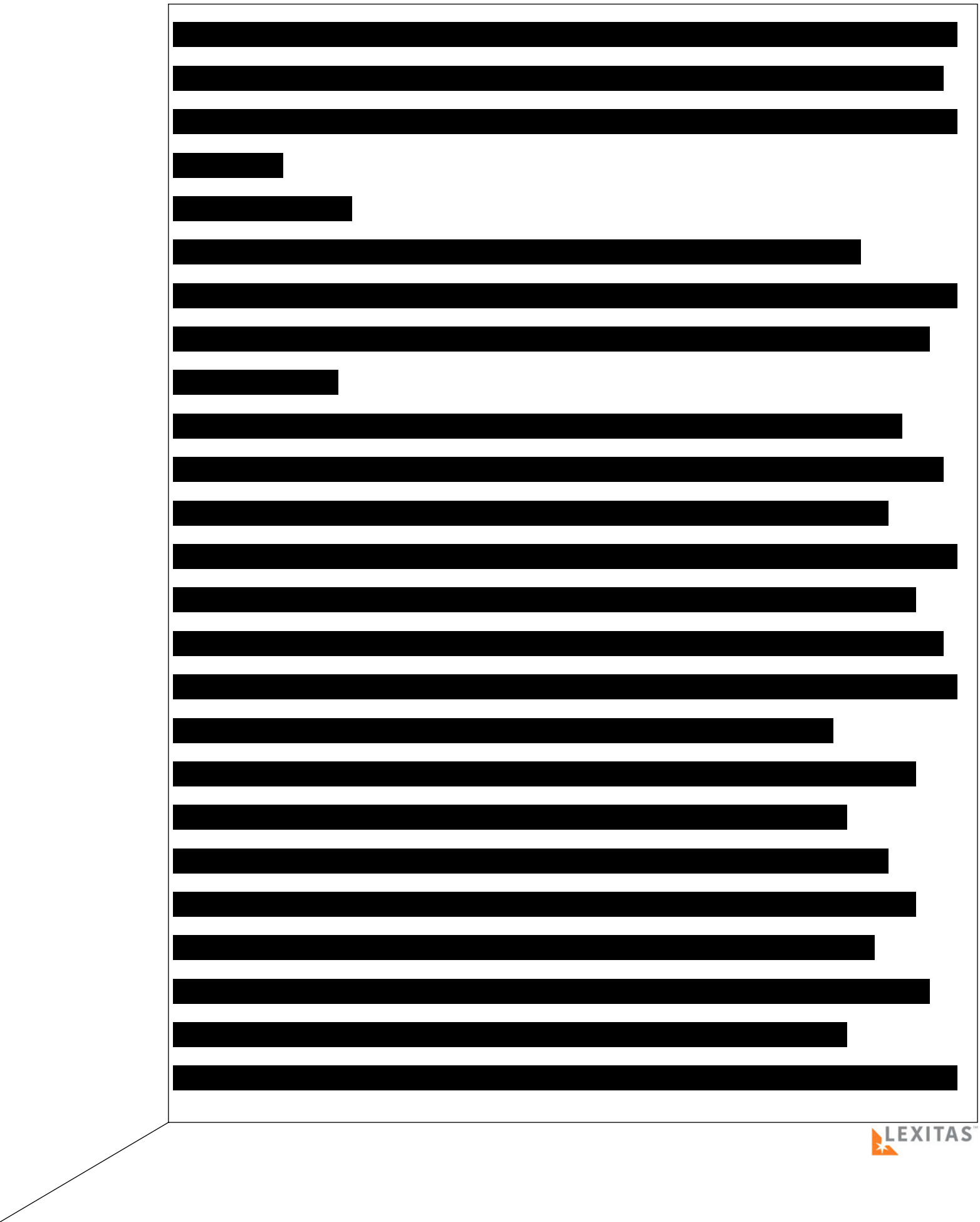
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MR. JABRA: I think we can go out of camera.

THE COURT: That's what was just being brought to my attention. Do we need to go back a question?

MR. JABRA: Probably, yeah.

THE COURT: Why don't we come out of camera and go ahead and do that?

BY MR. JABRA:

LEXITAS

Q. Mr. Ives, did Staff, in its live testimony objection, omit important context about how LLPS load may be priced in both the day-ahead and real-time markets?

A. Yes, it did.

Q. Please explain.

A. In, in Staff's testimony, and, and Mr. Schulte talked about it a little bit in his mini-opening, they, they talked about pricing energy for LLPS customers at the day-ahead locational marginal price with, with SPP. So I think what was omitted and, and I would add to, to, to that message is, that's actually how all load for Evergy has been into the market. It's not just LLPS. It's, it's every customer.

The, the, the rest of the story is that, you know, we also bid in all of our energy into the market and, and that the revenues from bidding in the energy are also available to customers through the FAC, resulting in kind of a net fuel and purchase-power impact instead of just pricing a customer class at the locational marginal pricing.

So when -- if, if you don't utilize that net energy or fuel and purchase power number consistently across the classes or specifically for LLPS, that essentially has the effect of treating us like we're serving the LLPS class as a wires-only utility and they

actually get no benefit for the offset that would come through the FAC for us having generation and bidding it into the market to offset what the cost is to serve them.

So it creates an imbalance and certainly that four-part rate that I just walked through in the exhibit, that, that LLPS customer is paying for the ability to utilize that generation resource and to get that netting benefit from selling those resources into the market. Staff's approach doesn't allow for that.

MR. PRINGLE: Objection and move to strike that portion of the testimony, Judge. That was non-responsive to any Staff live testimony from last Tuesday. That was in response to Google's opening statement that was just given.

MR. JABRA: He just mentioned it, Your Honor, as being consistent with that. It was in response to what Staff said on October 6th. Staff has an assumption in their objection that LLPS may be priced in both day-ahead and real-time markets. They didn't -- they didn't explain that all customers have that assumption.

MR. PRINGLE: That was argument in the objection, but not part of the live testimony, which Mr. Ives is up to respond to.

THE COURT: Overruled. I'm allowing him to respond. Go ahead Mr. Ives.

MR. IVES: So, so my answer stands, I think in terms of, you know, those components and you know, I, I do recall that the day-ahead locational marginal pricing was talked about in the live direct testimony and it was treated as, as if it was creating some sort of double recovery of energy in that discussion. But my, my answer is certainly responsive to try and tell the remainder of that story that wasn't covered in live direct.

BY MR. JABRA:

Q. Mr. Ives, do you believe that Staff's live testimony reflects a continued disagreement with the LLPS tariff construct previously ordered by the Commission?

MR. PRINGLE: Objection. Calls for legal conclusion.

THE COURT: State your question again.

BY MR. JABRA:

Q. Do you believe that Staff's live testimony reflects a continued disagreement with the LLPS tariff construct previously ordered by the commission. I'm asking what he believes the live testimony showed with regard to their proposal.

THE COURT: Overruled. I'm allowing him to answer.

MR. PRINGLE: (Indiscernible) relevance to that as well.

THE COURT: You're both overruled. I'm allowing him to answer.

MR. IVES: I do believe that there was consistent disagreement when the original LLPS tariffs were approved around the utilization and the participation of large load customers in the FAC. That has persisted in this docket from Staff's perspective. Certainly our position has been and the position of the parties that are signatories to the LLPS stipulation has been that LLPS customers should continue to participate in the FAC as it was originally designed to do and the LLPS stipulation advances that treatment.

BY MR. JABRA:

Q. Is the LLPS stipulation the only proposal in this case that accurately reflects the transitional nature of the rate case as contemplated in the original LLPS proceeding?

MR. PRINGLE: Objection. Calls for legal conclusion.

MR. JABRA: I'm asking for his opinion on what the proposal we're talking about today that he sponsors.

THE COURT: And what? Say that again. Proposal? What are you asking for his opinion on? Are you asking his opinion as to whether it's legally sufficient to meet something?

MR. JABRA: Is the stipulation the only proposal that reflects the transitional nature of this case what we've talked about, as contemplated in the original LLPS proceeding and Commission order?

THE COURT: I'll allow him to answer that. Overruled.

MR. IVES: In my opinion, it is the only position advanced in this proceeding that does maintain the construct as was outlined in the LLPS tariffs originally. I, I state that because it does continue the participation in the FAC, it does maintain the traditional four-part, you know, tariff component that was, was set out for LPS.

It does add from a transitional standpoint, the earnings-sharing mechanism in this stipulation. If, if folks went back to the record in our LLPS proceeding, there was actually discussion with Chair Hahn, I believe in that hearing that indicated that they -- at that point the view was the place to address the earnings-sharing mechanism would be better in the first case when we -- when we advance a customer, and that's, that's what's been done in this case and that's what's come in and it does now substantially align with the construct that, that is in place for Ameren Missouri.

So it does maintain a lot of the

characteristics in that the structure that was just effective in December this last year.

BY MR. JABRA:

Q. Mr. Ives, are interim capacity contracts intended to be optional, temporary, and only used when mutually agreed with the customer?

A. Yes. The interim capacity discussion and I know there was earlier question from the Chair on this, but in the LLPS tariff construct it is written as a mutually agreed to position between the LLPS customer and Evergy to put in interim -- I'll call it almost like bridge capacity for a short period of time until the, the system design is adequately in place to serve customers.

So I think that the, the, the disagreement in this case has been there have been some positions advanced that suggests that every piece of capacity for a new large load customer once they come online should be considered under that interim capacity charge that is set out on that tariff. That's not how it was designed. It was designed for times when it was necessary to make sure that we could protect existing customers from the cost.

When you can enter system available interim capacity arrangements that are at or below the embedded cost of our system today, it's actually more beneficial to utilize it for the entire system and allow the large

load customers to participate in that and also continue to pay the demand premium that sits in those LLPS bills.

So you have to think about not just a blunt instrument of every interim capacity contract going through that. You want to do what makes the most financial sense for the system and for all existing customers, which is how our market operations teams enter those capacity arrangements.

Q. Have any interim capacity contracts been executed that would trigger the need to apply interim capacity charges under the LLPS tariff?

A. Not to date.

Q. Is it your understanding that service to LLPS customers is intended to progress through company integrated resource planning and CCN processes?

A. They, they, they are certainly part and parcel of the load and the considerations that we go through that process for. Certainly we have to plan for them through the integrated resource plan process. We have to bid them in to the SPP consistent with how we bid all of our load into SPP. We have to ensure that we have appropriate capacity and meet all the resource adequacy requirements of SPP. That all has taken place and continues to take place.

I think what makes it difficult for, for folks

to consider with a large load is a worry that the large loads are going to create a substantial amount of purchase power from the system beyond what we're doing. The reality is when you're serving a customer 8760, there are very few hours over the course of the year where they're straining above what the capabilities of our resource requirements are.

Because they, they operate pretty consistently over time, our system is able to meet the need for capacity and energy to serve customers in, in all but a few select hours where SPP is constrained, that's when the -- those few select hours is when you may get some specific purchase power without the ability for us to have generating resources or capacity available to serve them.

Q. So, as in her live testimony, Staff witness Mastriani suggested that Staff option 2, aligns with the LLPS stipulation's treatment of LLPS energy costs and base rates. What is the key difference between Staff option 2 and the Evergy-Google stipulation?

A. There, there are two really -- when you look at -- when you look at Staff option 2 and the LLPS stipulation for what is included in base rates for cost to serve the, the, the LLPS at true-up and what's included in the base factor, both of them don't reflect

any amounts in the revenue requirement that, that is advanced.

Option 2 moves forward to also not allow there to be any opportunity to address changes from the base factor that all customers are paying. So there's essentially a gap in any ability to recover costs that deviate from the base factor and base levels that, that all customers are paying as it relates to LLPS. The stipulation aligns the treatment where the FAC is, is utilized going forward.

So once there is a deviation from the, the base amount that is reflected in the rates for LLPS customers and the base factor that they're paying, then ultimately that, that gets trued-up through the FAC mechanism through the forward accumulation periods, just like it does for all other customers. So that's the primary difference of utilizing the FAC in the stipulation versus full exclusion of the LLPS in the option 2.

Q. Would Staff's day-ahead locational marginal pricing only approach in option 2 exacerbate cost distortions?

A. It, it, it does because it's, it's not considering -- it's a discussion we had earlier. It's not considering kind of the net fuel and purchase power impact. So it's not giving the recognition for the

generation that's, that's bid in to SPP, which the LLPS customers are paying for through their four-part rate.

Q. Does Staff's option to remove LLPS from the FAC and pricing LLPS energy on a one-sided basis?

A. It does, because it removes it -- maybe it's -- maybe it's an all-in basis because it removes it from you know any consideration in the base which is the same thing that the stipulation does. But -- so, I guess in that regard an LLPS is still paying kind of a base factor and, and a share of revenue requirement consistently. But on the forward look and the accumulation period, option 2 doesn't give any treatment for recognition of cost differences that occur during accumulation periods.

Q. Mr. Ives, in the live Staff testimony, Staff witness, Lange, asserted that the LLPS settlement results in a double recovery of energy. Do you recall that?

A. I do.

Q. Is her testimony correct?

A. No, that's, that's exactly why we have considered the continuation of the FAC to, to make sure that they are paying the recognized share in the revenue requirement and in the base factor set in the case just like all other customers, but they are also paying for any adjustment that flows through due to changes in net fuel and purchase power cost by continuing their

participation in the FAC. There's no way to double recover when you're aligning them through the FAC.

Q. Do all customer tariffs, including the large load power service recover base energy costs through base rates and that the FAC only captures changes from those base levels?

A. That's how the FAC works in the State of Missouri, yes, for all customers.

Q. And under the LLPS settlement, do LLPS customers pay base rates and FAC charges in the same manner as all customers with the only difference being the incentive sharing percentage?

A. There's two things. There's the incentive sharing percentage that was talked about earlier today which addresses the, the, the 90/10. The, the stipulation would propose be applied to the LLPS kilowatt share that occurs during the accumulation period. But, but certainly all customers are going to participate and pay consistently under the proposal. That, that was advanced in the LLPS stipulation.

Q. And that 90/10 treatment provides additional benefit to non-LLPS customers?

A. It does.

MR. PRINGLE: Objection, leading.

BY MR. JABRA:

Q. Please explain the 90/10 treatment you proposed in the LLPS stipulation.

A. Yeah, in the -- in, in the LLPS stipulation, as the commission is aware, there's generally and historically been a 95/5 sharing provision that's applied to costs that, that deviate in an FAC accumulation period from what is set in base rates. The stipulation modifies that 95/5 to say that, that will remain in place for the kilowatt-hour load during the accumulation period for all non-LLPS customers. But for the kilowatt-hour sales that are represented by LLPS customers in that accumulation period, we would calculate that share of any cost increment and apply a 90/10 sharing mechanism to that.

So that weights at the end of the day based on how, how many kilowatt hour sales relate to LLPS. It weights that sharing mechanism higher than a 95/5 and ultimately all customers will participate in that differential.

Q. Mr. Ives, during Ms. Bolin's (phonetic) live testimony, she compared the Ameren sharing mechanism with the earnings review sharing mechanism in the LLPS stipulation. Did you hear that testimony?

A. I did. I was there.

Q. How would you compare the Ameren stipulation and the earnings review sharing mechanism that is

proposed in the LLPS stipulation in this case?

A. They are -- they are very similarly situated and structured in terms of kind of the construct of the earnings-sharing mechanism. And, and by that I mean they, they start from a foundation of surveillance reporting that the, the, the commission and parties are used to seeing in, in Missouri. They ultimately then consider what the calculated earned returns are compared to the authorized returns with one exception that I'll touch on in a minute.

And they also look -- both will look at whether or not there has been growth in LLPS or I guess it's LLCS for Ameren Missouri revenues from what, what are originally established in rates compared to what, what is available at the time of the earnings-sharing period. So, they, they both have kind of a two-trigger approach. There are a couple differences -- maybe one more similarity. Once the sharing kicks in for the mechanisms as designed under the stip and under Ameren, the sharing is 65/35 sharing relationship. So customers participate at 65 percent and the company would participate at 35 percent once it kicks in.

And then, there's a consideration both in the stip and in Ameren Missouri sharing mechanism that looks at that 15 percent above 50, so the, the 65 percent that

differential -- grabs that differential, and identifies it for utilization to support low-income customers. That -- the Ameren mechanism does that and, and the one in the stipulation would do that.

There are certainly some differences not unlike RLPS tariffs, which have differences between Ameren Missouri and, and Evergy today. One of them, this is a question I think came up earlier in the evidentiary hearing from Commissioner Mitchell is the deadband relationship, the 20 basis points. Our mechanism as negotiated with Google applies a 20 basis point deadband, or adder to the authorized return before the sharing mechanism kicks in. A deadband might imply that it's a symmetrical two-way approach.

The earnings-sharing mechanism is not two-way, neither for Ameren or for us. There's only participation for customers in upside from the authorized returns. There's no participation if there's a shortfall in earned returns from authorized returns. But that deadband differential what was a negotiated term, Google had advanced a deadband and a different sharing percentage in their proposal.

Evergy had advanced a different sharing percentage, but not a deadband, and the negotiation ultimately considered, one, how we could align as best we

could with Ameren Missouri, but, but also give due consideration to the fact that we operate in Kansas and have an earning sharing mechanism and an LLPS package over there. So we didn't want to create such an imbalance as to have undue incentive differences between operating jurisdictions and Evergy.

One of the difference between Ameren and ours is a consideration of an adjustment for PISA deferrals. At the time, Ameren entered into theirs, there really hadn't been any experience to speak of on consideration of PISA deferrals and surveillance reporting. And ultimately, because of the way a PISA deferral is recovered over 20 years, but all recorded up front, it would create excess earnings and an earnings sharing reporting period. And without an adjustment, it would give full earnings back through the sharing mechanism kind of, you know, initially, whereas the company is going to participate and earn PISA over 20 years.

So the adjustment takes that piece of sharing and puts it over the same 20-year period to customers that the company's actually getting the 20-year return of PISA deferrals. So it aligns that up so that you don't get a mismatch between sharing back to customers and what customers are actually paying for through a PISA deferral.

Q. Mr. Ives, do you believe that the LLPS stipulation provides a fair, accurate, tariff-consistent resolution of the LLPS issues in this transitional case?

MR. PRINGLE: Objection. Calls for legal conclusion.

MR. JABRA: I'm asking him to sum up his comments in response to Staff's live direct where they said it was not a good resolution.

THE COURT: And that would be a great way to ask that question.

BY MR. JABRA:

Q. Mr. Ives, do you believe the stipulation provides a resolution of the LLPS issues in this transitional case?

A. It does. We, we attempted to balance and, and put together a construct that is structurally very well aligned with what this commission has seen and, and we'll see through the Ameren Missouri earnings-sharing mechanism. But, but as I mentioned earlier, also balances the fact that we have a consistent earnings-sharing mechanism in the State of Kansas and it aligns incentives so that we are similarly situated but not exactly situated with how we work through an earnings-sharing mechanism in Kansas.

And, and I might give one more difference just

for clarity between the Ameren mechanism and, and the one proposed in the LLPS stip that I forgot to mention. And it's the treatment of construction work in progress. There, there, there is obviously new legislation out there that says, you know, the commission can provide for construction work in progress for natural gas facilities, you know, upon that determination and the CCN and inclusion in, in a case.

The current surveillance reporting construct hasn't been updated to pick up the rate base inclusion of construction work in progress. But, but it should be an adjustment once the commission has made that determination because they will be saying the construction work in progress is considered to be rate-based and that should be reflected in the calculation of the earnings-sharing mechanism.

So, so we made that adjustment in the earnings review mechanism that the LLPS stipulation advances.

Q. Thank you, Mr. Ives.

A. Thank you.

THE COURT: I want to ask just a couple clarifying questions before I get to cross about your Exhibit 1. I don't think we need to go in camera for this because I'm not asking for particular numbers or anything. You said this is their June 26 bill

calculation, correct? That's what you're --

MR. IVES: Yes. There, there, there are two columns there -- in that concise bill calculation. There's one that has the original amount. That is the, the way prior to this billing demand clarification that we've been talking about in the LLPS stipulation. That is the way the bill was calculated and presented on the, the, the June 2026 bill for, for that customer. The other proposal column is what that clarification would do to add on the, the energy charges and reflects what the LLPS stipulation would, would call for.

THE COURT: And this only encompasses the LLPS?

MR. IVES: It, it, it's the LLPS, that's right.

THE COURT: This doesn't assume (indiscernible) this is at least the original amount I assume was calculated under the existing large load tariff.

MR. IVES: I would say both of them are calculated under the existing large load tariff because I think it supports both of them, but there's a clarification that will make it clearer that moving forward with the additional -- addition of the energy charges will make sense.

There's some ambiguity in the tariff between two terms right now that, that I think depending on how you read those two terms, you could get to either of

these conclusions, which is why the customer advanced one proposal and we were utilizing a different one. We were both looking at the same tariff but kind of that, that language had some -- a little bit of confusion in there.

THE COURT: And I'm looking at the numbers and the columns, and for the most part down to a point they're the same. This is all based on an old rate, and doesn't assume any kind of new rate or aspirational rate?

MR. IVES: That's right. It's all based upon the rates that were available at June of 2026.

THE COURT: That's the clarification I wanted. Thank you. As I indicated before, I'm going to follow the order that was in the rate case.

So, Google, do you have any cross examination for this witness?

MR. SCHULTE: No questions. Thank you, Judge.

THE COURT: Velvet Tech?

MS. BELL: No questions. Thank you.

THE COURT: MECG?

MR. LYSKOWSKI: No questions.

THE COURT: Renew, you can shake your head. No questions from Renew. Public counsel?

MR. POSTON: Thank you.

CROSS-EXAMINATION

BY MR. POSTON:

Q. I'm going to start with -- and these are highly confidential, so I don't want you to repeat them. But Exhibit EMM-1, you were pointed toward the bill amounts and you had the original amount and a Google proposal, and then -- I mean you have an annual amount, but you said it was based on a June billing, correct?

A. Yeah, so the, the, the components?

Q. You took a June -- is this an actual bill?

A. Yeah, so well, it's probably not an actual bill, but it's a summary of --

Q. Well, let me ask it this way. You have two amounts, an original amount and something that says a proposed amount. Which one has been paid, if either has?

A. So the original amount would reflect the June 30 bill that was presented to the customer and would have been paid by the customer. So the original amount column.

Q. So the proposed amount has not been paid.

A. At this point, no, because we're working through that clarification that we've been talking about.

Q. I understood the customer and the company had an agreement as to how it's to be done now. So I'm just struggling to understand why the difference hasn't been paid.

A. Probably because we've been sitting here having discussion with all these stakeholders about whether or not that's ultimately going to be a perspective that's shared beyond just the two of us.

Q. Well, according to you, it's just a clarification of the existing tariff, correct?

MR. JABRA: Objection, argumentative.

MR. IVES: That is my opinion, though.

THE COURT: You can't answer until I actually make a ruling on it.

MR. IVES: I'm sorry, Judge.

THE COURT: I don't think it's argumentative. You can answer. Overruled.

MR. IVES: It is my opinion.

BY MR. POSTON:

Q. And then you focused a lot on the June 30th true-up cutoff. What's the purpose of having a cutoff?

A. Well, for, for all costs in a case and, and all revenues, we typically have a, a, a cutoff, a line period of time because it allows us to look at all costs, revenues, all relevant factors, and make sure that we're, we're getting just and reasonable rates that are set on kind of a discrete timeframe based on the construct (indiscernible) that this commission has looked at historical test years or true-ups to set rates versus,

you know, at this point we don't have forward, forward test years or formula rates or anything like that that electric utilities are, are allowed to deal with it in Missouri.

Q. So is it fair to say that it's really the matching principle and you look at all relevant factors and a historical period of time with a fixed endpoint?

A. Yeah, that's certainly a piece of it. It may be oversimplified to just say matching, but it's all part of that historical rate-making construct that, that, that we've utilized in the State of Missouri for at least as long as I've been participating in this space.

Q. And that historical information is used for making rates that are in effect in the future, correct?

A. Yeah. You know, you do some normalizations and annualizations, like this particular number we're talking about, we took a -- you know, a month-end June 30th number and we annualized it times 12 because revenues were in -- were in a growing state. So the trend called for an annualization of kind of the end-month period. So you do some adjustments to, to try and make that historical information as representative as you can make it to, to, to meet that, that need that you mentioned.

Q. And if some factor past the true up cutoff, but before rates go into effect, were to have a material

effect on what those rates should be, should the commission be looking at that?

A. Well from my perspective that kind of opens Pandora's box because for every one factor that somebody identifies, somebody else will have three or four different cost or 10 different factors that they think should be there. And that if we get to that point, we might want to look at a forward test year or formula rates if we're moving that direction.

Q. You're familiar with isolated adjustments, are you not?

A. I am familiar that there are very rare occasions and there have been a couple cases in front of this commission recently that I have focused on the term discrete adjustments. But, but by and large, we continue to, to utilize, you know, test-year true-up historical information as normalized and annualized.

Q. I think I'll stop with that. Thank you.

A. Thank you.

THE COURT: Any cross-examination from the Commission Staff?

MR. PRINGLE: Yes. Thank you, Judge.

CROSS-EXAMINATION

BY MR. PRINGLE:

Q. Good afternoon, Mr. Ives.

A. Good afternoon. We are there.

Q. Yeah, you made it through the morning.

THE COURT: To let everybody know what I'm intending. It's my intention to take an extended lunch about 12:45 until 2 o'clock.

BY MR. PRINGLE:

Q. And so, kind of part of the current LLPS tariff, it does contemplate what are referred to as electric service agreements. Is that correct?

A. Yes, we do enter electric service agreements with, with any large load customer.

Q. Yeah, and just for the purpose of this, we can shorthand that to ESA. Is that fair?

A. Yes, sir.

Q. Now. You are aware of Staff's analysis regarding Customer A in its testimony. Are you not?

A. I am.

Q. What date did Evergy Missouri Metro and Customer A enter into an ESA?

A. I don't know the date exactly off the top of my head, and there have been a, a couple of amendments. So I, I don't know that I could give you a specific date.

Q. But I guess it's fair to say they did not enter

into it recently.

A. It depends on recently. I know it was after, I believe, we actually filed or finalized the order in the, the tariffs from the LLPS. So that's been fairly recently.

Q. So within a year, is fair to say?

A. Yeah, it's fair to say.

Q. And does that ESA specify a contract demand for the first year of service?

A. The ESAs are structured to lay out expected or stated contract demands over, over a period, yes.

Q. Trying to avoid any kind of in-camera or confidential stuff, keeping it kind of general. And then also, I guess when it comes to that ESA, are you aware if the company has any kind of doubts at this time about those contract loads being met?

A. I would say we --

MR. JABRA: I object. At minimum, I think if we're commenting on the customer's expectations, we probably need to be in highly confidential session.

THE COURT: What's the question again?

MR. PRINGLE: If the company has any doubts at this time that those contract load obligations will be met.

THE COURT: Well, I don't understand why that

would be confidential.

MR. PRINGLE: I'm not looking for specifics.

THE COURT: No, I don't get your. That's why it just -- it seems like a more general question. He's just asking, does the company have concerns that the LLPS customers will be able to meet those expectations? How does that need to go in camera?

MR. JABRA: Now that I've heard the question again, I think we're okay. Thank you.

THE COURT: Go ahead.

MR. IVES: I'm going to try and be pretty careful just to make sure, but I, I think what I would say is we have a, a team of individuals that, that focus on large load and ESAs as, as their primary job since the large load customers have come on. That means either existing or prospective large loads we discussions with every day, and their views on timing of ramp and growth and ultimate steady state outcomes move fairly frequently, and it's part of our job to make sure that we have a team that manages that and, and pays attention to that and knows that we're, you know, not running outside of those ESAs.

But, but we can expect some variation and deviation over the ramp period until they get to steady state, no doubt. We've seen that through our signed

agreements across both states at this point.

BY MR. PRINGLE:

Q. So there is concern?

A. I wouldn't call it concern. I would say it's actual outcome that does not 100 percent match projections that were entered into originally. But, but that's why we, we have a team of folks that, that manage those relationships daily.

Q. So I guess it's fair to characterize the answer as things are fluid?

A. I think things are, are, are fluid and active but managed.

Q. And then. Back to those ESAs. Does Evergy's current LLPS tariff require executed ESAs to be shared with the commission?

A. I think they're -- I don't have the tariff in front of me, but I, I do believe there's some language about sharing or making available upon request. I don't remember the exact word. What, what I do know it doesn't call for -- it doesn't call for them to receive any sort of order before executed.

Q. So I guess then would it be fair to say that Evergy has no issue with providing those agreements as they are executed?

MR. JABRA: Objection. This is outside the

scope of the stipulations.

THE COURT: What's the question again, Mr. Pringle?

MR. PRINGLE: If Evergy has any issue with providing those agreements to the commission as they are executed?

THE COURT: Overruled.

MR. IVES: I would say the commission can ask for and can receive probably any of those agreements if, if that's what they want to do with it, with the caveat that those would be absolutely considered highly confidential and it would be limited in terms of, you know, visibility to, to parties and, and folks that, that wouldn't otherwise be available to highly confidential information.

BY MR. PRINGLE:

Q. And does the company have any concerns with the commission's ability to maintain that confidentiality at this time?

A. I don't have any concerns with the commission's confidentiality. I, I might have concerns with other, other parties that, that might be interested in, in pursuing those filings.

Q. And then also, have you had an opportunity to review the direct testimony of Claire Eubanks?

MR. JABRA: Objection. This is past the purpose of putting Mr. Ives up to respond to live testimony of three witnesses.

MR. PRINGLE: It is part of our objection, Judge Clark. The reporting requirements, that is part of what was addressed on Tuesday. So this does kind of dive right into Staff's overall objection.

THE COURT: Overruled.

MR. IVES: I think at one point I, I read Ms. Eubank's testimony. I probably couldn't recite it to you here today.

BY MR. PRINGLE:

Q. Do you recall any of the reporting requirements in her testimony?

A. I recall there were a few. I don't know that, that I could go through the details, but if you -- if you had some you wanted to ask me about, I could tell you what I know about them.

Q. Specifically, the annual reporting that she recommends.

MR. JABRA: Objection. The LLPS stipulation is completely silent with regard to the reporting issues. And these witnesses have been called multiple times and were available to address issues outside of the stipulations earlier in this proceeding.

THE COURT: Understood. Overruled.

MR. IVES: Yeah, I, I recall that and, and that's, that's exactly the answer I would have given is. You know, that we have testimony in this proceeding as to what we think the appropriateness is in response to Ms. Eubank's reporting. It's just not testimony that we advanced or positions we advanced as part of the LLPS stip. So, that, that testimony would, would stand on its own.

BY MR. PRINGLE:

Q. So in light of the stip, the company still objects to those requirements.

A. It is consistent with, with, with the testimony that we have in the record.

Q. And then a little -- few questions about -- well, I guess for the purposes of questioning Mr. Ives, I'm going to call it "the plug" in the stip. It's that $60 million number. That sound about right?

A. I'd call it a rounded annualized June 2026 amount. But --

Q. For purposes of keeping the question more concise, I'm going to go with the plug just for now. You can --

A. I'm going to have to disagree with that characterization.

Q. Yeah, I'm fine with that. But you did testify that you believe that Google and Dr. Barry's position was more in line with that of the company?

A. I'm not sure that's exactly what I said, but, but what I think I said was the, the, the foundational side of it from the 80 percent of the demand piece was consistently applied . The difference was, Dr. Barry applied the energy charges. On top of that, we utilized the actual energy charges within the 80 percent billing demand. So, so that's the clarification that the stipulation resolves. And, and just to make sure we're clear, so it's, it's not just Dr. Barry's position anymore, it's the line position of Evergy as well.

Q. Well, I guess, so for the company's prior to the stip, it's number was, and I believe the number is public, 43 million, correct?

A. Our number was 43 million, which was the, the billing demand itself without the added energy charges.

Q. And then for Google in its testimony, it was roughly around that --

THE COURT: Do we need to go in camera for any of this?

MR. PRINGLE: I think only Staff's number is confidential.

THE COURT: Thanks.

BY MR. PRINGLE:

Q. Was roughly around $60 million. The agreed-upon amount.

A. It's, it's, it's listed, I think, is on the schedule. And then, of course, the 60 million is the, as I mentioned, the, the negotiated, kind of, rounded number, moving from Google's calculation.

Q. And that is higher than Staff's number, correct?

A. It is higher than the number that was reflected in, I, I think, Staff's true-up model. Yes.

Q. And on a pure just dollar basis, not looking at what was included or excluded, Staff's number was closer to the company's number, correct?

A. I think Staff's number -- I'd have to do the math. I think it was actually closer to Google's number than, that the company's.

Q. But the company was closer to Staff's number than Google's number.

A. The company was closer to Staff's than Google's. Is that your question?

Q. Yes, that's correct.

A. The Staff's number was in between Google's and the company's, but didn't reflect the language that is reflected in the LLPS tariff.

Q. One more moment, Mr. Ives. Does the stipulation base factor amount include capacity purchases and sales?

A. The stipulation base factor, consistent with the language in the stip, picks up long-term capacity purchases and sales. FAC, for as long as I can remember has always included capacity purchases and sales of a -- of a year or less. So that still persists and the stipulation picks up, which was a -- an initial request of, of evergy in this proceeding.

Q. And then, does it also reflect the contribution of LLPS to net system input, or NSI?

A. Similar to option 2 from the Staff, it does not utilize LLPS, NSI, or cost. So just to be clear, the base factor and the stip utilizes the NSI and the net fuel and power components from Staff's runs and then adjusts it for the addition of the long-term capacity contracts that you referenced.

Q. And pretty much the modified version of Staff's option 2?

A. Modified, with maintaining inclusion in the FAC, yes.

Q. And then do you agree that there is a premium on LLPS rates specific to energy charges?

A. No, I don't agree with that.

MR. PRINGLE: One moment, Mr. Ives. Thank you for your time today. I have no further questions, Judge.

THE COURT: Any commission questions?

MR. KOLKMEYER: Yes, Judge. Commissioner Kolkmeyer here.

THE COURT: Go ahead, Commissioner, Kolkmeyer.

MR. KOLKMEYER: Good afternoon, Mr. Ives.

MR. IVES: Good afternoon, Commissioner.

MR. KOLKMEYER: Talking about the ESAs with the large load customers. Where does curtailment fit into this? Is curtailment done off of only availability of the energy or does the price sooner or later come in and start demanding curtailment?

MR. IVES: Yeah, it's a good question. There's not a specific price curtailment. There, there is language in the ESAs that addresses curtailment consistent with kind of traditional SPP criteria. So as you start to get into some of the more extreme SPP -- they call them EEA events -- then there are some opportunities to curtail, and I believe there's some limited language in there that allows for local system reliability curtailment at that Evergy's discretion if we were to have, you know, risk at, at the local level.

MR. KOLKMEYER: Where do some of these new large load customers fit in curtailment with, say an

automobile assembly plant? Who comes first? Who gets curtailed first?

MR. IVES: Yeah, I would say generally they're treated like all customers on the system where they are in the same curtailment considerations based upon kind of the level of risk or exposure from SPP. I think the one exception to that is there are some stated -- you know, stated capacity contract amounts that are in the ESA that we talked about earlier.

There's first a look to ensure that they are not operating above that stated capacity at the time of a curtailable event. The first step would be to make sure that they are back at their contract level. And then, the second step would look at them under the same SPP construct as an automobile manufacturer or anybody else at that stage.

MR. KOLKMEYER: Is that your understanding that most of these new large load customers have a one-to-one backup supply?

MR. IVES: I would say it's my understanding that a number of them do and a number of them have short-term capabilities with, with the backup supply. I mean, it might be stretching my engineering background because I know across the country there are different models and different approaches that, that large load customers

utilize for backup supply. But most of them have some capability. Although fair to say a number of our other customers, you know, have some level of short-term capability as well.

MR. KOLKMEYER: Do you see that more storm related versus energy supply related?

MR. IVES: Yeah, absolutely. There are actually some criteria in the ESAs that ensure that they don't, I'll say overutilize on-site capacity to supply themselves in non-emergency times. And the reason you would do that obviously is because we are -- we are building out a system to meet the needs of large loads based upon what they've signed up for in the ESA. And if all of a sudden they came through and they reduced their needs by 25 or 30 percent because they were using on-site gen, then we would have system resources that we built to meet their needs that they were circumventing with their own generation. So, we, we we write that pretty tightly in our agreements.

MR. KOLKMEYER: So you're going to hold them accountable for underutilization?

MR. IVES: Yes.

MR. KOLKMEYER: Thank you. No more questions. Thank you, Judge.

THE COURT: Thank you, Commissioner Kolkmeyer.

Any other Commission questions? Hearing none. Any cross-examination based on Commission questions from Google?

MR. SCHULTE: Sorry, I'm checking one thing, Judge.

THE COURT: Take your time.

MR. SCHULTE: Thank you for your patience. I don't have any further questions.

THE COURT: Thank you. Any cross based on commission questions from Velvet Tech?

MS. BELL: No, Your Honor.

THE COURT: MECG?

MR. LYSKOWSKI: No questions.

THE COURT: Renew Missouri?

MS. MERS: (No verbal response.)

THE COURT: That's a no. Public counsel?

MR. POSTON: Thank you. No.

THE COURT: Staff?

MR. PRINGLE: Thank you, Judge. No questions.

THE COURT: Any redirect from Evergy?

MR. STEINER: Just briefly.

REDIRECT EXAMINATION

BY MR. STEINER:

Q. Mr. Ives, do you remember speaking with counsel for OPC about discrete adjustments?

A. I do.

Q. In your experience with discrete adjustments in your role as executive and accountant for this company, is what Staff proposed in Exhibit B a discrete adjustment that you'd be familiar with?

A. My opinion, it would be different than what the limited number of, I would say discrete adjustments would be because it's got a projected load factor out there that, that is really just an estimate and using a, a pretty far forward capacity value without consideration of where the actual loads were at the time of the true-up.

Q. Do you recall speaking with Staff counsel about reporting requirements?

A. Yes, briefly.

Q. And would you just clarify for the commission that reporting requirements are not dealt with in the LLPS stipulation, and that's an issue that the commission has to decide when it is in the report and order in this case?

A. Yeah, that, that, that summarizes the discussion. Well -- I mean, we, we certainly took positions in the -- in the primary proceeding here around our view on reporting requirements and what, what we thought, you know, was appropriate for LLPS or, or what

maybe was beyond the need based on the LLPS tariff construct, and those positions all still hold and are, are in the record for the commission to consider along with Ms. Eubank's positions and others.

MR. STEINER: That's all I have. Thanks.

THE COURT: Thank you. You may step down.

MR. IVES: Thank you, Judge.

THE COURT: Evergy, do you have another witness you want to call?

MR. FISCHER: Yes, Judge, we do have another witness. It is 12:30, though. Would you like to take a break before we start that process?

THE COURT: Well, if we do that, I'm going to run that break until 2:00. So I'll leave it to the parties on that.

MR. FISCHER: We'll do whatever you'd like. Well (indiscernible) Brad Lutz to stand in if you'd like to go forward.

THE COURT: Why don't we go ahead and do that? Like I said, I think about, well, at exactly 12:45, I'm going to break, but I would like to get started because I have no idea how late this is going to go in the afternoon.

And Mr. Lutz, I'm going to swear you in again because this is a new proceeding. Do you solemnly swear

or affirm that the testimony you're about to give at this on the record is the truth?

MR. LUTZ: I do.

BRAD LUTZ,

of lawful age, being produced, sworn, and examined testified as follows:

THE COURT: Please be seated and state and spell your name for the court reporter.

MR. LUTZ: My name is Brad Lutz, B-R-A-D L-U-T-Z.

THE COURT: Go ahead, Evergy.

DIRECT EXAMINATION

BY MR. FISCHER:

Q. Mr. Lutz, are you the same Brad Lutz that appeared earlier in the rate case proceedings?

A. I am.

Q. Why does Evergy support the provision and the rate design stipulation that new rates should be implemented at the end of this case rather than waiting another year?

A. For a couple of reasons, actually. Number one is, we're prepared. We have the information available to us to exercise the rate designs. It's consistent with what we've done in the past. We've done this in a number of rate cases. Even I, I think five have occurred in

this December, January timeframe for Missouri Metro, at least in my experience. So we're ready to go. There, there's no reason for us to delay. The concerns around education are, are somewhat unfounded in my opinion, and I've spoken to that in my testimony.

Q. In your experience -- and you been here a long time, right? How long have you been doing these things for the industry or for Evergy?

A. Since about 2005.

Q. Have rates typically been implemented at the end of the cases without a delay for further study or education?

MR. PRINGLE: And quick, I guess, procedural for me, Judge. So we are going to be doing live testimony on the rate design stip because this is now the MECG and Evergy rate design stip. Just want to make sure everybody's going to be doing live testimony?

THE COURT: Yes.

MR. PRINGLE: Would you ask that question?

MR. FISCHER: Yeah.

BY MR. FISCHER:

Q. Have rates typically been implemented at the end of the case without any delay for further study or customer education?

A. Yes, sir.

Q. Did you hear counsel this morning suggest that there are -- and maybe earlier in the case, there are no applicable billing determinants to be used in this case?

A. Yes, I heard that.

Q. And I believe she said, unless there's a customer migration study?

A. Yes. I heard reference to a migration study.

Q. Do you agree with Staff witnesses that there are no sufficient billing determinants in this case to implement the new C&I rate design at the end of the case?

A. No, I do not agree with that presentation. We've got the billing determinants available through the direct testimony of Graham James. And further, we've taken steps through the course of the case and the interactions with Staff and others to prepare variations of those files and have data ready to go once we have an order from this case.

Q. Would you explain what billing determinants have been supplied by Evergy to Staff?

A. Yeah, at, at the most fundamental level we've given rate code level information about the customer's usage, their billed usage, and how that totals up into the revenues that they are producing. We further provided information about each and every one of our rate design proposals. So, so a party or someone could step

through the impacts of those collective proposals.

Later, we further worked with MECG to show a consolidated view of those to help alleviate some of their concerns that they spoke to in rebuttal to help them get comfortable that these determinants are appropriate.

Q. So did you update your billing determinants? Is that what you're saying?

A. In a sense, yes. I think in, in -- maybe it might be more accurate to say that we've aligned them with the positions that are in these cases and the different stipulations that are before the commission.

Q. Would you describe how you use the existing billing determinants to establish new rates if the commission orders a rate increase?

A. Certainly. The, the -- at least three of the stipulations require us to kind of harmonize our steps. And so we would start with our commitment to align with Staff and their determinants. Then we would move to the other stipulations and layer those in until we reach the conclusions that are collectively supported by those stipulations.

Q. Are there some adjustments that will need to be made to implement the new rate structure?

A. Certainly, it's, it's a mathematical exercise

and we would establish targets that would keep us on, on track throughout those steps, and ultimately would use a, a couple of specific classes for us to dial it in and get those dollars precise. But, yes.

Q. Well, you have to make some adjustments to what you have already.

A. Yes, and in working through that with MECG, we've collectively agreed that the small and medium classes would be the place where we would feather in those last adjustments to get everything precise.

Q. Are the adjustments the type of adjustments that would happen in other rate cases?

A. Yes, sir.

Q. Do you believe that the billing determinants are currently sufficient to implement the new C&I rate design at the end of the --

MR. PRINGLE: Objection. Leading.

BY MR. FISCHER:

Q. Tell me how you feel about the billing determinants and your ability to implement the rate increase.

A. I was personally satisfied and comfortable with what we had and was further made so through the agreement of MECG as customers who ultimately pay these bills. I feel that they would have the utmost concern to make sure

that those determinants were right. So that reinforced my pre-existing satisfaction.

Q. Do you continue to support the provisions and the stipulations that Evergy has entered into on rate design?

A. I do.

Q. I believe there was a question from the bench about the -- whether Evergy did a class cost-of-service study?

A. Correct. I recall that.

Q. Would you describe what Evergy did regarding class cost of service studies in this case?

A. Certainly. Much of that was reflected in the testimony of Graham Janes, but consistent with all of our rate case filings, but for a few in the comprehensive energy plan days, we've always done studies, always have done class cost of service studies, which involve a full allocation and assignment of all costs to customers and through using the determinants and allocations that we've traditionally used.

Now certainly in this case, there's a lot going on. We've got the transitional nature for large load. We had a lot of rate design changes. So we did an original cost of service as existing, and then we moved everyone and we did it again on the end state that we've

proposed. So the party and the commission can see both and help judge how to apply those results.

Q. Did the results of that class cost-of-service study inform or be consistent with the LLPS recommendation in that stipulation on how revenues should be allocated among the classes?

A. Yes. Now, we did not reflect the 60 million that actually ended up, but we had one of our earlier numbers that was in direct, that was utilized in the cost of service. But, mechanically it would be consistent.

Q. Well, I guess let me simplify it. Does it support how Evergy and Google's stipulation shifts the cost among the classes?

MR. PRINGLE: Objection. This is kind of beyond the scope of the C&I stipulation agreement and Mr. Lutz was not --

THE COURT: I actually agree. We're getting out into the weeds a little bit. I've let stuff go by where you say, does this support the stipulation? But we are getting away from that.

MR. FISCHER: Maybe I should rephrase it because I think we had questions.

THE COURT: You can rephrase it so that it incorporates the stipulation. Yeah.

BY MR. FISCHER:

Q. Does the stipulation suggest a specific allocation of revenues among the customer classes?

A. It does.

Q. And is that consistent at least in direction with your class cost of service studies?

A. Yes.

Q. And are those class cost-of-service study results contained in the company's testimony in this case?

A. They are.

Q. Please explain why you believe that the revenue allocation recommendation -- I'll withdraw it. I think you've already answered it.

MR. FISCHER: I think that's all I have, Judge. Thank you.

THE COURT: Thank you. Any cross-examination from Google?

MR. SCHULTE: No. Thank you, Judge.

THE COURT: Any cross-examination from Velvet Tech?

MS. BELL: No, Your Honor.

THE COURT: MECG?

MR. LYSKOWSKI: No, Your Honor.

THE COURT: Renew?

MS. MERS: (No verbal response.)

THE COURT: No. Public counsel?

MR. POSTON: Thank you. No.

THE COURT: Staff?

MR. PRINGLE: No questions. Thank you, Judge.

THE COURT: Any commission questions? Chair Hahn, go ahead.

CHAIR HAHN: Good afternoon. I'll try to speed this along.

MR. LUTZ: All good.

CHAIR HAHN: In your estimation, what do you think would be the outcome of a customer migration study or a billing determinant study? I'm trying to discern the cost and benefits of such studies.

MR. LUTZ: Well, in some regards, I would offer that those exist now. We've done the migration studies. We've done those elements and included them in our direct. I perceive the issue as I've read testimony is that Staff does not agree with the mechanisms that we've used, not that there's no study.

I think depending on how Staff might get comfortable with what, what is needed, if we just refine the studies that are there, that could be something that's done quicker, but if we have to do something wholly new, which I think is what's been insinuated, it

could take the time that's been indicated by Staff. I'll say I'm not supportive of it. I think that we do have what we need at hand.

CHAIR HAHN: In your experience, have you ever seen such a study occur at any point in time in any case?

MR. LUTZ: I have not.

CHAIR HAHN: In your other experience, where there hasn't been a new class cost of service, how are costs generally allocated amongst the classes?

MR. LUTZ: Yeah, it, it, it's kind of a multi-step process for sure, and in my opinion, the cost-of-service study is an indicator. It's a guide for the commission to use in setting just and reasonable rates. I think I can say this confidently that we do not have perfect alignment with cost of service studies in any variation of studies that I've seen. There's always been some commission discretion that would lead you one way or another on a price that was ultimately ordered.

So, similar in this case, we have the information available through the cost of service studies to give you information to make a judgment. Then, weighing other factors from other witnesses, the conditions that you see, you can establish the rates that are just and reasonable using that as an input to what you're doing.

MR. PRINGLE: Judge, I'm going to object to that as a non-responsive and ask it to be stricken. My recollection is the question is, "What has the commission typically done when there is no class cost-of-service study?"

THE COURT: And why do you say that's non-responsive?

MR. JABRA: I don't believe he's answered that question. He's talked about class cost-of-service studies and when they've been used, but I don't think he's answered what the commission typically has done whenever there isn't one.

THE COURT: Do you know the answer to that question?

MR. LUTZ: Certainly. I didn't recall that being the question. I apologize if, if that's how it was asked. If there are no --

THE COURT: Hold on two seconds. I'm going to overrule the motion to strike. And you may continue, but you do need to answer the question.

MR. LUTZ: Okay, we'll do. Apologize for misunderstanding the question if I did. It was not my intent. There have been a couple of cases where there have not been a class cost of service available in that filing. The one I recall is in the comprehensive energy

plan days back around 2010 or so. There was an agreement under the comprehensive energy plan not to do an additional study and incur those costs.

So in that case, the commission just doesn't have that input and then just can rely on the original rates or information available to them in that proceeding. It's just an additional input. It's not absolutely required. But it is informative.

CHAIR HAHN: I appreciate that. One other question regarding the percent increases to different customer classes. One of Staff's objections is that it's lower for the LPS class than the other classes. Can you speak to that?

MR. LUTZ: Certainly. And, and can appreciate the optics of it. But for where I'm at at this moment and what I mean that is this is a transitional case where we do not have a customer present in the test year to inform rate making. So, for me, I've rolled back to where we were in the EO docket, the LLPS rate plan, and we designed that rate. We derived it from the LPS rate. We linked them together.

And so I'm upholding to that context here. If LPS goes up or down, I want LLPS to follow until we have a customer available to inform any other behavior that might be different.

CHAIR HAHN: Did you do -- I'm assuming you did a lot of math to figure out what the percent or what the dollars would be associated with the revenue requirement, and that still matches generally the MECG agreement amount?

MR. LUTZ: Yes. Well, by using the percentages, it allows us to flow with the dollar amount. So, as the commission settles on a final revenue number, the percentages would allow us to track. So absolutely.

CHAIR HAHN: And in the next case, we would know for sure what the revenue requirement and billing determinants for the large load customers are, and in theory, we could adjust accordingly.

MR. LUTZ: Yeah, especially for Metro. You know, I want to make sure that we're clear there. For Metro, in the next filing, we will have large load customers present. We will have costs. We'll have all of those elements can bring forward the studies that you would need around cost of service and the determinants to do rate making. So absolutely.

CHAIR HAHN: Thank you, Mr. Lutz.

THE COURT: Any other Commission questions? Okay. We're going to break now. It is 12:44. I will come back for questions based on Commission questions and redirect. So we come back and we will start up again at

2 o'clock.

TOGETHER: Thank you, Judge.

THE COURT: And let's go off the record.

(Off the record.)

THE COURT: Hope you all had a good lunch break. When we left off, we were doing cross based upon Commission questions. Any cross based on Commission questions from Google?

MR. SCHULTE: No. Thank you, Judge.

THE COURT: Velvet Tech?

MS. BELL: No, Your Honor.

THE COURT: MECG?

MR. LYSKOWSKI: No questions.

THE COURT: Renew?

MS. MERS: (No verbal response.)

THE COURT: That's a no.

THE COURT: Public counsel?

MR. POSTON: Thank you. No.

THE COURT: Staff of the commission?

MS. JOHNSON: Just briefly, Judge.

THE COURT: Go right ahead.

MS. JOHNSON: Thank you.

CROSS-EXAMINATION

BY MS. JOHNSON:

Q. Good afternoon, Mr. Lutz.

A. Good afternoon.

Q. So I want to try to walk through kind of what we know and what we don't know at this point in time.

A. Okay.

Q. So are you familiar with the commission's ability or maybe even duty to consider all known and measurable information in setting just and reasonable rates?

A. And just as a general obligation?

Q. Yes.

A. Sure. I can admit to that, yeah.

Q. So at this point in time, were you in the room earlier when Commissioner Kolkmeyer was asking Mr. Ives about the ESAs and were you here whenever the commissioners were talking about ESAs?

A. I was.

Q. Okay. So in these service agreements, what kind of figures -- and I'm going to be very careful here to dance around these figures without saying them because they are highly confidential -- so what kind of figures at like what incremental point in time are included in the ESAs?

A. With respect to all terms or are you focused on some specific aspect?

Q. Sure, you're right. Thank you for that. So

how about the, the load?

A. Correct. The -- as the large load rate plan filing would have disclosed, the intent was to have a customer capacity section and exhibit that detailed that customer's expected loads for the term of that ESA.

Q. And those would include loads for a ramp up period, and a scaling period and also for, let's say full or maybe even expanded operation timeframe, right?

A. Yes. And again with the overlapping provisions of the LLPS tariff itself for changes to that capacity, should there be a need to adjust that over time.

Q. So if we know that a load is going to increase significantly, what would pose a greater risk? Would it be a greater risk to rate payers across all classes to use the information on load to set just and reasonable rates? Or would it be less risky to ignore the information and move forward with let's say true-up information?

MR. FISCHER: Your Honor, I think I'll object it. There hasn't been a tie to any of the stipulations that we're considering on the record. It sounds like it's more cross. It should have happened when they had the opportunity in the, the evidentiary hearing.

THE COURT: No, I believe she was asking about particular parts of this would be impacted. Is that

correct?

MS. JOHNSON: Yes. I said --

THE COURT: You said timing requirements. Timing requirements for what?

MS. JOHNSON: It's specifically about the ESAs and what information is known to the commission. So there's --

THE COURT: How does it relate to the stipulation?

MS. JOHNSON: The stipulations are largely ignoring the information that is available even though it should be considered and is widely known. It's one of Staff's main concerns with the stipulations and it's listed in part of our objection.

MR. FISCHER: Your Honor, I also suggest that this is the inappropriate witness to ask that kind of a question. Darrin Ives would have been the one to ask that to.

THE COURT: Well, if he knows the answer, I'm going to let him answer.

MR. FISCHER: Sure. Sure.

THE COURT: And if it is in fact in your opposition, yeah, I'm going to let you pursue that line of question.

MR. LUTZ: So, conceptually what you've

described is, in some respects not unlike any rate proceeding that we're in. There's always some kind of future event that is maybe even likely. Even with smaller customers that maybe we would have dealt with prior to large load. So I'm not -- I'm answering in that respect that it's in some ways no different than any other rate proceeding where we've had a true-up period and we know things are going to change in the future.

But what I would say is the earnings-sharing mechanism that's part of the stipulation provides a backstop of sorts to help alleviate some of those concerns, but in many respects I would have -- I would have greater concerns to reach out forward like you're saying because I'm not sure where to stop.

I mean it seems simple for large load to reach out and grab that piece, but what about an auto manufacturer? We talked about earlier today if something is coming in their world that could change it. Do we look ahead for that? What do we do about costs? You know, that are also out there in the future. It just starts to become more complicated when you move away from the normal conventions that we've observed in the past.

BY MS. JOHNSON:

Q. Understood. Thank you for that. Do you have the same input whenever it's for known costs that are to

the company's benefit like fuel contracts or labor contracts that we would not reach out, there's more of a risk in doing that?

MR. FISCHER: Your Honor, I'm just going to make another objection. I think we're really relitigating the large load issue, which has been done in the evidentiary hearing. And she can ask about the large load stipulation, but these are not going to that at all.

THE COURT: Staff response?

MS. JOHNSON: All of the contracts and the loads that are in the contracts are going to impact these stipulations. The terms of the stip as put forward and objected to by Staff will all be forced to use these contracts and the numbers that are included. I'm merely trying to point out that there's a disparity in how those things are treated and the stipulation is no exception to that, whether it's to the benefit of the company or not.

THE COURT: I'm going to overrule the objection. Go ahead.

MR. LUTZ: So unfortunately I don't know that I could answer this question. I, I'll admit that I don't profess to have strong knowledge of all aspects of the fuel clause and the fuel elements. Something more around rates and rate design I could be helpful.

BY MS. JOHNSON:

Q. You expressed familiarity with the ESAs that Commissioner Kolkmeyer had asked Mr. Ives about earlier and I apologize for not asking Mr. Ives if that is something that the commission would like. I'm happy to do the same line of questioning if they'd like to recall him. So the (indiscernible) are you aware that at the day after true-up cutoff, the load of the large load customers discussed at least one of them in this case increased dramatically?

MR. FISCHER: Judge, again, how does that relate to our stipulation?

THE COURT: I'm just curious. Why are we going to facts, not in evidence?

MS. JOHNSON: Apologies. I believe that during this live testimony, we can absolutely add facts that are not in evidence if they are related to the information that is being put in, in the stipulations and the objections to the stipulations. So this is additional evidence that is absolutely related to those things.

THE COURT: Where are you going with this increase in load question?

MS. JOHNSON: I'm going to what the commission has the ability to know, and how the company thinks that it's appropriate to reach out into the future whenever it

benefits them, like known cost of fuel, and they do not reach out whenever it is not a benefit to them or the parties they've entered agreements with.

THE COURT: Hold on just a second. I had a thought and then lost it.

MR. FISCHER: Then I would suggest that she's assuming facts not in evidence.

THE COURT: Hold on. I remember the question asked. What do you mean when you say what the commission has the ability to know? That's a very broad statement that can apply to acquisition from a variety of sources.

MS. JOHNSON: Sure. So it's my understanding that the commission has the ability whenever they are setting rates, to take into account everything that is presented here and other things that are within their knowledge.

So at this point the ESAs have been presented. They are in multiple dockets and have been discussed across the board. There is an order for one of the utilities to provide them when they're entered into, and there have been a lot of insinuations that it would also be Staff's preference that they be required to be provided here. These documents are binding contracts much like fuel and labor that show what a capacity would or could be.

And I would go further to argue that we have -- the commission has known and measurable information that has already been provided in the 3.190 data across the board about what these large load customers are going to look like, and it should be taken into account when setting these rates.

THE COURT: Wasn't there a question around the section when Kolkmeyer was discussing this where they said if the commission ordered them to provide the contracts they would be subject to certain confidentiality requirements?

MS. JOHNSON: Yes --

THE COURT: Are we just going over the same territory again?

MS. JOHNSON: It's not the same territory. I think that those contracts and the discussion about them have been limited to the true-up period, and I think that the commission would be particularly interested in the day immediately after true-up cutoff.

MR. SCHULTE: Judge, Google has a pending objection to the data that Staff attempted to enter into the evidence during their live supplemental direct related --

THE COURT: Are you talking about A and B?

MR. SCHULTE: Yes. B in particular. And there

was some discussion on where the information in the third box on Attachment B was coming from and it was this 3.190 rule that counsel for Staff referenced that was a post pre-filed-testimony, post true-up-period information that I think Staff received in September. And so that was the basis of our objection and we seem to be going back into that territory now.

MS. JOHNSON: May I offer a brief response, Your Honor?

THE COURT: Yeah, give me just a second. And, and you're essentially talking about the commission's duty to analyze in setting rates all relevant factors.

MS. JOHNSON: Yes, I do believe it's a pretty broad discretion.

THE COURT: I'm going to let you continue with this line of questioning for a little while, but I want you to try and tie it to the stip.

MS. JOHNSON: Sure.

MR. LUTZ: If there's a question, would you restate it please?

BY MS. JOHNSON:

Q. Yeah, absolutely. I'm trying to recall what it was. My question was about the information that we would be, in your words, reaching out into the future to include in setting rates in a particular case like this

one, and the difference between your suggested treatment of the ESA contracts and the large load values that are included in those contracts and how that is different and should not be included per your thought or the greater risk was included with that as opposed to the known costs that are to the company's benefit like fuel contracts or labor contracts that reach out into the future and are included in a rate case.

THE COURT: Can you shorten that just a bit?

MS. JOHNSON: Sure.

THE COURT: Thank you.

MS. JOHNSON: Yeah, absolutely.

BY MS. JOHNSON:

Q. Is it only whenever reaching out into the future is that the company's benefit that it is appropriate to do so?

A. I, I hope not. You know, I'm answering on behalf of the company, but my, my reach tends to be a rate design cost of service person. But it's my understanding that we are seeking balance between any kind of forward look that all factors are considered so that the commission can make the best judgment.

I know Mr. Ives made a comment that if we're going to fundamentally change the historic process that

maybe we need to seek something else -- formula rates or forward test years or other mechanisms that are better designed to respond in that situation. But it, it would be my intent to seek balance between costs, revenues, in any respect.

Q. And so as Mr. Ives suggested that we would maybe need to look at more forward-looking approaches to rate design. Does the solution in the meantime result in the company suggesting that the commission ignore known and measurable quantities like the large increased load of these entities that is contracted for?

MS. HANSEN: Judge, I would just object because the question mischaracterized prior testimony.

MS. JOHNSON: This was testified to --

THE COURT: How did it mischaracterize it, please?

MS. HANSEN: The summary of Mr. Ives's testimony is not accurate at the beginning of the question.

THE COURT: What was inaccurate about it?

MR. HANSEN: That she suggested that Mr. Ives testified that the commission should be forward-looking in future ratemaking processes, and he just simply discussed possible alternatives to the current ratemaking regime.

THE COURT: You didn't endorse anything.

MR. HANSEN: That's right, sir.

MS. JOHNSON: Apologies. I can rephrase.

THE COURT: Please.

BY MS. JOHNSON:

Q. Mr. Ives suggested it is a possibility for the commission to move to a more forward-looking idea of ratemaking. What happens and who bears the risk if we ignore those things between now and then?

A. It's my opinion that the earnings-sharing mechanism continues to provide a backstop for any kind of concerns. Then on top of that, I think historically the commission and any party would -- is it called a show cause maybe order? I'm trying to remember the word for it. I defer to legal on it. But there are ways to compel us to come in if there's some concern of overearning.

I think there's mechanisms in place today that would allow us to proceed until some other mechanism might be derived. But I don't see a immediate burden or risk to our situation.

Q. Is there a clawback provision that would allow them to come back out of rate base if they are spread across rate base now?

A. What is in rate base?

Q. The costs of these large loads. All costs that are brought in and spread across rate base. Is there a clawback provision to take --

MR. FISCHER: Your Honor, I think we're venturing beyond any questions that were asked from the bench or from other counsel.

MS. JOHNSON: I'll withdraw that question, Judge. Thank you.

BY MS. JOHNSON:

Q. I have one more kind of unrelated and about DRs and non-case submissions. Earlier, Google's counsel mentioned the 3.190 data that Ms. Lange had testified about and their standing objection to it --

A. Yes.

MR. FISCHER: Yeah, there's another objection coming too. It's way beyond.

THE COURT: Why don't you hold your objection until she finishes the question?

MR. FISCHER: I apologize.

THE COURT: Go ahead, Ms. Johnson.

BY MS. JOHNSON:

Q. My question is specifically about the timing. So, do you recall that testimony, specifically that Staff didn't have the information until September?

A. I recall that testimony.

Q. Are you familiar with when the company gets that information?

A. Referring to the 3.190 data?

Q. Mm-hmm.

A. Yeah, it's, I believe, like a 30-day lag maybe between when it occurs and when it's submitted to the commission, I believe.

Q. So it would be your testimony that the company doesn't have almost live knowledge of that information? Like (indiscernible) incremental load information.

A. For what, what-- let me ask you first for what purpose? The data might exist in a system or a meter or someplace, but to imply that we have like a dashboard on our screen that lights up is probably not true. So, what context?

Q. I think that's plenty.

A. Okay.

Q. I don't think I need anything further.

A. Well the -- I mean, the 3.190 data is, in my opinion, not intended to be rate making data. So I mean the reliance on that is problematic in and of itself.

Q. For rate making?

A. Yes. And to inform rate making, even.

Q. So the commission should ignore that knowledge?

A. No. I think they should seek to clarify what

it says before they use it.

Q. Understood. Thank you for the clarification.

MS. JOHNSON: Your Honor, I have some information here that I'd like to approach with, and I am going to ask that it be admitted at the conclusion of this. It is a non-case submission, which has a non-case submission number. Is that something that you would prefer to take notice of its existence and availability in EFIS or would you prefer that I distribute and lay the foundation with Mr. Lutz?

MR. FISCHER: Judge, I don't think the commissioners have asked that question, anything related to that.

THE COURT: I understand, Mr. Fischer. One question at a time. I think the Commission could do either. I think it could take administrative notice of such a filing or it could take it into evidence with foundation. I, I think obviously it has got -- there's got to be an opportunity for objections as this comes up. So, I think what I'd prefer you to do is rather than focusing on how it's going to come in, if it's going to come in, is just approach him, give it to him, ask your questions, and then we'll deal with objections as they come.

MS. JOHNSON: Thank you for the direction,

Judge. I appreciate that permission to approach?

THE COURT: Please.

(Ms. Johnson approaches the bench)

MR. LUTZ: Thank you.

THE COURT: But again, I'll be interested to see how this relates to the stipulation.

MS. JOHNSON: Would you like me to address that now anticipating the objections from more than one party?

THE COURT: No, I'd just like to take the objections as they come. And I'll allow you to respond.

MS. JOHNSON: Thank you.

BY MS. JOHNSON:

Q. Mr. Lutz, we've talked about non-case submissions and that 3.190 data that is submitted. Do you recognize the document in front of you as a representation of that in EFIS?

A. I do recognize.

Q. And are you familiar with the information that's included in the 3.190 data?

A. Yes, Chapter 3.190 covers generation resource availability and incident reporting and such. And then, this data element is appended to that.

Q. And the reporting requirement for that, is that something that EMM does annually?

A. I believe this is monthly for this data.

Q. Correct. Thank you.

MS. JOHNSON: At this time, I would move to admit -- I think we are up to 177 -- no, 178, excuse me. I'm sorry, Judge. We might have to check the exhibit numbering, but I would move to admit the document provided the non-case submission of BE GR 2027-0117 into evidence as a Staff exhibit at this time.

THE COURT: Any objections?

MR. FISCHER: Yes, Your Honor. I would object on the grounds that this is not relevant to any stipulation that's being discussed on the record proceeding. I'd also object on the grounds that the commission has already struck from the record, from Ms. Lange's testimony, the paragraph that discussed this data, and now, she's just trying to put the raw data in underneath as a way to get around the fact that the commission has struck that data.

MS. JOHNSON: Your Honor, this is specifically different data than what was included and struck from Ms. Lange's testimony. Additionally, the conversation of the ESAs and the load of the large customers is an ongoing conversation. It is part of what the commissioners have asked about ongoing. It is a discussion that is impossible to take away from a stipulation that would have an impact on the literal rates that are set for

large load customers.

And we have a way to calculate those and know what they're going to be because we know what the contracts say their capacity will at least be. This data hitting against those contracts is absolutely what the commission should consider and it is highly related. I'm not sure how you separate them.

MR. SCHULTE: I, I object to counsel attempting to testifying regarding the data and I would join Evergy's objection to this information as exactly what was discussed and struck from Ms. Lange's conforming direct testimony at the top of page 7, which was specifically about data from a Rule 3.190 report that was after the testimony -- pre-filed testimony in this case, and beyond the test year, and with no opportunity for proper response in rebuttal pre-filed testimony.

MR. JABRA: Judge, if I may. It's administrative, not an objection. You have been, I believe, using new exhibit numbers for those proceedings?

THE COURT: That's correct. I wasn't going to use the one Staff had offered, but --

MR. JABRA: Yeah, I think it'd probably be Staff one.

THE COURT: That's correct. But we hadn't gotten that far yet.

MR. JABRA: I'm sorry then.

THE COURT: That's okay. Give me just a minute to look this over. Mr. Schulte, top of what page?

MR. SCHULTE: Page 7 of the conforming direct testimony of Sarah Lange.

THE COURT: Thank you. Ms. Johnson, would you explain to me how this is different? Because when we're looking at the testimony that was struck, we're discussing the first hour of July 1st, which is what you're discussing right now, which is what happens immediately after the true-up ended. So, how is this -- you said this is different data. Why is this different?

MS. JOHNSON: Apologies, Judge. I believe that Ms. Lange had used a one month prior and we were using one month after. Regardless of what month it is, I do believe that this meets the requirements of a business record and should be admitted regardless.

THE COURT: Why is this relevant to the stipulation? I'm not following. Is this relevant to the stipulation because you say the stipulation doesn't consider it?

MS. JOHNSON: It's relevant to the stipulation because if the stipulation were to be accepted and put into place. We have the ability to know what the loads are going to be at a certain point because of the ESAs.

And further than the ESAs, we have real, actual data that tells us what they are, and that is what they will be. So, the commission should be able to apply this information to the stipulation and understand what these rates will do.

THE COURT: Mr. Fischer (indiscernible) say something.

MR. FISCHER: You know, I forgot my objection, but it's clearly now what they're suggesting is that this is the data that Ms. Langey had used in her testimony. And it was struck from the record because we've gone beyond the test year. That's what the argument was, but the reason why it was struck from the record is it was inserted after the fact whenever they had the opportunity, and they pulled it out of a commission record months after the true-up period.

THE COURT: The majority of that is outside the true-up.

MS. JOHNSON: I think whenever there --

THE COURT: There were no discrete adjustments made for this?

MS. JOHNSON: I think that's the issue. The stipulation does not acknowledge this at all. And it is known. The discrete adjustment is just one mechanism, but whenever considering this information regardless of

whether Ms. Lange brought it up, regardless of what she wanted to use it for. I mean they're not including it for annualization purposes. This information needs to be included. I understand that it's outside the test year and we reach out all the time.

MR. SCHULTE: We would renew our objection and based on Staff counsel's explanation, the request that the commission rely on data that was not previously entered into the record during the pre-filed testimony phase of the proceeding. The fact that this data has not been provided with any context is, Mr. Lutz testified, was context is necessary for the data before the commission use it. The normal process of a rate case is to provide context for data and to enter this data at this very late stage in the proceeding with no opportunity to provide that context through other witnesses' testimony is very problematic and that is the basis for our objection.

THE COURT: We're going to take about a 15 minute recess while I sort this out.

(Off the record.)

THE COURT: I've had a chance to look this over briefly. When I struck Sarah Lange's testimony in regard to this, it was direct testimony, and it was struck essentially for two reasons. One reason is some of the

information there the commission did not like how that information was acquired. The other information I struck because it was not knowable when she filed her original direct or when she filed her conforming direct.

However, that's not the case with this. This is not direct testimony. I'm going to take administrative or official notice of what I'm going to call Staff's Exhibit 1, and that'll be admitted on to the record, and the parties are welcome to argue against the weight of that.

(Staff's Exhibit 1 was received into evidence.)

MR. SCHULTE: Judge Clark, I have concerns. I don't know how to find the original version of this document on EFIS. I don't think I have access to it. It's a non-case submission. I think only Staff has access to it. I don't even know what the --

THE COURT: Well, if it's going to be an exhibit, we're going to have to make it available to you, obviously.

MR. SCHULTE: Are we making the native version of the Excel file available?

THE COURT: Let's get into the weeds. Let's talk about that. What could be available to them without breaking rules?

MS. JOHNSON: We certainly could make it

available the entire Excel file.

THE COURT: Doesn it need to be kept confidential in any way, shape, or form, or should it?

MS. JOHNSON: I believe that that would be up to the company's discretion. It's their information.

MR. SCHULTE: It has to be highly confidential. It's customer specific data, I think. I don't even know if it's customer specific data. I don't think we've laid even the foundation on what these are.

THE COURT: Not lacking foundation if I'm taking administrative notice.

So, how do we get that to the other parties so that they have access to it, and yet it is highly confidential? Can that be filed with that designation in the case so parties may access it?

MS. JOHNSON: I'm concerned that the Excel file might be too large. So we have ways that we typically share during discovery. So I'm imagining that it will have to be one of those ways if it's not just available in EFIS to them. I'll have to talk with the data center team to see if access could be carved out for them.

THE COURT: Well, I'm taking it into evidence. I'm going to leave it to Staff to be sure that they get it, okay?

MS. JOHNSON: Understood. Thank you, Judge.

THE COURT: All right.

MR. SCHULTE: There are a dozen Excel files listed on this printout. What Excel files are we talking about taking administrative notice of?

THE COURT: I was taking administrative notice of the exhibit, the piece of paper that he's holding in his hand. Is that correct? I'm not going beyond that. Am I?

MS. JOHNSON: That's correct. Staff doesn't see a need to go beyond that, but if it is necessary, we can certainly provide the information that the company provides when they do the 3.190 reporting. All of this information, all of these files came from the company to EFIS, to the commission --

THE COURT: But the information you're talking about, the information you want to get in, the information you want me to take notice of, that's all on that piece of paper, right?

MS. JOHNSON: Yes.

THE COURT: Mr. Schulte, is there a reason that you would need something outside that piece of paper?

MR. SCHULTE: I can't even see the full columns at the top of the page, so I'm not sure how to interpret this piece of paper.

THE COURT: Can you make the paper and any

information necessary to interpret it available to the other parties?

MS. JOHNSON: Yes.

THE COURT: Mr. Schulte, that information will be made available to you, okay? Go ahead, Staff.

MS. JOHNSON: Thank you, Judge. I have no further questions for Mr. Lutz, but I do have a request for some clarification on related information and when would be the appropriate time for that.

THE COURT: Well, you can't throw that out just mysteriously expect me to know. You have to tell me what it is for me to decide what we can do with it.

MS. JOHNSON: Apologies. I was leaving space for you to allow Mr. Lutz to step down, if I am the last in the line of cross for him.

THE COURT: Well, there's redirect.

MS. JOHNSON: Okay, thank you. I can wait for my clarification until we're done with Mr. Lutz. Thank you.

THE COURT: You're done with your cross based upon commission questions?

MS. JOHNSON: Yes.

THE COURT: Any redirect from the company?

MR. FISCHER: Just a little bit, Your Honor.

REDIRECT EXAMINATION

BY MR. FISCHER:

Q. Mr. Lutz, do you recall the discussion about the 3.19 (sic) information?

A. I do.

Q. And are you generally familiar with the 3.19 information?

A. I am.

Q. I'm going to ask you another question. But if your answer needs to be in camera, will you tell us that?

A. I will.

Q. In its revenue adjustment in this case, do you think Staff has relied upon the peak demand information in this document appropriately?

A. I do not.

Q. Would you explain why?

A. Yes. So, first, to set the context for what this data represents under 3.190, if you roll back the clock (indiscernible), it was at one time the company just providing a jurisdictional sales amount that could be used to look at the generation. There was a rulemaking, and that was changed to be class-level data instead of jurisdictional. So, in executing this reporting the company basically just accumulates the kilowatt hour sales for each class and presents it on

this report.

And so as you look at the headings across the third page of the example, you will see the rates of the company. And so, if we start in the middle, there's one LGAE secondary, for example, and this will -- these numbers represent the accumulated kilowatt hours for all the customers under that rate. What is happening is that on the far right, there's only one customer present in that column.

THE COURT: Can you hold on just a second?

MR. LUTZ: Yeah.

THE COURT: Can I get a copy of the exhibits?

MS. JOHNSON: Yeah.

MR. LUTZ: And I think this is the point where I'll need to go in camera for a moment if I may?

THE COURT: Just go in camera. Please. Thank you. I'm not taking your only copies.

[redacted]

LEXITAS

[redacted]

[redacted]

[redacted]

[redacted]

[redacted] [redacted]

[redacted] [redacted]

LEXITAS

[redacted]

LEXITAS™

[redacted]

THE COURT: Yeah, hold on. I was trying to think if I have some questions, but I think I can do mine without staying in camera. Go ahead. (Indiscernible) come out of camera.

BY MR. FISCHER:

Q. Did the Staff contact you about the possible use of this data in the rate case?

A. No.

Q. Is it anywhere in the discovery in the rate case?

A. No.

Q. It wasn't -- no, I'll leave it at that.

MR. FISCHER: That's all I have, Judge.

THE COURT: Thank you. I just have a couple of questions. Now, you said it was not useful for certain calculations. Is it useful for just -- I think what Staff was putting forward was more of a higher-lower thing. Is it useful for that? I mean if you just want to tell more consumption, less consumption?

MR. LUTZ: Sure. I mean it could be directionally correct.

THE COURT: Isn't part of the reason for the whole sharing mechanism the idea that you don't know exactly what's going to happen with revenues. You don't

LEXITAS

know, and so you're trying to deal with what if we're wrong?

MR. LUTZ: I believe that's fair. I mean I've used the phrase "backstop" a couple of times and, and I'll stand by that phrasing that, you know, in some respects we, we have -- we have to allow things to happen in some respects, and, and this will keep us from going too far.

THE COURT: And I apologize. I didn't mean to cut you off.

MR. LUTZ: No, you're good.

THE COURT: But I am right at the end of the day. The need for this is wholly created by uncertainty, correct?

MR. LUTZ: I believe that's fair.

THE COURT: Thank you. Any cross based upon my questions? Google?

MR. SCHULTE: No questions. Thank you.

THE COURT: Velvet?

MS. BELL: No, Your Honor. Thank you.

THE COURT: MECG?

MR. LYSKOWSKI: No questions.

THE COURT: Renew?

MS. MERS: No questions.

THE COURT: Public Counsel?

MR. POSTON: Thank you. No.

THE COURT: Commission Staff?

MS. JOHNSON: Yeah, I would just like to clarify one thing, Judge. Thank you.

RE-CROSS EXAMINATION

BY MS. JOHNSON:

Q. Mr. Lutz, the uncertainty in the 3.190 data and the uncertainty about future loads, do you feel that the ESAs are uncertain?

A. I would certainly repeat my testimony from earlier, and my answer to you earlier that they're subject to change. I can definitely tell you that with certainty, that there are provisions within the large load tariff itself that allow all of those numbers to be revised. So maybe at its core, I would say that, that could be equated with uncertainty.

Q. And do you have anything you can point to that would indicate a trend for these particular customers, for Customer A, of anything other than an escalation?

MR. FISCHER: Your Honor, I don't think I heard anything from the bench along this line. I'll object on that ground.

MS. JOHNSON: Judge, you asked about up or down.

THE COURT: No, I agree. Overruled.

MR. LUTZ: So I'll point you back to this exhibit and, and maybe not calling out any numbers but if you would just look at the series of numbers across this two-day period, you'll see a variation that's down from looking at it correctly. So -- I mean, just based on the data that I have in hand, this would say the loads could go down.

BY MS. JOHNSON:

Q. But this is the data that's not reliable, right?

A. Well, for rate-making purposes, yeah, but I mean, I -- this is meter data, so it's indicative to myÂ -- to my comment back to the regulatory law judge that it is probably directionally fair but I think within any given time period you could see fluctuations. So, I think it's -- you have to be careful with how you use it.

Q. Sure. So, if you were to take the 3.190 data and get a monthly value from that, and it showed a significant trend upward as consistent with the numbers in the ESAs, would you say that that would be accurate?

A. If it were me, as a practitioner, I would go to the bills. I mean -- I think the bills are where the buck stops. That's where everything is aligned with revenues and purpose. The 3.190 is a rapid -- a monthly report, and so it's done out of efficiency to just get

data turned around. The billing is subject to much higher levels of control purpose. I would rely on billing if it were me to, to indicate any directional movement.

Q. And so, we don't necessarily have the bills in this record, certainly, right?

A. But they would be monthly, as is this data. So, I mean, they, they all else being equal, they'd be kind of the same.

Q. But you agree we don't have them yet?

A. For?

Q. In this record.

A. Correct, because the test year was the -- or the true-up period ended in June, where that customer was still under a minimum bill, I believe.

Q. So if the bills are the most reliable thing that you, as a practitioner, would go to, and you don't have those, should we do nothing with any of the other information that we have?

MR. FISCHER: I'll object on the grounds it's just very vague. Who are we talking about?

MR. LUTZ: I mean in, in the context of -- sorry.

MS. JOHNSON: I can withdraw the question. It's fine. Nothing further.

THE COURT: Any redirect based on my questions?

MR. FISCHER: Yes, just very briefly.

REDIRECT EXAMINATION

BY MR. FISCHER:

Q. The Judge asked you about the uncertainty of the world, I think, and also the sharing mechanism.

A. Yes.

Q. Was that taken into consideration by the company when it affirmatively came forward and said, "We're okay with doing a sharing mechanism if it's done appropriately"?

A. Yeah, that's my understanding, yes.

Q. And we have one already in place for Evergy in Kansas, correct?

A. Correct, yes.

Q. And that goes directly to the issues like that in Kansas?

A. Correct.

MR. FISCHER: That's all I have, Judge.

THE COURT: Thank you, Mr. Fischer. Evergy, do you have any other witnesses you'd like to call in service of the stipulation?

MR. FISCHER: Judge, I think I'd rather just suggest we do have other witnesses that are in the rate design area, that if you had some questions we'd be happy

to bring them up. Graham Janes particularly would be that witness, or if you have questions on any of the other stipulations that we haven't addressed, we're happy to bring up another witness, so. Otherwise, I don't have any witnesses.

THE COURT: And I can't think off the top of my head. Give me a few minutes. I'll reserve the right to call him.

MS. JOHNSON: Pardon me, Your Honor. If it would be helpful, Staff can offer a list of the witnesses they have available as well. I believe that the parties are in agreement, or were to waive cross but for commission questions. So, if the commission would like to know which witnesses Staff have available for the remainder of the stips and also for LLPS and rate design. Oh, sorry, maybe that's premature. We still have live testimony for rate design from Ms. Lange.

THE COURT: I may address it after that.

MS. JOHNSON: Thank you.

THE COURT: Who would be able to answer questions about customer programs for Evergy?

MR. FISCHER: I would guess that Mr. Ives would be our best witness. We can get the -- well, we could try to get another witness, but -- Oh, I'm sorry, Mr. Gunn. I forgot about Mr. Gunn. He is familiar with

those.

MR. LUTZ: If it happens to be batteries or solar, that could be me.

MR. FISCHER: Yeah.

THE COURT: Mr. Lutz, you can step down. Thank you.

MR. SCHULTE: Judge one thing. Is Exhibit Staff 1 confidential?

THE COURT: Yes.

MR. SCHULTE: We would request that it's highly confidential.

THE COURT: Granted. Highly confidential.

MR. SCHULTE: Thank you.

THE COURT: And so, Staff, when you file it, file it with that designation.

MS. JOHNSON: Will do.

THE COURT: I let you determine who would be the best witness for the fixed-charge discount?

MR. FISCHER: I would respectfully suggest that Mr. Gunn would be the right guy.

THE COURT: Mr. Gunn, would you take the stand, please? We're talking about programs. Go ahead.

DIRECT EXAMINATION

BY MS. JOHNSON:

Q. Afternoon!

A. Afternoon.

Q. So the fixed charge discount was not offered in the customer program stipulation. I understand the affordability workshop is still ongoing. It seems like that program has pretty good performance measures for other utilities. Talk me through Evergy's position on that program.

A. Well, we're, we're against it for -- I mean, first of all because of the cost, but also, secondly, what -- the eligibility. One of the things we were trying to do with the programs was expand eligibility for other customers. The eligibility for that would have stacked programs in LIHEAP, LIHEAP eligibility -- upon LIHEAP eligibility, so we thought the alternative would be to direct some of those dollars more towards the expansion of the other programs.

There's a band directly above kind of the LIHEAP eligibility of, of, of customers that aren't eligible for LIHEAP, but still could be a beneficiary of, of ERP and some of -- and some of the other programs. So, so as a trade-off to the customer charge, one -- other than -- and, and we can get more specific but there are other cost issues with that. I have not done the math on that, so I, I would have to get back to you, but, but the idea is that we would -- we would expand

eligibility of, of -- for example, the ERP program rather than do the customer waiver charge because we wanted to reach that kind of just above LIHEAP eligibility group of customers.

Q. Got it. And talk me through -- there's another program thinking of for a different regulated utility that helps pay off arrearages as the customer makes payments. I don't recall a similar program for Evergy.

A. The closest thing is probably the ERP, the Economic Recovery Program, whatever it is, is to help -- to help customers that, that get behind in their bills. And we've, we've added -- we've added money to that program in order to be able to help deal with some of the expanded potential eligibility of that program.

Q. Great. One question about the program, does it allow for arrearage forgiveness when you're making positive payments toward your bill, toward your arrearage?

A. Honestly, that would be a question for probably Katie McDonald (phonetic) but we can provide that information for you in our brief.

Q. Thank you. That'd be great.

A. Yeah, absolutely.

THE COURT: Any questions based upon commission questions? Google?

MR. SCHULTE: No questions. Thank you.

THE COURT: Velvet?

MS. BELL: No questions. Thanks.

THE COURT: MECG?

MR. LYSKOWSKI: No questions.

THE COURT: Public Counsel?

MR. POSTON: Thank you. No.

THE COURT: Staff?

MS. HANSEN: No. Thank you.

THE COURT: Evergy?

MR. FISCHER: Just briefly.

CROSS EXAMINATION

BY MR. FISCHER:

Q. Mr. Gunn, were you in the hearing room when we visited with Dr. Mark about the programs or not?

A. I think that may have been on the Wednesday that I was not in the hearing.

Q. I appreciate that. That might be right. Do you recall reading his testimony? I think he may have testified about that, that the program -- the customer charge waiver program would have a soft cap?

A. I'll take your word for it. I don't recall that specifically, but I'm sure that's in the testimony.

Q. Well, if it's a -- let me just represent that that's what he said. Would it be important at whatever

if the commission did adopt a program like that then it would be specified and that would be revenue requirement money added so that you could fund that program?

MR. SCHULTE: Judge, I'm going to object. It's going beyond the scope of the chair's questions?

MR. FISCHER: I thought she asked about the program, Judge.

THE COURT: Hold on. Sorry I'm thinking back through the questions. Overruled.

MR. GUNN: Can I ask? Are you talking about the customer waiver charge?

THE COURT: Yes.

MR. GUNN: Yeah, absolutely, that would be part of the -- those would be -- those would be dollars that would be included in the -- in the waiver requirement. So, to have that number would be important.

BY MR. FISCHER:

Q. So are you familiar with his suggestion that perhaps it'd be $6 million, as a soft cap is what he said, I believe. Are you familiar at all with his testimony?

A. I, I believe that's correct.

Q. And it would be 50/50. He said it could be. I'll just represent to you that he suggested the record will verify it that it could be as much as $11.5 million

or $11 million.

A. I, I, I was not here, but I will -- I will -- I have no reason to dispute that.

Q. If the customers and shareholders split that equally, that would be how much money?

A. You're making me do math. There would be five and a half million dollars in addition to the approximately -- I think it's approximately $3 million. That's -- it's a total of $6 million for the other programs, so that would be an addition to those dollars out of the -- for the revenue requirement.

MR. FISCHER: That's all I have, judge.

THE COURT: Thank you. Mr. Gunn, you can step down.

MR. GUNN: Thanks.

THE COURT: You said you have no more witnesses at this time unless we have questions.

MR. FISCHER: Yes, Your Honor.

THE COURT: Thank you. Staff?

MS. JOHNSON: At this point in time, I believe, Staff would call Sarah Lange, and we would need to do a little bit of attorney shuffling if you don't mind.

THE COURT: Go right ahead.

(Ms. Johnson moves from the bench).

THE COURT: Ms. Lange, would you raise your

right hand to be sworn. Do you solemnly swear or affirm that the testimony you're about to give at this on the record is the truth?

MS. LANGE: Yes.

SARAH LANGE,

of lawful age, being produced, sworn, and examined testified as follows:

THE COURT: Please be seated. And state and spell your name for the court reporter?

MS. LANGE: Sarah Lange, S-A-R-A-H L-A-N-G-E.

THE COURT: Thank you. Go ahead, Staff.

DIRECT EXAMINATION

BY MS. HANSEN:

Q. Ms. Lange, by whom are you employed and in what capacity?

A. I'm an economist in the tariff and rate design department of the industry analysis division of the Staff of the Missouri Public Service Commission.

Q. Are you the same Sarah Lange who adopted Marina Gonzalez rebuttal testimony and surrebuttal in this case, marked as Exhibits 133 and 153, respectively?

A. Yes.

Q. Have you familiarized yourself with these testimonies?

A. Yes.

Q. Is the information in these testimonies true and accurate to your knowledge and belief?

A. Yes.

Q. And I believe I may have missed a question. Do you have any changes or corrections to this testimony?

A. Not that I'm aware of at this time.

MS. HANSEN: Judge Clark, I offer Marina Gonzalez rebuttal testimony Exhibit 133, public version and surrebuttal testimony; Exhibit 153, public and confidential versions and tender. And I do have a couple of direct questions for her as well.

BY MS. HANSEN:

Q. Ms. Lange, did --

THE COURT: Hold on, hold on. you're wanting to admit this testimony on the record or for the evidentiary hearing? How are we doing this?

MS. HANSEN: It was my understanding that this was the live testimony. So, if you would prefer, I can offer it when we do our cleanup.

THE COURT: Yeah, why don't we do that with cleanup and go ahead and ask your questions.

MS. HANSEN: Apologies.

THE COURT: No, thank you. I'm glad it came to my attention.

BY MS. HANSEN:

Q. Ms. Lange, did EMM request interclass revenue responsibility shifts in direct testimony?

A. They did not. The stipulation -- the, the position statement of Metro and MECG in this case concerning rate design is a change for Metro's direct position, which was for an equal percentage increase among the classes.

Q. Did the fact that EMM did not request revenue shifts impact Staff's decision not to do a CCOS study in direct?

A. It did. A CCOS study -- it, it takes a lot of time and effort to do a good CCOS study and a lot of good data. It's, it's easy to do a bad study and it's hard to do a meaningful study is the easy way of saying it. And when the utility is not requesting changes in class responsibilities, that, in addition to the reasons that I discussed in my direct testimony and in the Staff CCOS report, are among the reasons that Staff didn't put that time and effort into a CCOS study in this case.

Q. Can you discuss the rate restructuring and how it relates to the class cost-of-service and billing determinants?

A. Yes. Unfortunately, this gets really complicated really quickly. So it is very unusual to

have a case where a utility restructures its rates. And what I mean by that is what Metro requested in this case is going to result in customers who were SGS customers becoming MGS customers, customers who are MGS customers becoming SGS customers, customers who are MGS customers becoming LGS customers, customers who are LGS customers becoming MGS customers, customers who are LGS customers becoming LPS customers, and, and LPS customers becoming LGS customers.

So, in addition to those movements among the classes, Evergy has also requested changes in the demands used to bill those customers, and has introduced changes in how energy is billed among those customers.

And so while we've got in one of the stipulations, an agreement between Evergy and the Staff, to what revenues are produced by current customers and current classes at current rates, there is no useful information in this record about where customers are going to move to, and what their demands will be for purposes of calculating demand charges for each of those nonresidential classes, nor do we have the information about once those customers move, what hours their energy usage falls in that is necessary for calculating the time related components of the rates that Evergy has requested and that are agreed to in the stipulation -- I'm sorry,

in the position statement between Metro and MECG.

So it's a convoluted answer, I know, but all of these things are so intertwined. We couldn't do a CCOS in the beginning of the case because we knew these customers would be moving. We recommended when we filed the report -- we asked DRs before we filed the report where these customers moving and give us this information, not based on assumptions -- not based on some assumption that in general on-peak demand is 1.1 percent higher whatever Mr. Graham testified -- Mr. Graham Janes testified to, but actual information that we would need to do a study and actual -- to do a CCOS study, and then when we didn't get that in time, the actual information that we would need to calculate appropriate rates at the conclusion of this case. Those are really important things; is the calculation of accurate rates at the conclusion of the case.

Q. Is Staff recommending that EMM rates not be raised until next fall?

A. No. And, and respectfully, I think this was a little bit confused during the openings or the commission questions during the openings. Staff's recommendation is -- it's, it's -- there's -- there's multiple reasons for this. Our literal recommendation is take the existing classes, the existing rate structures for non-

residential, non-LLPS customers, and increase them by the percentage increase at the end of this case. Every rate that's currently on the tariff books, you would multiply it by if it's a 5 percent increase, the new rate starting January 2nd would be 105 percent of that current rate.

Then, do the work to calculate the determinants, hopefully Evergy has started that work. There's no reason they shouldn't have started that work. But whenever those rate tariffs are done, which hopefully would be by January 2nd, may or may not be, but you would indicate that those new restructured rate tariffs would take effect sometime later.

We don't want to introduce a rate structure change, especially one this substantial and this reliant on on-peak demand. We don't want to introduce that in a January, in a February, in a July or a June or an August. We want to do that in a shoulder month.

Ideally we let the customers know ahead of time that this change is coming, but we definitely don't want to introduce a significant change in rate structure during a peak month, but we are not saying that Evergy doesn't get a rate increase until we get that opportunity to introduce those revised rates -- restructured rates, I should say.

Q. Does Staff consider LMP as the energy price for

all load in all classes?

A. We do. When we are able to do a class cost-of-service study, that is what we use, is we price out the, the cost to serve load at the -- at the normalized LMPs, which are different whether it's load versus generation. But we, we price those out at the existing -- the existing hourly loads, which again in this case are subject to change as that restructuring occurs, multiplied by the applicable load LMP.

And in fact we have that information that was included in my -- it was included either the class cost of service report or in the rebuttal report with regard to what classes like SGS, MGS and LGS -- what their average cost of energy is as the classes are currently constituted. So that, that is -- that is what it costs to serve load when you are a participant in a, a integrated energy marketplace such as Evergy Metro is, as you are purchasing all of the energy to serve your load back at whatever your load LMP is.

MS. HANSEN: Thank you very much. No further questions.

THE COURT: Thank you. Any cross-examination from public counsel?

MR. POSTON: Thank you. No.

THE COURT: Any cross-examination from Renew

Missouri?

MS. MERS: (No verbal response.)

THE COURT: That's a no. Velvet Tech?

MS. BELL: No questions.

THE COURT: Google?

CROSS EXAMINATION

BY MR. SCHULTE:

Q. Good afternoon, Ms. Lange.

A. Afternoon.

Q. You discussed the use of LMPs for purposes of a class cost-of-service study. Is that right?

A. That's what we do when we have the information and, and the ability with hourly loads to do class cost-of-service study, correct. That's been our practice since around 2014, 2015. I forget the exact year.

Q. And the purpose of a class cost-of-service study is to allocate the revenues that have been established through the cost of service process, right?

A. It's to establish the cost of service. The revenues are typically directly assigned to the class that those revenues were calculated for.

Q. I just want to clarify. So the use of the LMPs that you were talking about before, that was for a class cost-of-service study, right?

A. Staff, in cases where the data is available,

multiplies each class's hourly load by the applicable LMP and considers that the cost of service for energy for each class in that class cost-of-service study.

Q. Right. That's all within a class cost-of-service study? That application of LMPs.

A. So that's consistent with how Staff's fuel model has operated since at least 2014 with the use of the Plexos model, which is a dispatch to price model as, as Staff applies it. So in Staff's fuel modeling, the, the load generation --

Q. Sorry, I think you're going beyond my question. The use of LMPs that you were talking about. I'm just trying to determine whether that is a cost that is passed through to the customers or whether it is a tool that is used in a class cost-of-service study?

A. That's what I was answering. It is both of those things. So Staff's use of the LMPs within the class cost-of-service study is consistent with Staff's use of LMPs within its fuel and production cost modeling, which is also consistent with Metro and other utilities' use of LMPs within their fuel and production cost modeling.

Q. So is your testimony that the locational marginal prices are used to determine the cost of fuel and purchase power that is in the rate base that is

charged to customers?

A. So you just said, "rate base." I think you probably meant "cost of service." So with that clarification, the, the term that you used about fuel and purchase power, that's, that's only parts of what goes into, whether you're talking about the accumulated net energy cost or whether you're talking about the numbers that literally go into the revenue requirement. So there are -- there are three pieces.

There's the cost to serve load, which is the load for each hour times the LMP for each hour. There's the fuel, which is the, the fuel dispatched within a given --within a given party's production cost modeling. And there's the revenues received for that energy sold. So the net of those three things is sometimes referred to as net fuel and purchase power. It's sometimes referred to a lot of shorthands. But for a utility participating in an integrated energy market such as Evergy Metro, those are three separate values.

One of them changes with changes in load. The other two do not directly change with changes in load. The one that changes with changes in load is the cost of energy to serve load which is the hourly product of each hour's energy and each hour's LMP at the load LMP which is different than the generation LMPs, which is a

practice Staff has integrated into its fuel and production cost modeling since roughly 2018 or '19 or so when the utilities started using multiple locational marginal prices for generation versus load.

Q. I don't think you're answering my question to be honest with you. I'm just asking, does Staff use day-ahead wholesale cost of energy represented by the LMP to charge retail customers for the cost of fuel and purchased power?

A. Yes.

Q. So that is Staff takes the wholesale cost of energy at an LMP, and that is reflected in the customer's bills?

A. Along with every other cost of service and every other net revenue and every other input into a cost of service calculation as divided by billing determinants, correct.

MR. SCHULTE: I don't have any further questions.

THE COURT: MECG?

MR. LYSKOWSKI: No questions.

THE COURT: Evergy?

MR. FISCHER: Just briefly.

CROSS EXAMINATION

BY MR. FISCHER:

Q. Ms. Lange, has Staff encouraged Evergy in the last several cases to think about modernizing their rate structure?

A. Yes.

Q. And they've done that in this case. Does Staff object to the restructuring of the company's bright lines?

A. As we indicated in our direct testimony, we do not object to the Bright Lines that were selected by Evergy.

Q. And do you object to the company's energy time periods?

A. We, we did, because of where we are in the interest of the company having the ability to rapidly move forward with the necessary work to calculate rates in this case. We dropped that position in order to, to get the company to move forward and, and doing the customer migration and billing determinant study that's necessary to calculate rates.

So we, we definitely think the energy time periods could be better and that is detailed in my direct testimony -- sorry, in the class cost-of-service report.

Q. Do you object to the 15-minute on-peak demand

with the winter period starting at 7:00 a.m.?

A. We did not object to the 15-minute demand. Staff believes that a better time period would begin at 6:00 a.m., but in response to the change in position of Evergy moving that demand from demand window starting at 8:00 a.m., moving at 7:00 a.m., Staff dropped that objection in the interest of, of the utility proceeding with its billing determinants and customer migration study.

Q. Does Staff object to eliminating the all-electric rates?

A. This is a timing issue. So Staff does not support the end use rates. Staff has objected to the end-use rates for some time. However, Staff believes it would be appropriate to continue with those rates and the current rates until the restructured rates take effect.

So, so back to the questions that the chair had during Staff's opening. The, the position is get rid of the all-electric rates, but don't do it in a way that's going to catch customers flat-footed, especially during a peak billing season.

Q. But ultimately, no matter when it's implemented, you're not opposed to eliminating the all-electric rates?

A. Correct.

Q. And is that true for raising time-related pricing for current customers?

A. Could you ask that again?

Q. Well, I was just trying to clarify, Staff does not object to freezing the time-related pricing for the current customers?

A. We are not opposed to freezing it. We are opposed to the stipulation increase, especially how that interacts to, to create further reduction of the LLPS and LPS ratio, which is not disclosed in the stipulation.

Q. I've gotten lost track, but are there about three customers on that rate, the TR rate?

A. I'm not certain. There's, there's not a lot, but whether it's one, two, three, or four off the top of my head, I can't recall specific accounts versus premises.

Q. Did Staff happen to meet with the company's rate design experts to talk about the class cost-of-service study that they filed in this case?

A. Could you ask that again?

Q. Sure. Did the Staff meet with the rate design experts over at Evergy when they filed their class cost-of-service study in this case?

MR. JABRA: I'm going to object to that as being vague. I don't know who they are.

THE COURT: (Indiscernible) your question?

MR. FISCHER: I could try to clarify it.

BY MR. FISCHER:

Q. Did you meet with Graham James and Brad Lutz to talk about the class cost-of-service study that they filed in this case?

MR. JABRA: I'will renew the objection. I still don't know who "they" are.

MR. FISCHER: What did I say? I thought I said --

THE COURT: I didn't hear "they" that time. Did I miss something? Because it sounded like he just asked witness, Lange, whether she had met with two other people to discuss it.

MR. JABRA: Right, whenever they filed a class cost-of-service study. I don't know if he's referring to Staff, or is he referring to the company's filing?

MR. FISCHER: I'm going to clarify that it's the company I was asking about.

THE COURT: If you'll re-ask the question.

BY MR. FISCHER:

Q. Did you meet with the Evergy experts, Brad Lutz and Graham Janes, after the company filed their class cost-of-service study -- two studies, I guess, in Mr. Janes'S testimony?

A. I know we didn't discuss this in the rate modernization work prior to the filing. I don't recall meeting outside of those ordered by the commission, in terms of the technical conference and settlement conference with regard to rate design. We, we met with regard to the, the rules revisions. I don't recall a meeting on rate design or, or class cost-of-service.

Q. So you wouldn't have met with them to talk about billing determinants, correct?

A. Billing determinants is different than a class cost-of-service study.

Q. Well same question then. Did you meet with them to talk about billing determinants?

A. There were -- my understanding is that there was significant concern with the manner and timing of Evergy's responses to some billing determinants data requests, and I believe that there were some meetings that occurred. There was not that I can recall anything related to -- there, there may -- I think there was a conference call with myself and Marina Gonzalez and Jay Lubert (phonetic), talking about the, the migration process and ascertaining that we understood it correctly. But I, I wouldn't call that class cost-of-service, but that might be what you're referring to.

Q. Well, did you meet with them to just talk about

billing determinants?

A. I did not -- I, I don't understand your question, I guess.

Q. Well I guess were you aware that they had billing determinants in support of their class cost-of-service study?

A. There were billing determinants that Staff expressed concern in the testimony of Marina Gonzalez and in this -- the, the company came up with things that they called billing determinants, and Staff does not believe they followed the proper process to do that.

Q. But is it incorrect to say that there are no billing determinants in this case?

A. I'm parsing through the negatives there. Can you restate that?

Q. Perhaps. Is it incorrect to say that there are no billing determinants in this case?

A. I don't think anyone said there's no billing determinants in this case.

MR. FISCHER: Well, thank you. I misunderstood your counsel. Thank you. That's all the questions I have.

THE COURT: Any commission questions? Ms. Coleman, go ahead.

MS. COLEMAN: Thank you, Judge. I wanted to

verify a question that I heard Mr. Fischer say a moment ago and Ms. Lange's answer. I think it had to do with customer migration. Did you ask a question about that? Can you remind me what that --

MR. FISCHER: We've been talking about that, yeah.

MS. COLEMAN: Well, specifically you used the word migration and there was a response, and I didn't get the question or the response.

MR. FISCHER: Can I ask, what was the question? I'd be happy to do that?

MS. COLEMAN: Well, or just remind me what the question was.

MR. FISCHER: I think the Staff's position, as I understand it, is that there should be about a year delay in implementing restructuring theg case so that the company can do a customer migration study.

MS. COLEMAN: And what was your response?

MS. LANGE: I don't recall that exact question but that's not an accurate characterization of Staff's position.

MS. COLEMAN: Judge, may I get an answer from her then in response his question.

THE COURT: Of course. Of course.

MS. COLEMAN: Thank you.

MS. LANGE: So we don't think it will take a year to do a customer migration study, as, as was noted in the Staff objection to the rate design stip. This is work that if, if they are able to pull the customer information from their billing system, I would think this should take less than a week to do if people devote the time to it at Metro. We've been asking for them to do that since July -- before July we asked for them -- the, the, the dates that we asked them to do at our own testimony.

It just needs to get done. It shouldn't be a big deal. You know, if you're changing how customers -- what classes customers are served on, you're changing what, what they're being billed -- what their -- what their -- what characteristics you're billing on. You just have to do that math. We, we just need them to do that work with billing determinants -- I'm sorry, with customer usage. That isn't from 2024, but with customer usage that is coinciding with the end of the true-up period.

So we're saying take the 12-month ending July, and query your system, for which customers would be on which class now that you're changing what classes they're on, and tell us what their 15-minute demands are by class, tell us what their on-peak energy is by class,

and, and just do that math to tie to the billing determinants that they stipulated to for the current classes. This, this shouldn't be a big deal if everybody's doing their jobs timely and efficiently.

MS. COLEMAN: So I'm trying to determine if that type of study is more preferable than a CCOS study.

MS. LANGE: So there, there are two different things, and, I, I apologize, we throw the word study around a lot. Okay. The CCOS study is something where you're looking at customers in each class, and you're saying we've got the total cost that the utility gets to recover from all ratepayers, which classes should pay which amount, okay? And so we didn't have the information to do that in this case, and since the company didn't make it an issue in this case, we didn't put the resources into -- to doing that, you know, effectively.

I don't know if we could have done one if we had decided to do one, but since it wasn't an issue, we weren't going to make it an issue. It would be my characterization. Okay. So that's a class cost-of-service study.

This customer migration study is one of the things we would have had to have done back before testimony -- back before we filed our CCOS if we had --

let me start over. I totally screwed that up. It doesn't do much good to study the cost of serving a class if the customers who were in that class are going to change, okay? That's, that's the starting point, okay?

So we had asked for them to do a customer migration study that coincided with Staff's update period in the case, and that did the, the math in the right order, okay? So you have to look -- they're, they're changing how you bill a customer's demand, but they didn't take that into account when they said we think these customers are going to move from this class to that class. So they just did that in the wrong order, and that should have been an easy fix back in April, I guess, when we asked for that information.

They didn't do it then. So when we got to July, we said, "No, no, you really need to do this, because if you don't start on this now, we're not going to be able to do rates at the end of the case." And they didn't do it. And here we are at the end of the case. And so at this point, we need this customer migration and determinant study in order to set rates that fit the way that they've restructured the classes.

So right now we don't have any information on what the 15-minute on-peak demand is between 7:00 a.m. and -- gosh, I forget the, the cutoff period in winter

months. That's just not a thing that exists, okay? That's the information we need to know what that total is for each class to divide the amount of revenue you want to get from demand rates by that number, by the number of months. I feel like I didn't directly answer your question, but --

MS. COLEMAN: You gave me the distinction that I needed and the clarification. So has any rate adjustment previously been delayed while Staff conducts a study?

MS. LANGE: We've not had a restructuring like this occur. The closest we've come to this is when Evergy West did some rate work that just changed what customers were in what classes. It didn't change the use of hours-use. It didn't change the use of all-electric rates. It didn't make those big changes in how demand is billed. And on that case, the company worked with Staff from the beginning to the end and was providing us updates.

And, you know, here's, here's where we think these numbers are, here's where they are now. That isn't something we've seen in this case. So I have not been a part of a case where this level of work is needed to be done in order to do compliance tariffs, and, and that's across -- even, even where we've done big changes on gas,

because we, we've had some cases where some big things have changed on gas, it hasn't changed what the actual determinants are.

So while I think that move to 15-minute demand is a good one, and while I think that move to on-peak demand is a really, really good one, we have to have what those numbers are in order to calculate rates at the end of the case.

MS. COLEMAN: Thank you. Thank you, Judge.

THE COURT: Thank you, Commissioner Coleman. Any other commission questions? I've got a few because you said some things that were interesting. You said that we don't have the information to set rates, correct?

MS. LANGE: Correct.

THE COURT: This is a rate case.

MS. LANGE: Correct.

THE COURT: At the end of this, the commission will be issuing an order, and from that order, that's where rates will come from, correct?

MS. LANGE: That is all correct.

THE COURT: So I don't understand what -- I don't understand what Staff's asking here. Are you asking that the commission do an order that delays rates taking effect until we have these. I guess I'm not sure. I can see where you've pointed out the problem. What's

the solution?

MS. LANGE: Can I give you the ideal solution that you can't order and then the practical solution that you may have to order?

THE COURT: I'm fine with that. I like outside the box thinking.

MS. LANGE: The practical solution that you probably can't order is that Mr. Lutz and Mr. James go home this evening and pack a lunch tomorrow and query their billing system and say, "Based on our query of the billing system and based on the work done in the correct order, we think this many customers are going to be in SGS going forward, we think this many customers are going to be in MGS going forward, and we think these customers are going to be in LGS going forward.

And then, we have queried the system to see what their 15-minute non-coincident demands are during the time period set out in the non-unanimous stip. And then, we have queried their hourly loads to determine what their on-peak and super-off-peak energy usages at the time period set out in the non-unanimous stip. And Staff, here is how that information relates to the billing determinants for current classes that we all agreed upon."

That's the thing that you can't order, but that

it would sure make a lot of sense for them to do. And if they do that, then we can calculate those rates for compliance tariffs. And all of the compliance tariffs can be put on the books starting January 2nd, except that set of restructured tariffs, will say to take effect beginning April 1st, May 1st, June 1st, or October 1st or November 1st of 2027, and another set of rates that look exactly like the rates that currently exist will go in where each rate component is just increased by, let's say 5 percent if it's a 5 percent overall increase, 10 percent if it's a 10 percent overall increase, and that those tariffs would have a stamp on them that says for service until, and that same date that is on the restructured tariffs.

That would be the ideal outcome, but I don't know that you can order that.

THE COURT: Well, why couldn't we? Why couldn't the commission?

MS. LANGE: Because they would have -- I, I don't know. The, the alternative, I guess, would be that your report and order says, "Evergy, go do this study. In the meantime, increase your current tariff rates by the 5 percent or the 10 percent, and we will reserve for a further compliance filing rates that reflect the restructured rates, which you shall file no later than --

pick a date at your leisure. I would anticipate if they filed it by June for November, or if they filed it by the end of January for a March or April type time frame."

THE COURT: (Indiscernible) contemplating some order, something like that in the commission report and order?

MS. LANGE: I would hope it doesn't come to that. I would hope that we get a filing by Evergy that says, "Commission, we are going to do the determinant study and we are going to provide Staff with the -- with the work that is needed to complete compliance tariffs in a timely fashion in this case," and I would hope that that's something that they would decide as a good use of their time, and that they would go ahead and provide that work to us, and I suspect that's how I would then be spending my future weekend or future Thanksgiving break or something doing that math.

THE COURT: Thank you. Step away from that question for a moment. You've just pointed out what you appear to believe is another impediment to the commission setting rates in this case. Some of the other impediments I've heard are some of the usual ones, the studies are no good, inaccurate, missing data, things like that. And then, the new one of, "Oh, we're introducing a new customer into the mix and we don't have

any of those customers in the test year."

And so there's been a lot of accounting for how does this get right. Do we do a revenue sharing? I guess my question is -- let's go the other direction for just a second. Let's say we get it wrong. Let's say that rates get set wrong and LPS revenues are not what expected either one way or the other. Then, where's the commission at? Are we stuck until the next rate case?

MS. LANGE: Sure. If I may start with one clarification though, you said that those were impediments to setting rates. In fact, those are just impediments to doing a class cost-of-service study. I don't believe that any of those are impediments to setting rates in this case. I think you have to set rates in this case.

And what do we do if the commission gets it wrong, I, I would say, first we look at ways that mitigate the risk of the commission getting it wrong. One of those would be FAC option 1 at a reasonable level of LLPS energy consumption, which mitigates the risk of over-recovery, and, and really it's over-recovery that we need to talk about as the risk to mitigate. Because if there's under-recovery, we just see this utility back here sooner. Right?

They're fully in control of risk of under-

recovery. I, I, I think that FAC -- the FAC is intended as a tool to mitigate negative regulatory lag. What we have in this case is we're in a situation where we know there's going to be positive regulatory lag. So there are several tools available to the utility that mitigate negative regulatory lag. However, there's not really any tool available to the commission to mitigate positive regulatory lag. And it's that interaction of taking away the negative lag while maintaining the positive lag that is really setting us up to have non-LLPS ratepayers paying higher costs than they should due to growth of LLPS customers.

So if what you do in this case is you go with FAC option 2. That will keep other ratepayers from paying more costs between cases than they should. It will not keep ratepayers from having as low of rates as they would have, due to the positive regulatory lag that Evergy is enjoying. Again, I don't know if I answered your question, but I sure tried to.

THE COURT: You did. You gave me your answer, which is just fine. One thing that occurred to me, is this -- is this a situation where a tracker would be good?

MS. LANGE: So, that would be similar to what Greg Meyer (phonetic) recommended in his direct. Staff

did not recommend any type of earnings-sharing mechanism or tracker in our direct because we were trying to stay away from as much disruption of the large load cases as we could, okay? So, Mr. Meyer recommended a tracker. I believe my rebuttal testimony said, "We didn't recommend disrupting the stip, but if you're going to disrupt the stip, I can do Mr. Meyer's math," okay?

Then, simultaneous to that, Evergy filed and said, "We want our Kansas mechanism on these terms," an, and provided that earnings-sharing mechanism. So, Ms. Bolin, in surrebuttal, that was Staff's first opportunity to weigh in on the earnings-sharing mechanism, idea that Evergy brought out in its rebuttal. So that's a long way of saying, "A tracker is a tool that could be used to do this. The details of a tracker would be convoluted; however, because Evergy raised the earnings-sharing mechanism idea in its rebuttal, Staff's surrebuttal position and Staff's position, in fact, is to do an earnings-sharing mechanism similar to the Ameren mechanism in lieu of doing a literal tracker." Sorry, I had to think through that answers.

THE COURT: No, I appreciate it -- no, I appreciate you taking me on the trip because it's very difficult for me to follow. So what's Ameren doing?

MS. LANGE: For a whole lot of detail, you're

going to want to talk to Ms. Bolin.

THE COURT: I don't want a whole lot of detail. I want a very cursory overview.

MS. LANGE: The, the cursory overview is that what's different between -- that, that you're looking at, effectively, cash -- what Ameren is doing is we're effectively looking at cash out the door for any reason and cash in the door due to LLPS -- or, in their case, LLCS, and you're seeing how much change that makes in terms of the awarded ROE. And then, where there is a difference related to LLPS and the awarded -- the awarded ROE, you're splitting that 50/50 ratepayers and shareholders. And again, I, I defer to Ms. Bolin if I, I got that details wrong there.

THE COURT: You said a tracker would be convoluted. Do you think it's just not a good idea?

MS. LANGE: Oh, I don't think a tracker would be convoluted. I think a tracker is very simple. But, an earnings-sharing mechanism addresses more factors and is necessarily then more convoluted.

THE COURT: But the earning sharing is designed to do something in real time, where a tracker is for future. Is that correct?

MS. LANGE: That is correct. I, I, I don't mean to be blunt, but I, I -- me, which is several rungs

down on the totem pole, so for earning sharing mechanism versus tracker, Ms. Bolin or Ms. Eubanks really would be the, the better witnesses to address, you Staff's, Staff's preference between those.

THE COURT: Thank you very much. Any cross based on Commissioner bench questions from public counsel?

MR. POSTON: I think I will ask a few.

CROSS EXAMINATION

BY MR. POSTON:

Q. You got questions about trackers and earnings sharing mechanisms. Are you familiar with -- it's now called Ameren Missouri, but Union Electric Company's experimental alternative regulatory plan that preceded Staff filing a complaint for overearnings?

A. Generally, yes.

Q. And how did that work?

A. I'm sure that if the commission desired, we could offer those documents as an exhibit. I do not trust my memory of the early 2000s to get into any detail on that.

Q. Just a broad sweep.

A. I, I'm -- I really, I'm not --

Q. Don't recall?

A. Yeah, I'm sorry.

MR. POSTON: I think I'll leave it at that. Thank you.

THE COURT: Renew Missouri?

MS. MERS: Thank you. No.

THE COURT: Velvet Tech?

MS. BELL: No questions.

THE COURT: Google?

MR. SCHULTE: No questions.

THE COURT: MECG?

MR. LYSKOWSKI: No questions.

THE COURT: Evergy?

RE-CROSS EXAMINATION

BY MR. FISCHER:

Q. Ms. Lange, just to clarify. Commissioner Coleman asked you a question. I think it was the last question that she asked, and I thought it was a yes or no question. And it went something like, "Has Staff ever requested a migration study in the middle of a rate case?" And did I understand your explanation? But it was basically a no?

A. I guess I would defer to, to the question as asked and answered. I, I don't recall the details of, of what specific questions.

Q. If I ask you that now, would it be a no?

A. Has Staff ever needed to request a --

Q. Yeah, a migration study in the middle of a rate case?

A. So we have had migration studies in rate cases before, yes. That's, that's not what -- that's not my recollection of, of (indiscernible) so my answer to that question is yes, that has been a thing that has occurred. Yes.

Q. Has the Staff requested the utility to do a migration study in the middle of a rate case?

A. Yes.

Q. Yes. Which one was that?

A. My recollection is at a minimum that would have been an Spire rate case where they changed their billing demands. That also would have been in an Empire rate case where they changed their billing demands and class cutoffs. Those are the -- those are the first two that come to mind.

Q. Let me ask you this question. I believe you indicated that you'd requested the company to start a migration study in July of this year. Is that right?

A. I -- so we, we asked for one through a data request and I think the timeline of that was in April, but the date of that was in my direct testimony, and we asked for one again in our class cost-of-service report, whatever that filing date was (indiscernible) July comes

to mind.

Q. Did Evergy know whether the commission was going to approve its restructuring request in July?

A. I wouldn't think so. No.

MR. FISCHER: That's all I have. Thank you.

THE COURT: Thank you. Any redirect?

MS. HANSEN: Yes. Thank you, Judge Clark.

REDIRECT EXAMINATION

BY MS. HANSEN:

Q. EMM just asked you about restructuring in July. Can you discuss a little bit more on that?

A. Sure. So Staff had, had discussions with the company. Staff read the company's testimony. Staff read Mr. Janes' representations of, of what his testimony did and did not do. Staff reviewed Mr. Janes' stips and Staff started asking data requests about the specific work that Mr. Janes did. And then Staff asked for the company to provide the same sort of information that Mr. Janes had, had used, but to do that information in the right order.

So to first move to 15-minute demand, then move on to on-peak demand, then do the class, I guess, landing the, the actual migration work, and then to provide that information.

My recollection is the company refused those data

requests and the company's responses are included in the Staff class cost-of-service report (indiscernible) in case I'm misremembering any details or, or, or time periods in that.

So then as part of the class cost-of-service study report, Staff filed a recommendation of exactly what work needed to be done and exactly what order, and indicated that it's supported both the Bright Lines, and it supported the 15-minute demand, which are the two -- the two big question marks, I guess, that the company wouldn't know if the commission was approving or not. But Staff indicated its support of, of those two items, and indicated the time periods that it believed was most appropriate, and recommended the company immediately begin work on, on the work needed to, to do billing determinants to calculate rates at the end of this case with those restructured classes.

And I believe attached to Staff's objection to the rate design stip in this case, staff has provided essentially those same documents, but I've adjusted the dates and time periods for consistency with, with where we are now, which is accepting some of the company time periods, even though we believe they're suboptimal, and with where we are, you know, with the close of evidence here soon upon us.

Q. And just to clarify, I think you said 12 months ending July. Did you mean June by chance?

A. Yes, I'm sorry. We would want to the -- to the fullest extent possible, it would be best to have the customer migration and determinant studies aligned with the time period that is the basis for the current class revenues and determinant stipulation entered into between Staff and the company, which was not objected to by any party.

Q. And we did not make it an issue -- we did not make the CCOS an issue, because the company's direct was an equal percentage increase to all customers. Is that correct?

A. Among many reasons, that is one of the reasons. You know, we're just, just looking at how, how many documents to put in the record, how best to spend our time. But, but at the end of the day, knowing that LLPS was coming in, knowing that there's a lot of moving pieces within the C&I classes that we, we didn't want to induce little changes that would further complicate things and confuse customers. Ultimately -- also just came down to time.

You know, we, we get less than two weeks to deal with class cost-of-service study and, and rate design, and everything doesn't always get done the way we

would if we had unlimited time and resources. But at the end of the day, the, the real issue is just it didn't make sense to do a CCOS in a case where the company is saying equal percentage to all classes, and where you're bringing in a factor like LLPS that is just going to have a tremendous impact on the production allocation, the transmission allocation, and the allocation of administrative and general cost of service, which are -- which are huge components of a class cost-of-service case or study.

And then in addition to that, we have the same problem going back several cases now with the ability to get information concerning distribution classification and distribution allocation, which is, is noted in my rebuttal testimony.

Q. Thank you. One more question for you. So you may have already touched on this, but could you please reiterate why the customer migration and billing determinant study is important?

A. That's the information that's needed to set rates. There is no information in the record right now about how many kilowatt hours of energy will be sold to the MGS class that comes out of restructuring during peak hours in each month. There is no information in this case about how many KW of 15-minute on-peak billing

demand will be applicable to the LGS class that comes out of LGS class that is going to come out of the restructured classes in this case.

My job's really, really simple with all the information, but without that information, my, my job in, in compliance tariffs is impossible. We have to know how much money is supposed to be recovered, and we have to know how many units are being sold to do that. There is no information in this case about on-peak and super off-peak energy by class. There is no information in this case about 15-minute on-peak demand.

MS. HANSEN: Thank you. No further questions.

THE COURT: Did you want to address your Attachments A and B now?

MS. HANSEN: Yes, thank you.

MR. PRINGLE: Seeing as how they were numbered during the other proceeding, I guess we can give them new numbers here or address those there.

THE COURT: Why don't we give them new numbers here and then address those and clean up.

MR. PRINGLE: Okay. So, yeah, those would be the Attachments A and B to the Staff objection to the LLPS stipulation and agreement. We will go ahead and I guess mark those as Staff Exhibits 2 and 3. I think they would be right now.

THE COURT: With A being 2 and B being 3.

MR. PRINGLE: It sounds good to me. And both are still highly confidential.

THE COURT: Any objections to Staff Exhibit 2 or 3?

MR. FISCHER: Judge, can I clarify one thing? Is 91 -- was that admitted into the record? The exhibit that we had in response to that.

THE COURT: Are you talking about that chart?

MR. FISCHER: Yeah.

THE COURT: That Ives got up about?

MR. FISCHER: Yeah.

THE COURT: That was admitted in as a Company Exhibit 1, I believe.

MR. FISCHER: Oh, 1, okay. Thank you. Well, I think that may have been the opening statement, but we did get admitted that chart that Mr. Ives talked about.

MR. PRINGLE: I have it in my notes, yeah.

THE COURT: I remember admitting.

MR. FISCHER: If it's admitted, I have no objection to that.

THE COURT: If it hasn't been admitted, allow me to clarify now that it is admitted. Thank you.

MR. SCHULTE: Google objects to the portion of Attachment B, which is Exhibit 3.

THE COURT: And that's that bottom box, correct?

MR. SCHULTE: Yes, because it is -- and we have had this discussion before, but I want to make sure that the objection is clear for the record that we object to that third box on Attachment B. Because it is based on after the true-up period and information that was not available during the pre-filed testimony portion of the case. It was received via Rule 3.190 report, and the inability to fully respond is prejudicial to Google.

THE COURT: Thank you, Mr. Schulte. That objection will be overruled. Staff Exhibit 2, Attachment A, and Staff Exhibit 3, Attachment B are admitted onto the hearing record.

(Staff Exhibit 2 and Staff Exhibit 3 was received into evidence.)

MR. PRINGLE: Thank you, Judge. And Ms. Lange pointed out we do have the attachments to the objection to the MECG C&I, rate design, stip. Those are, for the most part, just updated portions from Staff's testimony. For ease of the commission, I can enter those exhibits if you'd like, but they are also addressed in testimony.

THE COURT: Excuse me. Say that. You lost me very quickly there.

MR. PRINGLE: So this was the attach the

Staff's objection to the LLPS.

THE COURT: Correct.

MR. PRINGLE: And then we also have Staff's objection to the MECG, Evergy rate design stipulation. Ms. Lange kind of brought up, we have two attachments on there that for the most part are just they are addressed in our testimony but updated to reflect more of what's in that stipulation.

THE COURT: Are you asking to admit those?

MR. PRINGLE: Yes. And those would be Exhibits 4 and 5 per Staff.

THE COURT: Hold on. Let me find them first. Which stipulation is attached -- which objections is attached to?

MR. PRINGLE: The objection to the MECG, Evergy rate design stipulation. That would have been Staff's second objection. And Ms. Lange does have a copy of it.

THE COURT: Are we talking about the customer education recommendations and migration and determinant study recommendation?

MR. PRINGLE: That is correct.

THE COURT: Did everybody seen those? These are just Staff's recommendations.

MR. PRINGLE: For the most part, yeah. This addressed in testimony, but for ease of --

THE COURT: Is this demonstrative?

MR. PRINGLE: For the most part, it would be demonstrative, yes. Because the substances are --

THE COURT: Demonstrative.

MR. PRINGLE: Yeah.

THE COURT: Well this is 30 percent admitted and 70 percent demonstrative. We're not --

MR. PRINGLE: Yeah. The changes to it just pretty much is for the most part just more in line with our opposition to the stip, but it was for the most part a quick little sheet for you to glance (indiscernible).

THE COURT: So it is demonstrative?

MR. PRINGLE: Yes.

THE COURT: Any objection?

MR. FISCHER: Well, Judge, I will point out, whenever we asked to have our affidavit that was attached to the support of the stipulations, we were denied. And this is the same kind of thing. Only it's on an objection. So I will object on those.

THE COURT: What's the affidavit cover? What am I missing here?

MR. FISCHER: Well, that was the Darrin Ives LLPS Affidavit.

THE COURT: No, I remember it was his. I'm just --

MR. FISCHER: Staff suggested that was improper and we were not allowed to get it in.

THE COURT: No, I understand. I'm trying to think back as to -- the affidavit was for not something attached to it, but to it itself, correct?

MR. FISCHER: That's right.

THE COURT: So the affidavit was for the entirety of the response.

MR. FISCHER: Yeah, his response in support of the stipulation of the LLPS stipulation.

MR. PRINGLE: Which that is not what Staff has attached to his objection. Those are for the most part nothing really -- there's nothing new in those two attachments.

MR. FISCHER: Then I'd suggest it's repetitive and should be denied on that ground.

THE COURT: I'm going to overrule your objection. I'm going to admit them onto the hearing record and give them their due weight, which may not be much.

MR. PRINGLE: Thank you, Judge. Any of the rest is just our testimony we can do for the cleanup portions and that has to do with witnesses who did not take the stand due to various stipulations.

MS. HANSEN: Judge, I'm sorry. Just for my

notes, are those demonstrative? I think they were offered as demonstratives, and I think you just entered them onto the hearing record. Which is it?

THE COURT: That's to do demonstrative.

MS. HANSEN: Thank you.

THE COURT: I'll call those Staff Exhibits 4 and 5, and those are demonstrative exhibits and are admitted as such.

(Staff Exhibit 4 and Staff Exhibit 5 was received into evidence.)

MR. PRINGLE: Thank you, Judge.

THE COURT: Does Staff have any other witnesses?

MR. PRINGLE: None that we plan on calling, but if the commission does have any further questions for LLPS, we still also have Kim Bolin, Claire Eubank, Brooke Mastriani. For rate design, Ms. Eubanks, if you have any questions that weren't addressed by Ms. Lange, and then if you have any further questions on programs there's Kim Bolin, Brooke Mastriani, Claire Eubanks, and Sarah Lange if the commission has any questions.

THE COURT: I don't see any questions at this time. MECG, you had a witness for this. Is that correct?

MR. LYSKOWSKI: Yeah, Jessica York (phonetic)

is here and available. I have no intention to put her up for any sort of direct on my behalf, but if there are any questions by any parties, she is available, as is Brian Andrews. We can get him available as well.

THE COURT: Bear with me just a moment. I don't see -- and forgive me if I missed this -- I don't see where we put Mr. Andrews' surrebuttal in. Is that correct? That hasn't been admitted yet or has? I (indiscernible).

MR. LYSKOWSKI: Let me check a second.

THE COURT: I don't believe there are any questions for Andrews, but I want to be sure that the testimony.

MR. LYSKOWSKI: I filled in the table as I was doing it, and I do reflect that we admitted it as MECG Exhibit 303.

THE COURT: And that has been admitted?

MR. LYSKOWSKI: Yes.

THE COURT: I make a star. When we go back on the cleanup, remind me to go over that again just to be sure.

MR. LYSKOWSKI: Thank you.

THE COURT: There are no commission questions for those witnesses, so I think we are done with issues now. Is there anything else that needs to be taken up at

the on-the-record?

MR. SCHULTE: Judge Clark, Google also had Dr. Barry available on the same basis as the MECG witnesses, available for any judge questions or commissioner questions.

THE COURT: I don't see where we have any.

MR. SCHULTE: (Indiscernible) cleanup for the evidentiary hearing when we get to it.

THE COURT: Well, if nobody else has anything that they want to offer in regard to the stipulations, I will adjourn this on-the-record presentation.

(Proceedings concluded at 4:52 p.m.)

CERTIFICATE OF DIGITAL REPORTER

I, LAURA STEWART, Digital Reporter, do hereby certify:

That the witness whose testimony appears in the foregoing proceedings was duly sworn by me; that the testimony of said witness was accurately captured with annotations by me during the proceeding.

I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

IN WITNESS THEREOF, I have hereunto set my hand this 13th day of October, 2026.



Laura Stewart
Digital Reporter
CER-4313

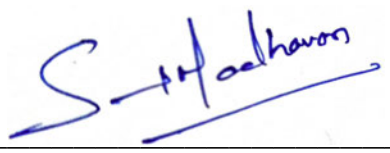
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Sanal Sethumadhavan

