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Exhibit No. 114

Staff – Exhibit 114
Direct Testimony of Hari K. Poudel
Case No. ER-2026-0143

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Issue(s): *MEEIA and EDR*
Witness: *Hari K Poudel*
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MISSOURI PUBLIC SERVICE COMMISSION

INDUSTRY ANALYSIS DIVISION

RATE AND TARIFF DESIGN DEPARTMENT

DIRECT TESTIMONY
REVENUE REQUIREMENT

OF

HARI K POUDEL, PHD

EVERGY METRO, INC. d/b/a Evergy MISSOURI METRO

CASE NO. ER-2026-0143

Jefferson City, Missouri
June 2026

** Denotes Confidential Information **

DIRECT TESTIMONY

OF

HARI K POUDEL, PHD

EVERGY METRO, INC. D/B/A EVERGY MISSOURI METRO

CASE NO. ER-2026-0143

Q. Please state your name and business address.

A. My name is Hari K. Poudel, and my business address is P.O. Box 360, Jefferson City, Missouri 65102.

Q. By whom are you employed and in what capacity?

A. I am employed by the Missouri Public Service Commission ("Commission") as an Economist in the Tariff/Rate Design Department in the Industrial Analysis Division.

Q. Please describe your educational and work background.

A. I received a Ph.D. in Public Policy and a master's degree in public health from the University of Missouri - Columbia and another master's degree in Agricultural Economics from University of Hohenheim, Germany. I also received a graduate certificate in Public Utility Regulation & Economics from the New Mexico State University in May 2025. In January of 2020, I began working for the Missouri Department of Health and Senior Services as a research and data analyst. I was employed with the Division of Community and Public Health from January 2020 until October 2021. I started my career with the Commission as an economist in October 2021.

Q. Have you previously testified in proceedings before the Commission?

A. Yes. I have provided written testimony and testified in multiple cases before the Commission. Please see Schedule HKP-d1.

EXECUTIVE SUMMARY

Q. What is the purpose of your direct testimony?

A. The purpose of my direct testimony is to provide calculations for the energy efficiency annualization ("energy efficiency adjustment") and Economic Development Rider ("EDR") adjustments. Staff calculates an energy efficiency annualization adjustment of ** [redacted] ** for the update period ending December 31, 2025, to normalize billing determinants for Missouri Energy Efficiency Investment Act ("MEEIA")-related savings. Staff also annualizes active EDR discounts at ** [redacted] **, omits expired contracts from the annualized calculation, and finds Evergy Missouri Metro ("EMM") generally compliant with applicable EDR tariff requirements.

ENERGY EFFICIENCY ANNUALIZATION ADJUSTMENT

Q. What is the energy efficiency adjustment and why is it used?

A. The goal of the energy efficiency adjustment is to reflect the annualized impact of energy efficiency measures that were implemented during the 12 months ending on December 31, 2025 ("Update Period"). This modification accounts for the reduction in billing units and associated revenue that EMM experienced as a result of the implementation of energy efficiency measures that were approved by the Commission in accordance with MEEIA. The energy efficiency adjustment normalizes billing units that are considered to calculate the revenue requirement for EMM.

Q. How did Staff calculate the energy efficiency adjustment?

A. Staff calculated the energy efficiency adjustment based on the number of end-use measures installed during the Update Period. Energy efficiency adjustment is intended to approximate reductions in electricity usage associated with energy efficiency measures' savings. The first input required for the analysis is the deemed savings in kWh. These savings are applied to quantify savings in the update period that are attributed to each of the end-use measure and rate class. The total energy deemed savings are calculated from these end-use measures installed in each category of saving and the low-income energy savings occurred during the update period.

The second input data is the installed savings for each calendar month. Installed savings represent the kWh billing units that EMM will no longer meter or bill due to the energy efficiency measures installed during the update period.

For the energy efficiency adjustment, a half-month convention is used to estimate the energy savings in each month of the installation. A half-month convention assumes that all energy-efficient capacity was installed halfway between the beginning and end of the month, which is mathematically similar to assuming that investments were distributed uniformly throughout the month. EMM estimated savings using the same half-month convention methodology.

The difference between the actual monthly energy efficiency savings realized and the annualized energy efficiency savings for each end-use measure category and rate class is the calendar month energy efficiency annualization adjustment. Each end-use

measure is then multiplied by the applicable monthly load shape. The load pattern reflects the seasonality of the savings.

Q. What is Staff's recommended energy efficiency adjustment to be applied to the level of current revenues and billing determinants?

A. Staff's total energy efficiency adjustment is ** [redacted] ** for the update period ending December 31, 2025.

Q. Through this testimony, do you describe the development of a work product that you provided to another Staff witness for the development of an issue?

A. Yes. The process explained in this testimony results in the development of the energy efficiency adjustment. Staff witness Kim Cox used this data to calculate revenue billing determinants. To reflect the impact of the energy efficiency adjustment on the company's revenue, the energy efficiency adjustment is applied to revenue billing determinants.

ECONOMIC DEVELOPMENT RIDER ("EDR")

Q. What is EDR?

A. The EDR is intended to encourage the growth of industrial and commercial businesses in Missouri and to retain the existing load where possible. The EDR is available under the EDR tariff sheets to new non-residential customers or customers expanding their load. Customers, who meet the criteria for this incentive, receive billing credits for a set period. This encourages capital investment and job creation in Missouri.

Q. Please explain EMM's Rider discount program.

A. The EDR of EMM provides electric bill discounts to new or expanding industrial and commercial customers that meet specific rider requirements. Eligible customers are granted a discount that is applied to their base rates over a five-year period. The rate classes for participating EDR tariff customers were Small General Service ("SGS"), Large General Service ("LGS"), and Large Primary Service ("LPS") rate classes.

Q. How does Staff review EDR discounts?

A. Staff reviewed seven[1] active EDR agreements and EDR calculations. Staff annualized the EDR discount for these customers for the 12 months ending December 31, 2025. Staff did not see any changes in rates during the update period. As a result, pricing adjustments are not required to reflect the EDR Rider discount annualization.

Q. How is the cost of the discounts recovered by EMM?

A. With each rate case, EMM submits EDR credit for discounts provided to customers utilizing this incentive. Staff's annualized EDR discount is ** [redacted] ** for the update period. EMM's EDR discount is ** [redacted] ** for the test year.[2]

Q. Did Staff identify any compliance issues in relation to the EMM's EDR analysis?

A. Staff determined that EMM is generally in compliance with the EDR tariff sheets.[3] Customers appear to receive discounts under the EDR that satisfy the required

[1] EMM's response to Staff's Data Request No. 0368.
[2] ER-2026-0143 Jaynes Direct Pg 51, line 6.
[3] JE-2020-0045 Sheet No. 32E, 32F, 32G, 32H, 32I, 32J.

load factor requirements.[4] Per the tariff, customers must maintain at least a 55% load factor during years three through five to remain eligible for the discount. Staff excluded three customers from the EDR annualization analysis. Two of the EDR contracts expired in January 2025, and the third customer's EDR contract expired in July 2025. Given that the customer will no longer be eligible for EDR discounts following their termination date, it is reasonable to exclude from annualization process during the update period. Including a discount for a period when the customer is not participating would violate EDR contract agreements.

CONCLUSION

Q. Does this conclude your direct testimony?

A. Yes it does.

[4] The annual load factor of the new Customer facility or expanded facility is reasonably projected to equal or exceed a fifty-five percent (55%) annual load factor within two (2) years of the date the Customer first receives service under this Rider. The Customer must maintain an annual load factor of 55% or greater in years three (3) through five (5) of the service under this Rider to continue to be eligible for the incentive provisions.

$$\text{Load Factor} = \frac{\text{PAE}}{\text{PCD} * \text{HRS}}$$

Where:
PAE= Projected Annual Energy (kWh)
HRS= Hours in year (8760)
PCD= Projected Customer Peak Demand

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Evergy Metro, Inc. d/b/a Evergy Missouri Metro's Request for Authority to Implement a General Rate Increase for Electric Service	))))	Case No. ER-2026-0143

AFFIDAVIT OF HARI K. POUDEL, PhD

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW HARI K. POUDEL, PhD and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Direct Testimony-Revenue Requirement*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

HARI K. POUDEL, PhD

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 24th day of June 2026.

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: April 04, 2029
Commission Number: 12412070

Notary Public

CREDENTIALS AND CASE PARTICIPATION OF

HARI K. POUDEL, PhD

Current Position

Currently, I am employed as an economist in the Tariff/Rate Department of the Industry Analysis Division at the Missouri Public Service Commission ("Commission"). The Department of Tariff and Rate Design take part in and offers advice on matters filed with the Commission, such as rate, complaint, application, territorial agreements, sale, and merger. The Department also handles rate design, weather variables, and weather normalization tasks and offers technical assistance. I am primarily responsible for using quantitative economic techniques and statistical analysis to address energy-related challenges that influence utility ratemaking. I am also responsible for the class cost of service study and rate design. Therefore, the economist performs core functions like determining a utility's legitimate revenue requirement, designing rate structures for different customer classes, and reviewing economic modeling.

Educational Credentials and Work Experience

I received a Doctor of Philosophy in Public Policy from the University of Missouri, Columbia, Missouri in May 2020. I also received a graduate certificate in Public Utility Regulation & Economics from the New Mexico State University in May 2025. In 2008, I received a Master's in Agricultural Economics degree from Hohenheim University in Germany.

I've been employed with the Missouri Public Service Commission since October 25, 2021, in the Tariff/Rate Department of the Industry Analysis Division as a Regulatory Economist. Prior to joining the Commission, I was a Research/Data Analyst for the Missouri Department of Health and Senior Services. I analyzed public health data that directly affects Missourians in my capacity as an analyst.

Testimonies/Memorandum

SN	Case Number	Company Name	Issue
1.	GR-2021-0320	Liberty Utilities	Tariff Compliance
2.	GR-2022-0235	Spire Missouri, Inc.	Weather Normalization Adjustment Rider (WNAR)
3.	ER-2022-0146	Ameren Missouri	Rider Energy Efficient Investment Charge (EEIC)
4.	GT-2022-0233	Liberty Utilities	Weather Normalization Adjustment Rider (WNAR)
5.	ER-2022-0129 & ER-2022-0130	Evergy Metro, Inc. & Evergy Missouri West, Inc.	General Rate Case
6.	ER-2022-0337	Ameren Missouri	365-Day Adjustment, Weather Variables, Weather Normalization, Hourly Load Requirement Energy Efficiency Adjustment
7.	GO-2023-0002	Spire	Weather Normalization Adjustment Rider (WNAR)
8.	GT-2023-0088	Liberty Utilities	Weather Normalization Adjustment Rider (WNAR)
9.	GT-2023-0274	Liberty Utilities	Weather Normalization Adjustment Rider (WNAR)
10.	EA-2023-0286	Ameren Missouri	Economic Feasibility
11.	GT-2024-0054	Liberty Utilities (Midstates Natural Gas)	Weather Normalization Adjustment Rider (WNAR)
12.	GT-2024-0055	The Empire District Gas Company	Weather Normalization Adjustment Rider (WNAR)

13.	GR-2024-0107	Ameren Missouri	Weather Normalization Adjustment Rider (WNAR)
14.	EO-2023-0136	Ameren Missouri	Throughput Disincentive, Marginal Rate Analysis, Rebound Effect, Rate Case Annualization
15.	EO-2023-0369 & EO-2023-0370	Evergy Metro, Inc. & Evergy Missouri West, Inc.	MEEIA (Throughput Disincentive, Rebound Effect, Rate Case Annualization)
16.	EA-2023-0286	Ameren Missouri	Economic Feasibility
17.	ER-2024-0189	Evergy Missouri West, Inc.	MEEIA, Net Margin Rate, Economic Development Riders, PISA Compliance
18.	GR-2024-0106	Liberty Utilities	Weather Normalization, 365 Days-Adjustment
19.	ER-2024-0319	Ameren Missouri	Energy Efficiency Adjustment, Marginal Rate Analysis, Rebound Effect, Economic Development Riders
20.	ER-2024-0319	Ameren Missouri	Rate Design
21.	EA-2024-0292	Evergy Missouri West, Inc.	Economic Feasibility
22.	ER-2024-0261	Empire	Energy Efficiency Adjustment, Lighting Revenue
23.	ER-2024-0261	Empire	Rate Design Class Cost of Service
24.	EA-2025-0238	Ameren Missouri	Economic Feasibility
25.	EA-2025-0239	Ameren Missouri	Economic Feasibility
26.	EA-2025-0299	Empire	Economic Feasibility