FILED
November 9, 2026
Missouri Public
Service Commission

Exhibit No. 144

Staff – Exhibit 144
Rebuttal Testimony of Michael L. Stahlman
Case No. ER-2026-0143

Exhibit No.:
Issue(s): *Weather Normalization*
Witness: *Michael Stahlman*
Sponsoring Party: *MoPSC Staff*
Type of Exhibit: *Rebuttal Testimony*
Case No.: *ER-2026-0143*
Date Testimony Prepared: *August 11, 2026*

MISSOURI PUBLIC SERVICE COMMISSION

INDUSTRIAL ANALYSIS DIVISION

ENERGY PLANNING DEPARTMENT

REBUTTAL TESTIMONY

OF

MICHAEL L. STAHLMAN

EVERGY METRO, INC. d/b/a EVERGYMISSOURI METRO

CASE NO. ER-2026-0143

Jefferson City, Missouri
August 2026

REBUTTAL TESTIMONY

OF

MICHAEL L. STAHLMAN

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 Michael L. Stahlman, 200 Madison Street, Jefferson City, Missouri 65101.

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

A. I am employed by the Missouri Public Service Commission ("Commission") as a Senior Economist in the Energy Planning Department of the Industry Analysis Division of the Commission Staff.

Q. Have you previously filed testimony in this case?

A. Yes. I provided direct testimony as part of the Cost of Service on June 30, 2026.

Q. What is the purpose of your rebuttal testimony?

A. The purpose of my testimony is to discuss the testimonies of Evergy Missouri Metro ("EMM") witnesses Albert R. Bass Jr. and Graham A. Jaynes.

Q. Please summarize your rebuttal testimony.

A. Evergy's weather normalization adjustment factors were improperly applied to the residential and small general service rate blocks, overestimating weather's impact on revenues.

Q. Did you review the weather normalization adjustments from Mr. Bass?

A. Yes. The workpapers I provided in direct testimony generally began with Mr. Bass's direct workpapers and subsequently updated with the workpapers he provided in response to Staff Data Request 0331. A couple of exemptions are the Large Power customer class and Net System Input ("NSI")[1].

Q. Why did Staff not use Mr. Bass's Large Power weather normalization workpapers?

A. Several of the customers on the Large Power class are seasonal or have no discernable change in usage in response to weather. An example of a seasonal customer is a theme park that opens for the summer months and generally closes down during winter. Instead of running a regression analysis on the class as a whole, Staff reviewed the customers individually and developed an adjustment for customers that appeared to have usage that corresponded to weather.

Q. Are there issues with grouping all these Large Power customers together in one regression?

A. Yes. Adding customers whose usage does not correlate to changes in weather distorts the actual relationship and will not result in a proper adjustment.

Q. Did you make other modifications to Mr. Bass's regression analysis?

A. Yes, I made some modest changes that improved the overall performance of the model. The most significant was to the small general service primary class due to

[1] Staff has historically used a different approach to NSI than EMM. Staff is currently unaware of this resulting in a material difference.

the unusual increase in mid-December 2025 due to customer growth in that class as discussed in my direct testimony. It should be noted that this change occurred during the update period rather than the test period.

Q. Did EMM witness Graham Jaynes properly apply Mr. Bass's weather adjustment factors to the actual monthly usage?

A. No. In response to Staff Data Request 102.2, EMM stated that they applied the same weather normalization adjustment factor to each block.[2] However this method is inappropriate and generally overestimates the revenue impact of weather.

As an example, EMM's current Schedule R Winter Energy Charge rates are $0.12495 per kWh for the first 600 kWh, $0.07693 per kWh for the next 400 kWh, and $0.06824 per kWh for usage above 1000 kWh.[3] If a hypothetical customer used 1,200 kWh in a month, but normally used 1,080 kWh (a 10% reduction), the difference in the actual energy charge and a normal energy charge would only be $8.19[4] since all the usage reduction would be in the last block which has the lowest rate. Using EMM's method, however, would reduce each block by 10%, so the estimated revenue impact would be $11.94,[5] an overestimate of $3.75.

Because there are several customers in a customer class whose usage ends in different rate blocks, it's important to have an estimate on how the cumulative frequency

[2] Staff Data Request 102.2 asked, "Please explain how the weather normalized block percentages are the same as the actual block percentages." In response, EMM stated, "The weather normalized block percentages are the same as the actual block percentages because the same weather normalization factor is applied equally to each block. As the total kWh is adjusted for weather, it is spread by the same block percentage."
[3] P.S.C. MO. No. 7, 12th Revised Sheet No. 5A
[4] (200-80)*$0.06824 is approximately $8.19.
[5] (60*$0.12495)+(40*$0.07693)+(20*$0.06824) is approximately $11.94.

data[6] would change if the class as a whole used more or less energy in a given month. However, Mr. Jaynes stated in his direct testimony that EMM applied the actual cumulative frequency data to the normalized usage.[7]

Q. Please briefly restate your rebuttal testimony.

A. Because Mr. Jaynes improperly applied the weather normalization adjustment factors to the residential and small general service rate blocks, the revenue adjustments due to weather are generally overestimated.

Q. Does this conclude your testimony?

A. Yes it does.

[6] The cumulative frequency data is a way to capture the total number of customers that fall within or below a particular usage block.

[7] Direct Testimony of Graham A. Jaynes, p. 4, ll. 5-7. "Using these bill frequencies, the Company calculated monthly revenues by applying the normalized sales and customer levels for each month of the test period to the corresponding billing frequency data."

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 MICHAEL L. STAHLMAN

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW MICHAEL L. STAHLMAN and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Rebuttal Testimony of Michael L. Stahlman*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

MICHAEL L. STAHLMAN

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 7th day of August 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