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MECG – Exhibit 305
Surrebuttal Testimony of Jessica York
Case No. ER-2026-0143

Exhibit No.: 305
Issues: Cost of Service/Revenue Allocation/Rate Design
Witness: Jessica A. York
Type of Exhibit: Surrebuttal Testimony
Sponsoring Party: Midwest Energy Consumers Group
Case No.: ER-2026-0143
Date Testimony Prepared: September 10, 2026

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**

Surrebuttal Testimony and Schedule of

Jessica A. York

On behalf of

Midwest Energy Consumers Group

September 10, 2026

BRUBAKER & ASSOCIATES, INC.

Project 12018

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**

STATE OF MISSOURI)
) **SS**
COUNTY OF ST. LOUIS)

Affidavit of Jessica A. York

Jessica A. York, being first duly sworn, on her oath states:

1. My name is Jessica A. York. I am a consultant with Brubaker & Associates, Inc., having its principal place of business at 16690 Swingley Ridge Road, Suite 140, Chesterfield, Missouri 63017. We have been retained by Midwest Energy Consumers Group in this proceeding on their behalf.

2. Attached hereto and made a part hereof for all purposes are my surrebuttal testimony and schedule which were prepared in written form for introduction into evidence in Missouri Public Service Commission Case No. ER-2026-0143.

3. I hereby swear and affirm that the testimony and schedule are true and correct and that they show the matters and things that they purport to show.

Jessica A. York

Subscribed and sworn to before me this 10th day of September, 2026.

ADRIENNE J. FOLLETT
Notary Public - Notary Seal
STATE OF MISSOURI
Jefferson County
My Commission Expires: Mar. 22, 2029
Commission # 21989987

Notary Public

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**

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Surrebuttal Testimony of Jessica A. York

I. INTRODUCTION

Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A Jessica A. York. My business address is 16690 Swingley Ridge Road, Suite 140, Chesterfield, MO 63017.

Q ARE YOU THE SAME JESSICA A. YORK WHO PREVIOUSLY FILED TESTIMONY IN THIS PROCEEDING?

A Yes. I have previously filed Direct Testimony on July 14, 2026 and Rebuttal Testimony on August 11, 2026 in this proceeding.

Q ARE YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE OUTLINED IN YOUR PRIOR TESTIMONY?

A Yes. This information is included in Appendix A to my Direct Testimony filed on July 14, 2026.

Q ON WHOSE BEHALF ARE YOU APPEARING IN THIS PROCEEDING?

A I am appearing on behalf of Midwest Energy Consumers Group ("MECG"). MECG represents the interests of large commercial and industrial customers taking service from Evergy Metro, Inc. d/b/a Evergy Missouri Metro ("Evergy Metro" or "Company") primarily on its Large General Service ("LGS") and Large Power Service ("LPS") rate schedules. These customers are energy-intensive, compete in regional and national markets, and are very sensitive to electric rate levels and structures.

Q WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY?

A The purpose of my Surrebuttal Testimony is to respond to the Rebuttal Testimony of Missouri Public Service Commission ("Commission") Staff ("Staff") witnesses Sarah L.K. Lange, Marina Gonzales, and Tammy Huber, and to address developments since my Rebuttal Testimony concerning the bill impacts of the Company's proposed rate design changes. Specifically, I address:

1. Staff's position that no reliable Class Cost of Service Study ("CCOSS") can be produced in this case.
2. Staff's criticisms of the production and distribution cost allocation methods I supported in my Direct Testimony.
3. Staff's characterization of the illustrative revenue apportionment presented in Table JAY-5 of my Direct Testimony.
4. Staff's recommended billing demand and energy periods, and the resulting demand and energy charge relationships.
5. Staff's recommended facilities demand charges.
6. Staff's recommended Critical Peak Rate ("CPR").
7. Staff's opposition to the optional Time-of-Use ("TOU") rate and its recommendation regarding the Time Related Pricing ("TRP") schedule.

8. The Company's combined bill impact analysis and the conditions under which the Hours Use rate structure may reasonably be replaced in this case.

9. The allocation of the cost of any income-eligible rate the Commission may authorize.

My silence with regard to any other position taken by the Company or any other party in this proceeding does not indicate my endorsement of that position.

Q DO YOU RESPOND TO THE PROBABILITY OF DISPATCH ALLOCATION METHOD RECOMMENDED BY OFFICE OF THE PUBLIC COUNSEL'S ("OPC") WITNESS RON NELSON?

A Only briefly. I addressed the Probability of Dispatch ("POD") method in my Rebuttal Testimony and my position is unchanged.[1] I note that Staff, the Company, and Google LLC witness Dr. Carolyn A. Berry each independently oppose the use of POD for production and transmission cost allocation in this proceeding.[2]

II. SUMMARY

Q PLEASE SUMMARIZE YOUR CONCLUSIONS AND RECOMMENDATIONS.

A My conclusions and recommendations are as follows:

1. Staff's position that no party can produce a useful CCOSS in this case[3] is not a reason to apply an equal percentage increase. Staff performed a functionalized cost of service study[4] and relied on that study to establish the demand, energy, and facilities charge relationships it recommends.[5] Staff cannot reasonably maintain that cost analysis is sufficiently reliable to set the structure and level of individual rate elements but insufficiently reliable to inform the apportionment of revenue

[1]Rebuttal Testimony of Jessica A. York ("York Rebuttal") at pages 3-11.

[2]Rebuttal Testimony of Dr. Carolyn A. Berry ("Berry Rebuttal") at pages 12-14; Rebuttal Testimony of Graham A. Jaynes ("Jaynes Rebuttal") at pages 11-14; Sarah Lange's Rebuttal ("Lange Rebuttal") at pages 30-31 and 35.

[3]Staff Rate Design Report at page 4; Rate Design Direct Testimony of Sarah L.K. Lange ("Lange Rate Design Direct") at page 2.

[4]Staff Rate Design Report at pages 7-12 and Schedule 3.

[5]*Id.* at pages 32-38.

among classes. Those are the same costs. The Company likewise rejects Staff's position in this regard.[6]

2. Staff's criticism of the Four Coincident Peak ("4CP") Average and Excess ("A&E") (collectively, "4CP A&E") allocator does not change the outcome. In my Direct Testimony, I calculated the CCOSS results using a Four Non-Coincident Peak ("4NCP") A&E (collectively, "4NCP A&E") allocator, which is the measure Staff prefers, and provided those results in Schedules JAY-1 and JAY-2.[7] The LGS and LPS classes remain well above the system average rate of return, and the Residential class remains well below it, under either measure.

3. My continued support for separately identifying single-phase primary distribution costs is a position on cost causation, not an endorsement of the particular line cost estimates the Company used to quantify that split. Staff's criticism is directed at the Company's quantification method, and I do not oppose using embedded cost for that purpose.

4. Table JAY-5 of my Direct Testimony was expressly illustrative. My recommendation is the set of class multipliers relative to the system average increase, and those multipliers apply at whatever revenue requirement the Commission authorizes.[8] A smaller authorized increase strengthens, rather than weakens, the case for greater movement toward cost of service.

5. Staff's recommended billing demand periods of 10:00 a.m. to midnight in summer billing months and 6:00 a.m. to midnight in all other billing months are not supported by Staff's own Schedule 4. That schedule shows that every summer system peak in the period reviewed occurred in the 3:00 p.m., 4:00 p.m., or 5:00 p.m. hour, and that no peak in any season occurred in the 6:00 a.m. hour or in any hour after 8:00 p.m.[9] Staff's recommended periods include a large number of hours in which no peak has occurred.

6. Staff's recommendation to recover approximately 15% of each class's revenue from billing demand charges[10] moves in the opposite direction from cost causation for the LPS class, as I explained in my Rebuttal Testimony.[11] I continue to recommend that LPS demand charges be increased by 1.5 times the class average increase and LPS energy charges by 0.5 times the class average increase.

7. Staff's recommended facilities charge levels are illustrative and are not derived from a cost study. Facilities charges are a significant element of monthly non-residential bills and they recover the cost of facilities serving customers at given voltages. I recommend that the facilities charge levels be derived from the cost of service.

[6]Rebuttal Testimony of Bradley D. Lutz ("Lutz Rebuttal") at pages 3 and 5.

[7]Direct Testimony of Jessica A. York ("York Direct"), Tables JAY-1 and JAY-2 and Schedules JAY-1 and JAY-2.

[8]York Direct at page 14.

[9]Staff Rate Design Report, Schedule 4; Lange Rebuttal at page 61.

[10]Staff Rate Design Report at page 32.

[11]York Rebuttal at pages 16-17.

8. The Commission should reject Staff's recommended mandatory CPR. The rate Staff recommends would apply a $0.10 per kilowatthour ("kWh") charge to six hours identified as late as the preceding midnight, provides no exemption, cap, opt-out, or curtailment alternative for commercial and industrial customers, has not been quantified for any actual non-residential customer or for any identified number of events, and would be billed on interval data Staff itself describes as unreliable.

9. The Commission should approve the Company's proposed optional TOU rate for commercial and industrial classes, subject to correction of the voltage and seasonal rate relationships I identified in my Direct Testimony. Staff's objection is a concern about customer selection, not a finding that the rate fails to reflect cost causation. Staff confirms that the revenue responsibility it believes participating customers would avoid cannot presently be quantified, and it is difficult to reconcile with Staff's own recommendation for time-differentiated charges and for a replacement rate plan billed at the day-ahead locational marginal price.

10. The Company has since provided MECG with a combined, account-level bill impact analysis of the kind I requested in my Direct Testimony. That analysis shows that the combined impacts on individual LGS and LPS accounts are significant. I, therefore, recommend that the Commission proceed with replacement of the Hours Use rate structure in this case only if the replacement is accompanied by gradualism, and that the gradualism required be accomplished through the class-specific multipliers I recommended for the LGS and LPS classes in my Direct Testimony.

11. If the Commission authorizes an income-eligible rate, the avoided revenue should be recovered from the Residential class. Alternatively, the allocation and rate design should be done on a per customer basis.

III. CLASS COST OF SERVICE

III.A. Staff's Position That No Reliable CCOSS Can Be Produced

Q WHAT IS STAFF'S POSITION REGARDING THE USE OF A CCOSS IN THIS CASE?

A Staff states that it is not feasible to conduct a reliable CCOSS in this case, and that it is not possible for any party to produce a useful CCOSS, due to the class restructuring and the incorporation of new large load.[12] Thus, Staff recommends an equal percentage increase to all classes.

[12]Staff Rate Design Report at pages 2 and 4; Lange Rate Design Direct at page 2.

Q DO YOU AGREE?

A No. First, Staff did not proceed without a cost analysis. Staff performed a functionalized cost of service study, attached as Schedule 3 to the Staff Rate Design Report, and used it to establish the functional split of the revenue requirement.[13] Staff then relied on cost-based reasoning throughout its rate design recommendations, including the share of class revenue to be recovered from billing demand, the seasonal demand rate differential, the voltage adjustment factors, the facilities charge levels, and the on-peak and off-peak energy differentials.[14] Staff has not explained why that cost analysis is sufficiently reliable to influence the structure and level of individual rate elements but insufficiently reliable to inform the class revenue apportionment. In response to discovery, Staff confirms that it did not calculate class revenue responsibility using the Schedule 3 study, and states that it has not asserted that the study should be used to establish class-level relationships among these cost of service categories.[15] Staff does not explain why a study it treats as reliable enough to set the functional split of the revenue requirement, and to set the relationships among individual rate elements, becomes unreliable when applied to the classes those rate elements serve.

Second, Staff has not demonstrated that an equal percentage increase reflects cost causation. It has instead concluded that the tool capable of testing that question should be set aside. The result is that the existing relationship among classes, which the Company's CCOSS shows to be substantially out of alignment with cost, is carried forward and applied to a larger revenue requirement.

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[13]Staff Rate Design Report at pages 7-12 and Schedule 3.
[14]*Id.* at pages 32-38.
[15]Staff response to MECG Data Request No. 0538, parts 1 and 2. Schedule JAY-SUR-1 at pages 22-23.

Q DOES ANY OTHER PARTY SHARE YOUR VIEW ON STAFF'S POSITION THAT IT IS NOT POSSIBLE TO PRODUCE A RELIABLE CCOSS IN THIS CASE?

A Yes. Company witness Bradley D. Lutz disagrees with Staff's assertion that a useful CCOSS is not possible in this case, and states that a CCOSS is always useful.[16] Mr. Lutz further observes that Staff took the same position in the Evergy Missouri West proceeding, Case No. ER-2024-0189, and then relied on a functionalized cost of service analysis to support its rate design recommendations, which is what Staff has done again here.[17] MECG and the Company disagree about what the CCOSS results require in terms of revenue apportionment, but we agree that the Commission has a usable cost analysis before it in this case.

Q DO YOU HAVE ANY OBSERVATIONS ABOUT THE RELIABILITY OF THE DATA STAFF RELIES ON TO SUPPORT ITS OWN RATE DESIGN PROPOSALS?

A Yes. The load and peak data on which Staff based its recommended demand and energy periods appear on Schedule 4 to the Staff Rate Design Report under the headings "Hourly Avg NSI" and "SPP Peak Counts." Ms. Lange describes these counts in her narrative as the months and hours of historic Evergy Metro peaks relied upon by SPP, and the table reproduced in her Rebuttal Testimony carries the same "SPP Peak Counts" heading.[18]

In discovery, Staff states that the values in the "SPP Peak Counts" table are neither Southwest Power Pool ("SPP") peaks nor Evergy Metro peaks, and that the table was prepared from the Company's response to Staff Data Request No. 0200,

[16]Lutz Rebuttal at page 3.
[17]*Id.* at page 5.
[18]Lange Rebuttal at pages 60-61.

which the Company represents provides the peak day, hour, and kilowatt ("kW") for the Missouri and Kansas jurisdictions coincident with the Evergy Metro system peak for the calendar years 2022 through 2025. Staff further states that the values in the "Hourly Avg NSI" table are the total Evergy Metro load, including Kansas, Missouri, and wholesale or other sales.[19]

Staff's discovery response clarifies that the peak hours reflected on Schedule 4 are hours of the Company's own system peak rather than hours of the SPP system peak. In addition, the response clarifies that the load data Staff used is not the load of the customers to whom the resulting billing demand periods would apply. It is total Evergy Metro load, including Kansas retail load and wholesale and other sales. Staff also confirms that it did not compare the hourly load shape of the Evergy Metro system to the load shape reflected on Schedule 4.[20] Thus, Staff has established the hours in which the billing demand of Missouri retail customers would be measured using load data that it has not tested against the load of those customers.

Staff maintains that the evidence in this case does not permit a reliable determination of class cost responsibility, yet Staff was prepared to establish the hours in which every non-residential customer's billing demand is measured on the basis of the data described above. Staff further claims that its selection of hours was based on a subjective review of each hour for inclusion or exclusion, that no formal workpapers exist, and that it has identified no analysis supporting inclusion of the 10:00 a.m. through 2:00 p.m. hours in the summer billing demand period.[21] The standard of

[19]Staff response to MECG Data Request No. 0525.0, parts 1 and 2. Schedule JAY-SUR-1 at pages 1-2.

[20]Staff response to MECG Data Request No. 0525.0, part 5. Schedule JAY-SUR-1 at pages 1-2.

[21]Staff response to MECG Data Request No. 0525.0, parts 6 and 7. Schedule JAY-SUR-1 at pages 1-2.

reliability Staff applies to the CCOSS is not the standard Staff applies to its own rate design analysis.

Q DO THE UNCERTAINTIES STAFF IDENTIFIES WARRANT SOME CAUTION?

A They warrant caution in the sense of gradualism, and my recommendation reflects gradualism. I did not recommend equalizing class rates of return in this case. I recommended class-specific multipliers that move classes toward cost of service while limiting the increase to any single class. The uncertainty associated with large load is also asymmetric in a way Staff does not address. The CCOSS results show the LGS and LPS classes above cost of service and the Residential class well below it, and the LPS results remain approximately double the system average return at present rates even when the illustrative Large Load Power Service customer is removed from the LPS group.[22]

III.B. Production Cost Allocation

Q WHAT IS STAFF'S CRITICISM OF THE 4CP A&E ALLOCATOR?

A Ms. Lange states that the use of a coincident peak measure within an A&E allocator is characterized as a mistake in the 1992 National Association of Regulatory Commissioners' ("NARUC") Electric Utility Cost Allocation Manual ("NARUC Manual"), and that non-coincident peaks should be used to allocate excess demand.[23]

[22]York Direct at pages 11-12.
[23]Lange Rebuttal at page 30, quoting the NARUC Manual at page 50.

Q HAVE YOU ADDRESSED THAT POINT?

A Yes. In my Direct Testimony, I noted the same NARUC guidance, and recalculated the A&E allocator using class non-coincident peak demands for the four highest system peak load months and compared the results to the Company's 4CP A&E allocator.[24] Those results are presented in Tables JAY-1 and JAY-2 and in Schedules JAY-1 and JAY-2.

Q WHAT DO THOSE RESULTS SHOW?

A They show that the allocation factors and the resulting class rates of return are similar under both measures. Under the current class structure and a 4NCP A&E allocator, the LPS class produces a rate of return of 13.21% and the LGS class produces 9.66%, against a system average of 4.90%, while the Residential class produces 0.78%. Under the proposed class structure, LPS produces 14.52% and LGS produces 9.48%, against the same 4.90% system average, with Residential at 0.77%.[25]

Thus, I have already performed the calculation using the measure Staff prefers, and the conclusion does not change. Whatever the Commission concludes about the proper reading of the NARUC Manual, the evidence establishes that the LGS and LPS classes are paying materially above the cost of serving them and that the Residential class is paying materially below it. Ms. Lange's testimony does not address Schedules JAY-1 and JAY-2 or dispute these results. However, in response to discovery, Staff states that it has not calculated an A&E allocator using non-coincident peak demands within the Company's model, and that it defers to me for the

[24]York Direct at pages 5-7.

[25]York Direct, Table JAY-2; Schedule JAY-1 (current class structure) and Schedule JAY-2 (proposed class structure).

interpretation of my results.[26] Therefore, Staff does not dispute the 4NCP A&E results themselves. Its position is that the underlying study is unreliable, which is the position I address above.

Q MS. LANGE STATES THAT YOU RELY ON THE COMPANY'S FUNCTIONALIZATION, CLASSIFICATION, SUBFUNCTIONALIZATION, AND REVENUE REQUIREMENT. IS THAT CORRECT?

A It is correct that I used the Company's CCOSS models as the starting point,[27] which is the ordinary practice of an intervenor evaluating a utility's study. It does not follow that the results are unusable. Staff has identified elements of the Company's study that it would construct differently. Staff has not quantified the effect of any of those elements on class rates of return. An unquantified criticism does not establish that the direction or the magnitude of the disparity shown in the Company's study is wrong.

III.C. Single-Phase Primary Distribution

Q WHAT IS STAFF'S CONCERN REGARDING THE COMPANY'S TREATMENT OF SINGLE-PHASE PRIMARY DISTRIBUTION COSTS?

A Ms. Lange states that the Company did not rely on embedded cost for subfunctionalization of the distribution system, and that its use of line cost estimates based on a selected conductor type overstates investment in secondary voltage infrastructure and shifts cost responsibility away from customers served at higher voltages.[28] She provides a comparison between the subfunctionalization percentages

[26]Staff response to MECG Data Request No. 0539, parts 1 and 3. Schedule JAY-SUR-1 at pages 24-25.
[27]Lange Rebuttal at page 56.
[28]Lange Rebuttal at pages 39-43 and Schedules SLKL-r4 through SLKL-r8.

in the Company's workpaper and percentages derived from the Company's response to Staff Data Request No. 0340.[29]

Q DOES THAT CRITICISM UNDERMINE MECG'S POSITION?

A No. My understanding is that Staff's criticism is directed at a different question. There are two separate issues here and they should not be conflated.

The first is a question of cost causation, namely, whether single-phase primary circuits, which are used almost exclusively to serve secondary voltage customers, should be separately identified so that their costs are not allocated to primary voltage customers who are not served by that infrastructure. That factual premise was confirmed in the prior Evergy Missouri West rate case through discovery.[30] MECG recommended the separate identification in that case, the Company has now implemented it, and Staff does not dispute the underlying principle. To the contrary, Ms. Lange states that customers served at higher voltages should not pay for lower voltage assets.

The second is a question of quantification, namely, how the cost of the single-phase primary system, the three-phase primary system, and the secondary system should be measured. Staff's criticism is directed at this second question.

Q WHAT DO YOU RECOMMEND?

A The Commission should affirm the principle that single-phase primary distribution costs are properly identified separately and allocated to the customers served by that infrastructure, and should direct the Company to quantify the subfunctionalization on

[29] *Id.* at pages 41-43 and 46.
[30] Case No. ER-2024-0189, Direct Testimony of Kavita Maini, Attachment 1.

an embedded cost basis in this case if possible, or in its next rate case. Abandoning the separate identification because the Company's quantification method can be improved would reintroduce the misallocation that the refinement was adopted to correct.

IV. REVENUE APPORTIONMENT

Q MS. LANGE STATES THAT TABLE JAY-5 OF YOUR DIRECT TESTIMONY REFERS TO AN $85 MILLION STAFF-RECOMMENDED INCREASE WHEN STAFF'S DIRECT-RECOMMENDED INCREASE WAS $33.46 MILLION. PLEASE RESPOND.

A Table JAY-5 is an illustration, and I described it as such in my Direct Testimony.[31] Its purpose is to show how my recommended class multipliers would operate, not to adopt a revenue requirement. I do not sponsor a revenue requirement in this case.

The $85 million figure was developed from Staff's revenue requirement position without the offset for new net revenue from large loads that Staff reflects in its recommended increase.[32] The large load revenue, and the terms on which it is recognized, remain contested in this proceeding, and my expectation was and is that the increase the Commission ultimately authorizes will fall somewhere between the Company's request and Staff's net recommendation. I used a figure in that range so that the illustration would be meaningful. To the extent the label in Table JAY-5 suggested that $85 million was Staff's recommended increase, I clarify that it was not.

[31]York Direct at page 14, Table JAY-5.

[32]Staff Rate Design Report at page 4 (recommending an equal percentage increase "subject to adjustment for finalization of the impacts of economic development incentives and the offset of new net revenue from large loads").

Q DOES THE CHOICE OF ILLUSTRATIVE REVENUE REQUIREMENT AFFECT YOUR RECOMMENDATION?

A No. My recommendation is the set of class multipliers relative to the system average increase: 1.50 for Residential, 1.10 for Small General Service, 1.00 for Medium General Service, 0.64 for LGS, 0.28 for LPS, 1.25 for Lighting, and 1.50 for Electric Vehicle. Those multipliers are expressed relative to the system average and can be applied at any authorized revenue requirement, as explained in my Direct Testimony.[33]

Q MS. LANGE ALSO STATES THAT AN ANALYST CANNOT APPLY A PERCENTAGE ADJUSTMENT TO A CLASS'S SHARE OF A TOTAL REVENUE AMOUNT TO REVISE A CCOSS FROM ONE REVENUE REQUIREMENT TO ANOTHER. HOW DO YOU RESPOND?

A Table JAY-5 is not a revised CCOSS.[34] It does not restate class rates of return, class rate base, or class cost of service at a different revenue requirement. It applies class multipliers to current class revenues to illustrate the resulting dollar and percentage increases. Ms. Lange is correct that class rates of return at a different revenue requirement would require rerunning the study. That is not what Table JAY-5 does or purports to do.

[33]York Direct at page 15.
[34]Lange Rebuttal at page 56.

Q IF THE COMMISSION AUTHORIZES AN INCREASE CLOSER TO STAFF'S RECOMMENDATION, DOES THAT WEAKEN THE CASE FOR MOVEMENT TOWARD COST OF SERVICE?

A No, it strengthens it. First, the concern that typically limits movement toward cost of service is the absolute bill impact on the class that must absorb an above-average increase. At the Company's requested increase of 15.19%, applying a 1.50 multiplier to the Residential class would produce a Residential increase above 20%. At a smaller system average increase, the same 1.50 multiplier produces a materially smaller absolute increase for that class. The lower the authorized increase, the more movement toward cost of service the Commission can order for a given tolerance for customer impact. I made this same observation in my Direct Testimony.[35]

Second, a smaller authorized increase does not reduce the degree of cross-subsidization that exists at present rates. The LPS class produces a rate of return of roughly three times the system average, and the LGS class roughly twice the system average, at present rates. Those relationships are properties of the existing rate structure. They persist regardless of the size of the increase, and an equal percentage increase preserves them at a higher revenue level.

Q HAS THE COMPANY RESPONDED TO YOUR REVENUE APPORTIONMENT RECOMMENDATION?

A Yes. Mr. Jaynes states that the Company agrees that the CCOSS identifies meaningful differences in the relative cost recovery of the customer classes and provides appropriate directional guidance for class revenue allocation, that the Company agrees

[35]York Direct at pages 14-15.

class revenues should move toward the costs identified by a sound CCOSS, and that the Company and I are substantially aligned regarding both the interpretation of the study and the longer-term objective.[36] The Company's disagreement is one of application and timing rather than interpretation.[37] The Company's clarification confirms that the equal percentage increase is not defendable in this case as a cost-based result, but as a deferral of a cost-based result.

Q ARE THERE FACTORS IN THIS CASE THAT MAKE BELOW-AVERAGE INCREASES FOR THE LGS AND LPS CLASSES PARTICULARLY APPROPRIATE?

A Yes. These classes face simultaneous rate design changes that produce bill impacts materially in excess of the class average, before any revenue requirement increase is applied. As I discussed in my Direct Testimony, the Company's workpapers show a range of impacts of 10% to 469% from the proposed demand thresholds alone, and impacts in the range of 20% to 63% for certain customers from the Hours Use replacement alone.[38] The combined bill impact analysis the Company has since provided to MECG, which I discuss in Section V.E below, is consistent with the magnitude of that stacked result. A below-system-average revenue apportionment for these classes is warranted both by the cost of service results and by the magnitude of the structural change these customers are absorbing at the same time.

[36] Jaynes Rebuttal at pages 15-16.
[37] *Id.* at pages 16-17.
[38] York Direct at pages 16-17 and 20.

V. RATE DESIGN

V.A. Demand and Energy Periods

Q WHAT DEMAND PERIODS DOES STAFF RECOMMEND?

A Staff recommends that billing demand be measured during summer billing months of June through September between 10:00 a.m. and midnight, and during all other billing months between 6:00 a.m. and midnight.[39] That is a fourteen-hour summer window and an eighteen-hour non-summer window.

Q WHAT EVIDENCE DID STAFF PROVIDE IN SUPPORT OF THESE PERIODS?

A Staff provided Schedule 4 to the Staff Rate Design Report, which sets out for each hour and each season the number of times a system peak occurred during the period reviewed, the average load, and the average market energy price.[40] Ms. Lange states that Staff has observed peaks on weekends and holidays, and that the 7:00 a.m. and 8:00 a.m. hours are frequently peak-setting in non-summer months.[41]

Q WHAT DOES SCHEDULE 4 SHOW REGARDING THE HOURS IN WHICH PEAKS OCCUR?

A The peak counts reported on Schedule 4 are summarized in Table JAY-SUR-1.

[39]Staff Rate Design Report at pages 25 and 32.
[40]Staff Rate Design Report at page 32 and Schedule 4.
[41]Lange Rebuttal at pages 60-62.

TABLE JAY-SUR-1

Number of Peak Hours by Season 2022-2026

Line	Hour	Non-Summer	True Winter	Summer
1	12:00 a.m. - 6:00 a.m.	-	-	-
2	7:00 a.m.	11	9	-
3	8:00 a.m.	3	1	-
4	9:00 a.m.	1	1	-
5	10:00 a.m.	1	1	-
6	11:00 a.m. - 2:00 p.m.	-	-	-
7	3:00 p.m.	1	-	8
8	4:00 p.m.	6	-	4
9	5:00 p.m.	4	1	4
10	6:00 p.m.	4	3	-
11	7:00 p.m.	-	-	-
12	8:00 p.m.	1	-	-
13	9:00 p.m. - 11:00 p.m.	-	-	-
14	Total	32	16	16

Sources and Notes:
Staff Rate Design Report Schedule 4.
Summer consists of June-September.
Non-Summer is October-May.
True Winter is December-March.

Q WHAT DOES SCHEDULE 4 SHOW WITH RESPECT TO THE SUMMER SEASON?

A Every summer peak recorded in the period reviewed occurred in the 3:00 p.m., 4:00 p.m., or 5:00 p.m. hour. No summer peak occurred in the 10:00 a.m., 11:00 a.m., 12:00 p.m., 1:00 p.m., or 2:00 p.m. hour, and no summer peak occurred in any hour from 6:00 p.m. through 11:00 p.m. Staff confirmed each of these facts in response to discovery.[42]

[42]Staff response to MECG Data Request No. 0526, parts 1 through 3. Schedule JAY-SUR-1 at pages 3-4.

Nonetheless, Staff recommends a summer billing demand period beginning at 10:00 a.m. and running through midnight. Of the fourteen hours in that period, three are hours in which a summer peak has been recorded. The remaining eleven hours have never set a summer peak in the period Staff reviewed. The Company's proposed summer demand period of 3:00 p.m. to 7:00 p.m. captures every summer peak reflected on Staff's own schedule.

Q WHAT DOES SCHEDULE 4 SHOW WITH RESPECT TO THE NON-SUMMER SEASON?

A Non-summer peaks fall into two distinct blocks. Sixteen of the thirty-two recorded non-summer peaks occurred in the 7:00 a.m. through 10:00 a.m. hours, and sixteen occurred in the 3:00 p.m. through 8:00 p.m. hours. No non-summer peak occurred in the 6:00 a.m. hour, in the 11:00 a.m. through 2:00 p.m. hours, or in any hour from 9:00 p.m. through 11:00 p.m. The true winter counts follow the same pattern, with nine of sixteen peaks in the 7:00 a.m. hour alone. Staff likewise confirms that no non-summer peak and no winter peak occurred in the 6:00 a.m. hour, in the 11:00 a.m. through 2:00 p.m. hours, or in any hour from 9:00 p.m. through 11:00 p.m.[43]

Staff's recommended non-summer period runs from 6:00 a.m. to midnight. Eight of those eighteen hours have never set a peak in any season during the period Staff reviewed. That includes the 6:00 a.m. hour with which the period begins.

[43]Staff response to MECG Data Request No. 0527, parts 1 through 3. Schedule JAY-SUR-1 at pages 5-6.

Q DOES THE STATED RATIONALE SUPPORT THE PERIODS STAFF RECOMMENDS?

A It supports the inclusion of the early morning hours in the non-summer season, and I agree with Staff that those hours matter. It does not support an eighteen-hour continuous block. Ms. Lange justified the early start by reference to the 7:00 a.m. and 8:00 a.m. hours. Schedule 4 confirms that those hours are peak-setting, and Schedule 4 equally confirms that the 6:00 a.m. hour is not. The appropriate response to a peak-setting 7:00 a.m. hour is to include the 7:00 a.m. hour. Staff considered that approach and rejected it. Staff states that in both seasons it considered demand windows limited to the hours in which peaks were recorded, and windows consisting of those hours plus one hour before and one hour after.[44] Staff states that it rejected them because its approach is to begin with the current 24-hour demand applicability and exclude hours rather than target the highest peak hours, and because a continuous winter window is more understandable to customers.[45] Those are administrative preferences. Neither is a finding that the additional hours Staff would include contribute to the capacity cost the billing demand charge recovers.

The same is true of Staff's concern regarding load shifted immediately outside the measured window. If Staff is concerned that customers will shift load into the hours immediately following the Company's proposed summer window, the response is to extend the window through those hours. It does not require beginning the summer period at 10:00 a.m., five hours before the earliest hour in which a summer peak has been recorded.

[44] Staff response to MECG Data Request No. 0526, part 6; Staff response to MECG Data Request No. 0527, part 5. Schedule JAY-SUR-1 at pages 3-4 and 5-6.

[45] *Id.*

Q WHY DOES THE BREADTH OF THE PERIOD MATTER TO THE CUSTOMERS MECG REPRESENTS?

A A billing demand period that covers three quarters of the day is not meaningfully a peak period. It approaches a non-coincident peak measurement, which measures the customer's own maximum demand rather than the customer's contribution to system peak. For a customer that operates continuously, the two converge.

The purpose of an on-peak demand charge is to reflect cost causation. Generation and transmission capacity cost is driven by demand in the hours in which the system peaks, so a demand charge measured over those hours assigns that cost in proportion to customers' contribution to it. A customer whose usage is weighted toward hours that do not set system peaks causes less capacity cost and should be billed accordingly. A period that captures nearly every operating hour does not recognize that relationship. Billing demand measured across three quarters of the day no longer distinguishes demand in the hours that drive capacity cost from demand in the hours that do not. It also eliminates the principal benefit a high load factor customer obtains from a peak-based structure, which is the recognition that steady, off-peak-weighted usage imposes lower capacity cost on the system. Under Staff's periods, a customer that shifts load out of the 4:00 p.m. hour and into the 11:00 a.m. hour would see no reduction in billing demand, even though Schedule 4 shows that the 11:00 a.m. hour has never set a peak in any season reviewed.

Q HAS STAFF QUANTIFIED THE EFFECT OF ITS RECOMMENDED PERIODS ON CUSTOMER BILLS?

A No. Staff confirms that it has not been able to calculate the rates, the billing determinants, or the customer impacts associated with its recommended periods, and

that it has not quantified the bill impact of its overall recommended rate structure on any LGS or LPS customer. Mr. Lutz makes a related observation, noting that Staff did not detail a specific benefit for the considerable change to the seasons and the timing periods.[46] Staff attributes the absence of that quantification to the Company's refusal to provide the information Staff requested in Staff Data Request Nos. 0468 through 0476.[47] Thus, the Commission is being asked to establish the hours in which billing demand is measured for every non-residential customer of the Company without any calculation of the determinants those hours would produce or of the bills that would result. Staff itself recognizes the need for that work, and recommends that the Company perform the customer migration and determinants study promptly so that rates can be calculated upon the entry of the Commission's order in this case.[48] That sequence places the quantification after the decision rather than before it, and it leaves no basis on which to compare the effect of Staff's periods to the effect of the periods the Company proposes.

Q WHAT DO YOU RECOMMEND?

A I recommend that the Commission reject Staff's recommended demand periods. Schedule 4 does not support them.

If the Commission concludes that the Company's proposed periods should be adjusted, the adjustment should be limited to the hours the evidence identifies as peak-setting. On the face of Schedule 4, a summer billing demand period of

[46]Lutz Rebuttal at page 12.

[47]Staff response to MECG Data Request No. 0528, parts 1 and 4; see also Staff response to MECG Data Request No 0525.0, part 8. Schedule JAY-SUR-1 at pages 7-8 and 1-2.

[48]Staff response to MECG Data Request No. 0528, part 3, quoting Staff Rate Design Report at page 26. Schedule JAY-SUR-1 at pages 7-8.

approximately 3:00 p.m. to 7:00 p.m., and a non-summer billing demand period composed of a morning block of approximately 7:00 a.m. to 10:00 a.m. and an afternoon and evening block of approximately 3:00 p.m. to 8:00 p.m., would capture every recorded peak in each season in nine hours rather than eighteen. Such a structure would preserve a meaningful price signal, would respond directly to Staff's observation regarding the morning hours, and would be supported by the record Staff itself developed.

Whatever periods the Commission adopts, the resulting billing determinants and customer bill impacts should be quantified before the periods are ordered.

V.B. Demand and Energy Charge Relationship

Q WHAT DOES STAFF RECOMMEND REGARDING THE SHARE OF CLASS REVENUE RECOVERED THROUGH DEMAND CHARGES?

A Staff recommends that rates be calculated to recover approximately 15% of the revenue in each restructured class from billing demand charges.[49] Staff states that demand rates currently provide approximately 12% of LGS class revenue and 17% of LPS class revenue.[50]

Q DO YOU AGREE?

A No, and my position is unchanged from my Rebuttal Testimony.[51] For the LPS class, Staff's recommendation would reduce the share of revenue recovered through demand charges below its current level. That is the opposite of what cost causation supports.

[49]Staff Rate Design Report at page 32.
[50]*Id.*
[51]York Rebuttal at pages 16-17.

As I explained in my Direct Testimony, the Company's CCOSS under the proposed class structure shows that energy costs represent approximately 30% of the total cost of service for the LPS class, while the proposed LPS energy rates recover approximately 65% of the revenue requirement allocated to that class. For the LGS class, approximately 25% of the cost of service is energy-related while approximately 60% of allocated revenue is recovered through energy charges.[52] The rate structure already recovers a substantial amount of fixed, capacity-related cost through volumetric charges. Reducing the demand charge share compounds that misalignment.

I also note that Staff has not identified a cost-of-service analysis supporting the 15% figure, and that Staff applies the same 15% target uniformly across classes with materially different load characteristics. Further, Staff confirmed in discovery that the 15% figure is a simple approximation of the current demand recovery across the affected classes, that it was intended to limit customer impacts during the restructuring, and that Staff did not perform a cost of service study in this case.[53] The result is a demand recovery target derived from existing rates rather than from cost, applied to a class structure that does not yet exist.

Q WHAT DO YOU RECOMMEND?

A I continue to recommend that LPS demand charges be increased by 1.5 times the class average increase and LPS energy charges by 0.5 times the class average increase, with the remainder of the class revenue requirement collected from the remaining rate elements. The same directional treatment is appropriate for the LGS class.

[52]York Direct at pages 29-30.

[53]Staff response to MECG Data Request No. 0529, parts 1 through 4. Schedule JAY-SUR-1 at pages 9-10.

V.C. Facilities Demand Charges

Q WHAT IS YOUR POSITION ON STAFF'S RECOMMENDATION THAT FACILITIES CHARGES BE UNIFORM ACROSS CLASSES AT A GIVEN VOLTAGE?

A Staff's recommended facilities charge levels are illustrative and are not tied to a cost study.[54] Facilities charges are a significant element of the bill for LGS and LPS customers, and they should be set on the basis of the cost of the facilities dedicated to serving those customers at each voltage level. In response to discovery, Staff confirmed the absence of a cost basis for its proposal. Staff stated that the recommended values are a simple approximation of existing rate values intended to minimize customer impacts during the initial phase of the restructuring, that it has not quantified the revenue effect of uniform facilities charges by class, and that it supports further study of the cost of service of the relevant facilities at specified voltage and customer sizes.[55] I recommend that the Commission direct that the facilities charge levels be derived from cost of service rather than set at illustrative values.

V.D. Optional Time-of-Use Rate and Time Related Pricing

Q WHAT IS STAFF'S POSITION ON THE OPTIONAL TOU RATE?

A Staff does not support approval of the non-residential opt-in TOU rate, on the basis that Staff does not support highly differentiated opt-in rates that allow customers to avoid revenue responsibility for reasonably allocated costs of service. Staff adds that it

[54]Staff Rate Design Report at pages 34-35; Lange Rebuttal at pages 67-68.

[55]Staff response to MECG Data Request No. 0532, parts 1 through 3. Schedule JAY-SUR-1 at pages 11-12.

opposes the manner in which the Company modified the relative pricing elements of the rates recommended by The Brattle Group.[56]

Q DO YOU AGREE WITH STAFF'S POSITION?

A No. Staff does not find that the optional TOU rate fails to reflect the time-varying cost of service. Further, Staff does not quantify the revenue responsibility it believes participating customers would avoid, does not identify the specific allocated costs that would go unrecovered, and does not provide any analysis of participation or selection. In response to discovery, Staff stated that quantification of the revenue responsibility participating customers would avoid is not possible at this time, and that identification of the specific reasonably allocated costs of service those customers would avoid is likewise not possible at this time.[57]

Thus, Staff's opposition to the optional TOU rate rests on a concern that has not been quantified and that cannot presently be quantified. An optional rate should not be denied on the basis of a revenue erosion that no party has measured, particularly where the same objection would apply to rate structures Staff itself recommends.

As I explained in my Direct Testimony, time-differentiated pricing is more consistent with the way generation costs are actually incurred than flat energy charges are,[58] and Staff's own recommendations rest on that same premise.

[56]Lange Rebuttal at page 69.
[57]Staff response to MECG Data Request No. 0537, parts 1 and 2. Schedule JAY-SUR-1 at pages 20-21.
[58]York Direct at pages 25-26.

Q PLEASE EXPLAIN WHAT YOU MEAN BY THE STATEMENT THAT STAFF'S OWN RECOMMENDATIONS REST ON THE SAME PREMISE.

A Staff makes three recommendations in this case that are difficult to reconcile with its objection to the Company's proposed non-residential optional TOU rate.

First, Staff recommends mandatory time-differentiated energy charges and credits applicable to every non-residential customer, including an on-peak adder and an off-peak credit in the summer season and corresponding adjustments in the non-summer season.[59] If time differentiation causes customers to avoid reasonably allocated costs, Staff's own recommendation would produce that result on a mandatory basis for the entire non-residential customer group.

Second, Staff recommends that interested parties develop a replacement rate plan under which customers opt in to billing at the price of the Company's day-ahead locational marginal price, together with reasonable demand and other charges.[60] A rate billed hourly at the day-ahead market price is considerably more differentiated than the optional TOU rate Staff opposes, and it is likewise an opt-in rate. I am unable to reconcile Staff's objection to opt-in TOU rate differentiation with its own recommendation for an opt-in day-ahead price rate. Staff's discovery response on this point states that the replacement rate plan would be fully cost based and would reflect the differences in energy value within a day.[61] That response does not address self-selection, which is the concern Staff identifies as the basis for its opposition to the Company's optional TOU rate and which would also be present in an opt-in day-ahead rate.

[59]Staff Rate Design Report at pages 25 and 31.
[60]Lange Rebuttal at pages 69-70.
[61]Staff response to MECG Data Request No. 0537, part 4. Schedule JAY-SUR-1 at pages 20-21.

Third, Staff recommends a CPR that would apply a substantial adder to energy consumed in designated hours. That is time differentiation of the most pronounced kind.

Q IS THERE A SIMILAR INCONSISTENCY IN STAFF'S TREATMENT OF BILLING ACCURACY?

A Yes. Under the heading "Estimated Billing Interaction with Highly Differentiated Time-Based Rates," Staff states that it is concerned the Company lacks adequate metering and billing precision to ensure that customers are accurately billed for the energy consumed in each time-based rate period.[62] Staff applies that concern exclusively to residential schedules and recommends that residential customers whose interval data is estimated for three or more months in a twelve-month period be removed from their selected rate.[63]

If the Company's metering and billing precision is inadequate to support time-differentiated residential rates, the same limitation applies to Staff's mandatory non-residential energy adders and credits and to Staff's proposed CPR.

Q WHAT ARE SOME OPTIONS FOR THE COMMISSION TO ADDRESS STAFF'S CONCERNS ABOUT THE COMPANY'S NON-RESIDENTIAL OPTIONAL TOU RATE?

A The Commission could address Staff's concerns through options such as participation conditions, not through denial of the rate. A minimum participation term, a limitation on the frequency of rate switching, or a requirement that a customer remain on the rate for

[62]Staff Rate Design Report at pages 19-20.
[63]*Id.* at page 20.

a full annual cycle would each address the concern that customers will enter and exit the rate opportunistically. Denying the rate to customers whose load profiles allow them to respond to price signals forecloses the load shifting that Staff's own demand period recommendations are designed to encourage. Staff confirmed in discovery that an optional TOU rate of this kind could be acceptable to it. Staff states that its support would depend on the reasonableness of the rate structure, rate design, and limitations, and that it anticipates a reasonable rate can be developed that maintains protections against revenue erosion for non-participating customers and that is based on accurate, cost-based time-differentiated rates.[64] The remaining difference between Staff and MECG on this issue is the conditions attached to the rate rather than whether an optional TOU rate can be reasonable.

Q DOES YOUR SUPPORT FOR THE OPTIONAL TOU RATE REMAIN SUBJECT TO THE CONCERNS YOU RAISED IN YOUR DIRECT TESTIMONY?

A Yes. I identified in my Direct Testimony that the proposed voltage-differentiated demand and energy charges are inconsistent with the unit costs of service by voltage produced by the Company's own CCOSS, and that certain proposed winter energy rates exceed summer rates.[65] Mr. Jaynes states that the winter energy charges reflect the locational marginal price information used in the Company's rate design, and that the Company is continuing to evaluate the voltage-related observations and may address them further in surrebuttal testimony.[66] Those relationships should be corrected before the rate is implemented. My recommendation is that the Commission

[64]Staff response to MECG Data Request No. 0537, part 5. Schedule JAY-SUR-1 at pages 20-21.
[65]York Direct at pages 23, 26 and 29-31, Table JAY-7.
[66]Jaynes Rebuttal at page 46.

approve the optional TOU rate subject to correction of the voltage and seasonal relationships.

Q WHAT IS YOUR POSITION ON THE TIME RELATED PRICING SCHEDULE?

A Staff recommends freezing the TRP schedule to new customers and new premises rather than eliminating it, and states that a well-designed TRP tariff could meet the customer's desires that underlie optional highly differentiated opt-in TOU tariffs.[67] That is a reasonable approach and it is consistent with the mitigation concerns I raised in my Direct Testimony.[68] It is also an acknowledgment by Staff that the customer interest served by the optional TOU rate is a legitimate one.

Existing TRP customers selected that rate because it fit their operations, and the Company's own analysis indicates a median impact of approximately 15.74% from migration, with some customers above the median, before any revenue requirement increase.[69] Freezing the schedule preserves those customers' position while preventing further enrollment during the period in which a successor rate is developed. MECG remains willing to participate in the development of a successor rate plan, and asks that any such plan be developed with the participation of the affected customers.

[67]Lange Rebuttal at page 69.
[68]York Direct at pages 27-28.
[69]York Direct at page 27; Jaynes Direct at page 29; and the Company's public TRP Bill Impacts workpaper.

V.E. Hours Use Rate Structure and Implementation Timing

Q WHAT DID YOU RECOMMEND IN YOUR DIRECT TESTIMONY REGARDING THE HOURS USE RATE STRUCTURE?

A I recommended that the Commission not eliminate the Hours Use rate structure in this proceeding absent an account-level analysis of the combined bill impact of all four proposed changes at the proposed revenue requirement, and that the Commission either defer the change or direct a phased transition with appropriate mitigation.[70] I was explicit that my recommendation was not a disagreement with the direction of the proposed structure. It was a recommendation about the sufficiency of the evidence and the pace of change.

Q HOW DOES STAFF RESPOND?

A Ms. Gonzales responds that continued use of Hours Use is not reasonable beyond a limited transition period, and addresses the complexity of the existing structure.[71] Ms. Lange states that my concerns are in line with Staff's recommendation in the Rate Design Report, which is that implementation of the restructuring be delayed until November 1, 2027, that customers receive a one-time report showing their historic determinants and their bills under both the current and restructured rates, and that the Company test its billing system and report any shortcomings.[72]

Ms. Gonzales's testimony on complexity does not respond to the concern I raised. I did not defend the Hours Use structure on grounds of simplicity, and I agree

[70]York Direct at pages 19-24.
[71]Gonzales Rebuttal at pages 5-7.
[72]Staff Rate Design Report at pages 27-29; Lange Rebuttal at pages 59-60.

that a structure customers cannot readily interpret has limited value. The question is sequencing and mitigation, not merit.

Q HAS THE COMPANY PROVIDED THE COMBINED BILL IMPACT ANALYSIS YOU REQUESTED IN YOUR DIRECT TESTIMONY?

A Yes. Since rebuttal testimony was filed, the Company provided MECG with an analysis of the bill impacts of the proposed rate design changes combined with the proposed revenue requirement increase, prepared at the account level for MECG member accounts.[73] The analysis reflects base rate charges only, and the impacts are calculated using actual 15-minute interval measurements applied to 2025 billing determinants.

Q WHAT DOES THAT ANALYSIS SHOW?

A The analysis shows that the combined effect of the proposed rate design changes and the proposed revenue requirement increase produces bill impacts for individual LGS and LPS accounts that are significant, and that are materially in excess of the system average increase. Total combined base rate bill impacts range from a decrease of about 5% to an increase of about 75%. Base rate bill impacts resulting from the rate design changes alone, prior to the application of the proposed 15.19% revenue requirement increase, range from a decrease of about 20% to an increase of about 60%. These results are consistent in direction with the account-level impacts provided in the Company's own workpapers, which show a range of impacts of 10% to 469% from the proposed demand thresholds alone, and impacts in the range of 20%

[73]Analysis provided by Evergy Metro to MECG on August 31, 2026. The analysis was provided to MECG directly rather than in response to a data request, and it is limited to MECG member accounts.

to 63% for certain customers from the Hours Use replacement alone, in each case before any revenue requirement increase is applied.[74]

Two features of these results warrant emphasis. First, the rate design changes drive a substantial increase for these accounts before any revenue requirement increase is applied. Second, when the revenue requirement increase is then applied to the class on an equal percentage basis, it compounds the rate design impact rather than moderating it. The combined impact these customers experience is the product of both.

Q WHY DO THE HOURS USE REPLACEMENT IMPACTS FALL DISPROPORTIONATELY ON THE CUSTOMERS MECG REPRESENTS?

A The Hours Use rate structure prices energy in blocks tied to the customer's hours of use of its billing demand, so a customer that operates its load intensively across the billing month reaches the lower-priced blocks. This structure rewards high load factor, which is what it was designed to do. The replacement rate structure is time-based. It prices energy according to the period in which the energy is consumed and recovers a portion of class revenue through an on-peak demand charge, and it places substantially less weight on load factor. A customer whose current bill reflects steady, around-the-clock operation therefore loses the benefit of that operating pattern under the replacement structure, without any change in the customer's usage.

This is not, by itself, a reason to reject the replacement structure. A time-based structure can be consistent with cost causation, and MECG supports rate designs that follow cost causation. What it identifies is who bears the transition. The higher load

[74]York Direct at pages 16-17 and 21.

factor LGS and LPS customers MECG represents are the customers whose bills move the most under the replacement, and the Company's analysis is consistent with that outcome.

Q DOES THE COMPANY'S ANALYSIS CHANGE YOUR RECOMMENDATION?

A It changes it in part. My Direct Testimony recommendation was framed as a deferral because the evidence necessary to evaluate the combined result was not available. That evidence is now available, so I no longer recommend deferral on evidentiary grounds alone. What the evidence shows, however, is that the combined impacts on individual LGS and LPS accounts are significant. Therefore, I recommend that the Commission proceed with the Hours Use replacement in this case only if the replacement is accompanied by significant gradualism, and that the gradualism required be accomplished through the revenue apportionment I recommended in my Direct Testimony.

Q PLEASE EXPLAIN HOW THE REVENUE APPORTIONMENT PROVIDES THE NECESSARY GRADUALISM.

A The combined impact on an individual account has two components: the rate design change, and the class revenue increase applied on top of it. The customers MECG represents are absorbing the first component in full, and they have no ability to avoid it. The second component is within the Commission's control in this case, and it is the component the Commission typically uses to moderate the pace of change.

Applying the class multipliers I recommended in my Direct Testimony, which are 0.64 for the LGS class and 0.28 for the LPS class, would hold the class average increases for these classes below the system average increase. That reduces the

second component of the combined impact for every account in these classes, and it does so proportionally, so the accounts with the largest rate design impacts receive the largest absolute moderation. Further, this gradualism approach is directionally consistent with the cost-of-service results, which show that the LGS and LPS classes are already paying well above the cost of serving them, and it is available to the Commission without deferring the structural change that the Company and Staff both support.

The converse also follows. If the Commission applies an equal percentage increase to the LGS and LPS classes while simultaneously replacing the Hours Use structure, it will impose the full rate design impact and the full revenue requirement increase on the same accounts, in the same case, on classes that the CCOSS shows are significantly overpaying. The proposal would result in the LGS and LPS classes getting the highest incremental increase from this rate case despite the CCOSS models showing a decrease is warranted. That is the outcome I oppose.

Q WHAT DO YOU RECOMMEND?

A My recommendation is that the Commission should not order elimination of the Hours Use rate structure unless the class revenue apportionment for the LGS and LPS classes reflects the movement toward cost of service I recommended in my Direct Testimony, which provides the mitigation these customers require in order to absorb the structural change.

VI. CRITICAL PEAK RATE

Q WHAT DOES STAFF RECOMMEND?

A Staff recommends that the Commission order a CPR tariff effective for service on and after November 1, 2027.[75] The rate would be triggered when the day-ahead locational marginal price at the Company's load node has exceeded $100 in each hour of an operating day and is $100 or more in each hour of the subsequent operating day. Under Option 1, the rate is $0.10 per kWh applied to the six consecutive hours with the highest day-ahead price in the subsequent operating day.[76] Under Option 2, the rate applies to all hours of the day at a lower level, stated as $0.025 per kWh in Staff's overview and as $0.03 per kWh in Staff's recommended tariff language.[77] All CPR revenue would flow into the Fuel Adjustment Clause as an offset.

Q DO YOU SUPPORT STAFF'S RECOMMENDED CPR?

A No. I recommend that the Commission reject it.

Q PLEASE EXPLAIN THE BASIS FOR YOUR OPPOSITION.

A First, Staff quantified the impact of the CPR on residential customers but did not quantify it for commercial or industrial customers. Staff states that a typical residential customer's bill would increase roughly $1.50 to $3.00 per day.[78] For a large industrial customer, a $0.10 per kWh adder applied across six hours is a materially different order of magnitude. Staff has now provided an illustrative estimate in response to discovery. Staff states that under Option 2 an LGS customer using approximately 1,000 kWh per

[75] Staff Rate Design Report at page 3.
[76] *Id.* at pages 41 and 44.
[77] *Id.* at pages 41 and 45.
[78] Staff Rate Design Report at page 41.

day would incur an additional charge of approximately $25 per event day, and an LPS customer using approximately 100,000 kWh per day would incur an additional charge of approximately $2,500 per event day, in each case if no change were made in usage. Staff states that similar dollar impacts would be expected under Option 1, and that it has not performed a detailed analysis of non-residential impacts because of the size range of non-residential customers and the variation in usage within each size range.[79]

That estimate does not cure the deficiency. The charge is a function of the customer's consumption in the applicable hours, so it scales with the size of the customer. Staff's illustrative LGS customer, at approximately 1,000 kWh per day, has an average hourly demand of approximately 42 kW, and a customer consuming twice the volume of Staff's illustrative LPS customer would incur twice the charge Staff estimates. Staff has also not stated how often the rate would be triggered. Staff did not provide the historical number of operating days on which its recommended trigger would have been satisfied, and states that it cannot estimate the aggregate revenue the rate would produce because the extent of customer response is unknown.[80] The annual exposure of any commercial or industrial customer to this rate, therefore, remains unquantified in both its per event amount and its frequency.

Second, the rate as recommended contains no exemption, cap, opt-out, or curtailment alternative for commercial and industrial customers. Staff recommends exemptions for critical medical needs customers, customers with registered medical equipment, Economic Relief Pilot Program customers, and income-eligible

[79]Staff response to MECG Data Request No. 0533.0, parts 4 and 5. Schedule JAY-SUR-1 at pages 13-14.

[80]Staff response to MECG Data Request No. 0533.0, parts 1 and 3. Schedule JAY-SUR-1 at pages 13-14.

customers.[81] Staff has, therefore, recognized that a categorical application of the rate is inappropriate for customers who cannot reasonably respond to it. There is no corresponding provision recognizing that some industrial processes cannot be interrupted safely or economically on short notice, and Staff offers no reason for treating that circumstance differently. Staff confirms that it did not attempt to identify exemption categories for non-residential customers, and that it considered a cap on the charge but determined that one was unnecessary. Staff rests each determination on the range of bill impact it expects the rate to produce.[82] That is the range Staff has not calculated for any actual commercial or industrial account.

Third, the notice contemplated is inadequate for industrial load. Staff acknowledges under Option 1 that the event hours may be very early in the day and that the information may not be available to customers until nearly midnight of the preceding day.[83] A manufacturer cannot reschedule a production shift, a batch process, or an inbound or outbound delivery on that notice. A price signal that customers cannot act on does not produce the load response the rate is intended to produce. It operates only as a charge. Further, Staff confirmed that it performed no analysis of the ability of commercial and industrial customers to shift or curtail load on the notice that its recommended tariff language contemplates.[84]

Fourth, Staff acknowledges that detailed interval reads will be necessary to bill the rate accurately, that estimating usage in missing intervals is wholly inapplicable to a rate that may induce usage changes, and that the Company has issues obtaining

[81]Staff Rate Design Report at page 47.
[82]Staff response to MECG Data Request No. 0535, parts 1 and 2. Schedule JAY-SUR-1 at pages 16-17.
[83]Staff Rate Design Report at page 45.
[84]Staff response to MECG Data Request No. 0535, part 4. Schedule JAY-SUR-1 at pages 16-17.

accurate interval reads.[85] Staff applied that same concern to residential time-based schedules and recommended that customers with three or more estimated months in a twelve-month period be removed from their selected rate.[86] Staff did not apply the concern to its own CPR recommendation. Staff confirms that it was unable to quantify the frequency of estimated intervals for LGS and LPS accounts, and that it has not recommended any condition precedent regarding interval read accuracy before the rate would take effect.[87] A rate that cannot be billed accurately should not be ordered.

Fifth, the recommended rate level is internally inconsistent. Staff's narrative describes the Option 2 rate as $0.025 per kWh, and Staff's recommended tariff language sets it at $0.03 per kWh.[88] Staff has now confirmed that the value in its recommended tariff language was inadvertently rounded and is an error, and that Staff recommends $0.025 per kWh.[89] I accept that clarification. If the Commission were to order a CPR over my objection, the tariff language would require correction.

Q WHAT DO YOU RECOMMEND?

A The Commission should not approve Staff's recommended CPR in this proceeding.

[85]Staff Rate Design Report at page 45.
[86]*Id.* at page 20.
[87]Staff response to MECG Data Request No. 0536, parts 2 and 3. Schedule JAY-SUR-1 at pages 18-19.
[88]Staff Rate Design Report at pages 41 and 45.
[89]Staff response to MECG Data Request No. 0534. Schedule JAY-SUR-1 at page 15.

VII. ALLOCATION OF INCOME-ELIGIBLE PROGRAM COSTS

Q WHAT HAS BEEN PROPOSED IN THIS CASE WITH RESPECT TO INCOME-ELIGIBLE RATE OPTIONS?

A OPC witness Dr. Geoff Marke recommends an income-eligible rate design that waives the residential customer charge for qualifying residential customers. Staff witness Tammy Huber states that Staff needs additional information before it can support a program, and does not oppose working toward a customer charge waiver with targeted limitations.[90] Ms. Lange addresses the recovery and allocation of the avoided revenue.

Q WHAT DOES MS. LANGE RECOMMEND?

A Ms. Lange estimates that waiving the customer charge for approximately 12,000 customers would result in approximately $1.44 million of annual revenue not recovered at Staff's recommended customer charge level, and approximately $1.66 million at the Company's requested level.[91] She recommends that the shortfall be recovered in the same manner as Economic Development Incentive credits, which are allocated to all classes on the basis of the otherwise-applicable class revenue requirements.[92] She then states that it could also be reasonable to treat the avoided revenue as a program expense included in the cost of service calculation and to remove the revenue from the Residential class revenue calculation.[93]

[90] Rebuttal Testimony of Tammy Huber ("Huber Rebuttal") at pages 3 and 7.
[91] Lange Rebuttal at pages 70-71.
[92] *Id.* at page 71.
[93] *Id.*

Q DOES MECG TAKE A POSITION ON WHETHER AN INCOME-ELIGIBLE RATE SHOULD BE APPROVED?

A No. MECG's interest is in how the cost is allocated.

Q DO YOU SUPPORT THE ECONOMIC DEVELOPMENT INCENTIVE TREATMENT?

A No. An economic development incentive is a discount offered to attract or retain load. The load it attracts produces revenue that contributes to fixed costs otherwise borne by all customers, and the resulting increase in sales benefits the system as a whole. Spreading the cost of the incentive across classes reflects the fact that all classes share in that benefit.

A waiver of the residential customer charge produces no comparable benefit. It adds no load, it produces no incremental revenue, and it confers no operational or system benefit on the non-residential classes such as LGS or LPS. It is a transfer within the Residential class, from residential customers generally to residential customers who meet an income test. There is no cost causation basis for assigning any portion of that transfer to non-residential customers.

Q IS THERE A FURTHER REASON THE TREATMENT IS INAPPROPRIATE IN THIS CASE?

A Yes. The Residential class is the class that is furthest below its cost of service. Under the Company's CCOSS the Residential class produces a rate of return of 0.51% against a system average of 4.90%, and would require an increase of approximately 52.3% to reach cost of service.[94] Allocating an additional residential program cost to

[94]York Direct at pages 10-12, Tables JAY-3 and JAY-4.

the LGS and LPS classes increases the existing subsidy rather than reducing it. If the Commission concludes that greater movement toward cost of service is not appropriate in this case, it should at a minimum decline to enlarge the subsidy in the opposite direction.

Q WHAT DO YOU RECOMMEND?

A If the Commission authorizes an income-eligible rate, the avoided revenue should be recovered from the Residential class. Alternatively, to the extent the Commission finds it should be recovered from all classes, the allocation and rate design should be on a per customer basis.

VIII. CONCLUSION

Q PLEASE SUMMARIZE YOUR RECOMMENDATIONS.

A I recommend the following. First, the Commission should reject Staff's threshold position that no useful CCOSS can be produced in this case, and should apportion revenue among the classes using the class-specific multipliers I recommended in my Direct Testimony. Second, the Commission should reject Staff's recommended billing demand periods and should limit any adjustment to the Company's proposed periods to the hours the evidence identifies as peak-setting. Third, the Commission should place greater weight on demand charges for the LGS and LPS classes rather than adopt a uniform 15% demand recovery target. Fourth, facilities charge levels should be derived from the cost of service. Fifth, the Commission should approve the optional TOU rate subject to correction of the voltage and seasonal rate relationships and to reasonable participation conditions, and should adopt Staff's recommendation to freeze rather than eliminate the TRP schedule. Sixth, the Commission should proceed with

replacement of the Hours Use rate structure only if that replacement is accompanied by the below-system-average revenue apportionment I recommend for the LGS and LPS classes. Seventh, the Commission should reject Staff's recommended CPR. Lastly, if the Commission authorizes an income-eligible rate, the avoided revenue should be recovered from the Residential class, or allocated and recovered from non-residential classes on a per customer basis.

Q DOES THIS CONCLUDE YOUR SURREBUTTAL TESTIMONY?

A Yes, it does.

585547

Current Date/Time: 9/9/2026 4:35:39 PM

Data Response Display - ER-2026-0143 - 0525.0

Request Summary

Submission No.
ER-2026-0143

Request No.
0525.0

Requested Date
8/24/2026

Due Date
9/8/2026

Issue
Rate Design

Requested From
MO PSC Staff (Other)

Tracy Johnson (tracy.johnson@psc.mo.gov)

Requested By
Midwest Energy Consumers Group (Other)

Daniel H. Lyskowski (danny.lyskowski@opitzlawfirm.com)

Brief Description
MECG data request to Staff

Description
Regarding the system to which the data in Schedule 4 of Staff's Rate Design Report relates: 1. Please confirm whether the values in the "SPP Peak Counts" table are counts of peaks of the Southwest Power Pool system or of the Evergy Missouri Metro System. 2. Please confirm whether the values in the "Hourly Avg NSI" table are for the Southwest Power Pool system or for the Evergy Missouri Metro system. 3. If either table reflects Southwest Power Pool data, please explain why the hours in which the Southwest Power Pool experiences its system peak are an appropriate basis for establishing billing demand periods applicable to Evergy Missouri Metro retail customers. 4. If either table reflects Southwest Power Pool data, please provide the same tables prepared using Evergy Missouri Metro system load and Evergy Missouri Metro system peak hours. 5. Please state whether Staff compared the hourly load shape of the Evergy Missouri Metro system to the hourly load shape reflected in Schedule 4, and provide any such comparison. 6. Please identify the specific analysis supporting inclusion of the 10:00 a.m. through 2:00 p.m. hours in the summer billing demand period. 7. Please state whether Staff considered any summer demand period shorter than 10:00 a.m. to midnight, and if so, identify each period considered and the reason it was not recommended. 8. Please state whether Staff quantified the billing demand determinants that would result from its recommended summer period, and if so, provide that quantification by class and voltage.

Request Security
Public (DR)

Response Date
9/8/2026

Response
Subject to Staff's objection(s) regarding this DR, sent to MECG on August 31, 2026, and without waiving such objections, Staff's responds by stating the following: 1) Neither. EMM represents that DR 200 provides "Peak day/hour and kW for Missouri and Kansas jurisdictions, coincident with Evergy's Missouri Metro system peak, has been provided for the following calendar years (January 2022 through December 2025)." 2) Neither. Staff NSI is the total Evergy Metro load, including Kansas, Missouri, and wholesale or other sales. 3) NA 4) NA, to the extent that this DR requests additional analysis, see Staff objection letter. 5) Staff did not do a specific comparison. 6) Staff's approach to billing demand application is to start with the current 24-hour demand applicability, and exclude hours as opposed to targeting only the highest peak hours. This promotes revenue stability and bill stability and decreases the likelihood of setting new peaks by customers seeking to avoid short demand windows. 7) While Staff subjectively reviewed each hour for inclusion and exclusion in the demand window, no formal workpapers exist. 8) No, Staff has not been able to calculate the demand determinants associated with Staff's

recommended periods, while Staff requested from EMM the information necessary to produce this quantitation (Staff DRs 468 – 476), EMM has refused to provide that information

Objections

Response Security
Public (DR)

Rationale

Attachments

No Attachments Found

Current Date/Time: 9/9/2026 4:37:16 PM

Data Response Display - ER-2026-0143 - 0526.0

Request Summary

Submission No.
ER-2026-0143

Request No.
0526.0

Requested Date
8/24/2026

Due Date
9/8/2026

Issue
Rate Design

Requested From
MO PSC Staff (Other)

Tracy Johnson (tracy.johnson@psc.mo.gov)

Requested By
Midwest Energy Consumers Group (Other)

Daniel H. Lyskowski (danny.lyskowski@opitzlawfirm.com)

Brief Description
MECG data request to Staff

Description
Regarding Staff's recommended summer demand period of 10:00 a.m. to midnight: 1. Please confirm that Schedule 4 shows no summer peak occurring in the 10:00 a.m., 11:00 a.m., 12:00 p.m., 1:00 p.m., or 2:00 p.m. hour during the period reviewed. 2. Please confirm that Schedule 4 shows all summer peaks during the period reviewed occurring in the 3:00 p.m., 4:00 p.m., and 5:00 p.m. hours. 3. Please confirm that Schedule 4 shows no summer peak occurring in any hour from 6:00 p.m. through 11:00 p.m. during the period reviewed. 4. Please identify the basis for including the 10:00 a.m. through 2:00 p.m. hours in the summer billing demand period. 5. Please identify the basis for including the 6:00 p.m. through 11:00 p.m. hours in the summer billing demand period. 6. Please state whether Staff considered a summer billing demand period limited to the hours in which summer peaks were recorded, and if so, the reason such a period was not recommended.

Request Security
Public (DR)

Response Date
9/8/2026

Response
1) Confirmed. Staff's approach to billing demand application is to start with the current 24-hour demand applicability, and exclude hours as opposed to targeting only the highest peak hours. This promotes revenue stability and bill stability and decreases the likelihood of setting new peaks by customers seeking to avoid short demand windows. 2) Confirmed. Staff's approach to billing demand application is to start with the current 24-hour demand applicability, and exclude hours as opposed to targeting only the highest peak hours. This promotes revenue stability and bill stability and decreases the likelihood of setting new peaks by customers seeking to avoid short demand windows. 3) Confirmed. Staff's approach to billing demand application is to start with the current 24-hour demand applicability, and exclude hours as opposed to targeting only the highest peak hours. This promotes revenue stability and bill stability and decreases the likelihood of setting new peaks by customers seeking to avoid short demand windows. 4) Staff's approach to billing demand application is to start with the current 24-hour demand applicability, and exclude hours as opposed to targeting only the highest peak hours. This promotes revenue stability and bill stability and decreases the likelihood of setting new peaks by customers seeking to avoid short demand windows. 5) Staff's approach to billing demand application is to start with the current 24-hour demand applicability, and exclude hours as opposed to targeting only the highest peak hours. This promotes revenue stability and bill stability and decreases the likelihood of setting new peaks by customers seeking to avoid short demand windows. 6) Staff did consider a billing demand window limited to hours in which summer peaks

were recorded, as well as a window consisting of the hours in which summer peaks were recorded plus an hour before and an hour after. Those windows were rejected in that Staff's recommended approach to billing demand application is to start with the current 24-hour demand applicability, and exclude hours as opposed to targeting only the highest peak hours. This promotes revenue stability and bill stability and decreases the likelihood of setting new peaks by customers seeking to avoid short demand windows.

Objections

Response Security
Public (DR)

Rationale

Attachments

No Attachments Found

Current Date/Time: 9/9/2026 4:37:44 PM

Data Response Display - ER-2026-0143 - 0527.0

Request Summary

Submission No.
ER-2026-0143

Request No.
0527.0

Requested Date
8/24/2026

Due Date
9/8/2026

Issue
Rate Design

Requested From
MO PSC Staff (Other)

Tracy Johnson (tracy.johnson@psc.mo.gov)

Requested By
Midwest Energy Consumers Group (Other)

Daniel H. Lyskowski (danny.lyskowski@opitzlawfirm.com)

Brief Description
MECG data request to Staff

Description
Regarding Staff's recommended non-summer demand period of 6:00 a.m. to midnight: 1. Please confirm that Schedule 4 shows no non-summer peak and no winter peak occurring in the 6:00 a.m. hour during the period reviewed. 2. Please confirm that Schedule 4 shows no non-summer peak and no winter peak occurring in the 11:00 a.m., 12:00 p.m., 1:00 p.m., or 2:00 p.m. hour during the period reviewed. 3. Please confirm that Schedule 4 shows no non-summer peak and no winter peak occurring in any hour from 9:00 p.m. through 11:00 p.m. during the period reviewed. 4. Please identify the basis for including each of the hours identified in parts a through c in the non-summer billing demand period. 5. Please state whether Staff considered a non-summer billing demand period consisting of separate morning and evening blocks rather than a single continuous 18-hour block, and if so, the reason such an approach was not recommended. If Staff did not consider such a period, please so state.

Request Security
Public (DR)

Response Date
9/8/2026

Response
1) Confirmed. Staff's approach to billing demand application is to start with the current 24-hour demand applicability, and exclude hours as opposed to targeting only the highest peak hours. This promotes revenue stability and bill stability and decreases the likelihood of setting new peaks by customers seeking to avoid short demand windows. For winter billing months, Staff also considered customer understandability as a factor, which at this time supports a continuous demand window as opposed to two separate demand windows in a single day. 2) Confirmed. Staff's approach to billing demand application is to start with the current 24-hour demand applicability, and exclude hours as opposed to targeting only the highest peak hours. This promotes revenue stability and bill stability and decreases the likelihood of setting new peaks by customers seeking to avoid short demand windows. For winter billing months, Staff also considered customer understandability as a factor, which at this time supports a continuous demand window as opposed to two separate demand windows in a single day. 3) Confirmed. Staff's approach to billing demand application is to start with the current 24-hour demand applicability, and exclude hours as opposed to targeting only the highest peak hours. This promotes revenue stability and bill stability and decreases the likelihood of setting new peaks by customers seeking to avoid short demand windows. For winter billing months, Staff also considered customer understandability as a factor, which at this time supports a continuous demand window as opposed to two separate demand windows in a single day. 4) Staff's approach to billing demand application is to start with the current 24-hour demand applicability,

and exclude hours as opposed to targeting only the highest peak hours. This promotes revenue stability and bill stability and decreases the likelihood of setting new peaks by customers seeking to avoid short demand windows. For winter billing months, Staff also considered customer understandability as a factor, which at this time supports a continuous demand window as opposed to two separate demand windows in a single day. 5) Staff did consider differing billing demand windows limited to hours in which non-summer peaks were recorded, as well as a window consisting of the hours in which non-summer peaks were recorded plus an hour before and an hour after. Those windows were rejected in that Staff's recommended approach to billing demand application is to start with the current 24-hour demand applicability, and exclude hours as opposed to targeting only the highest peak hours, and, for winter billing months, to provide one contiguous window. This promotes revenue stability and bill stability, decreases the likelihood of setting new peaks by customers seeking to avoid short demand windows, and promotes customer understandability.

Objections

Response Security
Public (DR)

Rationale

Attachments

No Attachments Found

Current Date/Time: 9/9/2026 4:38:31 PM

Data Response Display - ER-2026-0143 - 0528.0

Request Summary

Submission No.
ER-2026-0143

Request No.
0528.0

Requested Date
8/24/2026

Due Date
9/8/2026

Issue
Rate Design

Requested From
MO PSC Staff (Other)

Tracy Johnson (tracy.johnson@psc.mo.gov)

Requested By
Midwest Energy Consumers Group (Other)

Daniel H. Lyskowski (danny.lyskowski@opitzlawfirm.com)

Brief Description
MECG data request to Staff

Description
Regarding the effect of Staff's recommended demand periods on customer bills: 1. Please state whether Staff has quantified the effect of its recommended demand and energy periods on billing demand determinants for the Large General Service and Large Power Service classes relative to the periods proposed by the Company. 2. If the response to part a. is yes, please provide the quantification and all supporting workpapers. 3. If the response to part a. is no, please explain how the Commission is to evaluate the bill impact of Staff's recommended periods on customers in these classes. 4. Please state whether Staff has quantified the bill impact of its overall recommended rate structure on any Large General Service or Large Power Service customer, and if so, provide that analysis.

Request Security
Public (DR)

Response Date
9/8/2026

Response
1) No, Staff has not been able to calculate final rates, determinants, nor customer impacts associated with Staff's recommended periods, while Staff requested from EMM the information necessary to perform these calculations (Staff DRs 468 – 476), EMM has refused to provide that information. 2) NA 3) Staff has requested the information to perform these calculations from EMM. Further, in its July 14, 2026 Rate Design Report, beginning at page 26, Staff provided recommendations for EMM to develop determinants, rates, and customer impact statements, beginning with the recommendation that, "Staff recommends that EMM perform the customer migration and determinants study promptly upon the filing of this testimony, so that rates can be calculated swiftly upon the entering of the Commission's order in this case. Preferably, the customer migration and determinants study should be performed using actual customer data for the period July 1, 2025 – June 30, 2026, to coincide with the billing determinants developed for true-up. These determinants must be scaled on the basis of existing classes' determinants and revenues, and that process will require extensive cooperation and collaboration." 4) No, Staff has not been able to calculate final rates, determinants, nor customer impacts associated with Staff's recommended periods, while Staff requested from EMM the information necessary to perform these calculations (Staff DRs 468 – 476), EMM has refused to provide that information.

Objections

Response Security
Public (DR)

Rationale

Attachments

No Attachments Found

Current Date/Time: 9/9/2026 4:39:17 PM

Data Response Display - ER-2026-0143 - 0529.0

Request Summary

Submission No.
ER-2026-0143

Request No.
0529.0

Requested Date
8/24/2026

Due Date
9/8/2026

Issue
Rate Design

Requested From
MO PSC Staff (Other)

Tracy Johnson (tracy.johnson@psc.mo.gov)

Requested By
Midwest Energy Consumers Group (Other)

Daniel H. Lyskowski (danny.lyskowski@opitzlawfirm.com)

Brief Description
MECG data request to Staff

Description
Regarding Staff's recommendation at page 32 of the Staff Rate Design Report that rates be calculated to recover approximately 15 percent of the revenue in each restructured class from billing demand charges: 1. Please provide the derivation of the 15 percent target and all supporting workpapers. 2. Please identify the cost of service analysis, if any, that supports recovering 15 percent of class revenue through billing demand charges. 3. Please reconcile the 15 percent target to Staff's statement on page 32 of the Rate Design Report that demand rates currently provide approximately 17 percent of Medium General Service revenue, 12 percent of Large General Service revenue, and 17 percent of Large Power Service revenue. 4. Please state the percentage of the cost of service allocated to the Large General Service and Large Power Service classes that Staff considers to be demand-related, and provide the supporting calculation.

Request Security
Public (DR)

Response Date
9/8/2026

Response
1) The 15% is a simple approximation of the current demand recovery across the indicated classes. 2) The 15% is a simple approximation of the current demand recovery across the indicated classes and was intended to limit customer impacts during the restructuring. 3) The 15% is a simple approximation of the current demand recovery across the indicated classes and was intended to limit customer impacts during the restructuring. 4) Staff did not perform a CCOS in this case, and the CCOS results provided by other parties are not appropriate for rate design purposes as discussed in Staff's rebuttal testimony. Further, it is not appropriate to introduce significant swings in recovery allocation during the initial phase of the restructuring in the interest of mitigating customer impacts.

Objections

Response Security
Public (DR)

Rationale

Attachments

No Attachments Found

Current Date/Time: 9/9/2026 4:39:51 PM

Data Response Display - ER-2026-0143 - 0532.0

Request Summary

Submission No.
ER-2026-0143

Request No.
0532.0

Requested Date
8/24/2026

Due Date
9/8/2026

Issue
Rate Design

Requested From
MO PSC Staff (Other)

Tracy Johnson (tracy.johnson@psc.mo.gov)

Requested By
Midwest Energy Consumers Group (Other)

Daniel H. Lyskowski (danny.lyskowski@opitzlawfirm.com)

Brief Description
MECG data request to Staff

Description
Regarding Staff's recommendation at pages 34-35 of the Staff Rate Design Report that facilities charge values be consistent across classes for a given voltage service level: 1. Please provide the cost of service support for the illustrative facilities charge levels of $3.00 per kW at primary voltage, $3.50 per kW at secondary voltage, and $1.00 per kW at substation voltage. 2. Please state whether Staff has quantified the revenue effect of uniform facilities charges by class, and if so, provide that quantification. 3. Please explain how uniform facilities charges across classes are consistent with cost causation if the facilities used to serve customers in different classes at the same voltage differ in cost.

Request Security
Public (DR)

Response Date
9/8/2026

Response
1) Staff supports further study of the cost of service of relevant facilities at specified voltage and customer sizes. However, in the absence of a reasonable study of customer facilities, there is no reason to assume that cost causation in the facilities used to serve customers in different classes at the same voltage differ, beyond the differences that occur due to the size of the customer served which are accounted for in the application of the facilities rate to the demand of each customer. Because some level of rate must be established in this case, Staff's recommendation mitigates rate shock, supports bill stability, is generally consistent with expected cost causation, and supports EMM's expressed interest in consistency across jurisdictions. To this end, the recommended range is a simple approximation of existing rate values and is intended to minimize customer impacts during the initial phase of the restructuring. The actual values should be developed to minimize customer impacts when actual determinants are available. 2) No. Staff has not been able to calculate final rates, determinants, nor customer impacts associated with Staff's recommended periods, while Staff requested from EMM the information necessary to perform these calculations (Staff DRs 468 – 476), EMM has refused to provide that information. 3) There is no reason to assume that cost causation in the facilities used to serve customers in different classes at the same voltage differ, beyond the differences that occur due to the size of the customer served which are accounted for in the application of the facilities charge rate to the demand of each customer. Staff supports further study to inform the development of facilities charges with accurate cost-basis, however, in the absence of this study, some level of rate must be established in this case. Staff's recommendation mitigates rate shock, supports bill stability, is generally consistent with expected cost causation, and supports EMM's expressed interest in consistency across jurisdictions.

Objections

Response Security
Public (DR)

Rationale

Attachments

No Attachments Found

Current Date/Time: 9/9/2026 4:41:28 PM

Data Response Display - ER-2026-0143 - 0533.0

Request Summary

Submission No.
ER-2026-0143

Request No.
0533.0

Requested Date
8/24/2026

Due Date
9/8/2026

Issue
Rate Design

Requested From
MO PSC Staff (Other)

Tracy Johnson (tracy.johnson@psc.mo.gov)

Requested By
Midwest Energy Consumers Group (Other)

Daniel H. Lyskowski (danny.lyskowski@opitzlawfirm.com)

Brief Description
MECG data request to Staff

Description
Regarding the frequency and magnitude of Critical Peak Rate events under Staff's recommended trigger (Staff Rate Design Report at pages 42-46): 1. Please state the number of operating days between March 1, 2014 and the date of this response on which the recommended trigger would have been satisfied, and identify each such date. 2. Please provide the underlying day-ahead locational marginal price data relied upon, in native electronic format. 3. Please provide Staff's estimate of the aggregate Critical Peak Rate revenue that would be produced under Option 1 and under Option 2 for a representative event. 4. Please provide Staff's estimate of the bill impact of a single Critical Peak Rate event on a representative Large General Service customer and a representative Large Power Service customer under each option, comparable to the estimate Staff provided for a typical residential customer. 5. If Staff has not estimated commercial or industrial bill impacts, please so state and explain why not.

Request Security
Public (DR)

Response Date
9/8/2026

Response
Subject to Staff's objection(s) regarding this DR, sent to MECG on August 31, 2026, and without waiving such objections, Staff's responds by stating the following: 1) See Staff objection letter. 2) See attachment. 3) It is not possible to estimate the aggregate revenue that would be produced because it is not known the extent to which customers will collectively reduce energy consumption during applicable hours. 4) For an LGS customer using approximately 1,000 kWh of energy per day, and for an LPS customer using approximately 100,000 kWh of energy per day, the CPR application of $0.025 per kWh (Option 2) would result in a bill addition of approximately $25 per event day, and $2,500 per event day, respectively, if no changes were made in usage. Similar dollar impacts would be expected under Option 1, but too many variables exist to calculate a "representative," customer for these purposes. 5) Because of the size range of non-residential customers, and because of the variations in usage possible at each size range, Staff has not performed a detailed analysis.

Objections

Response Security
Public (DR)

Rationale

Attachments

Name	Size	Security
533 SPP LMPs for EMM CPR PUBLIC.xlsx	12,833.49 KB	Public (DR)

Total: 1 file(s), 12,833.49 KB

Current Date/Time: 9/9/2026 4:43:19 PM

Data Response Display - ER-2026-0143 - 0534.0

Request Summary

Submission No.
ER-2026-0143

Request No.
0534.0

Requested Date
8/24/2026

Due Date
9/8/2026

Issue
Rate Design

Requested From
MO PSC Staff (Other)

Tracy Johnson (tracy.johnson@psc.mo.gov)

Requested By
Midwest Energy Consumers Group (Other)

Daniel H. Lyskowski (danny.lyskowski@opitzlawfirm.com)

Brief Description
MECG data request to Staff

Description
Regarding the Critical Peak Rate under Option 2: 1. Please reconcile the statement at page 41 of the Staff Rate Design Report that the applicable rate under Option 2 is $0.025 per kWh with the recommended tariff language at page 45 stating that the rate will be $0.03 per kWh. 2. Please identify which figure Staff recommends.

Request Security
Public (DR)

Response Date
9/8/2026

Response
1) The value in the recommended tariff language was inadvertently rounded and is an error. 2) Staff recommends $0.025.

Objections

Response Security
Public (DR)

Rationale

Attachments

No Attachments Found

Current Date/Time: 9/9/2026 4:42:12 PM

Data Response Display - ER-2026-0143 - 0535.0

Request Summary

Submission No.
ER-2026-0143

Request No.
0535.0

Requested Date
8/24/2026

Due Date
9/8/2026

Issue
Rate Design

Requested From
MO PSC Staff (Other)

Tracy Johnson (tracy.johnson@psc.mo.gov)

Requested By
Midwest Energy Consumers Group (Other)

Daniel H. Lyskowski (danny.lyskowski@opitzlawfirm.com)

Brief Description
MECG data request to Staff

Description
Regarding the applicability of the Critical Peak Rate to commercial and industrial customers: 1. Please state whether Staff considered exempting any commercial or industrial customer or class from the Critical Peak Rate, and if so, the basis for not recommending an exemption. 2. Please state whether Staff considered a cap on the Critical Peak Rate charges any individual customer could incur, whether per event, per season, or per year. 3. Please state whether Staff considered permitting commercial and industrial customers to opt out of the Critical Peak Rate in exchange for a commitment to curtail load during an event, or to participate in an interruptible or demand response alternative. 4. Please provide any analysis Staff performed regarding the ability of commercial and industrial customers to shift or curtail load during a Critical Peak Rate event on the notice contemplated by Staff's recommended tariff language.

Request Security
Public (DR)

Response Date
9/8/2026

Response
1) No. At the range of bill impact resulting from the recommended CPR, Staff did not attempt to identify exemption categories for non-residential customers. 2) Staff considered the reasonableness of such a cap but determined that in the balance of administrative complexity and customer understandability, it was more appropriate to recommend the relatively low CPR rates described in the Staff Report and determined that at the range of bill impact resulting from the recommended CPR, such caps are unnecessary. 3) Staff considered alternative approaches to the problems addressed by the CPR rate, but determined the best balance of interests at this time is represented by Options 1 and 2, as described in the Staff Rate Design Report. 4) Staff did not perform a specific analysis, and notes that the intent of the CPR is to encourage an economic decision to shift/curtail usage, or to provide additional revenue to offset the additional energy expenses incurred to provide service for later reduction of otherwise-applicable FAC charges.

Objections

Response Security
Public (DR)

Rationale

Attachments

No Attachments Found

Current Date/Time: 9/9/2026 4:42:49 PM

Data Response Display - ER-2026-0143 - 0536.0

Request Summary

Submission No.
ER-2026-0143

Request No.
0536.0

Requested Date
8/24/2026

Due Date
9/8/2026

Issue
Rate Design

Requested From
MO PSC Staff (Other)

Tracy Johnson (tracy.johnson@psc.mo.gov)

Requested By
Midwest Energy Consumers Group (Other)

Daniel H. Lyskowski (danny.lyskowski@opitzlawfirm.com)

Brief Description
MECG data request to Staff

Description
Regarding the interaction between the Critical Peak Rate and interval metering. Staff states at page 45 of the Staff Rate Design Report that detailed Advanced Metering Infrastructure (“AMI”) reads will be necessary to bill customers accurately and that practices such as estimating usage in missing intervals are wholly inapplicable to such a rate: 1. Please state how a Critical Peak Rate event would be billed for an account with one or more estimated intervals during the event. 2. Please provide any quantification of the frequency of estimated intervals for Large General Service and Large Power Service accounts. 3. Please state whether Staff recommends any condition precedent regarding interval read accuracy before the Critical Peak Rate becomes effective.

Request Security
Public (DR)

Response Date
9/8/2026

Response
1) If EMM is unable to remotely obtain usage data to accurately bill the event, EMM should take commercially reasonable efforts to obtain those readings in another manner. 2) Staff was unable to perform any type of analysis or quantify the frequency of estimated intervals due to the lack of data from EMM. EMM stated in response to Staff Data Requests 0219.1, 0219.2, 0219.3, 0219.5, and 0223 that EMM does not maintain or track this detail nor is it readily available for query and/or that the meter data management system doesn’t have the information. Despite rebuttal testimony from EMM, Staff has been unable to obtain the necessary data. 3) Staff has made recommendations concerning meter reading and billing improvements, however it has not recommended a specific condition precedent.

Objections

Response Security
Public (DR)

Rationale

Attachments

No Attachments Found

Current Date/Time: 9/9/2026 4:40:20 PM

Data Response Display - ER-2026-0143 - 0537.0

Request Summary

Submission No.
ER-2026-0143

Request No.
0537.0

Requested Date
8/24/2026

Due Date
9/8/2026

Issue
Rate Design

Requested From
MO PSC Staff (Other)

Tracy Johnson (tracy.johnson@psc.mo.gov)

Requested By
Midwest Energy Consumers Group (Other)

Daniel H. Lyskowski (danny.lyskowski@opitzlawfirm.com)

Brief Description
MECG data request to Staff

Description
Regarding Staff’s recommendation that the Commission not approve the non-residential opt-in Time-of-Use (“TOU”) rate requested by the Company (Sarah Lange Rebuttal at 69 70): 1. Please quantify the revenue responsibility that Staff believes participating customers would avoid under the optional TOU rate proposed by the Company. 2. Please identify the specific reasonably allocated costs of service that Staff believes participating customers would avoid. 3. Please explain how Staff’s concern regarding opt-in rates is distinguishable from Staff’s own recommendation for mandatory time-differentiated energy charges and credits applicable to all non-residential customers. 4. Please explain how Staff’s concern is distinguishable from Staff’s recommendation that interested parties develop a replacement rate plan under which customers opt in to billing at the day-ahead locational marginal price. 5. Please state whether Staff would support an optional TOU rate subject to participation conditions such as a minimum term or a limitation on switching.

Request Security
Public (DR)

Response Date
9/8/2026

Response
Subject to Staff’s objection(s) regarding this DR, sent to MECG on August 31, 2026, and without waiving such objections, Staff’s responds by stating the following: 1) Such a quantification is not possible at this time. 2) Such a quantification is not possible at this time 3) Staff’s recommended time-differentiated differentials are fully cost based and represent the differences in average energy value within a day based on the time periods selected. Further, there is no concern for self-selection in a mandatory rate. 4) Staff’s recommendation “that interested parties develop a replacement rate plan under which customers opt in to billing at the day-ahead locational marginal price” is for creation of an accurate and cost-based time-differentiated rate plan based on the differences in energy values within a day. This is consistent with Staff’s recommended “mandatory time-differentiated energy charges and credits applicable to all non-residential customers” because both would be fully cost based and represent the differences in energy value within a day based on the time periods selected. 5) Staff support for such a rate would depend on the reasonableness of the rate structure, rate design, and limitations, but Staff anticipates that it is possible to develop a reasonable rate that maintains some protections against revenue-erosion for non-participating ratepayers and which is based on accurate and cost-based time-differentiated rates.

Objections

Response Security

Public (DR)

Rationale

Attachments

No Attachments Found

Current Date/Time: 9/9/2026 4:34:07 PM

Data Response Display - ER-2026-0143 - 0538.0

Request Summary

Submission No.
ER-2026-0143

Request No.
0538.0

Requested Date
8/24/2026

Due Date
9/8/2026

Issue
Rate Design

Requested From
MO PSC Staff (Other)

Tracy Johnson (tracy.johnson@psc.mo.gov)

Requested By
Midwest Energy Consumers Group (Other)

Daniel H. Lyskowski (danny.lyskowski@opitzlawfirm.com)

Brief Description
MECG data request to Staff

Description
Regarding the functionalized cost of service study attached as Schedule 3 to the Staff Rate Design Report: 1. Please state whether Staff calculated class revenue responsibility using the study. If yes, please provide the results. 2. If Staff did not calculate class revenue responsibility, please explain why the study is a sufficient basis for establishing demand, energy, and facilities charge relationships but not a sufficient basis for evaluating class revenue responsibility. 3. Please identify the additional information Staff would require in order to produce a class cost of service study Staff would consider reliable in this proceeding.

Request Security
Public (DR)

Response Date
9/8/2026

Response
Subject to Staff's objection(s) regarding this DR, sent to MECG on August 31, 2026, and without waiving such objections, Staff's responds by stating the following: 1) No. 2) Staff has not asserted that the study should be used for establishing class-level relationships of these cost of service categories. 3) For a useful CCOS, the determinants of each class after customer migrations are needed, and detailed large load customer load and demand information is also needed. Additional information related to the distribution system such as the information needed to not double-count the demand of customers when system demands are applied to the network distribution system in conjunction with the minimum system are also needed. In general, the decision to not perform a CCOS in this case was primarily driven by the interest in not introducing additional changes during the customer migration, and the inability to meaningfully incorporate large loads.

Objections

Response Security
Public (DR)

Rationale

Attachments

No Attachments Found

Current Date/Time: 9/9/2026 4:36:32 PM

Data Response Display - ER-2026-0143 - 0539.0

Request Summary

Submission No.
ER-2026-0143

Request No.
0539.0

Requested Date
8/24/2026

Due Date
9/8/2026

Issue
Rate Design

Requested From
MO PSC Staff (Other)

Tracy Johnson (tracy.johnson@psc.mo.gov)

Requested By
Midwest Energy Consumers Group (Other)

Daniel H. Lyskowski (danny.lyskowski@opitzlawfirm.com)

Brief Description
MECG data request to Staff

Description
Regarding Staff's position that the use of coincident peak demands in an Average and Excess allocator is inconsistent with the 1992 NARUC Electric Utility Cost Allocation Manual (Sarah Lange Rebuttal at 30): 1. Please state whether Staff has calculated an Average and Excess allocator using non coincident peak demands within the Company's CCOSS model. If yes, please provide the allocators and the resulting class rates of return at present rates. 2. If Staff has not performed that calculation, please state whether Staff has reviewed the four non-coincident peak Average and Excess results provided in Schedules JAY-1 and JAY-2 to the Direct Testimony of Jessica A. York. 3. Please state whether Staff disputes that, under the four non-coincident peak Average and Excess results in Schedules JAY-1 and JAY-2, the Large General Service and Large Power Service classes produce rates of return substantially above the system average at present rates and the Residential class produces a rate of return substantially below the system average.

Request Security
Public (DR)

Response Date
9/8/2026

Response
1) While the results are not reliable for purposes of setting rates in this case because of the treatment of renewable resources, distribution classification and allocation, and other issues addressed in the rebuttal testimony of Sarah Lange, see Rebuttal testimony of Sarah Lange at page 33. 2) NA 3) Staff defers to witness York for interpretation of her study results which rely on the EMM study which is unreliable because of the treatment of renewable resources, distribution classification and allocation, and other issues addressed in the rebuttal testimony of Sarah Lange.

Objections

Response Security
Public (DR)

Rationale

Attachments

No Attachments Found