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January 18, 2023

Mr. Morris Woodruff Secretary/Chief Regulatory Law Judge Missouri Public Service Commission 200 Madison Street, Suite 100 Jefferson City, MO 65102

## Re: Tariff Schedule to Adjust FAC Rate of Evergy Missouri West

Dear Mr. Woodruff:

On December 30, 2022, Evergy Missouri West or the "Company" filed proposed rate schedules to adjust charges related to the Company's approved Fuel Adjustment Clause ("FAC"). Staff identified during their review that additional interest was not applied to the ordered prudence adjustment from Case No. EO-2022-0065. Therefore, the Company is making this substitute tariff filing for this correction. The proposed rate schedule bears an issue date of December 30, 2022, and an effective date of March 1, 2023.

In the Company's tenth prudence review, Case No. EO-2022-0065, the Commission approved the Non-Unanimous Partial Stipulation and Agreement filed on July 25, 2022 where the Company agreed, with no admission of imprudence, to a one-time FAC adjustment of \$48,796.34 for 2017 vintage expired RECs. The 2017 vintage RECs would have expired as of December 31, 2020; therefore, additional interest has been calculated from January 2021 through November 2022 in the amount of \$1,968.20.

Evergy Missouri West also performed the plant in service accounting ("PISA") calculations to determine the impact, if any, on the Average Overall Rate and the Class Average Overall Rate for the Large Power customer class set forth in section 393.1655 RSMo, rate cap limitations. Base revenues have been updated from the Company's most recent 2022 general rate case (ER-2022-0130). The compound annual growth rate ("CAGR") cap provisions of section 393.1655 RSMo applied to this FAR filing are 13.3372% for the average overall rate cap and 8.7474% for the class average overall rate cap for Large Power customers. As discussed in testimony filed on December 30, 2022, the FAC charge proposed in this filing does exceed the average overall rate of 13.3372%. The Company has removed approximately \$47.9 million from recovery through the FAC and has included this amount in a PISA regulatory asset for consideration in a future general rate proceeding. In addition, the proposed FAC charge for Large Power customers also exceeds the 8.7474% of the class average overall rate proceeding. In addition, the proposed FAC charge for Large Power customers also exceeds the 8.7474% of the class average overall rate for this customer class; therefore, the Company limited the increase in the FAC charge

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applicable to the Large Power customers by \$1.4 million which is redistributed to the Non-Large Power customer classes for recovery per section 393.1655.6.

As a result of the additional interest correction, the proposed FAC charge for residential customers remains the same as the earlier proposal of \$0.01348 per kWh. Based on usage of 1,000 kWh per month, the customer will see a monthly charge of \$13.48. This represents an increase of \$1.10 to an Evergy Missouri West residential customer's monthly bill compared to the prior FAC.

Copies of the proposed FAC-related rate schedules and all supporting materials described in this letter will be served electronically, this date, on the Commission's General Counsel, the Office of Staff Counsel, the Office of Public Counsel, and each party to Case No. ER-2018-0146.

Please provide a copy of all correspondence, notices, orders, and other communications that relate to this filing to the following as well as undersigned counsel:

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Respectfully submitted,

|s| Roger W. Steiner

Roger W. Steiner Corporate Counsel

cc: Office of the General Counsel Office of Staff Counsel Office of the Public Counsel