Exhibit No.:	
Issue:	TOU Rates and Education, Business Transportation Electrification, Residential Battery Energy Storage Pilot, Income-Eligible Weatherization, Market Based Demand Response, MEEIA Demand Annualization Adjustment, Green Pricing Tariff, Energy Burden Data Sharing
Witness:	Kimberly H. Winslow
Type of Exhibit:	Surrebuttal Testimony
Sponsoring Party:	Evergy Missouri Metro and Evergy Missouri West
Case No.:	ER-2022-0129 / 0130
Date Testimony Prepared:	August 16, 2022

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2022-0129 / 0130

SURREBUTTAL TESTIMONY

OF

KIMBERLY H. WINSLOW

ON BEHALF OF

EVERGY MISSOURI METRO and EVERGY MISSOURI WEST

Kansas City, Missouri
August 2022

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SURREBUTTAL TESTIMONY

OF

KIMBERLY H. WINSLOW

Case No. ER-2022-0129 / 0130

I. INTRODUCTION AND PURPOSE

Q: Please state your name and business address.

A: My name is Kimberly H. Winslow. My business address is 1200 Main Street, Kansas City, Missouri 64105.

Q: Are you the same Kimberly H. Winslow who submitted direct and rebuttal testimony in these dockets?

A: Yes.

Q: On whose behalf are you testifying?

A: I am testifying on behalf of Evergy Metro, Inc. d/b/a Evergy Missouri Metro ("Evergy Missouri Metro") and Evergy Missouri West, Inc. d/b/a Evergy Missouri West ("Evergy Missouri West") (collectively, the "Company" or "Evergy").

Q: What is the purpose of your surrebuttal testimony?

A: The purpose of my surrebuttal testimony is to respond to several witnesses' rebuttal testimonies on the following subject matters:

- Income-eligible Weatherization Rollover and Budget
- Green Pricing Tariff
- Residential Battery Energy Storage Pilot
- Market Based Demand Response
- MEEIA Demand Annualization Adjustment
- Business Transportation Electrification

- Subscription Pricing
- Energy Burden Data Sharing
- Time-of-Use Rates

II. INCOME-ELIGIBLE WEATHERIZATION

Q: What witness rebuttal testimonies are you addressing?

A: I will address rebuttal testimonies submitted by Staff witness Kory Boustead and OPC witnesses Lisa Kremer and Geoff Marke regarding their recommendations for Income-Eligible Weatherization ("IEW") funding.

Q: At a high level, what did Evergy propose?

A: Evergy proposed that the IEW unspent budget that exists since the prior rate case be immediately rolled over to Dollar-Aide and that on a go-forward basis, any unspent annual funds be rolled over to Dollar-Aide, rather than for future use within the IEW program.

Q: How does Staff and OPC respond to Evergy's proposal to roll over unspent IEW funds to the Dollar-Aide program?

A: Neither Staff nor OPC are supportive of Evergy's recommendation to annually rollover any unspent income-eligible weatherization funding by Community Action Agencies to the Dollar-Aide program – or to rollover the existing balance.

Q: How do you respond?

A: As submitted in my Rebuttal testimony on page 18, the Company maintains that this change would be beneficial to low-income customers and recommends that the Commission approve this modification. By approving this modification, these dollars will continue to go directly to low-income customers **and** its value will be put to use immediately to help low-income customers reduce their energy burden rather than in a

continued, rollover fashion. Our proposal should not be seen by the Commission or other parties that there is a diminished need for income-eligible weatherization or that the Company's diligent collaboration and focus with the Community Action Agencies, who administer these weatherization funds, will wane. In fact, we have only increased our efforts with those Community Action Agencies over the past several years and, in fact, proposed and received approval for changes to the IEW tariff to remove participation barriers identified by the Community Action Agencies to increase their ability to more fully utilize these budgets. The rollover is a backstop to ensure that these funds are put to work in the communities that they were intended to benefit.

Q: What other recommendations do Staff and OPC offer with respect to the IEW program?

A: Staff not only opposes rolling over the unspent funds, it proposes that the Commission **reduce** the IEW funding by half to $286,944.[1] While Staff's recommendation is not clear, I have deduced that Staff is referring to Missouri Metro and not the Missouri West IEW budget. The Missouri West IEW annual budget is $500k and the Missouri Metro budget is $573,888. Half of $573,888 is $286,944. I am further assuming that Staff's recommendation is recommending no change to the Missouri West IEW annual budget; however, it is difficult to tell. It is my understanding that Staff's accounting schedules do not reflect Ms. Boustead's proposed reduction in the MO Metro IEW budget.

OPC does not recommend any changes to the current budgeted levels for IEW.[2]

[1] Kory Boustead Rebuttal, Page 4, Lines 10-12
[2] Geoff Marke Direct, Page 24, Lines 20-21

Q: Does Staff or OPC offer any other IEW tariff revisions?

A: Staff supports and refers to Dr. Marke's Direct testimony recommendation for "a change to the IEW tariff to allow the [Evergy's] customer service representatives to seek permission to forward the customer's contact information to their local Community Action Agency ("CAA") to be contacted about weatherizing their home."[3]

Q: How do you respond?

A: This is a reasonable request, and I agree we need to request customer permission to send to an agency; however, I do not believe it necessarily needs to be a tariff revision to allow Evergy to seek this information. Evergy continues to evaluate new ways to connect income-eligible customers with all of the resources available to them, and we will continue to share with other parties how we have made steps forward in connecting customers, as well as brainstorm on other ideas to put forth into action.

III. GREEN PRICING TARIFF

Q: Please provide an update on the Green Pricing tariff proposed in this case.

A: In the Non-Unanimous Stipulation and Agreement filed in File No. EO-2022-0064/0065 (Fourth Prudence Review of Costs Subject to the Commission-Approved Fuel Adjustment Clause) on July 25, 2022, Evergy agreed to withdraw its request for the Green Pricing tariff (Schedule GPR)[4] and that the withdrawal will be made following the date the Commission's order approving that stipulation becomes effective. The Commission has not yet ordered on the stipulation, and therefore I will briefly address issues that Staff and OPC have raised in their rebuttal testimonies.

[3] Kory Boustead Rebuttal, Page 4, Lines 17-20

[4] Also referred to as the "Green Pricing Renewables Energy Credit Program" in Winslow Direct testimony

Q: How does Evergy's withdrawal of the Green Pricing tariff impact this case?

A: Essentially, the Green Pricing tariff was proposed so that customers could purchase renewable energy credits ("RECs"). The Green Pricing tariff was also linked to the Subscription Pricing Pilot offer as an optional add-on. It was referred to as the Clean Energy add-on. Given that we are withdrawing the Green Pricing tariff that add-on will no longer be available for customers. Evergy believes that it is an important component, but Evergy will consider a replacement for a Clean Energy add-on in a future offer, should the Commission approve the Subscription Pricing pilot.

Q: Why did the Company propose the Green Pricing program?

A. The Green Pricing program was designed to provide customers with an affordable green product not currently offered today. The program was designed to provide customers with a larger incremental share of the local renewable energy mix at an affordable rate to meet customers' sustainability goals and objectives, not to support the build of new renewable generation and offset utility fossil fuel emission mix, as stated by Renew Missouri witness Owen.

Q: What role do RECs play in supporting renewable energy access and development?

A: RECs support renewable energy access and development by quantifying and assessing value to purchased renewable electricity that is installed at a customer's home or purchased elsewhere. RECs offer customers flexibility to achieve clean energy goals if building or purchasing offsets might not be a viable option. REC programs, such as the Green Pricing program, supports renewable development by building customer awareness on the value of RECs and providing an entry point for renewables to customers who otherwise might not have access.

Q. What evidence does the Company have that there is interest in such a program?

A. The Company offers a similar program in its Kansas Central service territory, which has been offered since 2008. The Kansas Central program has over 191,000 participants who have subscribed to receive approximately 125,200 MWh of clean energy credits from the Company. The Company believes that this program is yet another opportunity for it to consider when evaluating options for customers to fulfill their sustainability goals.

IV. RESIDENTIAL BATTERY ENERGY STORAGE PILOT

Q: What are Staff witness Cunigan and OPC witness Seaver recommendations with respect to Evergy's Residential Battery Energy Storage Pilot program?

A: Staff witness Cunigan and OPC witness Seaver reject the pilot program on the basis that only a small portion of customers will benefit. Seaver further asserts that if Evergy is going to offer this program "[i]n order to have any real benefit, there would need to be many more BTM systems in Evergy's service territory. The costs of mass deployment of BTM systems would outweigh any benefits."[5]

Both witnesses completely fail to understand that this is a pilot. Evergy purposefully did not propose this program as mass deployment – it proposed it as an opportunity to learn from 50 customers. As provided for in my Direct testimony and acknowledged by Mr. Seaver, Senate Bill 564, Section 393.1610 RSMo, states that:

> The Commission may approve investments by an electrical corporation in small scale or pilot innovative technology projects, including but not limited to renewable generation, micro grids, or energy storage, if the small scale or pilot project is designed to advance the electrical corporation's operational knowledge of deploying such technologies, including to gain operating

[5] Seaver Rebuttal, Page 3, Lines 18-20

efficiencies that result in customer savings and benefits as the technology is scaled across the grid or network.

Both witnesses reject the program on the basis that it was not proposed to be mass deployed and that there are winners/losers by being a participant/non-participant. Evergy has put forth a solid opportunity for the Commission to approve a pilot based on guidance in Senate Bill 564 and provides Evergy an opportunity to learn – and share with stakeholders and the Commission – the burgeoning adoption of residential storage systems and the impact to the grid.

Q: What is Renew Missouri's recommendation for the program?

A: Renew Missouri witness Fracica recommends the Commission approve the pilot. He provides a well-rounded view on the value and benefit of the proposed RBES program pilot, offers industry perspective of the adoption of residential battery storage systems and potential grid impact, and summarizes other pilot programs across the nation.

Q: Please further explain why a pilot is appropriate for the proposed RBES program.

A: The pilot will evaluate several key objectives, including the ability to utilize storage technology to enhance operations to maintain a safe and reliable grid. Batteries have several unique attributes relative to conventional technologies. They can both generate electricity (when discharging), absorb energy (when charging), be utilized to control operational parameters, such as voltage and frequency control, and can respond very quickly to changes in both upward and downward directions. The versatility of batteries also presents complexities in terms of operations and control. As we continue to see new and increasing demands on the distribution system, particularly from variable and intermittent technologies such as photovoltaic ("PV") solar, we need to

ensure we can utilize new technologies, including battery storage technologies to enhance our operations.

Using the data and information from the pilot, Evergy expects to be able to produce a comprehensive analysis of value streams-to both grid operations and to customers- based on real-time testing and deployment in different applications and scenarios. The information developed from the pilot will provide a more robust data source to determine how best to incorporate this type of technology into the Evergy distribution system, as well as insights into customer behaviors, and which attributes of battery technology customers value most.

While OPC witness Seaver Rebuttal testimony mentions the alternative use of traditional gas backup generation, the purpose of this pilot is not to promote one fuel source versus another.

Q: What about OPC Seaver's recommendation that, in place of a pilot, that Evergy simply "conduct a meta-study or literature review of the studies known on the topic… ?" Is that a viable substitute for a pilot program as Seaver suggests?

A: No. Evergy will gain operational experience that no "literature review" could provide. Evergy is reviewing other studies to aid in designing an effective pilot program. But, just as there is no academic discipline—medicine, mathematics, engineering, etc.—that can be learned without practice purely by a "literature review", neither can Evergy learn what is needed for implementing behind-the-meter energy storage systems without actually deploying them.

Q: What advantages does conducting a pilot provide rather than a meta study or literature review?

A: A pilot allows us to integrate the data and processes into our systems to make informed decisions. With the growth of DERs on the system, we will use the real-time data and experience from the pilot devices to respond to events on the distribution system. While utilities in other regions have conducted pilot programs with battery storage technologies, each region tends to have unique circumstances that influence the structure of any subsequent program developed. For example, an incentive to customers to install their own storage device would be expected to be different in a vertically integrated market compared to a deregulated market, or markets with different generation mix influencing power prices.

Evergy is in the process of conducting a technical review of different battery vendor technologies and control/monitoring use cases from battery providers. These materials will be used along with the Evaluation, Measurement and Verification study to determine impacts and benefits from this pilot. While this information will be valuable in the evaluation of the pilot gaining primary use case experience from a localized deployment is necessary to evaluate proper control, monitoring, utilization, and understanding of each asset. The costs and benefits from these systems vary by state, ISO, region, temperature zone, etc. Only through implementation within the Evergy distribution system will we be provided the opportunity to create the needed safety and reliability requirements for third parties or customer-owned assets that reflect the unique operational characteristics and regional climate differences from other peer-reviewed programs.

Q: What benefits will the pilot costs serve for future grid benefits?

A: The Company will be able to directly interact with these battery devices and integrate them into the operational systems. These systems can be leveraged to provide support during extreme weather events or grid resource alerts as well as conditions of high demand on the distribution system. Because battery technology provides a source of energy which can be stored and used on demand, this technology can insulate customer's from experiencing disruptions to household load during such events. This attribute offsets one of the key concerns by customers in other demand response programs, such as a thermostat program, in which customers can experience discomfort during periods of high temperatures.

The implementation and software cost associated with the integration of the piloted battery technology is a one-time upfront fee. This will allow Evergy to incur economies of scale as the additional expansion of the battery systems occur. While additional battery systems will incur incremental communication fees, there are no additional integration costs for vendor technology selected once the initial platform investment is made.

The proposed integration design will be established based on Evergy's use cases and interconnection requirements. In turn, this gives the Company the opportunity to test communication protocols and select best practices and methodologies for safely connecting, monitoring, and dispatching assets in varying locations across the distribution system. By testing and selecting a preferred communication protocol, Evergy can then drive interconnection and integration requirements keeping the distribution grid in phase, operating, and secure. As these third-party devices look to integrate into the distribution network, a proven and cyber-secure protocol becomes

increasingly important to maintain reliable and authorized use of the distribution network.

Q: How will the behind- the-meter ("BTM") assets utilized in the program for a small customer group benefit all customers and the grid?

A: The benefits created from distributed battery assets are seen from a portfolio level of cost avoidance with demand reduction or market bidding opportunities. Additionally, potential testing sites within the pilot could save the Company, and therefore all customers, additional funds through asset deferral, increased reliability, and grid stability.

As distributed energy resources are connected to the grid, the ability to understand their impacts on distribution circuits and the ability to adjust voltage, frequency, or phase becomes increasingly important for grid stability and reliability. By affording Evergy the opportunity to pilot this technology and learn before the impending market uptick of DERs such as through the implementation of FERC Order 2222, all customers, both participants and non-participants, are expected to have a lower cost and a more stable operating environment. The opportunities provided by the piloted technology will test and validate the true value of each of the proposed use cases and demonstrate the potential value add to Evergy customers before expanding into a full-scale program.

V. MARKET BASED DEMAND RESPONSE TARIFF

Q: What are Staff witness Jordan Hull's recommendations with respect to the Company's proposed modifications to the Market Based Demand Response ("MBDR") tariff?

A: Staff does not oppose the Company's revisions[6] to the MBDR tariff. Evergy continues to reinforce to the Commission that the MBDR tariff changes are necessary and should be approved, as described in my Direct and Rebuttal testimonies.

VI. MEEIA DEMAND ANNUALIZATION ADJUSTMENT

Q: Have you reviewed Staff's witness Luebbert's testimony rejecting Evergy's Missouri Energy Efficiency Investment Act ("MEEIA") demand annualization adjustment?

A: Yes. The Company adjusted its demand billing determinants to reflect the impact from customer participation in MEEIA and as measured by the Evaluation, Measurement and Verification ("EM&V") studies; however, Staff disagrees with this approach.

Q: Why is it appropriate to adjust demand impacted by MEEIA programs in the Company's annualization adjustment?

A: Evergy's MEEIA programs reduce both energy (kWh) and demand (kW) on the system. Without an adjustment, the calculation of the tariff rates will be inaccurate and Evergy will under recover revenue. Staff acknowledges this fact and does make an adjustment for energy but refuses to make an adjustment for demand.

[6] Hull Rebuttal, Page 4, Lines 9-12

Q: Do you agree with Staff's reasons for rejecting the demand annualization adjustment?

A: No. Below I will respond Staff's six reasons as to why they do not believe it is appropriate to adjust demand billing determinants from the impact of MEEIA.

1. The EMM and EMW developed factors do not account for the fundamental difference of the demand savings estimates determined through the EM&V process and the customer demand utilized to determine demand billing determinants.

Response: The demand savings impacts are determined through a rigorous, defined EM&V process that is performed by an independent, third-party consultant and is overseen by a Staff auditor. The demand savings determined in the EM&V represents the summer coincident peak demand reduction for each respective program and class, whereas Evergy's customers are billed on non-coincident peak ("NCP"), which can be their highest measured demand regardless of when that happens – coincident or non-coincident.

2. The estimated demand adjustments do not reflect realistic reductions in actual demand billing determinants.

Response: Similar to above, the demand adjustments are founded on the results of the EM&V process and are coincident with summer peak. I think it is a stretch to say that the Company's adjustment does not reflect realistic reductions. Is it 100% precise? No, it is not. Should no adjustment be made to reflect MEEIA's impact on demand and the associated revenue? No, there needs to be some adjustment made. Staff participates in the MEEIA EM&V process and has not proposed any alternative measurement methods.

3. The demand shapes are not verified through the EM&V process.

Response: In the last rate case, Staff asserted that an adjustment could not be made without hourly load shapes. In response to this, Evergy had program level and end-use level hourly load shapes developed as part of its 2020 Demand-Side Management ("DSM") Potential Study. Evergy provided these load shapes to Staff in Data Request No. 0223 in Case ER-2022-0130 and No. 0225 in Case ER-2022-0129. These load shapes are a weather normalized profile for each of the programs and end-uses. They are suitable for making demand adjustments. Staff did not raise this issue during the EM&V process, nor would it be practical, reasonable, or cost justifiable to do so.

4. The demand adjustments do not account for differences in demand determinants of participants, non-participants, and opt-out customers.

Response: The demand savings impact, verified by the EM&V process, reflects the impact from MEEIA participation. Therefore, it is based on MEEIA participants. We would not otherwise reflect demand reduction from non-participants or opt-out customers given that those customers did not participate in MEEIA. The very reason for the adjustment ***is for MEEIA participation***. (emphasis added) I simply do not understand this reason.

5. The demand shapes utilized do not account for differences in the "planned measure installations" and the actual measure installations.

Response: This is not a legitimate concern. The EM&V measures the actual quantity of rebated installations/measures. If Staff insists on using hourly load shapes, Staff could choose to use the end-use load shapes, which are not sensitive to the number of installations.

6. The demand shapes are appropriately excluded from the respective companies' tariff.

Response: While witness Luebbert refers to this as a reason for rejecting MEEIA demand adjustments, I could not find justification in his testimony to support this specific statement.

Q: Does Staff propose an alternative method to making an adjustment for MEEIA?

A: If Staff witness Luebbert is looking for a 100% "accurate" way of determining the impact of MEEIA programs to adjust demand billing determinants, he will never get there. Evergy has adjusted billing determinants in a fair manner based on data that has been studied and verified. Staff has no alternative method other than an adjustment of zero. The Commission should adopt the Company's position as it is the best way offered to account for changes in demand savings due to MEEIA participation.

VII. BUSINESS TRANSPORTATION ELECTRIFICATION

Q: Do you agree with Staff's assertion that the Commercial Electric Vehicle ("EV") Charger Rebate Program ("CRP") is without merit in light of the Clean Charge Network?

A: No. This assertion was addressed within both my and Charles Caisley's Rebuttal testimonies.

Q: Do you agree with Staff's assertion that the CRP is without merit given the availability of federal funding?

A: No. And although this assertion was addressed within both my and Charles Caisley's Rebuttal testimonies, I would like to expand my previous discussion of the technical and strategic benefits.

One of the strategic aims of the CRP is to "pull" the customer into relationship with Evergy, which creates an opening to engage the customer in ways that mitigate grid impacts to the benefit of all customers. The value of this opportunity is demonstrated by examining the consequences of Evergy's decision to withdraw the highway corridor use-case from the proposed program, a decision that was solely driven by Staff's and OPC's repeated assertions that the CRP is "unsound" or otherwise rendered unnecessary due to federal funding. Without this use case, Evergy has limited ability to influence the design of highway corridor stations funded by the National EV Infrastructure ("NEVI") formula program because station developers will only be subject to technical requirements for NEVI eligibility. On the other hand, if the CRP included this use case, then Evergy would be able to offer a rebate that helps the developer meet NEVI's matching fund requirements in exchange for compliance with the CRP's "grid friendly" technical requirements such as limiting DCFC station power to 150kW.

The same concept applies to the extensive data reporting obligations tied to CRP eligibility. In response to ChargePoint witness Wilson, Staff witness Lange's testimony describes Evergy's proposed reporting metrics as "critical to evaluating the reasonableness of the associated rate designs and for recommending future rate designs". Evergy agrees, and notes that without the CRP, obtaining even Mr. Wilson's basic list of operating data would be challenging if not impossible.

Q: Has either Staff or OPC attempted to characterize the future need for EV charging infrastructure and how this need will be met in an equitable, reliable manner?

A: No. In File No. ET-2021-0151 (consolidated from ET-2021-0269), Evergy employed a sound methodology for sizing the CRP that:

- Estimated the amount of current charging infrastructure within Evergy's Missouri service territory
- Estimated the incremental need for charging infrastructure from both five and ten-year perspectives[7]
- Sized the CRP budgets to meet a fraction of the gap between the current amount and projected need for EV charging infrastructure

For their part—and despite telling Evergy over and again that the CRP is "unnecessary" or "too big"—neither Staff nor OPC have presented an alternative framework or rebuttal to Evergy's projected need for EV charging infrastructure. There is a sharp distinction between the evaluation approaches employed by the Missouri and Kansas Commission Staffs and is particularly notable given OPC's and Staff's confidence that the Clean Charge Network is more than adequate to serve EVs in Evergy's Missouri service territory, presumably for the rest of time.

Q: Is exempting DCFC stations from demand response requirements unreasonable, as asserted by Staff?

A: No. The use case for DCFC stations is a poor fit for demand response because these stations are typically used when customers need to charge as quickly as possible.

[7] This estimation was performed using EVI-Pro, a tool developed by the Department of Energy to gauge charging infrastructure requirements (https://afdc.energy.gov/evi-pro-lite)

Q: Staff Witness Lange claims that Schedule Business EV Charging Service ("BEVCS") is unnecessary if the Commercial EV Charger Rebate Program is not approved. Do you agree?

A: No. I do not follow the rationale behind this purported dependency given that just two pages prior in her testimony, Ms. Lange states that, "Staff views the shaping of new separately-metered load as a reasonable policy goal".

As noted repeatedly throughout testimony, Evergy's rebate includes conditions that will be unacceptable to some commercial customers. It is not immediately obvious why Staff would be uninterested in shaping the load of commercial customers who either already have charging stations or are considering stations but are unwilling to accept the technical and reporting requirements required by the rebate program. Assuming this policy goal is broader than described by Ms. Lange, Staff should support Schedule BEVCS being made available to all EV-operating commercial customers irrespective of CRP participation.

Q: How should Commission view the BEVCS vis-à-vis the Commercial EV Charger Rebate Program?

A: While these programs can be complementary, they are not inextricably linked.

The CRP is designed to entice the customer to engage the utility early in the charging station design process, which minimizes customer costs and grid impacts. Once the stations are operational, the rebate program further benefits Evergy's grid management efforts by providing Evergy with access to the customer's charging behavior on the customer's side of the meter. As noted earlier in my testimony, this customer-side data would be difficult if not impossible for Evergy to obtain without conditioning rebate eligibility on data access.

In contrast, the goal of the BEVCS rate is to incentivize customers to charge during off-peak hours regardless of whether the customer is a current or a future EV operator. Using Evergy's existing Electric Transit Rate ("ETS") as an example, as a result of the ETS rate being approved by the Commission earlier this year, Evergy is working with a transit customer to assess the feasibility of modifying the customer's existing charging patterns (i.e. load shapes) to take advantage of this time-of-use rate.

Q: Should participants in the Commercial EV Charger Rebate program be required to take service under BEVCS?

A: No. These offerings can be complementary but are not inextricably linked. The CRP provides value to Evergy's grid management efforts regardless of whether the customer enrolls in the BEVCS. Likewise, the BEVCS can be a powerful incentive for existing EV operators to develop more "grid friendly" charging patterns, as illustrated in the ETS example provided above.

Q: Does Evergy agree with the BEVCS reporting metrics proposed by Staff Witness Lange?

A: No. Tying time-of-use rate eligibility to the divulgence of the detailed operational data proposed by Ms. Lange would have a dramatic impact on customer participation, which would undermine the overarching goal of incentivizing customers to charge off-peak.

While I understand the spirit of what Ms. Lange is trying to accomplish, what is the point of having a customer program with so many off-putting guardrails that no one participates? A program that provides *all* of the data we'd ever want and includes *all* of the safeguards imaginable is also a program that would repel *all* but a meaningless fraction of customers. We should be careful to not let perfect be the enemy of the good.

Also, it should be noted that contrary to Ms. Lange's assertion, the prescribed level of reporting is not required for ETS rate participation.

VIII. SUBSCRIPTION PRICING

Q: In its early 2021 qualitative and quantitative customer research, Evergy presented the subscription pricing plan as "unlimited". Can you respond?

A: Generally, customer research is used to identify preferences, attitudes, and motivations of a targeted customer. Research is done for the very purpose of determining how to improve the product (or marketing) ***before*** a product launch.

Let me explain. In its introduction of the Subscription Pricing pilot in its quantitative customer research materials, Evergy describes the pilot as:

> *Much like unlimited subscription plans for your wireless phone or Netflix, Evergy is considering a new rate plan that includes all your electricity usage for one monthly price. This new offer would allow you to pay the same amount, every month, all year long regardless of how much electricity you use.*
>
> - *Your electric bill is the same amount every month for one year*
> - *No matter how much electricity you end up using, you will not owe more money at the end of the year.*
> - *Gives you control and protection from seasonal bill spikes due to changes in weather*
> - *No surprise expenses so you can manage your monthly budget*

Evergy further refers to this as the "unlimited" electric plan so that the survey participant can draw a comparison with other "unlimited" plans consumers are traditionally familiar with, such as their subscription with Netflix or wireless phone provider. In other words, the consumer is not charged on a per unit basis (number of movies watched or number of minutes used). They are charged on a flat, monthly price. While Ms. Kremer successfully counts the number of times that "unlimited" was used in its customer research, Evergy will not market or promote subscription pricing to

customers as an "unlimited" rate plan as further reinforced by Evergy witness Hledik in his Surrebuttal testimony.

Q: Did Evergy use this qualitative and quantitative customer research to further refine its proposed program?

A: Yes, this 2021 customer research was critical in not only understanding customer interest in subscription pricing (or not), but also to assess customer receptivity to the add-ons, the efficiency incentive and the risk premium, for example. In addition, we learned that a predictable flat bill amount was more of the driver of customer interest than "unlimited electricity". Mr. Caisley's Surrebuttal testimony further refers to this additional quantitative research performed by Evergy in June 2022. As a result of our 2021 research and customer feedback, in our June 2022 research, we presented the subscription pricing plan as a "Flat Pricing Plan". The summary description was presented as:

> *Designed for those who want convenience and predictability. Avoid fluctuating monthly bills by getting the same monthly bill for all your energy needs, without any yearly true-up. Take the guesswork out of your energy bill and pay a small premium for a predictable bill. Similar to an unlimited cell-phone plan, this option offers you a fixed monthly bill for all your energy and allows you to earn a credit if your energy use is less than expected.*

I reiterate that customer research is done for the very purpose of learning and modifying a product based on customer feedback.

Q: What were the results of the quantitative research performed in June 2022 on rate options?

A: Evergy witness Caisley will provide further detail; however, our research only reiterates that Evergy customers are interested in optional rate plans – including subscription pricing and TOU.

Q: Are there any further changes to the Subscription Pricing pilot program/tariff?

A: Yes, as discussed earlier, Evergy agreed to withdraw its Green Pricing tariff in File No. EO-2022-0064/0065. If approved by the Commission, Evergy will remove the Clean Energy add-on proposed with the Subscription Pricing pilot. Evergy is committed to revisiting the concept of coupling a clean energy offer with Subscription Pricing in the future if the Subscription Pricing pilot moves forward.

IX. ENERGY BURDEN DATA SHARING

Q: Renew Missouri witness James Owen requests Evergy analyze disparities in energy burdens alongside Ameren Missouri, Spire and Consumers Council of America using funding by the Missouri Foundation for Health. Are you aware of this request?

A: Yes. Mr. Owen requested this support in writing to Evergy at the end of June, prior to the filing of his Rebuttal testimony.

Q: How does Evergy respond to Renew Missouri's request to provide utility-specific data aggregated at the zip code or census tract level to use in this study?

A: Evergy does see some value and need in this area; however, we are concerned that providing data at a granular level may lead to improper assumptions and recommendation by users of the data. Evergy is exploring internal and externally available data resources to develop customer insights within our systems for improved customer outreach, reporting and data analyses purposes. Evergy will continue to work with Renew Missouri on this issue.

X. TIME-OF-USE RATES

Q: On page 3, lines 4-6, of Ms. Lange's rebuttal testimony, she states, "The idea of providing optional programs that lose $150 per participant, to be spread out to other ratepayers is unreasonable." How do you respond?

A: Ms. Lange ignores the fact that when launching any new product or service, whether it be an optional rate, rebate or actual product, it does require marketing and there is a cost associated with that marketing for successful customer enrollment or purchase. It is referred to as an acquisition cost. As I referenced in my Direct testimony, Evergy's acquisition cost of $150 per participant is consistent with Evergy's TOU experience and pertinent as a benchmark. This approach is similar to Commission approval in the TOU stipulation in 2018[8]. However, in lieu of a per participant enrollment cost, Evergy is open to discussing and identifying specific marketing budgets for each rate, or a marketing allowance for the portfolio of rates. Other than complete denial of the need for recovery of an acquisition cost, Staff does not provide an alternative approach. Therefore, the per participant cost is as good of a starting place as any given that it is based on Evergy's experience.

Q: With respect to the Company's proposed time-of-use ("TOU") rates, Staff witness Lange states that "Evergy designed these rates by assuming participants will operate as statistically "average" residential customers"[9]. Is this an accurate description of how Evergy developed the proposed TOU rates?

A: No, it is an oversimplification and only characterizes one aspect of the TOU design.

[8] Case Nos.ER-2018-0145, ER-2018-0146 Non-Unanimous Partial Stipulation and Agreement Concerning Rate Design Issues ("2018 Rate Design S&A").
[9] Lange Direct, Page 44, Lines 6-7

Q: Please elaborate on how Evergy developed the proposed TOU pricing structures.

A: Evergy engaged Brattle to perform a TOU design analysis to determine appropriate pricing differentials by TOU time periods that would allocate all Residential class cost of service ("CCOS") revenue requirement based on cost causation and be revenue neutral at the residential class level. Brattle used the CCOS revenue requirement and billing determinants from Evergy's prior rate case in its analysis. The CCOS revenue requirements were allocated to the six (6) TOU time periods to align costs with cost causation in the flowing manner.

- Generation Costs: Residential class share of generation capacity costs were allocated
    - 20% were allocated to Summer Peak period, representing peaking capacity.
    - 40% were allocated to all periods to representing generation units that run most of the hour per year.
    - 40% were allocated to peak and off-peak periods representing all other generation units.
- Transmission Costs were allocated to the peak period in each month of the year.
- Distribution Costs were allocated to reflect that the peak period drives a proportionally higher share of the costs.
    - 25% of total distribution costs were allocated to the summer and non-summer peak period.
    - 75% of total distribution costs were allocated to all periods.

- Energy Costs were allocated proportional to average Southwest Power Pool ("SPP") energy prices in each period.

The revenue requirement by TOU time period was then divided by the billing determinants for the residential class established in the last rate case for each time period to establish a $/kWh rate for each time period. The Brattle analysis determined that the TOU pricing differential outlined in the following table would be reflective of cost causation. Evergy used these TOU pricing differentials as a guide when developing the rates for the proposed TOU rates in this rate case.

	Summer			Non-Summer		
	Peak	Off-Peak	Super Off-Peak	Peak	Off-Peak	Super Off-Peak
3 Period TOU	6.1	1.7	1.0	2.9	1.6	1.0
2 Period TOU	3.9	1.0x	- - -	- - -	2.9	1.0

Q: Did Staff consider any allocation of Generation, Transmission and Distribution costs by TOU time period to align revenue requirements with causation?

A: Not that I can ascertain. In all of her analysis, Ms. Lange only presents price analysis relative to SPP energy costs as costs that change with time. In fact, she states "…the only revenue requirement that can be reasonably avoided is that associated with energy acquisition at wholesale, which does vary by time of consumption".[10]

Q: Are costs that can be avoided a key factor in developing TOU rates?

A: No, not in historical test-year rate proceedings. The key factor in developing pricing for TOU rates should alignment of costs with causation. Therefore, TOU time period

[10] Lange Rebuttal, Page 45, Lines 14-16

prices should be based on the allocation of total revenue requirement to produce, transmit, and distribute energy by appropriate time periods so that cost recovery is aligned with the energy consumption driving these costs. This provides customers with true cost-based price signals on which to make their energy use decisions and save money on their electric bill. By providing customers with true cost-based price signals they are encouraged to shift their energy consumption from peak usage periods thus reducing stress on the grid and improving utilization of existing grid resources which is a primary objective of TOU rates.

Q: Staff witness Lange also states that "non-participating ratepayers should not bear any costs in the form of avoided revenues or otherwise from these non-cost-based optional rates." How do you respond?

A: First, I take issue with the characterization that the rates as are not cost-based which Staff witness Lange makes repeatedly throughout her testimony[11]. They are very much cost-based as they take into account an allocation of all generation, transmission, distribution and SPP energy market costs. Evergy's proposed TOU rate structures are much more cost based than the extremely low differential rate proposed by Staff, which appears to be based on only energy prices in the SPP market.

Secondly, Evergy is not asking for recovery of any revenue differential from what a TOU customer would have paid on the standard rate.

Ms. Lange is correct in that most customers that elect to participate in one of the TOU rates will likely save money over what they would have paid on the standard rate. This is either because of their existing usage pattern or because they shift their

[11] Lange Rebuttal, Page 45, Line 17 and Page 52, Line 9

energy consumption to lower cost times. Let's consider each of these cases. In the first case, the customer is already using energy in lower-cost time periods and not contributing significantly to capacity related costs, and is therefore subsidizing the other customers on the standard rate that use more of their energy during 'peak' time periods. On a TOU rate, the customer does not change behavior but realizes savings from the different rate structure. In the second case, without a TOU rate, there is no incentive for the customer to change their usage patterns so no load shift would occur. Additionally, customers that may be increasing load, like charging an electric vehicle, have no incentive to charge their vehicles during periods of the day that are least impactful to the electric grid.

Q: Staff witness Lange states that if the TOU rates are promulgated, "the adjustment process may be very difficult" and it "may not be practical to scale the energy charges to fit the awarded revenue requirement."[12] Do you agree with this assessment?

A: No, once the revenue requirement and the residential class billing determinants are determined and the residential customer charge is determined, it would be a straightforward process to recalculate the energy prices by time period that maintain the relative price differentials. It may not be a direct scaling of all prices by the same factor, but it is not a complicated process.

[12] Lange Rebuttal, Page 45, Line 21 and Page 46, Line 3

Q: Do you have any concerns regarding Staff witness Lange's analysis of the High Differential RTOU-3 rate schedule?

A: Yes, while the representation of the proposed rates relative to SPP market prices may be accurate, it does not tell the whole story and the comparison to a customer that uses 1500 kWh per month is misleading. She continues to only look through the prism of an existing customer that may or may not change usage patterns and the relation to SPP wholesale market prices.

First, in developing this and the RTOU-EV rate, Evergy's objective is to have rate options that provide additional incentive for EV customers to charge their EVs during the Super Off-peak periods of midnight to 6 a.m. During this time frame the additional load will be served with little or no impact on the existing infrastructure. Ms. Lange's analysis of the rate for an existing customer that does not add additional late-night usage does not reflect the intended use case and we would not expect those customers to adopt this rate.

In developing these rates, Evergy began with the cost-based price differentials previously described and used for the RTOU and RTOU2 tariffs. By maintaining the cost-based pricing for the summer on-peak period and doubling differential relative to the Summer super-off-peak pricing we were able to create a pricing structure that provides a small margin over SPP market prices during the super-off-peak period and maintains off-peak prices that are relatively equivalent to the standard residential tariff price. While the resulting prices are not solely cost based, they provide an extra incentive to add load during the super off-peak period and a greater incentive to shift summer on-peak usage off maintain the cost-based pricing during the summer on-peak period.

Q: Staff witness Lange asserts that since the TOU EM&V study did not prove that coincident demands were reduced that there will be no peak reductions[13]. Do you agree?

A: No, I do not. With regards to demand reduction, Staff continues to focus solely on the fact that the TOU EM&V did not analyze for an impact on the single system peak hour and asserts that since it was not proven, that it did not occur. While system peak demand drives generation and transmission capacity costs and are important cost contributors, the system peak hour can fluctuate from and can occur during any summer month. TOU on-peak periods are designed for peak usage periods that encompass both peak load conditions and peak energy production costs. The TOU EM&V analysis determined that TOU customers reduced their energy consumption during the on-peak time periods[14]. While the EM&V analysis did not quantify the reduction during the single system peak hour, it is unrealistic to assume that no reduction occurred. Even if there were system peak reduction, the reduction of usage during the on-peak periods does impact cost components that are not coincident with the single system peak hour (avoided wholesale energy costs and transmission and distribution capacity that don't peak coincident with the system, etc.).

[13]Lange Rebuttal, Page 48, Lines 19-23

[14] Winslow Direct, Page 9, Lines 20-25, TOU participants in the MO Metro on average reduced their average summer coincident peak demand by 0.31 kW, or approximately 14% below their average pre-TOU summer coincident peak demand, and TOU participants in the MO West on average reduced their average summer coincident peak demand by 0.12 kW, or approximately 4% below their average pre-TOU summer coincident peak demand."

Q: Staff witness Lange concludes that under the RTOU-EV tariff the customer would bear the full or nearly full cost of any distribution infrastructure as a non-refundable construction charge[15]. Do you agree?

A: Ms. Lange is technically correct based on the line extension policy, but in practice we expect that that it will be rare that a customer enrolling in the RTOU-EV rate will require a line extension or upgrade to existing infrastructure. The RTOU-EV tariff is for a separately metered service and requires the customer to have an existing residential service. In most cases the customer will simply add a second customer meter base at the existing service location and run customer owned conductors to the electric vehicle service equipment (charging station). As the RTOU-EV rate provides an incentive for the customer to charge the EV during Super Off peak periods when the customer consumption is minimal, the need to upgrade existing distribution facilities will be very rare. In most cases were there may be a need to upgrade facilities, it will likely be that the existing facilities were inadequate to properly serve the existing customer's load.

If the customer chooses to install the second meter at a location other than the existing service location to reduce the cost of the customer owned line to reach the EVSE location, it would be appropriate for the customer to bear the cost of the distribution infrastructure required to provide service to the second location.

This is especially true when the requested granularity represents an extreme change to operational processes, record keeping, and overall reporting that the "accuracy" that such data is intended to produce comes at a cost that completely negates

[15] Lange Rebuttal, Page 47, Lines 17-21

the perceived benefit. CCOS studies are meant to serve as a reasonable "guide" and not a prescriptive model intended to remove all other judgment. Counter to the testimony of Staff, the CCOS results are useful to inform ratemaking, even if they are not normally subject to "true-up" in the rate case. If ratemaking becomes more focused on cost of service instead of other factors such as policy or gradualism, I support additional true-up later in the case. Counter to the testimony offered by Staff, the allocation process is effective.

Staff also challenges allocations. Production allocation is stated to be "controversial." Internal allocators are "imprecise". It would seem in Staff's view, if costs cannot be directly assigned to a class, there is no reason to bother with allocation. Practitioners have freedom within the CCOS process to change allocations to best align with cost causation. No one is trapped into a course of action with respect to the study especially in the choice of allocation. As reasonable minds can disagree, controversy is to be expected and the Commission is well prepared to weigh the evidence and make decisions concerning application to ratemaking.

Q: OPC witness Marke recommends the Commission disallow $1M in program/customer education costs for both Evergy Metro and Evergy Missouri West in recognition of "Evergy's failure to comply with the terms of the non-unanimous stipulation and agreement"[16]. How do you respond?

A: I am flabbergasted with his recommendation. Dr. Marke provides absolutely no evidence that Evergy did not comply with the 2018 Rate Design S&A. Furthermore, as described in the 2018 Rate Design S&A, Evergy was authorized to defer for recovery

[16] Marke Rebuttal, Page 15, Lines 14-16.

prudently incurred program costs including marketing, education, EM&V costs and other costs to offer the TOU opt-in program. In Evergy's next rate case, which is this case, Evergy was authorized to recover the costs at the level represented by the percentage of customers enrolled in the TOU service at the time of the filing compared to the target level (1,500 customers in each jurisdiction). Evergy was not authorized to exceed 100% recovery of its costs. Evergy also has a burden to demonstrate that such percentage was not simply a result of transferring customers to a lower rate, but it is based on efforts directly related to changing customer behavior through marketing and education.

Q: Did Evergy conform to these requirements?

A: Absolutely. Whereas Dr. Marke provides no support and no reasons, I provide support in my Direct testimony on pages 10-12 as to what Evergy has done to demonstrate full Commission approval for those deferred costs.

Q: Does that conclude your testimony?

A: Yes, it does.

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-2022-0129
In the Matter of Evergy Missouri West, Inc. d/b/a Evergy Missouri West's Request for Authority to Implement A General Rate Increase for Electric Service	))))	Case No. ER-2022-0130

AFFIDAVIT OF KIMBERLY H. WINSLOW

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

Kimberly H. Winslow, being first duly sworn on her oath, states:

1. My name is Kimberly H. Winslow. I work in Kansas City, Missouri, and I am employed by Evergy Metro, Inc. as Senior Director, Energy Solutions.

2. Attached hereto and made a part hereof for all purposes is my Surrebuttal Testimony on behalf of Evergy Missouri Metro and Evergy Missouri West consisting of thirty-two (32) pages, having been prepared in written form for introduction into evidence in the above-captioned dockets.

3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.

Kimberly H. Winslow

Subscribed and sworn before me this 16th day of August 2022.

Notary Public

My commission expires: 4/26/2025

ANTHONY R. WESTENKIRCHNER
NOTARY PUBLIC - NOTARY SEAL
STATE OF MISSOURI
MY COMMISSION EXPIRES APRIL 26, 2025
PLATTE COUNTY
COMMISSION #17279952