STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held by telephone and internet audio conference on the 24th day of February, 2021.

In the Matter of Evergy Metro, Inc. d/b/a Evergy Missouri Metro 2020 Biennial Parallel Generation Tariff

File No. EE-2021-0237 Tariff No. JE-2021-0144

In the Matter of Evergy Missouri West, Inc. d/b/a Evergy Missouri West 2020 Biennial Parallel Generation Tariff

File No. EE-2021-0238 Tariff No. JE-2021-0145

NOTICE THAT TARIFF SHEETS WILL GO INTO EFFECT BY OPERATION OF LAW

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Issue Date: February 24, 2021

On January 26, 2021, Evergy Missouri Metro and Evergy Missouri West (collectively "Evergy") filed applications with the Missouri Public Service Commission requesting that the Commission grant them a waiver of Commission Rule 20 CSR 4240-3.155(3), which requires that Evergy file tariffs providing standardized rates for facilities at or under 100 kilowatts design capacity no later than January 15 of every odd-numbered year. Evergy also filed the accompanying tariff sheets providing those standardized rates for facilities at or under 100 kilowatts design capacity. Those tariff sheets bear an effective date of February 25, 2021. The Commission granted Evergy waivers of Commission Rule 20 CSR 4240-3.155(3), effective February 20, 2021.

The Commission issued an order establishing an intervention deadline and a deadline for recommendations concerning Evergy's tariff sheets and waiver request. The Commission's Staff (Staff) was to provide a recommendation regarding the waiver and tariff sheets no later than February 5, 2021. Staff filed a request to have until

February 16, 2021, to review the tariff sheets and file a recommendation. On February 16, 2021, Staff filed a recommendation that the Commission either approve the tariff sheets or permit them to go into operation on their effective date. The Commission received no intervention requests or other recommendations about Evergy's tariff sheets.

Staff's memorandum states that the tariff sheets reflect a change in the rate Evergy will pay customers under its Cogeneration Purchase Schedule. The Commission's Net Metering Rule,¹ implements Section 386.890, RSMo, the Net Metering and Easy Connect Act. That Act makes it easier to obtain net metering service from electric utility service providers in Missouri. As a part of its Net Metering Rule, the Commission requires a regulated utility's net metering rate to be the same as its cogeneration rate. The Commission's Net Metering Rule, at (1)(B), provides that avoided costs are the incremental costs of electric energy that the utility would have to generate or purchase but for the purchase from the customer generator. The avoided fuel cost is used to calculate the electric utility's standard rate for purchase from systems less than 100 kilowatts. Staff's opinion, based on the information and descriptions provided, is that the proposed rates seem to be reasonable estimates of avoided energy costs.

However, Staff noted that it did not have time to perform a thorough and in depth review of all the underlying data utilized to produce these rates or the assumptions used to produce that data given the time available between the filing date and tariff effective dates. Staff also noted that Evergy did not provide the levels of purchases in blocks as required by Commission Rule 20 CSR 4240-3.155(4)(A). The Commission issued an order requesting additional clarification about the sufficiency of the information provided.

¹ Commission Rule 20 CSR 4240-20.065.

Staff responded that though information was not provided in the manner prescribed by the rule, Staff received sufficient information to complete its review and recommend approval. Staff did not recommend that the tariff sheets be suspended for further evaluation.

The Commission issues notice that the tariff sheets filed on January 26, 2021, will take effect by operation of law on their February 25, 2021, effective date. The tariff sheets that will take effect are:

<u>PSC. Mo. No. 7</u>

13th Revised Sheet No. 31A, Cancelling 12th Revised Sheet No. 31A

<u>PSC. Mo. No. 1</u>

2nd Revised Sheet No. 102.1, Cancelling 1st Revised Sheet No. 102.1



BY THE COMMISSION

Morris L. Woodruff Secretary

Silvey, Chm., Kenney, Rupp, Coleman, and Holsman CC., concur.

Clark, Senior Regulatory Judge