

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Application of Evergy)	
Metro, Inc. d/b/a Evergy Missouri Metro)	<u>File No. EO-2020-0220</u>
Containing its Semi-Annual Fuel Adjustment)	Tariff No. JE-2020-0122
Clause True-Up)	

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its recommendation states:

1. On January 31, 2020 Evergy Missouri Metro filed its sixth fuel adjustment clause true-up filing under the provisions of 20 CSR 4240-20.090(9).
2. On January 31, 2020 the Commission ordered Staff to file a recommendation by March 1, 2020.
3. Based on its examination and analysis of the information Evergy Missouri Metro filed, Staff recommends the Commission approve Evergy Missouri Metro's true-up filing for its Recovery Period 6 ("RP6"), during which it over-collected \$398,042 from its customers. Staff's analysis is contained in the attached Staff Memorandum, marked as Appendix A.
4. The over-collected amount of \$398,042, which is the true-up amount for RP6, and interest for RP6 of \$79,120 are included in the calculation of the Fuel and Purchased Power Adjustment ("FPA") amount in Evergy Missouri Metro's ninth Accumulation Period ("AP9") adjustment filing, also filed on January 31, 2020, in File No. ER-2020-0221.
5. Staff verified that Evergy Missouri Metro filed its 2018 annual report and is not delinquent on any assessment. It is current on submission of its monthly reports,

required by 20 CSR 4240-20.090(5), and its surveillance monitoring reports, required by 20 CSR 4240-20.090(6). Other than as noted in the attached Staff Memorandum, Staff is not aware of any other matter before the Commission that affects or is affected by this true-up filing.

WHEREFORE, Staff recommends the Commission approve Evergy Missouri Metro's RP6 true-up filing, during which Evergy Missouri Metro over-collected \$398,042 from its customers, for inclusion in the calculation of the FPA amount included in its AP9 rate adjustment filing in File No. ER-2020-0221.

Respectfully submitted,

/s/ Karen E. Bretz

Karen E. Bretz

Senior Counsel

Missouri Bar No. 70632

Attorney for the Staff of the

Missouri Public Service Commission

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CERTIFICATE OF SERVICE

I certify that a copy of the foregoing was served via e-mail on counsel for the parties of record to this case on this 28th day of February, 2020.

/s/ Karen Bretz

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
File No. EO-2020-0220
Evergy Metro, Inc. d/b/a Evergy Missouri Metro

FROM: Cynthia Tandy, Utility Regulatory Auditor II
Brooke Mastrogiannis, Utility Regulatory Auditor IV
Lisa Wildhaber, Utility Regulatory Auditor III

DATE: /s/ Brad J. Fortson 02/28/2020 /s/ Karen Bretz 02/28/2020
Commission Staff/ Date Staff Counsel Department/ Date

SUBJECT: Staff's Analysis of and Recommendation Concerning Evergy Metro, Inc. d/b/a
Evergy Missouri Metro Fuel Adjustment Clause True-up Filing Under the
Provisions in 20 CSR 4240-20.090(9).

DATE: February 28, 2020

Staff Recommendation

Staff recommends that the Missouri Public Service Commission ("Commission") approve the true-up filing for Evergy Metro, Inc. d/b/a Evergy Missouri Metro ("Evergy Missouri Metro"), f/k/a Kansas City Power & Light Company ("KCP&L") for Recovery Period 6 ("RP6") during which Evergy Missouri Metro over-collected \$398,042¹ from its customers.

Discussion

On January 31, 2020, Evergy Missouri Metro filed with the Commission its fuel adjustment clause ("FAC") true-up² for RP6 under the provisions of its FAC tariff sheets and 20 CSR 4240-20.090(9). RP6 began October 1, 2018 and ended September 30, 2019. It was preceded by Accumulation Period 6 ("AP6"), which began January 1, 2018 and ended June 30, 2018.

Evergy Missouri Metro's filing is supported by the direct testimony and supporting schedules of Lisa A. Starkebaum, Manager – Regulatory Affairs at Evergy Missouri Metro. The Missouri Public Service Commission Staff ("Staff") reviewed Ms. Starkebaum's direct testimony and supporting schedules, as well as the monthly information Evergy Missouri Metro submitted to the Commission in accordance with 20 CSR 4240-20.090(9).

The RP6 true-up amount without interest is the result of an over-collection of \$398,042 during RP6. There were no accounting corrections or other needed adjustments during RP6.

¹ "Direct Testimony of Lisa A. Starkebaum," EO-2020-0220, page 5, line 5.

² True-ups are defined on Evergy Missouri Metro, P.S.C.MO. No. 7, Original Sheet No. 50.30 as, "After completion of each RP, the Company shall make a true-up filing by the filing date of its next FAR filing. Any true-up adjustments shall be reflected in component "T" above. Interest on the true-up adjustment will be included in component "I" above. The true-up amount shall be the difference between the revenues billed and the revenues authorized for collection during the RP as well as any corrections identified to be included in the current FAR filing. Any corrections included will be discussed in the testimony accompanying the true-up filing."

The interest of \$79,120 on line 9 of P.S.C. MO. No. 7 3rd Revised Sheet No. 50.31,³ as substituted February 25, 2020, and again substituted February 26, 2020, includes all interest⁴ for RP6 and Accumulation Period 9 (“AP9”). Ms. Starkebaum provides supporting work papers for the true-up amount of \$(398,042). Staff agrees with Evergy Missouri Metro’s calculations for this over-collection of \$398,042 during RP6.

Staff Review

Based on its review and analysis of the information Evergy Missouri Metro filed and submitted for RP6, Staff determined that Evergy Missouri Metro’s calculations for the true-up amount for RP6 are correct. However, Staff reserves its right to pursue this issue in other cases before the Commission.

Staff recommends the Commission approve Evergy Missouri Metro’s true-up filing for RP6, during which Evergy Missouri Metro over-collected \$398,042 from its customers. The over-collection amount is included in Evergy Missouri Metro’s proposed changes to its current period fuel adjustment rates in its semi-annual FAC filing in File No. ER-2020-0221, filed on January 31, 2020, as substituted February 25, 2020, and again substituted February 26, 2020, for AP9 which began July 1, 2019 and ended December 31, 2019.

Staff verified that Evergy Missouri Metro filed its 2018 Annual Report and is not delinquent on any assessment. Evergy Missouri Metro is current on its submission of its Surveillance Monitoring reports, as required by 20 CSR 4240-20.090(6), and its periodic reports, as required by 20 CSR 4240-20.090(5). With the exception of Evergy Missouri Metro’s proposed changes to its current period fuel adjustment rates in its semi-annual FAC filing in File No. ER-2020-0221, Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

³ File No. ER-2020-0221 and Tariff Tracking No. JE-2020-0122.

⁴ Interest is defined on Evergy Missouri Metro, P.S.C.MO. No. 7, Original Sheet No. 50.28 as: Interest applicable to (i) the difference between Missouri Retail ANEC and B for all kWh of energy supplied during an AP until those costs have been recovered; (ii) refunds due to prudence reviews (“P”), if any; and (iii) all under- or over-recovery balances created through operation of this FAC, as determined in the true-up filings (“T”) provided for herein. Interest shall be calculated monthly at a rate equal to the weighted average interest paid on the Company’s short-term debt, applied to the month-end balance of items (i) through (iii) in the preceding sentence.

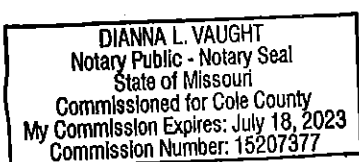
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Evergy Metro, Inc. d/b/a Evergy Missouri) File No. EO-2020-0220
Metro Containing Its Semi-Annual Fuel)
Adjustment Clause True-Up)

[illegible]

Further the Affiant sayeth not.

Brooke Mastrogianis

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 28th day of February, 2020.



Dianna L. Vaughn
Notary Public

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Evergy Metro, Inc. d/b/a Evergy Missouri) File No. EO-2020-0220
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AFFIDAVIT OF CYNTHIA M. TANDY

[illegible]

COMES NOW Cynthja M. Tandy, and on her oath declares that she is of sound mind and lawful age, that she contributed to the foregoing *Staff Recommendation in Memorandum form*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.


Cynthia M. Tandy

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 28th day of February, 2020.

Deanna L. Vaughn
Notary Public

