Exhibit No. 312

OPC – Exhibit 312
Jordan Seaver
Rebuttal
File No. ER-2024-0189

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Issue(s):	Rate Design
Witness/Type of Exhibit:	Seaver/Rebuttal
Sponsoring Party:	Public Counsel
Case No.:	ER-2024-0189

REBUTTAL TESTIMONY

OF

JORDAN SEAVER

Submitted on Behalf of the Office of the Public Counsel

EVERGY MISSOURI WEST, INC. D/B/A EVERGY MISSOURI WEST

CASE NO. ER-2024-0189

August 6, 2024

TABLE OF CONTENTS

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Evergy Missouri West, Inc. d/b/a Evergy Missouri West

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I. INTRODUCTION

Q. What is your name and what is your business address?

A. My name is Jordan Seaver, and my business address is 200 Madison Street, Governor Office Building, Suite 650, Jefferson City, MO 65102.

Q. By whom are you employed and in what capacity?

A. I am employed by the Office of Public Counsel ("OPC") as a Policy Analyst.

Q. Have you previously testified before the Missouri Public Service Commission ("The Commission")?

A. Yes, I have previously testified before the Missouri Public Service Commission. See Schedule JS-R-1 for my past pre-filed testimony and memoranda.

Q. What are your work and educational backgrounds?

A. I have been employed as a Policy Analyst by OPC since January 2022. I have attended Michigan State University's Institute of Public Utilities ("IPU") Accounting and Ratemaking Course, as well as the National Association of Regulatory Utility Commissioners ("NARUC") Rate School. I previously worked as a Legal Assistant for Cascino Vaughan Law Offices for 7 years. I have a Master of Arts in Philosophy from the University of Wyoming, and a Bachelor of Arts in Philosophy from the University of Illinois at Chicago.

II. RATE DESIGN

Q. What is the purpose of your Rebuttal testimony?

A. The purpose of this testimony is to address proposals made by Evergy Missouri West ("The Company") witness Marisol Miller regarding rate design and increases of rates for different customer classes.

Q. Do you agree that with Company witness Marisol Miller's proposed rate increases by customer class and by customer category?

A. No, I do not. I believe that the dispersion of the rate increase among the customer classes and rate schedules is not appropriately done. I will add here that this does not mean I agree with all other proposals made by the Company in Ms. Miller's testimony or with all results of the Company's Class Cost of Service Study ("CCOS"). I am still reviewing the CCOS and testimony regarding rate design and this may lead to more disagreement or opinions on this later.

Q. Which of the proposed rate increases by the Company do you take issue with?

A. On page 26 of Company witness Marisol Miller's direct testimony, she proposes to apply a 16.59% rate increase to the Electric Vehicle ("EV") rate class. On page 25 of that same testimony, however, she shows that the results of the Company's CCOS show that the relative rate of return of the EV rate class is -59.9%, meaning that this rate class does not have a return for the Company. It, in fact, loses revenue because the rate of return is negative. Instead of giving the EV rate a positive increase and forcing it to at least pay for the energy used by it, the Company proposes the modest 16.59% increase. This would make the relative rate of return for the EV class -43.31%.

Q. How does the proposed rate increase for the EV class compare to the rate increase for the Residential class?

A. Miller's testimony proposes that the Residential rate class, which has a current relative rate of return of 2.6%, receive a 16.59% *overall* rate increase to usage charges, which is higher than the proposed 12.85% *overall* increase to the EV class usage charges[1]. This would make the relative rate of return for the Residential class 19.19%. Other stark differences in the proposed rate increases are those of the customer charges for each class: a 24.917% increase to the Residential customer charges, compared to a 13.03% increase to the EV

[1] The overall rate increase is the percentage change in rates inclusive of all of the percentage increases to the fixed and usage charges.

customer charges. The proposed increases for both the customer charges and the usage charges are a higher percentage increase for the Residential class than for the EV class.

Q. What is the difference between the proposed relative rates of return of the EV and the Residential classes?

A. The difference between the proposed relative rates of return of these classes is 62.5%. This means that, even with the proposed positive rate increase for the rate of the EV class, there will still be a difference of over 50% between the rates of return of the two classes.

Q. Does this difference have any impact on the classes that are charged these rates?

A. Yes, it does. The main impact is that the Residential rate class subsidizes the EV rate class, because the latter does not pay for itself (so to speak). The second impact is related to the first: because the Residential rate class subsidizes the EV rate class, the rate increase born by the Residential rate class is higher than it would be if the EV rate class had a rate increase that would make its relative rate of return at the very least positive.

Q. Can you explain in more detail why the Residential rate class would be worse off with this increase than would the EV rate class?

A. The rate increase for the customer charges of the Residential customer class (separated by 3 time of use ("TOU") rates and a peak adjustment rate) is 24.9% as well. The actual Residential customer charge increase is $2.99, while the actual EV customer charge increase is $9.75. The actual Residential increase to the kWh charges is around $0.02 per TOU differential. The actual EV increase to the kWh charges is no more than $0.30 for each segment. These numbers may be misleading, because the result of the proposed Company increases is that the bill impact will be more significant for the Residential rate class than for the EV rate class. A smaller bill impact for the rate class that is already not covering costs is unacceptable.

Q. If a portion of the EV rate class customers make up a subset of the Residential rate class customers, then wouldn't it be more beneficial for the EV rate class customers to have a larger rate increase in only the EV rate class?

A. Yes, it would be better overall for those customers who are in both the Residential and the EV rate classes, but the increase that would be needed to make the EV rate class cover its costs and make a positive rate of return for the Company, it would require a rate increase of more than 59%. If the rates were increased by, say, 60%, then, to take as an example, the Energy Level 2 Charge would go from $0.21126 to $0.33801. This is an increase of $0.12675. Taking the Business EV customer charge as another example, the 60% rate increase would take said charge from $74.84 to $119.74, an increase of $44.90.

Q. What about small and large businesses that are a subset of the EV customer class as well as belonging to either Small General Service, Large General Service, or Large Power Service groups?

A. It is likely that some customers are both EV customers and included in one of those other customer classes. For the Large Power Service and Large General Service rate classes, the proposed customer and facilities charges are all lower than the current rates while they only see modest increases (comparable to those of the Residential rate class) to their demand and energy charges. Thus, these customers are actually in a better position than those customers that fall under both EV and Residential customer classes under a 60% rate increase to the EV rate class.

Q. How would your proposed increase affect the change in revenue for the EV rate class?

A. My proposed change would result in a positive change to the revenue for the EV rate class of $84,950.35. The difference between this change in revenue and the change in revenue that the Company proposes is $71,134.35. This could all be siphoned off of the change in revenue for the Residential rate class. The resulting change in revenue for the Residential rate class would then be $68,636,387.35 (as opposed to the $68,707,521.70 rate increase proposed by the Company).

Q. Would this have a large bill impact for the EV rate class customers?

A. Yes, it would have a large bill impact, but it would also allow for the cost of EV charging to be fully recovered from the class of customers that are in fact charging EVs. The proposed increase to the Residential rate class is already fairly significant, and there is no need to saddle those rates with subsidizing the under-recovering EV rate class.

Q. If the Residential rate class subsidizes the EV rate class, won't that lead to an increase in the adoption of electric vehicles?

A. That is extremely unlikely. The adoption of EVs in the Kansas City region has been very slow even though Evergy Missouri Metro ("EMM") has invested copious amounts of capital into doing just that. The Kansas City area has so many public EV chargers that it ranks, among metro areas in the US, between the Baltimore, MD and Sacramento-Stockton-Modesto, CA metro areas at number 7 for most EV-friendly metro areas.[2] Yet, with this and other investment in encouraging EV adoption, the rate of adoption of EVs in the EMM service territory has been very slow. The EV rates for this case, however, are obviously in EMW service territory, which is even less likely to see increased or accelerated EV adoption and infrastructure development simply due to the geography, housing distribution, etc. of the service territory itself.

Q. What is your recommendation to the Commission regarding rate design for this case?

A. My recommendation is that the Commission allocate a 60% rate increase to the EV rate class. The 47.19% difference between the 60% increase and the 12.81% proposed increase by the Company—i.e., $71,134.35—should then be removed from the Residential class revenue increase.

Q. Does this conclude your Rebuttal testimony?

A. Yes, it does.

[2] "The 10 most (and least) EV-friendly places to live", https://ktla.com/news/california/the-10-most-and-least-ev-friendly-places-to-live/.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

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-2024-0189

AFFIDAVIT OF JORDAN SEAVER

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Jordan Seaver, of lawful age and being first duly sworn, deposes and states:

1. My name is Jordan Seaver. I am a Policy Analyst for the Office of the Public Counsel.

2. Attached hereto and made a part hereof for all purposes is my rebuttal testimony.

3. I hereby swear and affirm that my statements contained in the attached testimony are true and correct to the best of my knowledge and belief.

Jordan Seaver
Policy Analyst

Subscribed and sworn to me this 5th day of August 2024.

TIFFANY HILDEBRAND
NOTARY PUBLIC - NOTARY SEAL
STATE OF MISSOURI
MY COMMISSION EXPIRES AUGUST 8, 2027
COLE COUNTY
COMMISSION #15637121

Tiffany Hildebrand
Notary Public

My Commission expires August 8, 2027.