

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

In the Matter of Evergy Metro, Inc. d/b/a)
Evergy Missouri Metro’s 2021 Triennial) File No. EO-2021-0035
Compliance Filing Pursuant to 20 CSR 4240-22)

In the Matter of Evergy West, Inc. d/b/a)
Evergy Missouri West’s 2021 Triennial) File No. EO-2021-0036
Compliance Filing Pursuant to 20 CSR 4240-22)

JOINT FILING

Pursuant to 20 CSR 4240-22.080(9), Evergy Metro, Inc. d/b/a Evergy Missouri Metro (“Evergy Missouri Metro”) and Evergy West, Inc. d/b/a Evergy Missouri West (“Evergy Missouri West”) (collectively, “Evergy” or the “Company”)¹, the Staff of the Missouri Public Service Commission (“Staff”), the Council for the New Energy Economics (“NEE”), Renew Missouri Advocates d/b/a Renew Missouri (“Renew Missouri”), and Sierra Club, (collectively, the “Signatories”) hereby submit to the Missouri Public Service Commission (“Commission”) this Joint Filing that includes a remedy to many alleged deficiencies and concerns expressed by the Signatories of this Joint Filing regarding the compliance filing Evergy submitted in this proceeding on April 30, 2021. Additionally, this document also identifies those alleged deficiencies or concerns that could not be resolved by the Signatories.

The Office of the Public Counsel (“OPC”), the Missouri Department of Natural Resources —Division of Energy (“DE”), the American Association of Retired Persons (“AARP”), the Consumers Council of Missouri (“Consumers Council” or “CCM”), the International Brotherhood of Electrical Workers, Local 412 (“Local 412”), the International Brotherhood of Electrical Workers, Local 304 (“Local 304”), the Natural Resources Defense Council (“NRDC”),

¹ Effective October 7, 2019, Evergy Metro Inc. d/b/a Evergy Missouri Metro adopted the service territory and tariffs of Kansas City Power & Light Company (“KCP&L”) and Evergy Missouri West, Inc. d/b/a Evergy Missouri West adopted the service territory and tariffs of KCP&L Greater Missouri Operations Company (“GMO”).

Dogwood Energy, LLC (“Dogwood”), Missouri Energy Consumers Group (“MECG”) and the Missouri Joint Municipal Electric Utility Commission (“MJMEUC”) intervened in this case, but they are not Signatories to this Joint Filing.

In support hereof, the Signatories offer as follows related to both Evergy Missouri Metro and Evergy Missouri West Triennial Integrated Resource Plans (“IRP”) compliance filings.

BACKGROUND

1. Commission Rule 20 CSR 4240- 22.080(13) permits a Company to request a variance in the resource plan filing due date for good cause shown. Following Winter Storm Uri, on March 2, 2021 Evergy filed a Motion for Extension of Time for filing its resource plans. As a result of extreme cold weather events the Company ran additional scenarios to include in its resource plan modeling and wished to discuss these scenarios with stakeholders before filing its resource plans in late April. The Commission granted the extension and Evergy held its fifth and final stakeholder presentation on March 26, 2021.

2. On April 30, 2021, Evergy submitted its triennial compliance filings related to Chapter 22 of the Commission’s regulations concerning the Company’s Electric Utility Resource Planning.

3. On September 27, 2021 Staff, NEE, Renew Missouri, and Sierra Club submitted reports identifying concerns and in some cases alleging certain deficiencies regarding Evergy’s 2021 Triennial IRP. Although OPC, DE, AARP, CCM, Local 412, Local 304, NRCD, Dogwood, MECG, and MJMEUC intervened in the cases, they did not submit reports.

RESOLUTION

4. The Commission’s Electric Utility Resource Planning regulations provide that if the Staff, Public Counsel or any intervenor finds deficiencies in or concerns with a triennial compliance filing, they shall work with the electric utility and the other parties in an attempt to

reach a joint agreement on a plan to remedy identified deficiencies and concerns and to describe any deficiencies and concerns for which no remedy was reached. The Signatories have worked together to develop such a Joint Filing. This Joint Filing represents the fruits of those efforts. With regard to the unresolved and partially resolved alleged deficiencies² and concerns, specifically NEE Deficiency 3 and Sierra Club Deficiency 7 and 10, the Signatories request that the Commission order a scheduling conference to establish a procedure for presenting these three issues to the Commission for resolution. The Company believes that a scheduling conference should only be ordered if the Commission considers that a hearing is necessary. NEE and Sierra Club believe that additional evidence and procedure related to unresolved NEE Deficiency 3 and Sierra Club Deficiencies 7 and 10 is in the public interest, and that the Commission should order a scheduling conference to determine the form of such additional evidence and procedure, regardless of whether the Commission ultimately determines that a formal hearing is necessary.

AGREED UPON REMEDIES TO ALLEGED DEFICIENCIES AND CONCERNS
IN FILING NO. EO-2021-0035 and EO-2021-0036

5. Staff's Concern A: Evergy's avoided capacity cost has been overstated due to its move to cost of new entry ("CONE") of a Combustion Turbine ("CT") in 2025.

Resolution: Resolved. Parties agree to define an alternative avoided capacity cost curve (e.g., moving to CONE in an alternative year), which will be used as a sensitivity in the next Market Potential Study, as an input to the next triennial IRP. If an agreement cannot be reached prior to the Market Potential Study or the next MEEIA filing, Evergy will utilize multiple avoided capacity cost curves, including a curve as proposed by Staff.

Prior to, or as part of, the Company's MEEIA filing, Parties also agree to review portfolio cost effectiveness against the alternative avoided capacity cost(s) sensitivity defined above.

² While the Company supports the remedies proposed below, the Company does not agree that any of the alleged deficiencies are in fact deficiencies.

Results will be used to prospectively identify areas of interest for future evaluation, measurement, and verification (“EM&V”) research, as well as to aid evaluation in other situations in which such analysis is relevant.

6. Staff’s Concern B: Evergy’s significant shift toward new renewable and solar generation potentially creates greater risk to be borne by ratepayers.

Resolution: Resolved. Per the Commission Order *Establishing Special Contemporary Resource Planning Issues*, the Company will “provide detailed analysis in its next annual update filing comparing ratepayer risks and shareholder risks for additional generation resources that are not required to meet federal, state, or RTO requirements.”³

7. Staff’s Concern C: Staff echoes its past comments in regards to Evergy and PPAs, and that ratepayers should not have to bear all of the risk of PPAs (referring to renewable energy resources) which are entered into when there is not a need for capacity to meet minimum capacity requirements.

Resolution: Resolved. For the purpose of Evergy’s Triennial IRP, this concern is resolved.

8. NEE Deficiency 1: The lack of capacity expansion optimization in Evergy’s modeling results in a Deficiency in Evergy’s compliance with the underlying policy objective of Chapter 22 of the Commission’s Rules: minimization of the present worth of long-run utility costs.

Resolution: Resolved. The Company does not agree that this is a deficiency. Nevertheless, Evergy will use modeling software which will include capacity expansion capability in addition to development of Alternative Resource Plans (“ARPs”) for its next annual update and subsequent IRP filings. Evergy will also provide input and output modeling files from the new modeling

³ Docket EO-2022-0055 and EO-2022-0056, In the Matter of a Determination of Special Contemporary Resource Planning Issues to be Addressed by Evergy Missouri Metro and Evergy Missouri West in its Next Triennial Compliance Filing or Next Annual Update Report; October 27, 2021

software when requested by parties in future IRP-related data requests, subject to confidentiality requirements.

9. NEE Concern 1: In Volume 4 of the IRP, Evergy indicated that it used the 2020 Energy Information Administration (“EIA”) Annual Energy Outlook (“AEO”), in addition to assumptions developed by Evergy for new supply-side resource costs. Evergy should use market pricing from requests for proposals (“RFPs”) or the National Renewable Energy Laboratory (“NREL”) Annual Technology Baseline (“ATB”).

Resolution: Resolved. The Company agrees to continue to evaluate different data sources, including NREL’s ATB, in its next annual update and future IRPs and will incorporate available market data from RFPs and Requests for Information (“RFIs”).

10. NEE Deficiency 2: Evergy’s apparent failure to model any Alternate Resource Plans that contained new battery storage or solar hybrid resources.

Resolution: Resolved. While the Company states it did model new battery storage and hybrid resources in the 2021 filing, the Company commits to model solar hybrid and standalone storage resources in its 2023 Annual Update and thereafter consistent with the configuration and operations (e.g., changing charging resource after five years) outlined in current Internal Revenue Service tax rules for relevant Investment Tax Credits.

11. NEE Deficiency 3: Evergy’s cost assumptions for new solar resources assumed utility owned resources that would receive tax normalization and no monetization of the Investment Tax Credits (“ITC”).

Resolution: Not resolved.

12. NEE Concern 2: Evergy’s use of critical factor and risk analysis methodology used to capture risk factors.

Resolution: Resolved. In addition to the probability-weighted endpoints and expected value analysis required under the current Chapter 22 IRP rules, the Company will also summarize Plan performance in a set of discrete scenarios (e.g., low carbon price, low gas, low load growth; high carbon price, high gas price, electrification / high load growth) to more clearly depict the impacts of macroeconomic forces on specific resource plans and to demonstrate key risks and tradeoffs within different plans. For the next triennial filing, Evergy will work with stakeholders to develop an alternative approach to evaluating special contemporary issues which will allow the Company to evaluate the implications of key structural changes.

13. NEE Deficiency 4: Evergy's failure to evaluate achievable and beneficial levels of demand side management

Resolution: Resolved. The Company does not agree that this is a deficiency. Nevertheless, the Company commits to modeling a resource plan which includes the MEEIA-level DSM in the 2022 Annual Update.

14. NEE Concern 3: Evergy's inadequate modeling of extreme weather conditions.

Resolution: Resolved. The Company commits to incorporating a description of reliability considerations as part of its 2022 and 2023 Annual Updates and a standalone reliability analysis, which factors in extreme weather conditions and that fairly treats the impacts of extreme weather on all resources, in its next triennial filing.

15. Renew Missouri Deficiency 1: Concerned the Company has not fully complied with the 2020 Special Contemporary issue that it should:

(1) Assess the value of a solar tariff that encourages distributed solar installers to optimize the direction that solar panels face to provide more kWh during the utility's peak and provide maximum benefits for all utility customers

(2) Conduct a Value of Solar study to inform efforts relating to integrated resource planning.

Resolution: Resolved. The Company's Value of Solar Study outlines the considerations the Company believes are relevant to the IRP process. This study does not assess the value of solar for other purposes.

16. Sierra Club Deficiency 1: Evergy substantively changed its preferred plan without providing the requisite notice, and therefore without any opportunity to conduct discovery and comment.

Resolution: Resolved. No change was made to Evergy Missouri Metro or Evergy Missouri West's preferred plan and therefore no notice of change is required.

17. Sierra Club Deficiency 2: Evergy's modeling shows that Lawrence Units 4 & 5 and some Jeffrey units should be retired early as part of a least-cost plan.

Resolution: Resolved. The Company does not agree that this is a deficiency. However, Evergy will utilize a new modeling software in future IRPs, starting with the 2022 Annual Update, which will include Capacity Expansion capability as a supplement to the development of individual Alternative Resource Plans (ARPs). Future IRPs will rely on capacity expansion modeling with up-to-date market intelligence for resource costs (including RFP responses).

18. Sierra Club Deficiency 3: Evergy does not present an economically optimal plan because it preselected portfolios to model.

Resolution: Resolved. Evergy will utilize a new modeling software in future IRPs, starting with the 2022 Annual Update, which will include Capacity Expansion capability as a supplement to the development of individual Alternative Resource Plans (ARPs). Future IRPs will incorporate up-to-date market intelligence for resource costs (including RFP responses) and include capacity expansion modeling.

19. Sierra Club Deficiency 4: Retirement of La Cygne Unit 2 was extended by 10 years with no reasonable explanation.

Resolution: Resolved. In its 2022 Annual Update and next triennial IRP filing, Evergy will model a plan that is identical to its current preferred plan selection (ERVFL, in the case of the 2022 Annual Update) and that which includes an earlier (2030 or earlier) retirement of La Cygne Unit 2 in the 2022 Annual Update. If the preferred plan changes in the 2022 Annual Update, then a similar sensitivity will also be run on that plan if it does not retire La Cygne Unit 2 in 2030 or earlier. In the next triennial IRP filing, the modeled plan will be identical to the Preferred Plan at that time, with a pre-2030 La Cygne 2 retirement, if needed.

20. Sierra Club Deficiency 5: Evergy should have more seriously considered the early retirement of other units.

Resolution: Resolved. Evergy will utilize a new modeling software in future IRPs, beginning with the 2022 Annual Update, which will include Capacity Expansion capability as a supplement to the development of individual Alternative Resource Plans (ARPs). Future IRPs will incorporate up-to-date market intelligence for resource costs (including RFP responses) and include capacity expansion modeling. Evergy will also, in its 2022 Annual Update, document and describe the effect of the United States Supreme Court's 2020 County of Maui v. Hawaii Wildlife Fund decision on its generating fleet.

21. Sierra Club Deficiency 6: Evergy's IRP overstates the availability of its coal units.

Resolution: Resolved. Evergy plans to use this historical availability data (such as the average of the past five years) as the basis of modeling in future IRPs. If changes to this assumption are required (due to, for example, changes in plant operational characteristics compared to historical operations), this adjustment will be documented in IRP input assumptions.

22. Sierra Club Deficiency 7: Evergy's most-recent RFP brought a competitive pool of resources and should be heavily integrated in the IRP modeling.

Resolution: Partially resolved. The Company agrees to incorporate up-to-date market data for new resources in future IRPs, beginning with its 2022 Annual Update. The Company will rely on RFP responses where possible. The parties disagree on whether PPAs should be modeled as discrete resource options.

23. Sierra Club Deficiency 8: Evergy did not seriously consider battery and solar-battery hybrids in its preselected portfolios

Resolution: Resolved. While the Company did model new battery storage and hybrid resources in the 2021 filing, the Company also commits to model solar hybrid and standalone storage resources in the 2023 Annual Update. Both types of resources will be selectable in the capacity expansion modeling.

24. Sierra Club Deficiency 9: Despite a specific Commission order to study securitization in this IRP and despite both Missouri and Kansas enacting securitization laws, Evergy chose to ignore the Commission's directive to study this issue.

Resolution: Resolved. A similar analysis was included in the Company's Triennial IRP filing as a special contemporary issue. The Company was also directed by the Commission to address it as a special contemporary issue in its 2022 IRP Annual Update⁴.

25. Sierra Club Deficiency 10: Evergy failed to evaluate the public health impacts of its ARPs.

Resolution: Not Resolved.

⁴ Id.

Respectfully submitted,

/s/ Roger W. Steiner

Roger W. Steiner MBN#39586
Evergy, Inc.
1200 Main Street, 16th Floor
Kansas City, Missouri 64105
Telephone: (816) 556-2314
Facsimile: (816) 556-2780
E-mail: Roger.Steiner@evergy.com

James M. Fischer, MBN#27543
Fischer & Dority, P.C.
101 Madison Street, Suite 400
Jefferson City, MO 65101
Phone: (573) 636-6758 ext. 1
Fax: (573) 636-0383
jfischerpc@aol.com

**ATTORNEYS FOR EVERGY MISSOURI
METRO AND EVERGY MISSOURI
WEST**

/s/ Andrew O. Schulte

Andrew O. Schulte MBN 62194
900 West 48th Place, Suite 900
Kansas City, Missouri 64112
(816) 691-3731
Fax No. (816) 751-1536
aschulte@polsinelli.com

**ATTORNEY FOR THE COUNCIL FOR
THE NEW ENERGY ECONOMICS**

/s/ Sarah Rubenstein

Sarah Rubenstein
Great Rivers Environmental Law Center
319 N. 4th St., Suite 800
St Louis, Missouri 63102
314-231-4181
Fax 314-231-4184
srubenstein@greatriverslaw.org

ATTORNEY FOR SIERRA CLUB

/s/ Kevin A. Thompson

Kevin A. Thompson
Chief Staff Counsel
Mo. Bar No. 36288
P.O. Box 360
Jefferson City, Missouri 65102
Phone: (573) 751-6514
Fax: (573) 526-6969
E-mail: kevin.thompson@psc.mo.gov

**ATTORNEY FOR THE STAFF OF THE
MISSOURI PUBLIC SERVICE
COMMISSION**

/s/ Tim Opitz

Tim Opitz, Mo. Bar No. 65082
409 Vandiver Drive, Building 5, Ste. 205
Columbia, Missouri 65202
T: (573) 303-0394 Ext. 4
F: (573) 303-5633
tim@renewmo.org

ATTORNEY FOR RENEW MISSOURI

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served upon counsel for all parties via electronic mail on this 10th day of December 2021.

/s/ Roger W. Steiner _____

Roger W. Steiner