

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

In the Matter of the Application of Evergy)	
Missouri West, Inc. d/b/a Evergy Missouri)	
West for Permission and Approval of)	<u>File No. EA-2024-0292</u>
Certificates of Convenience and Necessity)	
Authorizing It to Construct, Install, Own)	
Operate, Manage, Maintain, and Control)	
Two Solar Generation Facilities)	

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”), by and through the undersigned counsel, and for its *Staff Recommendation* respectfully states as follows:

1. On October 25, 2024, Evergy Missouri West, Inc. d/b/a Evergy Missouri West (“EMW”) filed an application with the Commission (“Commission”), pursuant to Section 393.170 RSMo., requesting certificates of convenience and necessity (“CCN”) authorizing EMW to construct, install, own, operate, manage, maintain, and control two solar generating facilities in Wilson County, Kansas (“Sunflower Sky”) and Jasper County, Missouri (“Foxtrot”) (collectively, the “Projects”).

2. EMW also requests (1) variances from 20 CSR 4240-20.045(3)(C), (6)(I), and (6)(J); (2) approval of a Green Solutions Connections Program; and (3) that the Commission determine that EMW’s decision to acquire, construct, and operate the Projects is prudent under 20 CSR 4240-20.045(2)(C).

3. Pursuant to the Commission’s *Order Extending Time for Staff Recommendation*, issued on March 14, 2025, Staff files the attached Staff memorandum, attached and incorporated hereto as Appendix A, outlining its analysis under the five

factors laid out under *In re Tartan Energy*, Report and Order, 3 Mo.P.S.C. 3d 173, Case No. GA-94-127, 1994 WL 762882 (September 16, 1994).

I. The Projects

4. In summary, and as detailed further in Appendix A, based on Staff' review, Staff recommends that the Commission approve the Projects, subject to the following conditions:

- a. EMW shall provide the Commission and Staff with justification for moving forward with the Projects if any costs or assumptions change from those estimates included in the workpapers that underly EMW's direct testimony by more than 5%, including any costs that exceed the base amounts included in the underlying assumptions provided in support of EMW's application in this case.
- b. EMW shall provide Staff quarterly reports for a period of three years on negative prices published at the actual P-node and the impact on revenue.
- c. Include contingency plans based on key input scenarios such as:
 - i. Market price changes for key components by resource type;
 - ii. Changes to tax incentives;
 - iii. Load Assumptions; and
 - iv. Ongoing litigation regarding existing resources.
- d. ** [REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED] **

- e. EMW shall file in this docket a site-specific Emergency Action Plan Operations and Maintenance Plan for the Projects within 60 days of the facility being placed in service.
- f. EMW shall provide quarterly reporting of the progress of construction of the Projects. This report shall include, but not be limited to, quarterly progress reports on permitting, plans, specifications, and construction progress for the Projects.
- g. ** [REDACTED]

[REDACTED]

[REDACTED] **

II. Variances from 20 CSR 4240-20.045(3)(C), (6)(I), and (6)(J).

5. As detailed further in Appendix A, Staff recommends the Commission grant EMW's requested variance from 20 CSR 4240-20.045(3)(C), (6)(I), and (6)(J), subject to the conditions proposed by Staff.

III. Green Solution Connections Program

6. In summary, and as detailed further in Appendix A, Staff recommends the Commission reject the Green Solutions Connection Program ("GSC Program") because EMW has not demonstrated that there is a need for the program, that the Renewable Energy Credits ("RECs") have been properly valued, and the potential risk of EMW's allocation of costs creating a mismatch of costs and potential benefits for other rate classes.

7. In the alternative, if the Commission decides to approve the Green Solution Connections Program, Staff recommends approval be subject to the following conditions:

- a. RECs sold to the subscribed customers in the GSC Program can only be sold at the price per REC that is agreed to or approved by the Commission at the conclusion of this case.
- b. The RECs sold must be included in EMW's FAC Monthly Reports, and shall be detailed to include, but not limited to, the RECs that were subscribed/unsubscribed, the price per REC, the vintage date of the sold REC, and the date the REC was sold.
- c. Language shall be added in the GSC tariff to reflect that the REC revenues from the RECs sold in the GSC Program will be included in the FAC, and the Company shall begin to include the GSC Program REC revenues in the FAC as of the effective date of the GSC tariff.
- d. Add language to the FAC tariff in EMW's next general rate case to reflect that the REC revenues from the RECs sold in the GSC Program are included in the FAC.
- e. EMW shall accurately and consistently value RECs before setting a price, and evaluate and update the price on an annual basis to account for volatility in the market.
- f. Approval for the Green Solution Program shall be for EMW only.

IV. Decisional Prudence

8. In summary, and as detailed further in Appendix A, Staff recommends the Commission reject EMW's request for decisional prudence. Based upon the information

that EMW has provided and Staff has reviewed, it is not possible for Staff to determine that moving forward with the Projects is a prudent decision at this time.

WHEREFORE, Staff prays the Commission accept this Staff Recommendation, and approve the Projects subject to Staff's recommended conditions; grant EMW's requested variance from 20 CSR 4240-20.045(3)(C), (6)(I), and (6)(J); reject EMW's request for approval of the Green Solution Connections Program or, in the alternative, approve subject to Staff's recommended conditions; reject EMW's request for decisional prudence; and grant any other relief the Commission deems just and necessary under the circumstances.

Respectfully submitted,

/s/ Travis J. Pringle

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**Attorneys for the Staff of the
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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been transmitted by electronic mail to all parties and/or counsel of record this 4th day of April, 2025.

/s/ Travis J. Pringle