Exhibit No.:

Issue(s): Green Solutions

Connections Program

Witness: Amanda C. Conner Sponsoring Party: MoPSC Staff

Type of Exhibit: Surrebuttal Testimony
Case No.: EA-2024-0292

Date Testimony Prepared: May 19, 2025

MISSOURI PUBLIC SERVICE COMMISSION

INDUSTRY ANALYSIS DIVISION **ENERGY RESOURCES DEPARTMENT**

SURREBUTTAL TESTIMONY

OF

AMANDA C. CONNER

EVERGY MISSOURI WEST INC., d/b/a Evergy Missouri West

CASE NO. EA-2024-0292

Jefferson City, Missouri May 2025

1 SURREBUTTAL TESTIMONY OF 2 AMANDA C. CONNER **EVERGY MISSOURI WEST INC.,** 3 d/b/a Evergy Missouri West 4 5 CASE NO. EA-2024-0292 7 O. Please state your name and business address. 8 A. My name is Amanda Conner. My business address is P.O. Box 360, Suite 500, 9 Jefferson City, MO 65102. 10 O. Have you previously filed testimony in cases before the Missouri Public Service 11 Commission ("Commission"). 12 A. Yes. Schedule 6, pages 3 through 6, attached to the Staff Recommendation 13 Report includes an updated case participation list. 14 What is the purpose of your surrebuttal testimony? Q. 15 I will be responding to Renew Missouri's witness James Owen's A. 16 rebuttal testimony. I will also provide Staff's recommended Fuel Adjustment Clause ("FAC") 17 treatment in the event the Commission authorizes some version of Evergy Missouri West, Inc. d/b/a Evergy Missouri West's ("Evergy Missouri West" or "EMW") proposed Green Solutions 18 19 Connections Program. This testimony is provided in response to further data request ("DR") 20 responses received from EMW after the filing of Staff's Recommendation Report/Rebuttal in 21 this matter. 22 O. On page 11, lines 23 through 26 and page 12 lines 1 and 2, Renew Missouri's 23 witness James Owen discusses how selling Renewable Energy Credits ("RECs") to commercial 24 and industrial ("C&I") customers is very lucrative and cited to RECs sold by EMW from

*. Is there any 1 2 caveat that needs to be addressed in regards to the amount given by Mr. Owen? 3 A. Yes. Mr. Owen is correct that EMW sold roughly ** ** in RECs in nearly three years; however there is a caveat as to why it sold so much in that timeframe. 4 5 **. These amounts are important to note because prior to 6 7 February 2022, EMW had not sold any RECs, it simply allowed RECs to expire instead of 8 selling them on the REC market, which Staff took issue with in Case No. EO-2022-0065. 9 A Non-Unanimous Stipulation and Agreement was filed on July 25, 2022, regarding Evergy 10 Missouri West not selling its excess RECs, and the Commission issued its Order Approving Stipulation and Agreement ("Agreement") on September 14, 2022. Paragraph 6 of the 11 12 Agreement states in part, "The Company's current REC sales procedure implemented in 2022 13 will be included in the next Evergy Missouri Metro and Evergy Missouri West Fuel Adjustment 14 Rate (FAR) filings." Subsequently, EMW began selling its excess RECs that were due to expire 15 starting February 1, 2022, which was more than normal on an ongoing basis. 16 While Staff agrees that there could be potential REC revenues, which would benefit 17 customers through the FAC, or under Staff's proposal to offset ratebase as stated in Staff witness Sarah Lange's surrebuttal testimony, the last FAC Prudence Review, Case No. 18 EO-2025-0074, showed revenues from RECs that sold in the amount of ** 19 **. This is a more realistic expectation of EMW's future REC revenues. 20 21 which is just under half of what Mr. Owen stated in his testimony.

¹ Non-Unanimous Stipulation and Agreement filed on July 25, 2022 and Ordered by the Commission on September 14, 2022.

² Page 3, lines 20-24

Does Staff recommend approval of the Green Solution Connection 1 Q. 2 ("GSC") Program? 3 No. Staff recommends rejection of the program as discussed in the Staff Report, A. 4 stated at page 58, and as referenced in Staff witness Sarah Lange's surrebuttal testimony. 5 In Ms. Lange's surrebuttal testimony, she restates and updates the conditions Staff recommends the Commission order if it decides to approve this program.³ 6 Which conditions did Staff recommend in its Staff Recommendation Report that 7 Q. 8 were specific to the FAC? 9 The recommended conditions specific to the FAC were as follows: A. The GSC Program RECs sold must be included in EMW's FAC Monthly 10 4. 11 Reports, and shall be detailed to include, but not limited to, the GSC Program RECs that were subscribed/unsubscribed, the price per GSC Program REC, 12 13 the vintage date of the sold GSC Program REC, the date the GSC Program REC 14 was sold. 15 5. 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, 16 and the Company shall begin to include the GSC Program REC revenues in the 17 18 FAC as of the effective date of the GSC tariff. 19 [6.] Language will be added in the FAC tariff in EMW's next general rate 20 case, to reflect that the GSC Program REC revenues from the RECs sold in the 21 GSC Program are included in the FAC.

³Page 2, Lines 12-24 and Page 3, Lines 1-10 of Sarah Lange's Surrebuttal Testimony.

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Why did Staff make this recommendation? 1 Q. 2 A. Staff made this recommendation based on Staff's understanding after receiving 3 DR response 0024 stating that, "REC subscription revenues from the new solar facilities will flow through the Evergy Missouri West fuel adjustment clause as a reduction for all 4 5 Evergy Missouri West customers." Q. Has Staff since learned that EMW is now proposing program changes associated 6 7 with the GSC Program RECs that were not proposed in its direct testimony? 8 A. Yes. How did Staff learn this? Q. 10 A. In Case No. EO-2025-0154, Evergy Missouri Metro, Inc., d/b/a Evergy Missouri 11 Metro ("EMM") proposed a GSC Program as a part of its filing. In regard to that program and REC revenues, EMW filed proposed red-lined FAC tariff sheets with changes to the REC 12 13 revenue language. EMW also stated, in part, in its response to DR 0047 in that case that, 14 "... These are not traditional REC sales. The Company will be retiring RECs on behalf of the 15 participating customers. There will be no sale of RECs." Staff then sent DR 0024.1, 16 a supplemental DR to DR 0024, due to the differences in responses received in this case and 17 Case No. EO-2025-0154. 18 In response to Staff DR 0024.1, what changes is EMW now proposing to make Q. to the GSC Program in this case? 19 20 A. EMW states that the GSC Program proposal includes the retirement of the REC 21 attributes from Foxtrot and Sunflower on behalf of participating customers and since these 22 retirements are not actually REC sales in the REC market, the FAC tariff sheets must be

changed in order to flow these revenues through the FAC.

As part of DR 0024.1, Staff asked if EMW plans to update its position in this case
EMW stated it would update its position in this case. Staff anticipates that to occur
in surrebuttal.
Finally, when Staff asked in DR 0024.1 if EMW believes that the FAC tariff sheets car

Finally, when Staff asked in DR 0024.1 if EMW believes that the FAC tariff sheets can be changed outside of a general rate case, EMW's response was that it believes it can as a Commission exception, and that if it is unable to make changes to the FAC tariff sheets outside of a general rate case, the retail revenue from this program will not flow back to all customers until the completion of the next general rate case in EMW's jurisdiction.

- Q. How does Staff interpret EMW's response to Staff data request 0024.1?
- A. Staff understands EMW's position to be that, if EMW receives the revenue for selling a REC, then EMW treats that revenue as REC revenue. However, if EMW receives revenue from a participating customer for EMW to retire the REC on the behalf of the participating customer, then EMW does not treat that revenue as a REC revenue because it was not sold as a REC on the REC market.
- Q. Does Staff agree with EMW that the FAC tariff sheets can be changed outside of a general rate case as a Commission exception?
 - A. No. Staff Counsel is prepared to brief the issue if necessary.
- Q. Does Staff have any revised recommendations in regard to the treatment of these revenues and how they will affect the FAC?
- A. Yes. Upon additional consideration, as stated and further explained in Staff witness Sarah Lange's surrebuttal testimony, Staff proposes that if a GSC Program is authorized in this case, that language be added in the GSC Program tariff sheets to reflect that the GSC Program Revenues will be recorded as a regulatory liability, with the value of such regulatory

- liability to be allocated in future rate cases against the rate base associated with the solar farm(s) from which program RECs were generated. However, Staff continues to propose for tracking purposes that condition 4 from its Staff Recommendation Report, which states that the GSC Program RECs sold be included in EMW's FAC Monthly Reports, and shall be detailed to include, but not limited to, (1) the GSC Program RECs that were subscribed/unsubscribed, (2) the price per GSC Program REC, (3) the vintage date of the sold GSC Program REC, and (4) the date the GSC Program REC was sold. If EMW has revenues from the GSC Program that were not caused by the retirement for participating customers, in other words they were unsubscribed, these revenues would be treated as REC sales in the REC market and flow through the FAC the same as all other RECs sold.
- Q. How does this recommendation address Staff's concerns in regard to Staff's FAC tariff sheet proposals originally recommended in conditions 5 and 6 from its rebuttal?
- A. If the Commission allows for Staff's revised recommendation provided above, there is no need for the FAC tariff sheets to be changed as the treatment of the REC attribute revenues will be recorded as a regulatory liability and handled in a future general rate case.
 - Q. Does this conclude your Surrebuttal testimony?
- 17 A. Yes it does.

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 Certificates of)	File No. EA-2024-0292
Public Convenience and Necessity Authorizing it)	
to Construct, Install, Own, Operate, Manage,)	
Maintain and Control Two Solar Generation)	
Facilities)	

AFFIDAVIT OF AMANDA C. CONNER

STATE OF MISSOURI)	
)	SS
COUNTY OF COLE)	

COMES NOW AMANDA C. CONNER, and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Surrebuttal Testimony of Amanda C. Conner;* and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

AMANDA C. CONNER

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 15th day of May 2025.

DIANNA L. VÄUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: July 18, 2027 Commission Number: 15207377 Notary Public