

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

In the Matter of Evergy Metro, Inc. d/b/a)	
Evergy Missouri Metro's 2025 Integrated)	<u>File No. EO-2025-0250</u>
Resource Plan Annual Update Filing)	

In the Matter of Evergy Missouri West, Inc.)	
d/b/a Evergy Missouri West's 2025 Integrated)	<u>File No. EO-2025-0251</u>
Resource Plan Annual Update Filing)	

STAFF COMMENTS

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"),
by and through the undersigned counsel, and states the following:

1. Staff reviewed the 2025 Integrated Resource Plan ("IRP") annual update filings submitted on March 13, 2025, by Evergy Metro, Inc. d/b/a Evergy Missouri Metro and Evergy Missouri West, Inc. d/b/a Evergy Missouri West (collectively "Evergy" or the "Companies"). Additionally, Staff attended the stakeholder presentation ("workshop") that took place on April 3, 2025, related to these filings.

2. On May 7, 2025, The Office of the Public Counsel filed a *Motion for Extension*, which was granted by the Commission on May 9, 2025, and extended to all stakeholders on May 20, 2025.¹ Attached and incorporated herein as Attachment A is Staff's Memorandum detailing Staff's comments regarding the annual update and summary report in this matter.

3. According to 20 CSR 4240-22.080(3)(B), an annual update report, consisting of both a public and highly-confidential version, must document information to

¹ 20 CSR 4240-22.080(15) permits the Commission to extend any of the time periods in the IRP rules for good cause shown.

be presented at the annual update workshop. The utility must file the annual update reports with the Commission at least 20 days before the workshop. Following the workshop, as per 20 CSR 4240-22.080(3)(C), a summary report outlining the action items from the workshop is required, and it is to be submitted within 10 days after the workshop. Stakeholders have a 30-day window, as stated in 20 CSR 4240-22.080(3)(D), to submit comments on the annual update report and summary report to the Commission subsequent to the Company's summary report filing. Staff and Counsel are of the opinion the Companies have complied with 20 CSR 4240-22.080.

4. Staff notes Evergy's annual update filings, including the 2025 Annual Update, closely resemble triennial compliance filings. As outlined in 20 CSR 4240-22.080(7),² each triennial compliance filing undergoes a review, with a report due not later than 150 days after the utility's scheduled filing date. Even though annual update filings are similar in scope to triennial compliance filings, the review time is roughly half that of triennial compliance filings. The Commission's rule regarding annual updates does not contemplate any action by the Commission, and the cases are most often closed with no further action beyond the filing of comments by stakeholders.

5. Furthermore, the Companies frequently use triennial compliance filings and annual update filings as justification for certificates of convenience and necessity. Evergy's annual update filings are comprehensive and comparable to triennial updates. However, Staff's limited review period for the Companies' 2025 Annual Update Filings is

² Staff must review each triennial compliance filing and provide a report within 150 days of the filing date. The report should identify deficiencies in compliance, major deficiencies in methodologies, and other issues, and provide a suggested remedy. Staff may also address concerns related to the preferred resource plan or acquisition strategy. If no deficiencies or concerns are found, staff must state so in the report. Staff's report stating compliance is not acceptance or agreement with the substantive findings.

insufficient for thorough review. As a result, neither Staff's comments nor their absence should be interpreted as endorsement of Evergy's 2025 Annual Updates.

WHEREFORE, Staff respectfully submits its Staff Comments regarding the Annual Updates of Evergy Metro, Inc. d/b/a Evergy Missouri Metro and Evergy Missouri West, Inc., d/b/a Evergy Missouri West.

Respectfully submitted,

/s/ Tracy D. Johnson

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CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been hand-delivered, emailed or mailed, postage prepaid, to the parties of record as listed in the Service List maintained for this case by the Commission's Data Center, on this 28th day of May, 2025.

/s/ Tracy D. Johnson

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
File Nos. EO-2025-0250 and EO-2025-0251
Evergy Metro, Inc., d/b/a Evergy Missouri Metro
Evergy Missouri West, Inc., d/b/a Evergy Missouri West

FROM: Brad J. Fortson, Regulatory Compliance Manager
Obianuju Ezenwanne, Economist

SUBJECT: Staff Comments On the 2025 IRP Annual Updates For Evergy Metro, Inc.,
d/b/a Evergy Missouri Metro and Evergy Missouri West, Inc.,
d/b/a Evergy Missouri West

DATE: May 28, 2025

EXECUTIVE SUMMARY

Pursuant to Commission Rule 20 CSR 4240-22.080 (Filing Schedule, Filing Requirements, and Stakeholder Process), permitting stakeholders to file comments with the Commission concerning the utility's Annual Update report within thirty (30) days of the utility's filing of the summary report,¹ Staff respectfully submits these comments regarding the load forecasting section of the 2025 Integrated Resource Plan ("IRP") Annual Update ("2025 Annual Update") for Evergy Metro, Inc. d/b/a Evergy Missouri Metro ("Evergy Missouri Metro") and Evergy Missouri West, Inc. d/b/a Evergy Missouri West's ("Evergy Missouri West") (collectively, the "Company"), filed on March 13, 2025, in Case Nos. EO-2025-0250 and EO-2025-0251, respectively. Based on Staff's limited review, it provides the following comments on Evergy Missouri Metro and Evergy Missouri West's 2025 Annual Updates.

2025 ANNUAL UPDATE LOAD FORECASTING AND LARGE LOAD CUSTOMERS

Evergy Missouri Metro's average annual load growth forecast over the next five years has significantly increased in the 2025 Annual Update compared to the 2024 Triennial IRP. At the same time, Evergy Missouri West's average annual load growth forecast over the next five years has slightly increased in the 2025 Annual Update compared to the 2024 Triennial IRP. This notable upward increase reflects shifting expectations about future electricity demand within the Company's service territory. The Company attributes this change primarily to changes in the Moody's Analytics Economic forecasts for Population, Households, Employment and Gross Product from 2023 to 2024 and to load additions from new potential large load customers. These prospective customers include large customers in the data center/data processing space, technology and advanced manufacturing customers, according to the direct testimony of Bradley D. Lutz in the Company's application for approval of new and modified tariffs for service to large load customers, Case No. EO-2025-0154. The Company filed this application with the

¹ The summary report was filed as *Notice of No Changes to Annual Update Reports* on April 7, 2025.

Commission on February 14, 2025, to implement new tariffs and to modify existing tariffs to support service to large load customers of greater than 100MW that seek to locate in and receive service from the Company. This filing comes in response to a growing wave of interest from large load customers that are seeking to locate within the Company's service territory.

STAFF CONSIDERATIONS ON LOAD FORECASTING AND LARGE LOAD CUSTOMERS

The Company's 2025 Annual Update recognizes these projected increases in load growth but it does not provide adequate detail on several important aspects of the forecast. Specifically, it lacks clear and comprehensive explanation of the forecasting methodologies used to arrive at the updated projections. Large load customers like data centers are expanding at a rapid pace, but the rate and extent of this growth can vary significantly. Several factors contribute to the uncertainty, including short developmental cycle which is typically shorter than the planning cycles for utilities, potential delays in construction, changes in the scale of planned operations, or even the cancellation of projects altogether. This uncertainty has serious implications for system planning and investment decisions. If forecasts overestimate demand and projects fail to materialize as expected, the system may be left with excess capacity and increased fixed costs, without the corresponding energy consumption to offset those costs. This creates a very real risk of higher costs being passed on to other customers, raising concerns about fairness and affordability over time. On the other hand, underestimating demand can result in capacity shortfalls, reliability issues, and missed opportunities for economic development. Given these potential risks, it is notable that the Company's 2025 Annual Update, including the supporting workpapers, does not adopt a more open and easier to understand approach. Without this level of transparency, it is difficult to evaluate the soundness of the forecast and the extent of its risk exposure, or to understand the assumptions driving key outcomes such as projected load growth, resource adequacy, and timing of infrastructure investments, each of which could have major implications for system reliability and costs to ratepayers. In particular, the forecast does not clearly show which large loads are included, what probability has been assigned to them, or how uncertainty around their timing has been handled. Without that information, it is nearly impossible to judge whether the forecast is unrealistically optimistic or appropriately conservative. Additionally, key assumptions regarding the expected load profile, flexibility potential, consumption patterns and flight risk of the newly anticipated large-load customer are not presented. Though the 2025 Annual Update included scenarios for large customer load growth, it does not evaluate the risks specific to a large customer driven project, such as delays in project timelines, phased deployment, or potential project cancellations. The lack of scenario analysis to assess these risks means the Company may be underestimating the potential for these factors to disrupt expected demand, impacting both systems planning and cost recovery. This gap in detail is particularly concerning given the major investment decisions, infrastructure planning, and rate structures that depend on these forecasts.

With the recent passage of Senate Bill 4, signed into law by Governor Mike Kehoe on April 9, 2025, the Missouri Public Service Commission shall begin an integrated resource planning process for electrical corporations. Each integrated resource plan shall include an alternative

resource plan meeting the requirements under the act. These alternative resource plans shall cover a 16-year horizon and reflect projections of an electrical corporation's load obligations and how an electrical corporation under such plan would reliably meet its projected load obligations. After review, the Commission will determine if the proposed plans are reasonable and prudent. If approved, utilities gain permission to proceed with construction or acquisition of necessary energy resources.

Now that the bill has been signed into law, it may be appropriate for the Commission to consider whether the existing electric utility resource planning guidelines are well aligned with the evolving energy landscape, particularly for forecasting new and uncertain load categories. Strengthening the requirements for loads to be included in the forecasts, such as requiring more concrete commitments from prospective customers, would improve forecast reliability. Additionally, utilities should also be encouraged to use transparent, third-party data sources and external forecasting tools to allow for independent scrutiny of modeling assumptions. Furthermore, making both forecasted and actual outcomes publicly available would promote accountability, and help identify recurring sources of forecasting error. The Commission should invite customer input into the load forecasting process to ensure community perspectives and concerns are reflected in long term planning decisions. Finally, given the current pace of large load growth, the utility should be required to submit quarterly reports detailing major project developments. These updates should include, but not be limited to, (1) customer names, (2) project addresses, (3) whether the projects fall inside or outside the company's service territory, (4) projected annual loads, and (5) any other relevant information tied to economic development activity. These reports would serve as a critical tool for monitoring shifts in the 2025 IRP annual update load forecast and tracking changes since the previous update. More publicly available and easily accessible data characterizing the developmental timelines and operational patterns of these loads would improve forecasting accuracy.

Due to the limited time to review and the Company's increased reliance on its long-term planning through the IRP process for justifying additional acquisitions and generation resources in its Certificate of Convenience and Necessity ("CCN") filings, as well as the Company's recently filed application for approval of a Large Load Power Service ("LLPS") rate plan and associated tariffs, concerns not expressed in Staff's comments should not be viewed as an endorsement of any part of the Company's 2025 Annual Update. Staff will fully investigate any proposed acquisitions or new generation facility CCNs in the appropriate case that the Company will have to file in the future seeking approval from the Commission. Staff is currently investigating the Company's LLPS rate plan and associated tariffs in Case No. EO-2025-0154 and will make its recommendations in that case accordingly.

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Integrated Resource Plan Annual Update)	
Filing)	

AFFIDAVIT OF BRAD J. FORTSON

STATE OF MISSOURI)	
)	ss.
COUNTY OF COLE)	

COMES NOW BRAD J. FORTSON and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Recommendation, in Memorandum Form*; and that the same is true and correct according to his best knowledge and belief.

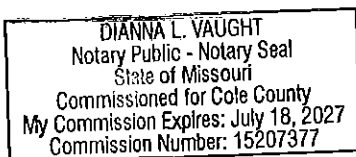
Further the Affiant sayeth not.

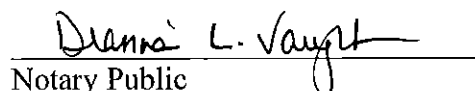


BRAD J. FORTSON

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 27th day of May 2025.




Notary Public

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Integrated Resource Plan Annual Update)	
Filing)	

AFFIDAVIT OF OBIANUJU S. EZENWANNE

STATE OF MISSOURI)	
)	ss.
COUNTY OF COLE)	

COMES NOW OBIANUJU S. EZENWANNE 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.

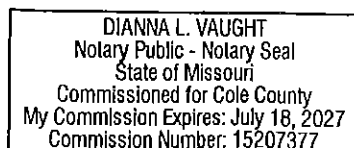
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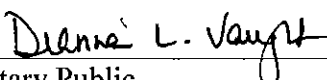


OBIANUJU S. EZENWANNE

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 May 2025.





Notary Public