

**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 )	Case No. EO-2025-0250
Resource Plan Annual Update Filing )	

**COMMENTS OF THE OFFICE OF THE PUBLIC COUNSEL**

**COMES NOW** the Office of the Public Counsel (the “OPC”) and respectfully submits its Comments to Evergy Metro, Inc. d/b/a Evergy Missouri Metro (“Evergy Metro”) 2025 Integrated Resource Plan (“IRP”) Annual Update (the “Annual Update”). In support, the OPC states:

1. On March 13, 2025, Evergy Metro filed its 2025 Integrated Resource Plan (“IRP”) Annual Update. (Doc. 1).
2. On April 7, 2025, Evergy Metro filed its Notice of Stakeholder Presentation (Doc. 11) and a Notice stating that it was “making no changes to the March 13, 2025 Annual Update Reports . . . as a result of the discussions at the April 3, 2025 workshop.” (Notice 1, Doc. 12).
3. Commission Rule 20 CSR 4240-22.080(3)(D) allows stakeholders to “file comments with the commission concerning the utility’s annual update report and summary report within thirty (30) days of the utility’s filing of the summary report.”
4. Upon a Motion for Extension, the Commission extended the time for the OPC to file its Comments. (Mot. for Extension, Doc. 16; Order Granting Mot. for Extension 1, Doc. 18).
5. The OPC’s Comments regarding Evergy Metro’s 2025 IRP Annual Update are contained in the attached verified memorandum as Exhibit 1. As explained in Exhibit 1, the OPC makes the following comments regarding Evergy Metro’s 2025 IRP Annual Update:

- a. The new preferred plan is unreasonable;
- b. Evergy Metro has not modeled for full expected large customer load growth;
- c. The costs Evergy Metro modeled in the Annual Update do not properly account for known and continually increasing costs for new generation;
- d. Evergy Metro's 2025 new preferred plan is limited by capital budget spending constraints; and
- e. Evergy Metro's reliance on demand side management and demand response is inconsistent with the workpapers.

WHEREFORE, the OPC respectfully requests that the Commission accept its Comments.

Respectfully submitted,

/s/ Lindsay VanGerpen  
Lindsay VanGerpen (#71213)  
Senior Counsel  
Missouri Office of the Public Counsel  
P.O. Box 2230  
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### **CERTIFICATE OF SERVICE**

I hereby certify that copies of the forgoing will be emailed to all counsel of record this 28th day of May 2025.

/s/ Lindsay VanGerpen

## MEMORANDUM

To: Missouri Public Service Commission Official Case File,  
Case No EO-2025-0250

From: Geoff Marke, Chief Economist  
Lena Mantle, Senior Analyst  
John Robinett, Utility Engineering Specialist  
Jordan Seaver, Policy Analyst  
Missouri Office of the Public Counsel

Re: Comments in Response to Evergy Metro, Inc. d/b/a Evergy Missouri Metro's 2025 Integrated Resource Plan Annual Update

Date: 5/28/2025

Evergy Metro, Inc. d/b/a Evergy Missouri Metro ("Evergy Metro")<sup>1</sup> filed its 2025 Integrated Resource Plan ("IRP") Annual Update (the "Annual Update") on March 13, 2025. On April 3, 2025, Evergy Metro held a presentation with stakeholders to discuss the Annual Update. The OPC attended and participated in that discussion.

Four days later, on April 7, 2025, Evergy Metro filed a Notice with the Public Service Commission of the State of Missouri (the "Commission") noting that it was "making no changes" to the Annual Update as a result of the discussion at the April 3, 2025 presentation. (Notice 1, Doc. 12). The Commission subsequently extended the time for the Office of the Public Counsel to file these Comments. (*See* Order Granting Mot. for Extension 1, Doc. 18).

The OPC maintains many of the concerns it raised in response to Evergy Metro's 2024 Triennial IRP filing. In many ways these concerns are heightened given the growing constraints in the Southwest Power Pool ("SPP") energy market and Evergy Metro's planned reliance on that market to meet its customers' energy needs. In fact, SPP President and CEO Lanny Nickell said in a recent update from SPP that it "expects its excess capacity will fall to 5% in 2029, down from 24% in 2020...."<sup>2</sup> Mr. Nickell continued saying "[e]xcess generating capacity is dwindling, and it's dwindling to a point where it's becoming dangerous".<sup>3</sup>

The OPC is also concerned because it appears that Evergy Metro has failed to study key factors in putting together the Annual Update. Further, the workpapers that Evergy Metro produced to support the Annual Update at times do not appear to match the information contained in the Annual

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<sup>1</sup> The 2025 IRP update is for Evergy Metro utility which includes Evergy Metro's Kansas and Missouri territory.

<sup>2</sup> Ethan Howland, "SPP to rely on demand response to help bridge shrinking power supplies: CEO Nickell", Utility Dive, April 4, 2025, <https://www.utilitydive.com/news/spp-demand-response-prm-planning-reserve-transmission-rto-west/744455/>.

<sup>3</sup> *Id.*

Update Report. Together, these concerns cause the OPC to file these Comments to serve as a placeholder so that all stakeholders are aware of the OPC's concerns with Evergy Metro's Annual Update.

## **OPC's Comments**

### **OPC Comment #1: The New Preferred Plan is Unreasonable:**

Evergy Metro's new preferred plan, like its 2024 IRP Triennial preferred plan, relies on the increasingly volatile SPP energy market by failing to meet a significant portion of its customer's energy needs thus placing the risk of unpredictable and extreme purchased power costs on its customers. The Commission has recognized the validity of this concern in its Agenda discussion on Evergy Missouri West, Inc. d/b/a Evergy Missouri West's ("Evergy Missouri West") fuel adjustment clause case, Case No. EO-2023-0277.<sup>4</sup>

Further, the graph presented for Evergy Metro's new preferred plan shows that Evergy Metro continues to plan to be short of the energy necessary to meet its load beginning in the next two years. The chart showing the energy deficit of Evergy Metro's 2025 IRP Annual Update preferred plan is shown in Figure 1 below.<sup>5</sup>

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<sup>4</sup> Specifically, during that Agenda discussion on July 18, 2024, Chairwoman Hahn stated:

Thank you, Judge. For me, reviewing your memo, there's really two questions presented: [1] is there a serious doubt as to the prudence of the FAC expenditure, because it is our responsibility to determine how reasonable people would have performed the task that confronted the company at the time. And then 2, was Evergy Missouri West's decision not to acquire sufficient generation to protect its customers from the risks of the market and instead rely on the market to meet the load imprudent.

Thinking about the larger picture in this case and others that have similarly come before us it is not only one of our large electrical IOU's in a capacity shortfall, it's at least two of them. As I've said before, I think this is concerning. I do think that OPC did elevate the discussion of meeting the criteria as to creating a serious doubt as to imprudence in this case.

As highlighted by OPC's exhibit 304, Evergy Missouri West hasn't been able to meet their load since 2008. As further highlighted by OPC, depending on the market does create risk for customers. That being said, customers also have to bear the cost if the company builds additional generation.

At the time, Evergy Missouri West relied on its uncontested IRP, showing that its least cost estimate would not be to build additional generation. That was likely a reasonable assumption at the time, so I don't think at this time it warrants a disallowance. But times are changing, and rapidly, and for me this highlights a few issues and proposed solutions moving forward. Again, in this case I think this highlights a need to focus on uncontested IRP's to make decisions. It also highlights that we need to meet our capacity needs for both current and anticipated load.

I would encourage our utilities to meet the challenge and build additional generation, preferably in Missouri where our ratepayers can recognize and receive the benefits of that generation, because borders matter. I don't want to lose jobs, tax revenue, or football teams to Kansas. There should be serious consideration also of merging Evergy Missouri West and Metro. I'm unsure of all the factors involved in that merger, but it may help alleviate or diminish the potential shortfalls for Evergy Missouri West. So, generally, I would not be in favor of a disallowance at this point in time.

<sup>5</sup> Evergy Metro workpaper "MET AAAA," tab entitled "GenLoadbalance."

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OPC Comment #2: Evergy Metro Has Not Modeled For Full Expected Large Customer Load Growth

In completing the modeling for its Annual Update, Evergy Metro included the load associated only with those large customers that it knows will take service or those who are in very late-stage discussions to take service. In doing so, Evergy Metro has failed to account for the exponentially increasing large load associated with hyperscale customers who may seek to take service in its service territory during the planning horizon. The effect of this failure is that Evergy Metro's new preferred plan will not be able to meet potential customers' future energy needs.

To be clear, as shown in Figure 1 above, Evergy Metro will be short on energy soon. Management **plans** for it to be short for the last seventeen years of its planning cycle. Any large load customers coming online will necessarily heighten the risk exposure to all customers and necessarily show Evergy Metro has been planning in an imprudent manner.

OPC Comment #3: The Costs Evergy Metro Modeled in the Annual Update Do Not Properly Account for Known and Continually Increasing Costs for New Generation

As has become apparent in the currently pending CCN cases,<sup>6</sup> the costs associated with new generation are greatly increasing in a short period of time. In completing its modeling for the Annual Update, Evergy Metro has failed to account for these increasing costs because it used only the initial bids that Evergy Metro's parent company, Evergy, Inc. ("Evergy") received to inform its cost estimates. Increasing costs can be attributed to,

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<sup>6</sup> Case Numbers EA-2024-0292 and EA-2025-0075.

among other things, uncertainty surrounding the economy (i.e. tariffs and supply chain constraints). The increasing costs will affect the cost effectiveness of new generation, which could, in turn, affect the results of the modeling process. The effectiveness of the IRP modeling process depends upon the use of correct and timely inputs.

OPC Comment #4: Evergy Metro’s 2025 New Preferred Plan is Limited by Capital Budget Spending Constraints

The OPC noted this deficiency in its Comments filed in response to Evergy Metro’s 2024 Triennial IRP. The new Preferred Plan does not resolve this deficiency.

Resource additions are limited by capital budget spending constraints set by Evergy Metro and Evergy Missouri West’s parent company Evergy<sup>7</sup>. As a result, captive customers continue to be exposed to additional risk exposure through the planning period. Evergy’s highest priority is balance sheet stability and financial metrics, not long-term price and risk reduction for its customers.

Based on Evergy’s preferred plan modeling as filed before the Kansas Corporation Commission in docket number 24-EKCE-387-CPL, Evergy Kansas Central’s customers will **not** be exposed to energy shortfalls in the future due to planned retirements and increased load. Yet, Evergy has decided that customers of both Evergy Missouri West and Evergy Metro should be exposed to these energy shortfalls.

Capital budget expenditures should be based on customers’ needs and the SPP resource adequacy requirements at least-cost to the customers. OPC and Staff have worked with Evergy Metro (then Kansas City Power & Light Company) and the Empire District Electric Company in the past to develop regulatory plans that limited the impact of large expenditures on the financial metrics of the companies. However, the advent of the SPP energy market, Evergy’s ability to depend on that market, and its ability to recover market costs from its customers through the fuel adjustment clause allows Evergy’s financial metrics to be highest priority. Meeting customers’ needs through owned resources to reduce the risks of relying on the market is not a managerial priority, even though Storm Uri and Storm Elliot demonstrated the high cost of this risk on customers.

OPC Comment #5: Evergy Metro’s Reliance on Demand Side Management and Demand Response is Inconsistent with the Workpapers

Evergy Metro has provided an analysis of the projected demand side management (“DSM”) and demand response (“DR”) contributions to capacity, but has not clearly shown from where these projections are being drawn. The workpapers that are relevant to the analysis are inconsistent with the 2025 IRP Annual Update Report Evergy Metro filed.

Specifically, Evergy Metro’s 2025 preferred plan capacity balance sheet, provided with the Annual Update, shows that it relies on over 150 MW of capacity associated with DSM and time-of-use rates beginning in 2026. The 2025 Annual Update Report does not incorporate

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<sup>7</sup> This includes capital expenditures for Evergy’s regulated Kansas electric utility Evergy Kansas Central.

such a large amount of capacity. As alluded to in the testimony filed in Evergy Metro's MEEIA Cycle 4 case, Case No. EO-2023-0369, such a large amount of capacity associated with energy efficiency programs is likely unrealistic. In response to an OPC data request, Evergy Metro expressed that it relied on its 2023 Market Potential Study to identify the amount of capacity associated with its DSM programs. That Market Potential Study has been called into question. This is problematic because Evergy Metro would be short of its necessary capacity without the capacity associated with DSM and time-of-use rates in some of the years of the planning horizon.

### **Conclusion**

Evergy management is generously compensated to make managerial decisions regarding how to provide the public with energy services that are safe, reliable, and efficient, at just and reasonable rates. That is not OPC's job or the Commission's job. Only Evergy management should be held responsible and accountable for its inactions to date and its insufficient planned actions moving forward.

As such, we are prepared to ask for future disallowances related to the implementation of this and past IRP plans, as well as to ask for the Commission to impose conditions on Evergy Metro's acquisition of generation in the future in order to ensure that customers are provided safe and reliable energy at just and reasonable rates. This document serves as another formal placeholder and public declaration that Evergy Metro is not properly accounting for all relevant and important variables in its IRP planning. Though the Commission's rules do not allow IRP Annual Updates to be contested in the same way that Triennial IRP dockets are contested, the OPC asserts that it would contest this Annual Update and seek a prudence disallowance, if possible.


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

**AFFIDAVIT OF GEOFF MARKE**

STATE OF MISSOURI     )  
                                  )  
COUNTY OF COLE     )     SS.

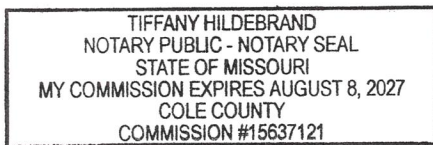
**COMES NOW GEOFF MARKE** and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Memorandum* and that the same is true and correct according to his best knowledge and belief.


Further the Affiant sayeth not.

  
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Geoff Marke  
Chief Economist

**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 27<sup>th</sup> day of May, 2025.



  
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Tiffany Hildebrand  
Notary Public

My Commission expires August 8, 2027.




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

**AFFIDAVIT OF LENA M. MANTLE**

STATE OF MISSOURI     )  
                                      )  
COUNTY OF COLE     )     SS.

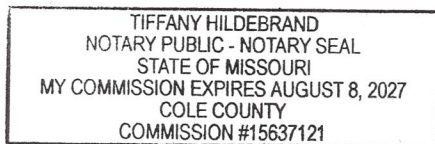
**COMES NOW LENA M. MANTLE** and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Memorandum* and that the same is true and correct according to her best knowledge and belief.

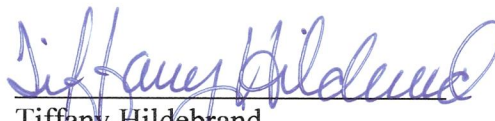
Further the Affiant sayeth not.

  
Lena M. Mantle  
Senior Analyst

**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 27<sup>th</sup> day of May, 2025.



  
Tiffany Hildebrand  
Notary Public

My Commission expires August 8, 2027.

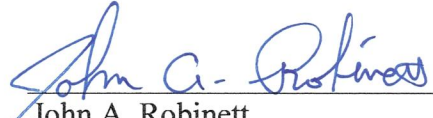
**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

**AFFIDAVIT OF JOHN A. ROBINETT**

STATE OF MISSOURI     )  
                                  )     SS.  
COUNTY OF COLE     )

**COMES NOW JOHN A. ROBINETT** and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Memorandum* and that the same is true and correct according to his best knowledge and belief.

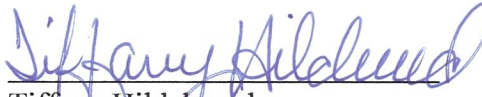
Further the Affiant sayeth not.

  
John A. Robinett  
Utility Engineering Specialist

**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 27<sup>th</sup> day of May, 2025.



  
Tiffany Hildebrand  
Notary Public

My Commission expires August 8, 2027.

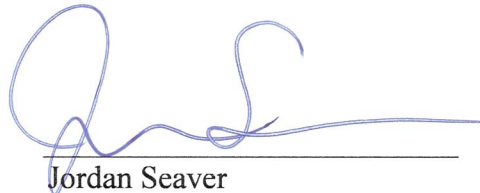
**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

**AFFIDAVIT OF JORDAN SEAVER**

STATE OF MISSOURI     )  
                                  )     SS.  
COUNTY OF COLE     )

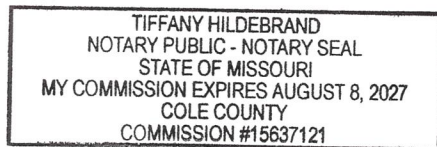
**COMES NOW JORDAN SEAVER** and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Memorandum* and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

  
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Jordan Seaver  
Policy Analyst

**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 27<sup>th</sup> day of May, 2025.



  
\_\_\_\_\_  
Tiffany Hildebrand  
Notary Public

My Commission expires August 8, 2027.