

Exhibit No.:
Issue: Demand Side Investment
Mechanism Rider
Witness: Leigh Anne Jones
Type of Exhibit: Direct Testimony
Sponsoring Party: Evergy Missouri West
Case No.: EO-2025-0326
Date Testimony Prepared: June 2, 2025

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: EO-2025-0326

DIRECT TESTIMONY

OF

**LEIGH ANNE JONES
ON BEHALF OF**

EVERGY MISSOURI WEST, INC. d/b/a EVERGY MISSOURI WEST

**Kansas City, Missouri
June 2025**

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

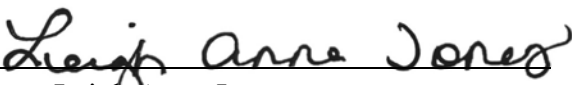
In the Matter of Evergy Missouri West's)
Demand Side Investment Mechanism Rider) Case No. EO-2025-0326
Rate Adjustment and True-Up)
Required by 20 CSR 4240-20.093(4))

AFFIDAVIT OF LEIGH ANNE JONES

STATE OF MISSOURI)
) **ss**
COUNTY OF JACKSON)

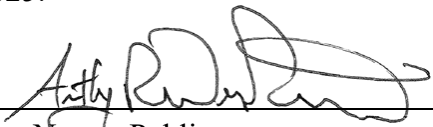
Leigh Anne Jones, being first duly sworn on her oath, states:

1. My name is Leigh Anne Jones. I work in Kansas City, Missouri, and I am employed by Evergy, Inc. as Senior Director - External Reporting, Policy, and Property Accounting.
2. Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of Evergy Missouri West Inc. d/b/a Evergy Missouri West, consisting of consisting of ten (10) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.
3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.



Leigh Anne Jones

Subscribed and sworn before me this 2nd day of June 2025.



Notary Public

My Commission expires: April 26, 2029



DIRECT TESTIMONY

OF

LEIGH ANNE JONES

Case No. EO-2025-0326

1 **Q: Please state your name and business address.**

2 A: My name is Leigh Anne Jones. My business address is 1200 Main Street, Kansas City,
3 Missouri 64105.

4 **Q: By whom and in what capacity are you employed?**

5 A: I am employed by Evergy Metro, Inc. and serve as Senior Director - External Reporting,
6 Policy and Property Accounting for Evergy Metro, Inc. d/b/a as Evergy Missouri Metro
7 (“Evergy Missouri Metro”), Evergy Missouri West, Inc. d/b/a Evergy Missouri West
8 (“Evergy Missouri West”), Evergy Metro, Inc. d/b/a Evergy Kansas Metro (“Evergy
9 Kansas Metro”), and Evergy Kansas Central, Inc. and Evergy South, Inc., collectively
10 d/b/a as Evergy Kansas Central (“Evergy Kansas Central”) the operating utilities of
11 Evergy, Inc.

12 **Q: What are your responsibilities?**

13 A: My current responsibilities include oversight of the 10-Q and 10-K filings with the
14 Securities and Exchange Commission, technical accounting research and accounting
15 policy, and oversight of the property accounting function. Immediately prior to this, my
16 responsibilities included oversight of various accounting tasks such as accounting for
17 energy efficiency programs, leases, equity compensation, debt, equity, investments, and
18 pension and post-retirement.

1 **Q: Please describe your education, experience and employment history.**

2 A: I have a Bachelor of Science Degree in Accounting from William Jewell College. I
3 joined KCP&L in 2001 and held positions of progressive responsibility in Accounting
4 in the areas of external reporting, technical accounting research and corporate
5 accounting. In 2016, I was promoted to Director, Accounting, in 2023 I was promoted
6 to Senior Director - Corporate Accounting and in 2025 I became Senior Director -
7 External Reporting, Policy and Property Accounting.

8 **Q: Have you previously testified in a proceeding before the Missouri Public Service**
9 **Commission (“MPSC” or “Commission”) or before any other utility regulatory**
10 **agency?**

11 A: Yes, I have provided written testimony before the MPSC.

12 **Q: What is the purpose of your testimony?**

13 A: The purpose of my testimony is 1) to support the rate schedule filed by Evergy Missouri
14 West to adjust the Demand Side Investment Mechanism (“DSIM”) Rider and 2) support
15 revised Tariff Sheet Nos. 138.18 and 138.24 filed to updated Net Margin Rates. My
16 testimony will explain the change to the DSIM components based upon actual
17 performance in the six-month period ending April 2025, as well as forecasted
18 performance through June 2026 for Cycle 3 Program Costs (“PC”), Cycle 3 Throughput
19 Disincentive (“TD”), Cycle 4 PC, and Cycle 4 TD. In addition, Earnings Opportunity
20 (“EO”) for Cycle 2 for the three program years beginning April 2016 through March
21 2019, the EO for the Cycle 2 extension program year April 2019 through December
22 2019 and the EO for Cycle 3 2020, 2021, 2022, 2023, and 2024 program years are
23 included in this rider update. The proposed change in rates will result in a decrease to a
24 residential customer’s rate from \$0.00258 to \$0.00225 per kWh, or a decrease of \$0.33

1 for every 1,000 kWh used. Please see the table below for a comparison by rate schedule
 2 of proposed DSIM rates to currently effective rates and the impact to a customer using
 3 1,000 kWh.

Rate Schedule	Total Proposed DSIM (\$/kWh)	Total Current DSIM EO-2025-0174 (\$/kWh)	Change Increase/ (Decrease) (\$/kWh)	Incr/(Decr) to Customer Bill (for every 1,000 kWh's used) (\$)
Residential Service	\$0.00225	\$0.00258	\$(0.00033)	\$(0.33)
Non-Res Service – SGS	\$0.00237	\$0.00260	\$(0.00023)	\$(0.23)
Non-Res Service – LGS	\$0.00348	\$0.00356	\$(0.00008)	\$(0.08)
Non-Res Service – LPS	\$0.00371	\$0.00468	\$(0.00097)	\$(0.97)

4

5 **Q: Please explain why revised Tariff Sheet Nos. 138.18 and 138.24 are being filed to**
 6 **updated Net Margin Rates.**

7 A: Evergy Missouri West’s DSIM Tariff Sheet Nos. 138.16 and 138.27 under the heading
 8 “Other DSIM Provisions,” states that Net Margin Rates will be updated when tariff
 9 sheets are filed in a general rate case. In Evergy Missouri West’s last general rate case
 10 ER-2024-0189 (“2024 Case”) the Commission’s December 4, 2024 Report and Order
 11 approved stipulations, which, among other things, allowed Evergy Missouri West (“the
 12 Company”) to file a compliance tariff bearing an effective date of January 1, 2025.
 13 However, the Company did not file DSIM tariff sheets to update Net Margin Rates;
 14 therefore, DSIM tariff sheets to update Net Margin Rates are being filed now. The
 15 Company is requesting that these bear effective dates of January 1, 2025.

16 **Q: Please explain how non-residential Net Margin Rates were updated.**

17 A: Non-residential Net Margin Rates on DSIM Tariff Sheet Nos. 138.18 and 138.24 were
 18 updated to reflect rates set in the 2024 Case and the billing determinants used in setting

1 rates in that case, consistent with how Net Margin Rates have been updated when there
2 are new rates set in a general rate case.

3 **Q: Please explain how Residential Net Margin Rates were updated.**

4 A: Residential billing determinants needed to calculate a monthly Net Margin Rate were
5 not available as of the June 30, 2024 true-up date in the 2024 Case due to the timing of
6 when Time of Use Rates were implemented. For the 2nd Revised Sheet No. 138.18
7 (Cycle 3), the Residential Net Margin Rates from the prior general rate case ER-2022-
8 0130 (“2022 Case”) have been used. Cycle 3 kWh savings were rebased as of June 30,
9 2024 (the true-up date in the 2024 Case), and this Residential Net Margin Rate will only
10 be used in calculating Throughput Disincentive on Cycle 3 kWh savings starting with
11 July 1, 2024 and not the entirety of Cycle 3 cumulative saving. For the 1st Revised Sheet
12 No. 138.24 (Cycle 4), Residential Net Margin Rates were updated using the net margin
13 rate calculation method used to develop the Residential Net Margin Rates for the
14 Original Sheet No. 138.24, approved in Case No. EO-2023-0370 effective January 1,
15 2025, and using the Time of Use Tariff rates set in the 2024 Case and customer
16 enrollment in those rates as of the June 30, 2024 true-up date in the 2024 Case.

17 **Q: Please explain the projected costs.**

18 A: Evergy’s Missouri Energy Efficiency Investment Act (“MEEIA”) Cycle 4 Portfolio was
19 included in the September 27, 2024 Non-Unanimous Stipulation and Agreement in Case
20 No. EO-2023-0370 and approved by the Commission on December 11, 2024 for
21 Program Years 1-3 beginning January 2025. The budget caps and floors for the May
22 2025 through June 2026 MEEIA Cycle 4 projected PC amounts are included in this
23 rider update.

24 **Q: What are the MEEIA rule requirements for adjustments of DSIM rates?**

1 A: The requirements for adjustment of DSIM rates are found in Commission rules 20 CSR
2 4240-20.093(4). In summary, the requirements outline that the update filing include
3 applicable DSIM rate tariff sheets, supporting testimony, and inclusion of the following:

4 A) Amount of revenue that was over-collected or under-collected through the most
5 recent recovery period by rate class.

6 B) Proposed positive or negative adjustments by rate class.

7 C) Electric utility's short-term borrowing rate.

8 D) Proposed adjustments to the current DSIM rates.

9 E) Complete documentation for the proposed adjustments to the current DSIM
10 rates.

11 F) Any additional information the Commission ordered to be provided.

12 G) Annual report as required by 20 CSR 4240-20.093(9).

13 As part of my Direct Testimony, I have included the information required for update of
14 the DSIM rate in the attached Schedules LAJ-1 and LAJ-2. The 2024 Demand-Side
15 Program Annual Report for MEEIA Cycle 3, referenced in Item G above, was filed on
16 March 31, 2025, in Case No. EO-2025-0261.

17 **Q: Are you sponsoring this information?**

18 A: Yes, I am.

19 **Q: Please explain why Evergy Missouri West has filed an adjusted DSIM rate**
20 **schedule at this time?**

21 A: The Commission's rule governing DSIM filings and submission requirements for
22 electric utilities, specifically 20 CSR 4240-20.093(4), requires Evergy Missouri West
23 to make at least annual adjustments of DSIM rates that reflect the amount of revenue
24 that has been over/under collected. Evergy Missouri West's DSIM tariff requires two

1 semi-annual rate adjustments to become effective February 1 and August 1 of each year.
2 Based upon actual and estimated performance during the six-month time period(s),
3 DSIM rates may be adjusted up or down.

4 **Q: Please describe the various DSIM rate components that make up the proposed**
5 **DSIM rate.**

6 A: As the MEEIA Cycle 4 DSIM tariff describes, the DSIM rate components consist of 1)
7 PC, TD and EO for the MEEIA Cycle 4 Plan; PC, TD and EO for the MEEIA Cycle 3
8 Plan; and PC, TD and EO for the MEEIA Cycle 2 Plan; 2) Reconciliations, with interest,
9 to true-up differences between revenues billed under the DSIM rider and total actual
10 monthly amounts for PC, TD, EO and any remaining true-ups or unrecovered amounts
11 for Cycle 2, Cycle3, and Cycle 4; and 3) any Ordered Adjustments (“OA”) for Cycle 2
12 and Cycle 3.

13 **Q: How did you develop the various DSIM rate components that make up the**
14 **proposed DSIM rate?**

15 A: As the DSIM tariff for MEEIA Cycle 3 describes, the DSIM rate components consist of
16 projected TD for MEEIA Cycle 3 programs for May 2025 through June 2026 as well as
17 the reconciliation of actual and expected PC, TD, EO and OA for Cycle 3 through April
18 2025. The MEEIA Cycle 3 TD included in this filing are the actual levels of program
19 participation after June 30, 2024 and related costs. Secondly, as the DSIM tariff for
20 MEEIA Cycle 4 describes, the DSIM rate components include projected PC and TD for
21 MEEIA Cycle 4 programs for May 2025 through June 2026. The MEEIA Cycle 4 costs
22 included in this filing are current forecasted levels of program participation and related
23 costs. Also included for recovery in the calculation of the DSIM rates are the
24 reconciliation of actual and expected TD and EO for Cycle 2 through April 2025.

1 **Q: Please describe the amount of EO that has been included in this filing.**

2 A: Consistent with the current DSIM rates effective February 1, 2025, the EO included in
3 this filing is based on verified MWh and MW savings for the three program years of
4 Cycle 2 beginning April 2016 through March 2019, including EO TD adjustments, and
5 for the Cycle 2 extension program year April 2019 through December 2019, including
6 EO TD adjustments, which has been calculated in accordance with Tariff Sheet Nos.
7 138.6 and 138.8. The MEEIA Cycle 2 tariff provides for the recovery of the EO over
8 24 months. The Company took the total adjusted EO and divided that amount by the
9 four semi-annual rate update periods and has included an EO amount for the current
10 Effective Period (“EP”), or six-months beginning July 2025, plus the succeeding EP as
11 described on tariff Sheet No. 138.11. An EO credit amount totaling (\$1,044) for Cycle
12 2 representing EO TD adjustments has been included in the calculation of the DSIM
13 rate in this filing. In addition, the EO included in this filing is (1) based on verified
14 MWh and MW savings for the 2020, 2021 and 2022 program years of Cycle 3, including
15 EO TD adjustments and (2) based on actual program cost spend for the 2023 and 2024
16 program year, which has been calculated in accordance with Tariff Sheet Nos. 138.16
17 and 138.18. The MEEIA Cycle 3 tariff provides for the recovery of the EO over 12
18 months. The Company took the total adjusted EO and divided that amount by the 12
19 months and has included an EO amount for the current EP, or six-months beginning
20 July 2025, plus the succeeding EP as described on tariff Sheet No. 138.11. An EO
21 amount totaling \$2,307,465 for Cycle 3 has been included in the calculation of the DSIM
22 rate in this filing. The sum of the PC, TD, EO and OA amounts are divided by the
23 projected billed retail kWh sales, excluding opt-out sales, by rate class for August 2025
24 through July 2026 to develop the proposed DSIM rates.

1 **Q: If the rate schedule filed by Evergy Missouri West is approved, what safeguards**
2 **exist to ensure that the revenues the Company bills to its customers do not exceed**
3 **actual DSM Program Costs and TD incurred, as well as the earnings opportunity**
4 **or performance incentive?**

5 A: Evergy Missouri West’s DSIM Rider mechanism and the Commission’s rules provide
6 two mechanisms to ensure that amounts billed to customers do not exceed Evergy
7 Missouri West’s actual, prudently incurred DSM PC and TD and performance incentive
8 or EO. First, at the end of each recovery period, the Company is required to true up
9 amounts billed to customers through the DSIM Rider based upon PC and TD actually
10 incurred during that six-month period. Per MEEIA rule 20 CSR 4240-20.093(4), these
11 adjustments will be supported by complete documentation and workpapers that
12 demonstrate the need for DSIM rate adjustment. All proposed adjustments and
13 supporting documentation are subject to review by MPSC Staff and all MEEIA
14 stakeholders. Second, per MEEIA rule 20 CSR 4240-20.093(11), Evergy Missouri
15 West’s DSIM is subject to periodic prudence reviews by MPSC Staff to ensure that only
16 prudently incurred PC and TD are billed to customers. These two mechanisms serve as
17 checks to ensure that the Company’s customers pay only the prudently incurred, actual
18 PC and TD resulting from implementation of MEEIA DSM programs.

19 **Q: Has Evergy Missouri West made any adjustments to the DSIM calculation?**

20 A: No, there are no changes to the DSIM calculation in this filing.

21 **Q: Has Evergy Missouri West been subject to any prudence reviews by MPSC Staff?**

22 A: Yes, Evergy Missouri West has been through six prudence reviews.

23 **Q: Are there any issues impacting this filing as a result of the prudence reviews**
24 **conducted by MPSC Staff?**

1 A: No, there is no impact to this filing. Most recently in the sixth prudence review covering
2 the period of April 2021 to March 2023, Case No. EO-2023-0408, on June 26, 2024,
3 the Commission approved the Stipulation and Agreement filed on June 10, 2024, where
4 the Company agreed and in DSIM filing Case No. EO-2025-0174 included a credit of
5 \$700,000 to resolve disputed demand response payments. The Company also agreed to
6 not seek recovery through its DSIM for any gifts or awards given to employees or
7 contractors, any promotional items not specific to MEEIA programs, any events with
8 alcohol provided or any sponsorships when a membership has already been purchased.

9 In the previous fifth prudence review covering the period of January 2020
10 through March 2021, Case No. EO-2021-0416, on July 21, 2022, the Commission
11 approved the Stipulation and Agreement filed on July 1, 2022, where the Company
12 agreed and in DSIM filing Case No. ER-2023-0184 included a credit of \$14,796 to
13 return disallowed program costs from the review period of January 2020 through March
14 2021 and a credit of \$407,674 to resolve the alleged Home Energy Reports TD double-
15 recovery issue.

16 **Q: What action is Evergy Missouri West requesting from the Commission with**
17 **respect to the rate schedule and DSIM tariff sheets with updated Net Margin rates**
18 **that the Company has filed?**

19 A: The Company requests the Commission:

- 20 1) Approve the rate schedule to become effective August 1, 2025.
- 21 2) Approve revised DSIM Tariff Sheets Nos. 138.18 and 138.24 filed to update Net
22 Margin Rates effective January 1, 2025, consistent with the effective date of
23 compliance tariffs approved in the last general rate case ER-2024-0189.

1 Q: **Does that conclude your testimony?**

2 A: Yes, it does.