BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of Evergy Metro, Inc. d/b/a Evergy Missouri Metro and Evergy Missouri West, Inc. d/b/a Evergy Missouri West for Approval of New and Modified Tariffs for Service to Large Load Customers	)))))	File No. EO-2025-0154

INITIAL BRIEF OF RENEW MISSOURI

COMES NOW, Renew Missouri Advocates d/b/a Renew Missouri ("Renew Missouri"), by and through the undersigned counsel, and for its *Initial Brief* states as follows:

Parties have presented a lengthy list of issues for the Commission to decide upon in this docket.[1] However, as to not burden the record more than the necessary, rather than address each issue separately, Renew Missouri instead will organize its brief to support its position that the *Non-Unanimous Stipulation and Agreement* ("Stipulation"), filed on September 25, 2025, is the appropriate resolution to each matter proposed in the List of Issues. Although the Stipulation has been objected to by the Staff of the Missouri Public Service Commission ("Staff"),[2] it is still supported by the Signatories as a joint position in this case. As a reminder, the Signatories include a diverse coalition of stakeholders, which consists of Evergy Metro, Inc. d/b/a Evergy Missouri Metro ("EMM"), Evergy Missouri West, Inc. d/b/a Evergy Missouri West ("EMW") (collectively "Evergy" or the "Company"), Union Electric Company d/b/a Ameren Missouri ("Ameren"), Google LLC ("Google"), Velvet Tech Services, LLC ("Velvet"), Nucor Steel Sedalia, LLC ("Nucor"), the Data Center Coalition ("DCC"), Sierra Club, and Renew Missouri. This cross-

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[1] *Jointly Proposed List of Issues, Order of Opening Statements, List and Order Of Witnesses, And Order Of Cross-Examination* ("List of Issues"), filed September 18, 2025.
[2] *Staff's Objections to The Non-Unanimous Stipulation and Agreement*, filed on September 29, 2025.

section represents not only utilities, but the very customers these tariffs are designed to attract, as well as existing customers and environmental interests. The Signatories working together have developed a large load tariff, with additional optional riders, presenting a path forward to balance a variety of interests. In contrast, the paradigm proposed by Staff presents an opaque, onerous, and limited tariff that potential large load customers have stated is unworkable and a deterrent to economic development in the state.[3] However, a *status quo* approach of cost allocation, programs, and terms and conditions is also unreasonable, as it does not adequately protect all other customers from costs incurred to bring large load customers online, nor allow customers to benefit from potential additional revenue streams that further offset costs.[4] For the reasons outlined below and in its testimony in this docket,[5] Renew Missouri respectfully requests Commission approval of the modified Large Load Power Service ("LLPS") tariff and the associated riders, as reflected in the Stipulation and accompanying exhibits.

BACKGROUND

Artificial Intelligence ("AI") technology - combined with a federal administrative policy to onshore manufacturing, industrial, chemical, and agriculture facilities - is driving significant electric load growth across the country and potentially, the state.[6] Missouri's executive and legislative branches have indicated through statements, policy initiatives, and legislative efforts that economic development - including attracting data centers and other large load customers - is a key focus.[7] Evergy states it has near-term load opportunities including data centers and advanced manufacturing, with multiple-gigawatt inquiries in Missouri.[8] In light of these developments,

[3] Ex. 551, *Surrebuttal of Dr. Carolyn A. Berry*, p. 3, l. 23-p. 4, l. 12, Ex. 403, *Surrebuttal Testimony of Shana Ramirez*, p. 2, l. 9-14.
[4] Ex. 106, *Testimony in Support of Stipulation and Agreement of Kevin D. Gunn*, p. 10, l. 15 – p. 13, l. 21.
[5] Ex. 651, *Rebuttal Testimony of Jessica Polk Sentell.*
[6] Ex. 100, *Direct Testimony of Kevin D. Gunn*, p. 4, l. 13-18.
[7] *Id*. p. 12, l. 3-17.
[8] *Id.* p. 12, l. 21- p. 13, l. 3.

Evergy, with input from large load customers, outside experts, other stakeholders, and a look to best practices in other jurisdictions, developed a framework for integrating large load customers onto the system.[9] The key principles Evergy framed its tariff around are:

> (1) is equitable and fair, with particular consideration and protection given to existing and non-large load customers;
> (2) promotes economic development and continues to attract large customers to Missouri;
> (3) is efficient, both for the Company and large customers, and one that is also transparent and understandable;
> (4) affords large customers choice and flexibility to procure renewable energy/carbon free attributes and participate in other eligible utility programs; and,
> (5) treats the power grid as a shared resource, while enabling customers with aggressive clean energy goals the ability to pay incrementally more to support those objectives.[10]

As modified by the Stipulation, Evergy's proposed LLPS Rate Plan carefully considers each of these objectives and is the only proposed solution in this case that addresses each of these objectives and balances the interests of stakeholders. As a short summary, as modified by the Stipulation, the LLPS Rate Plan requires large load customers to enter enforceable long-term service commitments, bearing substantial financial risk, and also be assessed rates that will recover the costs to serve large load customers while providing ratemaking benefits to non-large load customers with opportunities for additional revenues and contributions from large load customers participation in a suite of riders.[11] The commercial terms and conditions agreed to in the Stipulation establish safeguards for non-LLPS customers with a minimum bill requirement, substantial minimum demand requirements, a minimum service term, and the creation of the Schedule LLPS customer class.[12] Additionally, the Stipulation includes mechanisms to address a large load customer terminating its service agreement before the end of the minimum service term, including requirements that the customer post and maintain collateral and pay a substantial exit fee in the

[9] Ex. 106, *Testimony in Support of Stipulation and Agreement of Kevin D. Gunn*, p. 5, 1-9.
[10] Ex. 101, *Direct Testimony of Bradley D. Lutz*, p. 5, l. 15- p. 6, l. 3.
[11] Ex. 106, *Testimony in Support of Stipulation and Agreement of Kevin D. Gunn*, p. 17, l. 11-14.
[12] *Id.* l. 17-20.

event of termination as well as fulfilling commitments entered into under the optional riders.[13] LLPS eligibility is limited to new customers with a maximum monthly demand of 75 MW or greater, or existing customers who expect a maximum monthly demand increase of 75 MW or greater.[14] Finally, clean-energy and demand-response riders provide transparent pathways to renewable procurement. Through capacity and demand-response agreements, and revenue streams from other riders, opportunities exist for reductions in the amount of infrastructure and generation investment borne by all customers.[15] The Stipulation is broadly consistent with national trends in tariffs for service to large load customers.[16] This includes the settlement recently reached by Evergy in its Kansas service territory, with a diverse group of customers, including the Staff of the Kansas Corporate Commission ("KCC"), the Citizens' Utility Rate Board (the consumer advocate in front of the KCC), existing customers ranging from industrial interests to school boards, environmental interests, and potential large load customers.[17]

ARGUMENT

The LLPS Rate Plan is a reasonable way to limit cross-class subsidies as required by §393.130.7.

Senate Bill 4, enacted into law earlier this year, modified §393.130, RSMo., by adding an additional subsection. This subsection states as follows:

> Each electrical corporation providing electric service to more than two hundred fifty thousand customers shall develop and submit to the commission schedules to include in the electrical corporation's service tariff applicable to customers who are reasonably projected to have above an annual peak demand of one hundred megawatts or more. The schedules should reasonably ensure such customers' rates will reflect the customers' representative share of the costs incurred to serve the customers and prevent other customer

[13] *Id.* at p. 17, l. 20- p. 18, l. 2.
[14] *Id.* at p. 7.
[15] Ex. 101, *Direct Testimony of Bradley D. Lutz,* p. 34, l. 16- p. 57, l. 10, Ex. 651, *Rebuttal Testimony of Jessica Polk Sentell.*
[16] Ex. 106, *Testimony in Support of Stipulation and Agreement of Kevin D. Gunn*, p. 17, l. 11-22.
[17] Tr. Vol.3, p. 132, l. 3-13.

> classes' rates from reflecting any unjust or unreasonable costs arising from service to such customers. Each electrical corporation providing electric service to two hundred fifty thousand or fewer customers as of January 1, 2025, shall develop and submit to the commission such schedules applicable to customers who are reasonably projected to have above an annual peak demand of fifty megawatts or more. The commission may order electrical corporations to submit similar tariffs to reasonably ensure that the rates of customers who are reasonably projected to have annual peak demands below the above-referenced levels will reflect the customers' representative share of the costs incurred to serve the customers and prevent other customer classes' rates from reflecting any unjust or unreasonable costs arising from service to such customers.[18]

LLPS Rate Plan contains elements of cost-causation embedded in the tariff to address cross-subsidization issues.[19] The LLPS Rate plan provides numerous provisions to reduce risks from stranded costs and the potential for LLPS costs to be shifted to other customers.[20] In particular, the Cost Stabilization Rider ("CSR") and the Demand Charges are intended to capture incremental transmission and/or interconnection, facilities, and capacity costs driven by large load customers and then apportion costs to them.[21] Transmission provisions allocate direct network impacts to the large load customers causing them.[22]

Additionally, minimum-bill, commitment, and credit standards reduce stranded-cost and cross-subsidy risk.[23] Minimum-bill and term commitments are designed to provide revenue adequacy even if actual usage of a large load customer undershoots forecasts.[24] Credit and collateral standards help reduce the risk of default.[25] Finally, the Commission will have the ability to review and refine rates and tariff terms in future rate cases to ensure the LLPS Rate Plan remains a reasonable way of satisfying §393.130.7, RSMo.

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[18] §393.130.7, RSMo.
[19] Ex. 106, *Testimony in Support of Stipulation and Agreement of Kevin D. Gunn*, p. 10, l. 16- p. 14, l. 5.
[20] Ex. 101, *Direct Testimony of Bradley D. Lutz*, p. 18-21, Ex. 105, *Surrebuttal Testimony of Bradley D. Lutz*, p. 39, l. 12-15, Ex. 550, *Rebuttal Testimony of Dr. Carolyn Berry*, p. 40, Ex. 100, *Direct Testimony of Kevin D. Gunn*, p. 22-25.
[21] Ex. 106, *Testimony in Support of Stipulation and Agreement of Kevin D. Gunn*, p. 10, l. 16- p. 14, l. 5.
[22] Ex. 105, *Surrebuttal Testimony of Bradley D. Lutz*, p. 42, l. 23-p.43, l. 2, p. 39, l. 12-15.
[23] Ex. 106, *Testimony in Support of Stipulation and Agreement of Kevin D. Gunn*, p. 17, l. 10-p. 18, l. 14.
[24] Ex. 101, *Direct Testimony of Bradley D. Lutz*, p. 18, l. 8 – p. 21, l. 4.
[25] *Id.* at p. 19, l. 12- p. 20, l. 12.

Voluntary Riders

Including the voluntary renewable riders contained in the Stipulation is an important component of the overall agreement. The record contains numerous, credible statements from a diverse stakeholder group, including utilities, public interest, and the very customers these tariffs are designed to attract, regarding the critical importance of renewable programs in the success of the LLPS Rate Plan.[26] Robert Dixon, former head of Missouri's Department of Economic Development - the agency responsible for overseeing and developing economic projects for the State - and currently leading Ameren Missouri's economic development efforts, testified based on his years of experience in pursuing and interacting with large load customers that this is absolutely a critical component:

> In my experience in dealing with the new types of large data centers, but as well as existing customers, it's very important to them.· Some have, as we have discussed in proceedings previous and in other venues, they do have stringent corporate sustainability targets that they're trying to meet. Some do not, of course.· But for those that do, it's absolutely part of their overall evaluation of doing business in our area.· I think that's why Evergy brought forward these type of riders.· It's why Ameren has brought forward those types of riders. If you're going to do economic development like this, you need to have those types of options, and the way they're structured, I think that does give customers who want that choice those options and certainly those that don't -- don't need to exercise that.[27] · · ·

Each rider brings a valuable set of benefits for both participating large load customers and all other customers.

The Customer Capacity Rider is "designed to allow large load customers who own generating resources to contract that capacity to the Company and have that capacity apply to their service," with controls ensuring the arrangement is "beneficial operationally and

[26] Ex. 105, *Surrebuttal Testimony of Bradley D. Lutz*, p. 35, l. 17- p. 36, l. 2, Ex. 551, *Surrebuttal of Dr. Carolyn A. Berry*, p. 21, l. 7-19, Ex. 651, *Rebuttal Testimony of Jessica Polk Sentell.*
[27] Tr. Vol 4, p. 131, l. 11-p. 132, l. 2.

economically for the Schedule LLPS customer, all other customers, and the Company."[28] This program not only reduces demand stress on Evergy's system by supplying additional power, but often this additional power is renewable, which is an efficient source of low-cost power.[29]

The Demand Response and Local Generation Rider provides LLPS customers with the ability to reduce their energy bill while providing Evergy with the system reliability benefits and reducing energy costs for all customers at times of high demand.[30] Evergy has experience to run a successful program, as this rider is similarly structured to existing Commission-approved demand response programs.[31] However, the scale and impact of large loads "present an exponentially greater opportunity to support local and regional reliability."[32] This program not only reduces stress on the overall grid and helps keep costs lower for *all* customers but it also encourages energy efficiency and a conscious use of resources.[33] This program will "induce reductions in consumption, either through demand shifting or conservation during hours with the highest" demand. In many instances, local generation is also a renewable form of generation.[34]

The Renewable Energy Program Rider ("RENEW") offers a "transparent and equitable opportunity to purchase unbundled renewable energy credits ("RECs") at a fixed price adjusted annually."[35] Each REC purchased will account for the production of 1 MWh of zero-emissions energy.[36] Not only will RENEW help customers reach their own sustainability goals, but this program will also generate revenue for all Evergy customers.[37] Furthermore, there are Evergy

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[28] Ex. 101, *Direct Testimony of Bradley D. Lutz*, p. 34.
[29] Ex. 651, *Rebuttal Testimony of Jessica Polk Sentell*, p. 6, l. 4-9.
[30] Ex. 101, *Direct Testimony of Bradley D. Lutz*, p. 37.
[31] *Id.* at p. 40.
[32] *Id.*
[33] Ex. 651, *Rebuttal Testimony of Jessica Polk Sentell*, p. 6, l. 18-p. 1.3.
[34] *Id.*
[35] Ex. 101, *Direct Testimony of Bradley D. Lutz*, p. 43.
[36] Ex. 651, *Rebuttal Testimony of Jessica Polk Sentell*, p. 8, l. 6-10.
[37] *Id.*

customers who already purchase or wish to purchase RECs, so there is already established demand for such a program.[38]

The Green Solution Connections Rider ("GSR") was approved by the Commission in In the Matter of the Application of Evergy Missouri West, Inc. d/b/a Evergy Missouri West for Permission and Approval of Certificates of Convenience and Necessity Authorizing It to Construct, Install, Own, Operate, Manage, Maintain and Control Two Solar Generation Facilities.[39] Renew Missouri supports the GSR as it not only helps customers reach their own sustainability goals but it will also help Evergy reach their stated sustainability goals of Scope 1 and 2 net-zero carbon emissions by 2045.[40] Furthermore, generation resources utilized for this rider program have already or will go through the Integrated Resource Planning ("IRP") process, contributing to Evergy's long-term resource planning process.[41] The benefits of Commercial and Industrial ("C&I") customers participating in the GSR include mitigating future bills, supporting additional renewable energy resources, making a positive environmental impact, and taking a leadership position in supporting solar growth and green energy.[42]

The Clean Energy Choice Rider ("CER") permits LLPS customers to be involved in Evergy's IRP process to influence Evergy's future generation asset builds in accordance with the customer's and Evergy's sustainability goals to aid in the procurement of clean energy resources and/or replacement of identified existing resources in lieu of or in addition to Evergy's Preferred Resource Plan.[43] A wide variety of effective and cost-efficient resources can be considered, including distributed energy resources such as demand-side management, energy efficiency, and

[38] *Id.*
[39] EA-2024-0292, *Order Granting Stipulation and Agreement and Granting Certificates of Convenience and Necessity*, issued July 31, 2025.
[40] Ex. 651, *Rebuttal Testimony of Jessica Polk Sentell*, p. 8, l. 19-p. 9, 1.7.
[41] Ex. 101, *Direct Testimony of Bradley D. Lutz*, p. 45, l. 3-7.
[42] Ex. 651, *Rebuttal Testimony of Jessica Polk Sentell*, p. 8, l. 19 – p. 9, l. 7.
[43] *Non-Unanimous Stipulation and Agreement*, para. 37.

battery storage as well as renewable-generating resources.[44] Under this program, Evergy and the requesting customer will execute an agreement determining cost recovery from the customer for the selected resources and any appropriate credit including consideration of any related RECs to the customer's bill.[45] Additionally, the terms and conditions guarantee the customer bears the cost differential and acceleration costs necessary for its proposed alternative resource.[46] Not only will CER help customers reach their own sustainability goals, but it will also help Evergy reach its sustainability goal of attaining net-zero carbon emissions by 2045, aid in the retirement of Evergy's coal plants, and help cover the costs of adding said sustainable generation to Evergy's grid.[47] Evergy states their sustainability goals promote positive financial and environmental performance.[48] Increased clean energy choices will reduce greenhouse gas emissions and thus improve conditions for better health of Missourians as well.[49]

Approving these riders is necessary, as rejecting the riders without offering a "viable near-term alternative, risks driving large load customers to other service territories that can meet their clean energy and speed-to-power needs."[50] Having these riders will allow Missouri to effectively compete in attracting economic development opportunities, as it is a common part of large load tariff design across the country.[51] Furthermore, the additional benefits in the form of off-setting revenues and reduced capacity and system stress provided by these riders are in the interest of all customers, not just large load customers.

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[44] *Id.*
[45] *Id.*
[46] Ex. 105, *Surrebuttal Testimony of Bradley D. Lutz*, p. 36-37.
[47] Ex. 651, *Rebuttal Testimony of Jessica Polk Sentell*, p. 7, l. 10-16.
[48] *Id.*
[49] *Id.*
[50] Ex. 105, *Surrebuttal Testimony of Bradley D. Lutz*, p. 36-37.
[51] Tr. Vol.3, p. 132, l. 3-13.

CONCLUSION

The Stipulation is broadly consistent with national trends in tariffs for service to large load customers.[52] This includes the settlement recently reached by Evergy in its Kansas service territory, with a diverse group of stakeholders, which the Stipulation is largely mirroring.[53] The rates established by the LLPS Plan as modified by the Stipulation are based on an analysis of the revenue requirement, attempt to prevent costs associated with serving large load customers being borne by other customers, and in alignment with ratemaking principles.[54] This is accomplished by LLPS customers paying for incurred system costs above the current embedded cost to serve them.[55] Additionally, the tariff will actually attract large load customers, as it was developed in consultation with large load customers, outside experts, and an eye towards emerging best practices in other jurisdictions.[56]

WHEREFORE, Renew Missouri respectfully submits its *Initial Brief* and requests the Commission approve the Stipulation as the appropriate resolution to each issue for determination in this docket.

Respectfully,

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[52] Ex. 106, *Testimony in Support of Stipulation and Agreement of Kevin D. Gunn*, p. 17, l. 11-22.
[53] *Id.*
[54] Ex. 106, *Testimony in Support of Stipulation and Agreement of Kevin D. Gunn*, p. 18, l. 1-14.
[55] *Id.*
[56] *Id.* at p. 4, l. 18-p. 5, l.9.

Certificate of Service

I hereby certify that copies of the foregoing have been emailed to all counsel of record this 29th day of October 2025.

/s/Nicole Mers