

Exhibit No. 322

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OPC – Exhibit 322
Testimony of Geoff Marke
Supplemental Rebuttal
File No. ER-2024-0189

Exhibit No.:

Issue(s):

Crossroads Transmission

Witness/Type of Exhibit: Marke/Supplemental Rebuttal

Sponsoring Party:

Public Counsel

Case No.:

ER-2024-0189

**SUPPLEMENTAL
REBUTTAL TESTIMONY
OF
GEOFF MARKE**

Submitted on Behalf of the Office of the Public Counsel

**EVERGY MISSOURI WEST, INC. D/B/A
EVERGY MISSOURI WEST**

CASE NO. ER-2024-0189

**

**

Denotes Confidential Information that has been redacted.

October 15, 2025

PUBLIC

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SUPPLEMENTAL REBUTTAL TESTIMONY

OF

GEOFF MARKE

EVERGY MISSOURI WEST

CASE NO.: ER-2024-0189

I. INTRODUCTION

Q. Please state your name, title, and business address.

A. Geoff Marke, PhD, Chief Economist, Office of the Public Counsel (OPC or Public Counsel),
P.O. Box 2230, Jefferson City, Missouri 65102.

Q. What are your qualifications and experience?

A. I have been in my present position with OPC since 2014 where I am responsible for economic
analysis and policy research in electric, gas, water, and sewer utility operations.

Q. Are you the same Geoff Marke who filed direct testimony in this docket?

A. Yes.

Q. What is the purpose of your rebuttal testimony?

A. I am responding to the direct testimony filed by Evergy Missouri West (“Evergy” or “Evergy
West”) witnesses Darrin R. Ives and Kevin D. Gunn regarding the Crossroads 300 MW simple-
cycle, gas fired power generating plant in Clarksdale, Mississippi.

My silence regarding any issue should not be construed as an endorsement of, agreement with,
or consent to Evergy Missouri West’s filed position.

II. CROSSROADS

**Q. Evergy witnesses Gunn and Ives suggest that the “sins of the predecessor (Aquila)”
should not be continued to be imposed on Evergy West. What is your response?**

A. Maintaining the verbiage, I would counter by pointing out that Evergy West is not without sin.
Importantly, their argument, that rests on circumstantial changes, does not negate the basis for

the imprudence disallowance argument but instead highlights the Company's past managerial actions and inactions that have now created the scenario in front of this Commission.

Q. Please explain?

A. While it is true that Crossroads is objectively more valuable today than it was when the Commission first ordered the transmission disallowance in 2011-2013 in its orders in Crossroads I and Crossroads II, this value is only a result of Evergy's decision to prematurely retire the Sibley Power Plant, after that unit was retrofitted with environmental controls, and the Company's failure to build any new generation and rely on the SPP market to serve part of its load.

If Evergy West had not retired Sibley or had built new baseload generation before the current market run the Company could have been in an excellent position to either sell its share of the Crossroads plant at high premium or been in a better position to attract new load than it is today.

In effect, two wrongs do not make a past wrong right.

Q. Mr. Ives implies that Evergy West's credit rating downgrade by Moody's can be rectified by gifting Crossroad transmission costs moving forward. What is your response?

A. Moody's is not the economic regulator overseeing public utility operations in the State of Missouri. That power rests solely on the Missouri Public Service Commission who are responsible for ensuring just and reasonable rates. The fact that Crossroads was mentioned at all in the Moody's report is largely a byproduct of the carve-out from Evergy Missouri West's most recent rate case which states:

** _____

1 _____
2 _____
3 _____
4 _____
5 _____
6 _____
7 _____ **

8 That’s effectively it for Crossroads, but the report does go on to highlight many other facets
9 of Evergy Missouri West’s make-up that contribute to its current rating including customer
10 affordability.

11 **Q. Are you concerned with customer affordability and the knock-on effect it could have**
12 **on its credit impact scores?**

13 A. I am. Make no mistake of it, reversing past Commission orders of managerial imprudence
14 will increase costs onto customers at a time when the Company will be asking customers to
15 shoulder cost increase amounts at levels they will have not experienced to date. Consider
16 for a moment that Evergy West is planning on building approximately 1GW of nameplate
17 generation by 2030 at **_____**. ¹ That generation and the supporting
18 transmission and distribution build-out will be subject to cost premiums driven by the
19 hyperscale demand across the country. Table 1 provides a break-down of annual Plant-In-
20 Service Accounting (“PISA”) estimates by year from Case No. EO-2019-0045.

¹ See EA-2025-0075 Supplemental Direct Testimony of J. Kyle Olson for the natural gas plant cost assumptions and
EA-2024-0292 Direct Testimony of John Carlson for the utility-scale solar cost assumptions.

Evergy Missouri West PISA CAPEX Estimates (top number) and Actuals (bottom number)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total 5-year Projected (millions)	% Increase from Original Filing
2019 Plan	\$166.4 \$169.7	\$166.4	\$129.1	\$114.4	\$124.7							\$700.9	
2020 Plan		\$306.9 \$334	\$341.2	\$273.7	\$224	\$228.2						\$1,374	+ 96%
2021 Plan			\$447 \$504	\$382	\$261	\$356	\$396					\$2,176	+ 210%
2022 Plan				\$380 \$437	\$299	\$488	\$339	\$576				\$2,083	+ 197%
2023 Plan					\$565 \$402	\$324	\$343	\$453	\$433			\$2,116	+ 209%
2024 Plan						\$476 \$418	\$460	\$654	\$654	\$774		\$3,018	+ 330%
2025 Plan							\$689	\$876	\$963	\$1299	\$1150	\$4,977	+ 610 %

To be clear, in six-years, Evergy Missouri West's planned CAPEX investment has increased by 610% with current planned CAPEX investment slated to be approximately \$5B over the next five-years.

Q. Will ratepayers be able to shoulder those costs?

A. I am skeptical. More to the point, adding imprudent transmission costs associated from Crossroads will not make it easier.

Q. Is there anything else the Commission should be aware of in light of those planned investments?

A. Yes. Evergy Missouri West ratepayers will continue to be exposed to volatile market swings and Uri-like price spikes until its recently approved CCN's ** _____
_____ ** come into service in 2030.

Q. Has Evergy made any public statements about affordability?

A. Yes. Evergy CEO and Vice Chair of the Edison Electric Institute David Campbell had a five-page spread in the July 2025 Public Utilities Fortnightly magazine in which the following Q&A was printed:

PUF: To avoid opposition, what's the magic about working with stakeholders so that as many as possible feel like you're trying to do the right thing?

1 **David Campbell:** Evergy's strategic tenets are affordability, reliability, and
2 sustainability. If you ever put too much emphasis on one of those tenets at the
3 expense of the others, you'll get out of balance and run into trouble. Out of balance
4 inevitability creates issues with key constituents.

5 **I always list affordability first** because we provide a product to every customer in
6 our service territory. Particularly for our customers with lower income levels, our
7 bill represents a significant cost relative to their household income.

8 It's equally important to be affordable because we have to be competitive when
9 we're trying to attract businesses. **Affordability is the engine of the economy and**
10 **of the customers we serve. Affordability always matters.**²

11 **Q. What is your response?**

12 A. I struggle to see how Evergy West's actions, particularly in this case, support Mr.
13 Campbell's stated assertions.

14 **Q. Has Public Counsel put forward recommendations that could lead to improved credit**
15 **metrics?**

16 A. Yes. On multiple occasions. Above and beyond the imperative to build generation and
17 minimize wholesale market exposure in filings over the past decade, OPC has supported
18 consolidation of Evergy Missouri's affiliates over multiple rate cases. I would argue that the
19 path forward for affordability and improved credit metrics can be better achieved through
20 economies of scale in the consolidation of Evergy Missouri Metro and West than in finding
21 ways to overturn past Commission orders that correctly imputed transmission costs on
22 imprudent investments.

23 Evergy has taken some initial steps in that consolidation process by engaging stakeholders
24 in discussions, but the ball is in Evergy's court to draw up and execute a path forward.

² See GM-2.

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

2 A. Yes.

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

In the Matter of Evergy Missouri West, Inc. d/b/a)
Evergy Missouri West's Request for Authority to)
Implement A General Rate Increase for Electric)
Service)

Case No. ER-2024-0189

AFFIDAVIT OF GEOFF MARKE

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

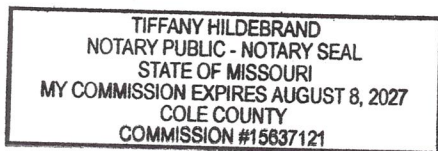
Geoff Marke, of lawful age and being first duly sworn, deposes and states:

1. My name is Geoff Marke. I am a Chief Economist for the Office of the Public Counsel.
2. Attached hereto and made a part hereof for all purposes is my supplemental rebuttal testimony.
3. I hereby swear and affirm that my statements contained in the attached testimony are true and correct to the best of my knowledge and belief.



Geoff Marke
Chief Economist

Subscribed and sworn to me this 15th day of October 2025.



Tiffany Hildebrand
Notary Public

My Commission expires August 8, 2027.