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

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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 an Accounting Authority Order Allowing the Companies to Record and Preserve Costs Related to the February 2021 Cold Weather Event

Case No. EU-2021-0283

## PUBLIC COUNSEL'S MOTION TO DISMISS EVERGY MISSOURI METRO AND EVERGY MISSOURI WEST'S <u>APPLICATION FOR AN AAO FOR STORM URI COSTS</u>

**COMES NOW** the Office of Public Counsel ("Public Counsel") and moves to dismiss Evergy Missouri Metro and Evergy Missouri West's application for an accounting authority order that authorizes them to track and defer in a regulatory asset or a regulatory liability, as appropriate, all of their incremental expenses and revenues caused by Winter Storm Uri, plus carrying costs as follows:

1. In a December 14, 2000, Report and Order by which it rejected an application for an accounting authority order, the Commission stated, "Implicit in the Commission's previous orders regarding requests for AAOs is a requirement that there must be some reason why the expense to be deferred could not be immediately included for recovery in a rate case."<sup>1</sup>

2. Evergy Missouri Metro and Evergy Missouri West do not require a Commission order to identify and track which costs they incur that they attribute to Storm Uri—they can do that in regulatory accounts and subaccounts.

3. They also do not need to defer any amounts as both can file rate cases where their costs, and credits, attributable to Storm Uri can be included in the historical information the

<sup>&</sup>lt;sup>1</sup> Case No. EO-2000-845, pp. 8-9.

Commission principally relies on for projecting the future for designing their future rates, *i.e.*, the historical test year, including any update and true-up periods, the Commission orders.

4. In a May 6, 2021, first quarter 2021 earnings call presentation Evergy stated on page 20 in its appendix to that presentation that it plans Missouri rate cases with an "11-month process setting rates in Dec 2022."

5. Nothing prevents Evergy Missouri Metro and Evergy Missouri West from seeking in those rate cases recovery of their expenses, or return of their cash inflows, that are attributable to Storm Uri. To the extent any of their Storm Uri costs or credits are not measureable at the conclusion of those rate cases (all should be known by then), if warranted, the Commission could authorize them to be tracked, and deferred.

6. In their application Evergy Missouri Metro and Evergy Missouri West state that they plan to utilize the recently passed Missouri securitization legislation (House Bill 734) to address the costs for which they are seeking an AAO to track and defer.

7. Nothing in HB 734, which will not be law until August 28, 2021, requires or contemplates the deferral of any extraordinary storm costs that are to be securitized.

8. Rule 20 CSR 4240-2.116(4) provides, "A case may be dismissed for good cause found by the commission after a minimum of ten (10) days (*sic*) notice to all parties involved."

**WHEREFORE**, having shown above the "good cause" required by rule 20 CSR 4240-2.116(4), the Office of the Public Counsel moves the Commission to dismiss Evergy Missouri Metro and Evergy Missouri West's application for an order authorizing them to track and defer in a regulatory asset or a regulatory liability, as appropriate, all of their incremental expenses and revenues caused by Winter Storm Uri, plus carrying costs.

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Respectfully,

/s/ Nathan Williams

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## **CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 14<sup>th</sup> day of July 2021.

/s/ Nathan Williams