

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

In the Matter of Evergy Metro, Inc. d/b/a	)	
Evergy Missouri Metro's Request for	)	File No. ER-2026-0143
Authority to Implement a General Rate	)	
Increase for Electric Service.	)	

POSITION STATEMENT

Pursuant to the Order Setting Procedural Schedule issued by the Missouri Public Service Commission ("Commission") on March 18, 2026 Google LLC ("Google") hereby files its Position Statement on the issues identified in the Jointly Proposed List of Issues ("Issues List"), as filed by the parties on September 24, 2026. In light of the many issues set forth in the Issues List, Google takes a position only on select issues. To the extent Google does not take a position on a particular issue, Google reserves its right to address those issues during or after the evidentiary hearing and in its post-hearing briefs.

I. Select Issues and Positions

Issue 1.C. What return on common equity should be used for determining rate of return?

The Commission should weigh the mitigation of Evergy's financial risks—associated with both the stabilizing impacts of Schedule LLPS and the strong investor interest in utilities experiencing data center growth—as it seeks to balance utility and customer interests in this proceeding.

Schedule LLPS also establishes a stable, long-term guaranteed revenue stream for Evergy equal to 80% of the contract capacity multiplied by the sum of the Grid Charge plus the Demand Charge regardless of the actual demand by the LLPS customer. It also requires collateral to support this financial obligation and contains termination provisions that maintain revenues even if the customer chooses to exit. This structure provides commercial protections that do not depend upon the general economy, weather, or customer behavior. These features offer significant financial stability which offsets large load risks.

Where there is strong capital market interest in a particular sector, it can create downward pressure on the cost of equity (and consequently the WACC) for companies operating in that space. Past examples of this dynamic include digital infrastructure industries, such as cell phone towers

and fiber optic networks during the internet’s rapid expansion, and more recently, the renewable energy sector amid the broader energy transition. In those instances, robust investor demand helped lower effective equity costs and supported significant capital expansion.

The Commission should weigh these dynamics—specifically, the credit-positive impact of data centers, the financial protections embedded in Schedule LLPS, and the strong investor interest in utilities experiencing data center growth—when seeking a fair balance for both the utility and its customers in the context of this proceeding.¹

Issue 3.A What is the appropriate level of net revenue to reflect in the cost of service and other models for Large Load Power Service (“LLPS”) and other large customers?

The annualized gross revenues for LLPS and other large customers that should be used in the cost of service model is in excess of \$60 million. *** [REDACTED]

***² Determining the “net revenue” for LLPS customers (*i.e.* the gross revenues minus the cost of service specifically attributable to LLPS customers) is not possible at this time because there is no class cost of service study inclusive of LLPS customers because LLPS customers were not part of the test year. Staff’s attempt to impute a class cost of service for LLPS customers relies on faulty assumptions and hypotheticals and should be rejected by the Commission.³ Staff’s faulty methodology is used for its “true up plug” (which purports to represent net revenues from large customers), as well as its FAC “Option 1” and “Option 2” proposals, as further addressed under Issues 22.A through 22.C.

Issue 3.A.i What is the appropriate revenue adjustment for expected future revenues from Schedule LLPS customers in the cost of service model?

The annualized revenues from Schedule LLPS customers that should be used in the cost of service model is *** [REDACTED] ***⁴

Issue 16.E Should the Commission approve the creation of a low-income rate or assistance program that waives EMM’s customer charge for qualifying customers in this case, or should such a program continue to be developed in the Affordability Workshop? If such a program is

¹ Dr. Carolyn A. Berry Revenue Requirement Direct Testimony, at 6:3–9:21 (“Berry RR Direct”).

² Dr. Carolyn A. Berry Surrebuttal Testimony, at 11:3–5 (“Berry Surrebuttal”).

³ See, *e.g.*, Sarah L.K. Lange Revenue Requirement Direct Testimony, at 31:5–8 (explaining Staff’s use of a hypothetical demand and load factor to estimate LLPS revenues); 37:9–16 (explaining Staff’s use of estimated day-ahead locational marginal prices (“DA LMP”) as the basis of estimated energy expenses for serving LLPS customers).

⁴ Berry Surrebuttal, 11:3–5.

approved, should late fees be waived for qualifying customers? If such program is approved, how should the waived revenues be recovered?

As noted in Google’s Comments in the Affordability Docket,⁵ Google supports the creation of energy affordability solutions and recommends these issues be further developed in the Affordability Workshop proceeding.

Issue 21.B How should the allocations be determined for the various elements of the cost of service?

The Commission should reject OPC’s proposed changes to the cost allocation methodology for generation and transmission from the currently used Average and Excess (“A&E”) Four Coincident Peak (“4-CP”) methodology to a new Probability of Dispatch (“POD”) methodology, as insufficiently supported, inconsistent with Evergy’s resource mix, and as exclusively based on hours of energy consumption without consideration of capacity needs.⁶

Issue 22.A Should the Commission authorize EMM to continue its FAC?

Yes, the Commission should approve the FAC methodology used by Evergy as more representative of the costs to serve large load customers. The Commission should reject Staff’s proposed methodologies for the determination of the FAC base factor – Option 1 and Option 2 – finding that: (a) Option 1 is based on inflated energy costs for large load customers, and (b) Option 2 likewise is based on incorrect energy costs for large load customers, is not necessary to protect against cost-shifting, and is inconsistent with the system-wide approach used by Evergy to procure energy.⁷

Issue 22.B Should the general construct of EMM’s FAC be changed?

See Google’s response to Issue 22.A.

Issue 22.C What value should the FAC base factor be set at the conclusion of this case?

Google does not currently take a position on the value of the FAC base factor but the Commission should reject Staff’s proposed methodology for determining the FAC base factor. Staff uses Southwest Power Pool (“SPP”) market-clearing prices as the \$/MWh cost to serve large load customers. Specifically, Staff uses a normalized version of monthly load-weighted average SPP Day Ahead (“DA”) locational marginal prices (“LMPs”). That proposal is flawed for several reasons.

⁵ See Google’s Comments, File No. OW-2026-0085, available at <https://efis.psc.mo.gov/Document/Display/888871>.

⁶ Dr. Carolyn A. Berry Rebuttal Testimony, at 12:1–14:6 (“Berry Rebuttal”).

⁷ *Id.* at 8:12–11:22.

As a starting point, if large customers are like all other customers, then using a different method for determining their energy costs is unjustified. As explained in the Large Load Tariff proceeding, under the SPP joint optimization and market rules, Evergy sells the energy it produces from its generation fleet into the SPP markets at LMP prices and buys the energy it needs to serve its load from the SPP markets at LMP prices. (In a non-RTO market, the same utility would serve its customers from its generation portfolio and do bilateral trading to take advantage of cost-reducing and profit opportunities.) The result of the SPP process is that sales revenue and purchase costs largely net out.

Evergy's FAC base factor methodology is consistent with the SPP process. Evergy uses a system-wide method, based on the modelling of its generation, purchase power costs, and off system sales that fully captures the interaction of these variables resulting in a more accurate cost to serve its large load customers.

In contrast, Staff's methodology does not reflect actual costs incurred and would be inconsistently applied because the energy component of the LMP is typically based on the variable production cost of the most expensive unit operating in a given hour. This means that the cost of energy (or fuel costs) from Evergy's generators used to serve large load customers will be for the most part less than the LMP. Therefore, if Evergy charges large load customers the LMP, but it only costs Evergy the lower fuel costs, there will be an over-recovery of costs.

Accordingly, the Commission should reject Staff's proposed method for determining energy costs for large load customers as inaccurate and not based on the cost to serve and continue Evergy's method instead.⁸

Issue 23.D Should EMM include long-term capacity purchases and sales for recovery in its FAC?

Google does not currently have a position on the inclusion of long-term capacity purchases and sales in the FAC. However, as it relates to Staff and OPC's proposals to recover long-term capacity costs through the Interim Capacity provision in Schedule LLPS, the Commission should reject Staff and OPC's proposal. The Schedule LLPS Interim Capacity provision is voluntary and applies only during an interim period during which the Company cannot serve large load with existing system capabilities. It is a bridge to onboard a customer until sufficient system capacity can be obtained. Although a customer would be responsible for the costs of the Interim Capacity, the obligation is temporary, after which the customer would pay Schedule LLPS rates. The Interim Capacity provision was created for a different purpose and would not accomplish the recovery of long-term capacity purchases to serve large load. Therefore, Staff's proposal to recover long-term capacity costs through a charge to LLPS customers for Interim Capacity should be rejected.⁹

⁸ *Id.* at 6:13–8:7.

⁹ Berry Surrebuttal, at 13:1–10.

Issue 25.A Should changes be made to the FAC to address LLPS customers?

Not at this time. See Google’s response to Issue 22.A.

Issue 25.C Should EMM have a separate FAC base factor for LLPS customers?

No. See Google’s response to Issue 22.C.

Issue 30.A How should all other applicable rates in this case be increased, including lighting, Large Load Power Service, Electric Vehicle Charging, and Time Related Pricing, if applicable?

The Commission should reject Evergy’s proposed increase to LLPS rates and not approve any increase to LLPS rates at this time.¹⁰ The agreed-upon LLPS rates are specified in Exhibit A of the 2025 LLPS Settlement¹¹ and are about 15-17 percent higher than the currently effective LPS rates depending on the customer’s interconnection voltage and load size.

Under the 2025 LLPS Settlement, LLPS “initial pricing shall be consistent with the pricing established in Exhibit A.” Until the first general rate case reflecting a Schedule LLPS customer of 75 MW or greater “in the test year,” the 2025 LLPS Settlement also provides a revenue reallocation mechanism that applies. Until the first general rate case, the difference between revenues collected under the LLPS rate schedule and the revenues that would have been collected from the same customers under the LPS schedule will be identified and reallocated to non-Schedule LLPS customers, solely for Class Cost of Service (“CCOS”) Study purposes in determining the sufficiency of class cost recovery.

In this case, there are no LLPS customers reflected in the test year. Therefore, initial pricing must remain consistent with the pricing established in Exhibit A.

Nevertheless, Evergy seeks to increase the rates of all customer classes 15.19%, including LLPS rates. Applying Evergy’s proposed 15.19 percent increase would widen the gap between LLPS and standard LPS rates.

To underscore how recently the 2025 LLPS Settlement rates went into effect, the final and effective LLPS tariff sheets were not yet available for incorporation into the general rate case filing package at the time of Evergy’s initial filing. This is corroborated by the fact that, by Evergy’s own admission, no proposed clean or redline version of the LLPS tariff was included as part of the initial filing—an omission that is particularly notable given that such a redline constitutes a minimum filing requirement.

¹⁰ See Dr. Carolyn A. Berry’s Rate Design Direct Testimony, at pp. 4–15 (“Berry RD Direct”).

¹¹ See Non-Unanimous Global Stipulation and Agreement, File No. EO-2025-0154, ¶ 14 (Sept. 25, 2025).

The significance of this point, from a regulatory perspective, is straightforward: the LLPS tariff rates are so newly enacted that they could not even be finalized for inclusion in the rate case filing at the time of its submission. Proposing a 15.19 percent increase on top of rates that were the product of a negotiated settlement—and that have barely taken effect—is not supported by the record.

There is nothing in the 2025 LLPS Settlement that requires LLPS rates to increase in lockstep with the LPS rates as proposed by Evergy in this proceeding. Second, the amount of large load included in this rate case is very small and has no associated fixed costs, so there is little cost support for increasing LLPS rates beyond the increase already reflected in the settled rates.

Accordingly, the Commission should reject Evergy’s proposed increase to LLPS rates and not approve any increase to LLPS rates at this time.

Issue 30.A.ii Should Schedule LLPS rates be increased in this proceeding, and if so, by how much?

No. See Google’s response to Issue 30.A.

Issue 31.A What tariff changes or clarifications, if any, should be made to the Large Load Power Service tariff?

OPC makes several identical or similar proposals to Schedule LLPS tariff as it did in File No. EO-2025-0154 (e.g., raising the minimum monthly bill demand threshold to 90%, increasing the contract term length to twenty years, lowering the threshold for Schedule LLPS applicability to 25 MW, requiring Power Usage Effective (“PUE”), Water Usage Effectiveness (“WUE”), and Total Harmonic Distortion (“THD”) studies). These issues were litigated less than a year ago and there is no basis for them to be included now.

Issue 31.B What reporting requirements are appropriate concerning new large loads and load growth?

The Commission should reject OPC’s PUE, WUE, and THD reporting requirement recommendation. See Google’s response to Issue 31.A.

Issue 32.A How should revenue responsibility, including any net revenues from LLPS customers and any reduction to revenues from any income-eligible customer discounts, be apportioned among the customer classes, if at all?

Net revenues from LLPS customers should be reallocated to non-Schedule LLPS customers consistent with Paragraph 14.ii of the Non-Unanimous Settlement Agreement in File No. EO-2025-0154.

Issue 32.B How should customer affordability, including for low- and moderate-income households, be reflected in the rates ordered in this case?

Google does not currently take a position on how customer affordability should be reflected in rates but would highlight that large load customers contribute to customer affordability for other customer classes. As described in Issue 1.A, Schedule LLPS establishes a stable, long-term guaranteed revenue stream for Evergy, which creates downward pressure on Evergy’s cost of equity.

Additionally, as described in Issue 32.A, non-LLPS customers’ revenue requirement is offset by the net revenues from LLPS customers, pursuant to Paragraph 14.ii of the Non-Unanimous Settlement Agreement in File No. EO-2025-0154. Based on an LLPS Revenue Adjustment of \$25 million, the LLPS Premium credit to other customer classes in the class cost of service study is \$3.8 million. Note that the actual LLPS Premium credit in the class cost of service will be higher once LLPS Revenue Adjustment is trued up to \$43 million or more.

Moreover, as described in Issue 37 below, there is general agreement that an earnings sharing mechanism should be implemented in this proceeding. If an earnings sharing mechanism is adopted, customers would receive tangible benefits from revenue sharing.

Issue 32.D How should revenue responsibility for construction work in progress be assigned or allocated among the customer classes?

If the Commission approves recovery of CWIP for Mullin Creek #2 in this case, the Commission should approve the Company’s proposal to allocate the CWIP costs using the A&E 4-CP methodology.

The Commission should reject OPC’s recommendation that all Mullin Creek #2 CWIP-related costs should be allocated entirely to LLPS tariff customers. As the pre-filed testimony explains, there are other factors driving the need for the capacity and energy that will be provided by Mullin Creek #2 in addition to load growth. These include increases in reserve planning margins required by SPP, both recent and future, and other resource adequacy requirements.¹²

Issue 37 Should the Commission implement a mechanism to review or share earnings attributable to Schedule LLPS customers, and if so, how should it be designed?

Yes, the Commission should implement the earnings sharing mechanism proposed in Dr. Carolyn A. Berry’s revenue requirement direct testimony to address the likelihood that actual post-test-year revenues will outpace test-year calculations. Specifically, to ensure Evergy remains highly motivated to attract and proactively serve this new large load, the proposed mechanism would use a two-tiered structure that builds upon an initial “deadband”—a buffer zone where no sharing occurs—as follows:¹³

¹² Berry Surrebuttal, at 13:13–16:2.

¹³ See Berry RR Direct, at pp. 12–14.

- a. 100% Utility Retention (Deadband): Evergy would retain 100% of all earnings up to 25 basis points above the authorized ROE approved in this case.
- b. 75% / 25% Balanced Sharing: Any earnings beyond that 25-basis-point deadband would be shared, with 75% credited to ratepayers to support bill affordability and 25% retained by Evergy.

This balanced approach allows Evergy to be rewarded for successful growth while providing meaningful protection and tangible benefits to its customers. This sharing mechanism should be kept in place at least until cost-based LLPS rates are determined in the next rate case.

Evergy proposed a revenue sharing mechanism that was approved in Kansas. To the extent that this is under consideration in this proceeding, the earnings sharing should be based on actual approved ROE rather than a proxy, apply independently of LLPS revenues, and the Commission should not pre-approve a set of adjustments.¹⁴

MECG proposed an LLPS net revenue tracker to establish a regulatory liability for net revenues in excess of \$25 million. The Commission should reject MECG's proposal because it would require the determination of annual incremental costs to serve the large load customer class outside of a class cost of service study and it is not appropriate to estimate class-specific earnings as a basis for revenue sharing.¹⁵

II. Conclusion

Google respectfully requests that the Commission consider the foregoing Position Statement, which is largely based on the testimony of Dr. Carolyn A. Berry filed on behalf of Google in this proceeding.

Respectfully submitted,

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¹⁴ See Berry Surrebuttal, at pp. 4–7.

¹⁵ See Dr. Carolyn A. Berry True-Up Rebuttal Testimony, at pp. 5–7.

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ATTORNEYS FOR GOOGLE LLC

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been emailed to all parties of record this 25th day of September 2026.

/s/ Frank A. Caro