STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held by telephone and internet audio conference on the 30th day of September, 2020.

In the Matter of the Second Prudence Review of the Missouri Energy Efficiency Investment Act (MEEIA) Cycle 2 Energy Efficiency Programs of Evergy Metro, Inc. d/b/a Evergy Missouri Metro

File No. EO-2020-0227, et al.

ORDER DENYING MOTION TO STRIKE AND CLARIFYING PROCEDURAL SCHEDULE

Issue Date: September 30, 2020

Effective Date: September 30, 2020

This file involves prudence reviews of both Evergy Metro, Inc. and Evergy Missouri

West, Inc. (referenced together as "Evergy").¹ On September 21, 2020, Evergy filed its

motion to strike portions of rebuttal testimony filed by the Office of the Public Counsel's

(Public Counsel) witness, Dr. Geoff Marke. On September 22, 2020, Public Counsel

responded to Evergy's motion.

Evergy's motion claims that Dr. Marke's rebuttal testimony, specifically the portion entitled Section II, is a new argument. Evergy argues that Staff's direct testimony never presents the issue of "the ratio of incentive costs to encourage energy efficiency relative to non-incentive administrative costs."²

¹ File EO-2020-0228 was consolidated into this file on August 5, 2020.

² Motion to Strike Portions of Rebuttal Testimony of The Office of Public Counsel or, in the Alternative, to Allow Evergy Metro, Inc. and Evergy Missouri West, Inc. to Respond in Surrebuttal, filed September 25, 2020, para. 10.

Answering the Commission's direction for a response, the Staff of the Missouri Public Service Commission (Staff) took no position on Evergy's motion or Public Counsel's response, but provided a citation to the portion of Staff's direct testimony referring to administrative costs. The citation was to Staff's Report in the prudence review of Evergy Missouri West, specifically Table 4.³

The Commission has reviewed Dr. Marke's testimony and reviewed Table 4, the table of total costs cited by Staff. The total costs column of Table 4 is the sum of the rebates and program administration columns, which are further broken down by category for the various residential and business programs. Staff's report, on the same page as Table 4, states, "Staff uses the term 'administrative' to mean all costs other than incentives."⁴

On September 29, 2020, Evergy filed a further response to Public Counsel's response to Evergy's motion. Evergy argues that as Table 4 only presents data, Public Counsel's conclusions based on that data is a creation of a new argument, and thus is not truly responsive to Staff's direct testimony.

The Commission reads both Table 4 and Section II of Dr. Marke's testimony to be addressing the same subject matter – that total program costs consist of administrative costs plus incentives. In this case, that subject matter can be expressed in a variety of equations and ratios. The Commission finds that Staff's direct testimony references administrative costs in comparison to total costs, Dr. Marke's testimony was responsive to that testimony and was appropriate rebuttal testimony. Therefore Evergy's motion must be denied.

³ Staff cited the direct testimony of Brad J. Fortson, Schedule BJF-d5, page 15 of 48 (Staff Report).

⁴ Fortson Direct, Schedule BJF-d5, p. 15, Ins. 4-5.

Evergy requested that in the event the Commission did not strike the objected-to portion of Dr. Marke's rebuttal testimony, the Commission should allow Evergy to respond to Dr. Marke's rebuttal testimony in its sur-surrebuttal testimony. The Commission finds Evergy's request to respond to Dr. Marke's rebuttal testimony in its sur-surrebuttal testimony is reasonable. The existing procedural schedule will be modified to clarify that Evergy will be allowed to file sur-surrebuttal testimony to respond to Dr. Marke's rebuttal testimony.

THE COMMISSION ORDERS THAT:

1. Evergy's motion to strike is denied.

2. Evergy's alternative request to be allowed to respond to Dr. Marke's rebuttal testimony in its sur-surrebuttal testimony is granted.

3. The procedural schedule for this case is clarified to explicitly allow Evergy to include a response to Dr. Marke's rebuttal testimony in its sur-surrebuttal testimony.

4. This order shall be effective when issued.



BY THE COMMISSION

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Morris L. Woodruff Secretary

Silvey, Chm., Kenney, Rupp, Coleman, and Holsman CC., concur.

Hatcher, Regulatory Law Judge