## BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In The Matter of the Evergy Kansas Central,	)	
Inc. and Evergy Kansas South, Inc. updated	)	Docket No. 22-EKCE-407-TAR
Transmission Delivery Charge Tariff.	)	

# AMENDED AND SUPPLEMENTAL APPLICATION FOR INTERVENTION OF KANSAS INDUSTRIAL CONSUMERS GROUP, INC. (KIC), SPIRIT AEROSYSTEMS (SPIRIT), OCCIDENTAL CHEMICAL (OXY), AND ASSOCIATED PURCHASING SERVICE CORPORATION (APS)

COMES NOW KIC, Spirit, Oxy, and APS and state to the State Corporation Commission of the State of Kansas ("Commission" or "KCC") in this Amended and Supplemental Application as follows:

- 1. This Amended and Supplemental Application presents statements and facts in addition to (but not in lieu of) the initial Application filed in this Docket by KIC, Spirit, Oxy, and APS, on March 14, 2022. The Amended and Supplemental Application, in part, sets forth the history of the Transmission Delivery Charges ("TDC") made by Evergy Kansas Central (EKC) to retail electric ratepayers in Kansas including Spirit, Oxy, and APS. These TDC charges directly affect Spirit, Oxy, and APS.
- 2. This TDC history demonstrates that TDC charges of EKC have increased by 393.6% in the period 2007-2022, as compared to the CPI Inflation Increase of 26.5% in the same period.
- 3. The TDC charges are about 18-22% of Intervenors total monthly electric bill and are a principal reason why Intervenors contend that EKC does not have regionally competitive retail elective rates. Attached hereto as **Exhibit A**, is a regional

electric rate comparison dated 2020/2021 as prepared by BAI Associates of St. Louis, Missouri. This comparative rate study was prepared from retail electric rate data as submitted to the Edison Electric Institute by investor-owned utilities. This rate comparison study was presented to the Kansas House Utilities Committee on March 3, 2022. This TDC study does not include the increase in TDC charges requested by ECK in this Docket.

#### 4. TDC History

2007 through 2022- CPI Inflation Increase- 26.5% 2007 THROUGH 2022- TDC Increase- 397.6%

KIC Members-TDC is now 18% - 22% of total electric bill from EKC

#### TDC Revenue Requirement by Year in EKC Retail Electric Rates

2007-\$62.3 million 2008-\$72.4 2009-\$104.2 2010-\$110.6 2011-\$127.9 2012-\$164.6 2013-\$176.7 2014-\$217.6 2015-\$224.9 2016-\$231.9 2017-\$244.6 2018-\$231.9 2019-\$248.2 2020-\$251.7 2021-\$289.6 2022-\$310.01

5. The KCC, on May 24, 2018, in KCC Docket No.18-KCPE-095-MER, ordered a Base Rate Moratorium for the retail electric rates of Evergy Kansas Central (EKC). Since 2018, the TDC charges of EKC have increased \$85.730 million.

TDC Adjustments

Date	Increase	Decrease
April 2018	\$31,456,832	
April 2019		\$7,697,765*
April 2020	\$3,478,797	
April 2021	\$38,091,942	
April 2022 proposed	\$20,400,559	

Net Increase = \$85,730,365
\*2019 decrease impacted by federal tax cuts

- 6. In its Order dated November 23, 2021 in KCC Docket No. 21-EKME-088-GIE, the Commission noted the importance of regionally competitive electric rates for EKC. KIC respectfully requests that the Commission, in its order in this Docket, state The Commission's position on the TDC that permits the annual pass through of FERC transmission charges, and the impact of the TDC on the Commission's efforts to order regionally competitive electric rates for EKC, consistent with the directive of the Kansas Legislature.
  - 7. In its Order dated November 23, 2021, the Commission stated:

"It is important that Evergy and other Kansas Utilities achieve and maintain regionally competitive retail rates, ..." (p.12).

"The overwhelming majority of public comments expressed concern over the costs associated with the STP and potential impact on retail rates. The Commission shares those concerns." (p.13-14).

8. On February 28, 2022, in KCC Docket No. 19-KCPE-096-CPL, EKC set forth its projected Transmission capital expenditures for 2022-2025:

2022- \$343 million 2023- \$427 million 2024- \$446 million 2025- \$388 million

These Transmission capital expenditures are to be contrasted to the following as noted in the Westar/EKC SEC 10-K Annual Report, at p. 42;

2011- \$188.8 million 2012- \$136.5 million 2013- \$200.7 million 2014- \$197.4 million

The increase in Transmission capital expenditures for the stated period of 2022-2025 is an annual average increase of 121.7%.

9. The increase in EKC Transmission capital expenditures in the period 2022-2025 will cause further material increases in EKC retail electric rates.

Respectfully submitted,

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Regional Electric Rate Comparison 2020/2021 Sorted by Residential				
Muncipal Utilities	State	Residential (¢/kWh)		Industrial (¢/kWh)
McPherson BPU	KS	7.35	6.22	4.66
City of Russell	KS	10.17	9.42	7.25
Omaha Public Power District	NE	13.07	9.83	7.9
Kansas City BPU	KS	14.57	11.78	8.4
Independence Power & Light	МО	15.14	13.42	9.88
Investor Owned Utilities (IOU)				
OG&E Electric Services	OK .	8.91	6.5	3.94
Public Service Company of OK	ОК	9.33	5.94	3.83
Ameren Missouri	МО	10	7.71	5.76
Southwestern Electric Power	AR	10.35	7.82	5.61
MidAmerican Energy	IA	10.77	7.34	5.58
Public Service Company of CO	со	11.41	10.11	6.22
Evergy Missouri West	МО	11.46	8.36	6.12
Evergy Kansas Central	KS	12.44	10.5	7.55
Evergy Kansas Metro	KS	12.86	10.74	8.19
Evergy Missouri Metro	MO	13.09	10.78	7.5

#### Notes:

Municipal rates include charges for the PILOT and are calculated using current rates and the same billing determinants as IOU rates

IOU rates are weighted averages of 4 months summer and 8 months of winter Edison Electric Institute rates and does not include any special contract rates.

#### **VERIFICATION**

STATE OF KANSAS	)
	) ss:
COUNTY OF JOHNSON	)

James P. Zakoura, being duly sworn upon his oath, deposes and states that he is the Attorney for the Kansas Industrial Consumers Group, Inc., that he has read and is familiar with the foregoing Amended and Supplemental Application for Intervention of Kansas Industrial Consumers Group, Inc. (KIC), Spirit AeroSystems (Spirit), Occidental Chemical (Oxy), and Associated Purchasing Service Corporation (APS), and the statements therein are true to the best of his knowledge, information, and belief.

James P. Zakoura

SUBSCRIBED AND SWORN to before me this 16th day of March, 2022.

My Appointment Expires:

NOTARY PUBLIC - State of Kansas MARY NICOLE O'LAUGHLIN My Appt. Expires 4 23 2625

### **CERTIFICATE OF SERVICE**

I hereby certify that on this 16th day of March 2022, the foregoing Amended and Supplemental Application for Intervention of Kansas Industrial Consumers Group, Inc. (KIC), Spirit AeroSystems (Spirit), Occidental Chemical (Oxy), and Associated Purchasing Service Corporation (APS), was electronically filed with the Kansas Corporation Commission and that one copy was delivered electronically to all parties on the service list as follows:

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