

**BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

In the Matter of the Application of Evergy Metro,)
Inc. d/b/a Evergy Kansas Metro for Approval of its) Docket No. 23-EKME-638-ACA
2022 Actual Cost Adjustment (“ACA”).)

**APPLICATION FOR APPROVAL OF 2022 ACTUAL COST ADJUSTMENT
 (“ACA”) FILING AND MOTION FOR PROTECTIVE ORDER**

COMES NOW, Evergy Metro, Inc. d/b/a Evergy Kansas Metro (“Evergy Kansas Metro” or “Company”), f/k/a Kansas City Power & Light Company (“KCP&L”)¹, and files this Application with the State Corporation Commission of the State of Kansas (“Commission” or “KCC”) for approval of its Actual Cost Adjustment (“ACA”) filing, which sets forth the annual true-up reconciliation for the preceding Energy Cost Adjustment (“ECA”) year ending December 31, 2022. In support of its Application, Evergy Kansas Metro states as follows:

1. Evergy Kansas Metro is a vertically integrated electric public utility company under the jurisdiction of the Commission that is engaged in the production, transmission, delivery and furnishing of power within the meaning of K.S.A. 66-104, in legally designated areas of Kansas. Evergy Kansas Metro holds a certificate of convenience and authority issued by the Commission, authorizing the Company to engage in such utility business. Evergy Kansas Metro has previously filed with the

¹ Effective October 8, 2019, Evergy Kansas Metro adopted the service territory and tariffs of KCP&L; *Order Approving Name Change*, Docket No. 20-KCPE-122-CCN, dated October 8, 2019.

Commission certified copies of its Articles of Incorporation under which it was organized, its Certificate of Registration as a Foreign Corporation authorized to do business in Kansas, and all amendments thereto and restatements thereof, and the same are incorporated herein by reference.

2. In addition to the undersigned, all correspondence, pleadings, orders, decisions and communications regarding this proceeding should be sent to:

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3. For each ECA year, all components of Evergy Kansas Metro's ECA mechanism, including fuel and purchased power costs, off-system sales margins, and other components of the ECA tariff are forecasted pursuant to the ECA Tariff. On or

before December 20 each year, the Company is required to provide Staff with its forecasted ECA factors and supporting documentation for each of the twelve months of the following ECA year. The factors for January-March of the ECA year are required to be based upon this forecast. On a quarterly basis, the Company is required to then re-forecast monthly factors for each remaining month of the ECA year and provide such factors and supporting documentation to Staff on or before March 20, June 20, and September 20.

4. Evergy Kansas Metro has complied with the above requirements by filing the reports required by the ECA tariff and providing the same to Staff. In Docket No. 08-KCPE-677-CPL, a compliance docket set up specifically for the ECA tariff filings, the Company made compliance filings on December 20, 2021, March 18, 2022, June 20, 2022 and September 20, 2022 for the 2022 ECA year.

5. Pursuant to Evergy Kansas Metro's ECA Tariff, the Company must file an annual report each year by March 1st. Evergy Kansas Metro has filed this Application to comply with the annual reporting requirement and to provide a true-up reconciliation for the 2022 ECA year, otherwise known as the ACA. This Application and all supporting testimony and schedules comprise the required annual report.

6. As ordered by the Commission on June 23, 2022 in the Order Approving Non-Unanimous Stipulation and Agreement in Docket No. 21-EKME-329-GIE, the Company is returning \$37,865,107 in this ACA filing due to favorable off-system sales margins as a result of the mid-February 2021 cold weather event known as Winter Storm Uri.

7. Along with this Application, two witnesses are filing supporting testimony on behalf of Evergy Kansas Metro. This testimony discusses in detail the components of the calculation of the under-recovery of energy costs for the ACA year ending December 31, 2022. The Company believes that the fuel and energy costs that were passed through the 2022 ACA year were just and reasonable, in accordance with the terms of its Commission-approved ECA tariff, and consistent with industry standards.

8. Ms. Elizabeth A. Herrington, Director, Power, Energy and Revenue Accounting, is submitting testimony regarding the data and calculations used to develop the ACA factor, including the components of costs, allocation of costs to off-system sales, and the retail allocation to Kansas of both the costs and off-system sales margins. She also provides a description of Schedule EAH-2, which sets forth the annual calculation of the true-up of energy costs for the ECA year ending December 31, 2022.

9. Ms. Jessica L. Tucker, Senior Manager, Fuels and Emissions is submitting testimony regarding multiple issues, including: (1) a summary of the information that was provided by Evergy Kansas Metro in the quarterly 2022 ECA submittals and the determination of the ACA factor to be contained in Evergy Kansas Metro's rates; (2) a comparison of Evergy Kansas Metro's projected 2022 ECA to the 2022 ACA; (3) a discussion of the Company's fuel procurement planning and practices and why its fuel costs are reasonable and prudent, and (4) a summary of the cost effects on one part of the Southwest Power Pool ("SPP") Integrated Market ("IM"), namely the impact on consumer power prices due to the combined balancing authority of the IM.

10. Witness Ms. Elizabeth Herrington provides additional details in her testimony on the variances. As detailed in Confidential Schedules EAH-2 and EAH-3, the annual calculation of the ACA resulted in an under-recovery of \$11,108,963 for the ECA year ending December 31, 2022. This under-recovery is offset by favorable off-system sales margins of \$37,865,107 as a result of the mid-February 2021 cold weather event known as Winter Storm Uri. The total amount to return to customers is \$26,756,144, or \$11,108,963 less \$37,865,107, and results in a proposed ACA factor of (\$0.00415) per kWh, which will decrease the ECA factors for each month beginning April 2023 through March 2024. The current ACA factor of \$0.00240 resulted from an under-recovery of \$15,440,157 from the ECA year ending December 31, 2021. The average monthly impact to a Residential customer using 1,059 kWh per month is a credit of \$4.39, or a decrease of \$6.94 per month compared to the prior ACA.

11. As part of the current filing, Schedule EAH-1, the Company has calculated its actual 2022 UE1 Allocator to allocate off-system sales margins to Evergy Kansas Metro retail ratepayers within the context of the ECA tariff.

12. The majority of the information included in Schedules EAH-2, EAH-3, JLT-1 and JLT-2 is confidential and the Company requests that it be treated as such by the Commission and Staff pursuant to K.S.A. 66-1220a and K.A.R. 82-1-221a. K.S.A. 66-1220a limits the disclosure of trade secrets or confidential commercial information of regulated entities. K.A.R. 82-1-221a also provides standards for the safekeeping of a regulated entity's confidential commercial information. The information contained in the Schedules and submitted to Staff is confidential because it contains information that has not been disclosed to the public and, if disclosed, could place the Company at a

competitive disadvantage in negotiating future fuel contracts. As such, Evergy Kansas Metro hereby requests that the Commission issue a Protective Order in this docket to govern the disclosure and dissemination of confidential information.

WHEREFORE, the Company requests that the Commission: (1) approve its ACA, as detailed in the Schedules filed concurrently herewith, which set forth the annual true-up reconciliation for the preceding ECA year ended December 31, 2022; (2) approve the ACA factor as detailed in paragraph 9 above and in the Schedules filed concurrently herewith; (3) accept its 2022 UE1 Allocator as set forth in the Schedules filed concurrently herewith; and (4) issue a Protective Order in this docket to govern the disclosure and dissemination of confidential information.

Respectfully submitted,

/s/ Cathryn J. Dinges

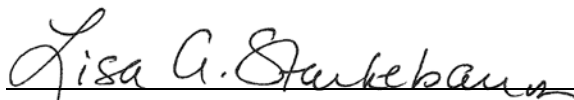
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COUNSEL FOR EVERGY KANSAS METRO

VERIFICATION

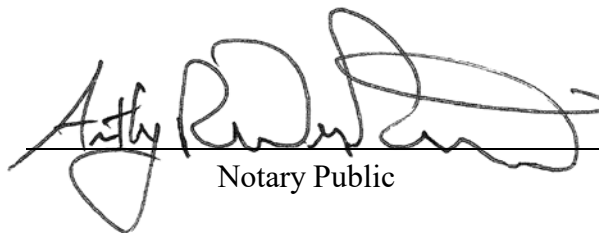
STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

The undersigned, Lisa A. Starkebaum, upon oath first duly sworn, states that she is the Manager, Regulatory Affairs of Evergy, Inc., that she has reviewed the foregoing Application, that she is familiar with the contents thereof, and that the statements contained therein are true and correct to the best of her knowledge and belief.



Lisa A. Starkebaum
Manager, Regulatory Affairs of Evergy, Inc.

Subscribed and sworn before me this 1st day of March 2023.



Notary Public

My Commission expires:

4/26/2025



CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that a true and correct copy of the above was emailed, this 1st day of March 2023 to all parties of record as listed below:

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with a courtesy copy to:

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/s/ Cathryn J. Dinges _____

Cathryn J. Dinges