# THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners: Andrew J. French, Chairperson

Dwight D. Keen Annie Kuether

In the Matter of the Application of Evergy	)	
Kansas Metro Transmission Delivery Charge	)	Docket No. 24-EKME-641-TAR
Tariff	)	

# ORDER ACKNOWLEDGING EFFECTIVE DATE OF TRANSMISSION DELIVERY CHARGE SUBJECT-TO-REFUND PURSUANT TO K.S.A. 66-1237

NOW, the above-captioned matter comes before the State Corporation Commission of the State of Kansas ("Commission") for consideration and decision. Having reviewed its files and records, the Commission makes the following findings:

## I. Background

- 1. On March 20, 2024, Evergy Metro, Inc., d/b/a Evergy Kansas Metro ("Evergy Metro" or "Evergy") filed an updated 2024 Transmission Delivery Charge ("TDC") tariff with the Commission.<sup>1</sup> The Commission's September 10, 2015 Order in Docket No. 15-KCPE-116-RTS approved Evergy Metro's (formerly known as "Kansas City Power & Light Company", or "KCP&L") TDC Rider.<sup>2</sup> The TDC Rider mechanism is authorized by K.S.A. 66-1237.
- 2. In accordance with K.S.A. 66-1237(a), Evergy Metro's updated TDC tariff contained revisions to the rates for electric transmission service to Evergy Metro's retail customers. Evergy Metro is required to submit a report to the Commission at least 30 business

<sup>&</sup>lt;sup>1</sup> Evergy Kansas Metro Transmission Delivery Charge Tariff (Mar. 20, 2024) ("Application").

<sup>&</sup>lt;sup>2</sup> Order on KCP&L's Application for Rate Change, Docket No. 15-KCPE-116-RTS (Sep. 10, 2015).

days before changing its TDC.<sup>3</sup> Evergy Metro requested an effective date of May 1, 2024, which is 42 days after its filing on March 20, 2024.<sup>4</sup>

### II. Jurisdiction and Standard of Review

- 3. The Commission holds full power, authority and jurisdiction to supervise and control Evergy Metro as an electric public utility pursuant to K.S.A. 66-101. The Commission holds jurisdiction over Evergy Metro's rates and terms of service under K.S.A. 66-101b.
- 4. K.S.A. 66-101b states any rates charged by Evergy Metro must be just and reasonable and that the rates may not be unreasonably discriminatory or unduly preferential.
- 5. K.S.A. 66-1237(a) provides, in part, that any electric utility subject to the Commission's jurisdiction may seek to recover costs associated with transmission of electric power through a TDC Rider, so long as those costs are consistent with the determination of transmission-related costs made by a regulatory authority with legal jurisdiction over the electric transmission system.

## 6. K.S.A. 66-1237(c) provides in full:

(c) All transmission-related costs incurred by an electric utility and resulting from any order of a regulatory authority having legal jurisdiction over transmission matters, including orders setting rates on a subject-to-refund basis, shall be conclusively presumed prudent for purposes of the transmission delivery charge and an electric utility may change its transmission delivery charge whenever there is a change in transmission-related costs resulting from such an order. The commission may also order such a change if the utility fails to do so. An electric utility shall submit a report to the commission at least 30 business days before changing the utility's transmission delivery charge. If the commission subsequently determines that all or part of such charge did not result from an order described by this subsection, the commission may require changes in the transmission delivery charge and impose appropriate remedies, including refunds.

<sup>&</sup>lt;sup>3</sup> K.S.A. 66-1237(c).

<sup>&</sup>lt;sup>4</sup> See Application, p. 1.

#### III. Discussion

- 7. As provided by K.S.A. 66-1237(c), all transmission-related costs incurred by an electric public utility that resulted from an order of a regulatory authority having legal jurisdiction over transmission matters are conclusively presumed prudent. The Federal Energy Regulatory Commission, or "FERC", is the regulatory authority with legal jurisdiction over transmission matters. The Commission does not have discretion over transmission matters, but is instructed by K.S.A. 66-1237(c) to presume Evergy Metro's 2024 TDC filing is prudent.
- 8. Although FERC has jurisdiction over transmission-related costs, the Commission has authority to issue an order setting the TDC rates subject-to-refund.<sup>5</sup> If the Commission, after detailed review of Evergy Metro's filing, subsequently determines that all or part of the TDC rate does not comply with K.S.A. 66-1237, the Commission may require changes in the TDC and impose appropriate remedies, including refunds.<sup>6</sup>

### IV. Findings and Conclusions

- 9. The Commission finds that Evergy Metro submitted a report updating its TDC tariff on March 20, 2024, thereby providing notice at least thirty (30) business days prior to the requested effective date of May 1, 2024. This comports with the language of K.S.A. 66-1237(c).
- 10. The Commission, according to K.S.A. 66-1237(c), presumes the charges represented to have been incurred by Evergy Metro are prudent, and finds that the true-up to Evergy Metro's TDC tariff is necessary to compensate Evergy Metro for the transmission expense incurred by the utility to supply retail energy to its customers. Accordingly, the Commission at this time finds no reason to delay the implementation of Evergy Metro's revised TDC rates.

<sup>&</sup>lt;sup>5</sup> See K.S.A. 66-1237(c).

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11. The Commission notes that K.S.A. 66-1237(c) provides that, if after Evergy Metro

has changed its TDC, the Commission determines that all or part of the TDC did not result from

an order described in K.S.A. 66-1237(c), the Commission may require changes in the charge and

impose appropriate remedies, including refunds.

12. The Commission concludes that Evergy Metro's proposed TDC rates filed March

20, 2024 should become effective May 1, 2024, on a subject-to-refund basis while the Commission

conducts its review of Evergy Metro's revised 2024 TDC.

THEREFORE, THE COMMISSION ORDERS:

A. Evergy Metro's Transmission Delivery Charge, as filed in its Application on March

20, 2024, shall go into effect on May 1, 2024, subject to Commission review, possible changes to

the charge, and subject to appropriate remedies, including refunds.

B. Any party may file and serve a petition for reconsideration pursuant to the

requirements and time limits established by K.S.A. 77-529(a)(1).

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 04/16/2024

Lynn M. Retz

**Executive Director** 

Lynn M. Ret

**CRM** 

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## **CERTIFICATE OF SERVICE**

#### 24-EKME-641-TAR

I, the undersigned, ce	ertify that a true cop	y of the attached	l Order has bee	n served to the	following by r	means of
electronic service on	04/16/2024	<del>-</del>				

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/S/ KCC Docket Room

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