

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

In the Matter of the Joint Application of Evergy)
Kansas Central, Inc., and Evergy Kansas)
Metro, Inc., for Approval of Limited Large) Docket No. 25-EKCE-223-TAR
Customer Economic Development Discount)
Rider.)

NOTICE OF FILING OF STAFF'S REPORT AND RECOMMENDATION

COMES NOW, the Staff of the Kansas Corporation Commission ("Staff" and "Commission", respectively) and files the instant Report and Recommendation ("R&R") regarding Staff's review of Evergy Kansas Central, Inc. & Evergy Kansas South, Inc. (together, "Evergy Kansas Central") and Evergy Kansas Metro, Inc. (collectively, "Evergy") Joint Application seeking modifications to its Large Economic Development Rider ("LEDR") tariffs to conform with Kansas House Bill 2527 ("HB 2527").

The proposed language is the same in both Evergy Kansas Central and Evergy Kansas Metro's LEDR respective tariffs. Staff reviewed the proposed changes and recommended that the Commission find that the tariffs comply with HB 2527. Staff therefore recommended that the Commission approve Evergy's Joint Application in the above-captioned docket.

WHEREFORE, Staff submits its Report and Recommendation for Commission review and consideration and for such other relief as the Commission deems just and reasonable.

Respectfully submitted,

/s/ Madisen K. Hane

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REPORT AND RECOMMENDATION UTILITIES DIVISION

TO: Andrew J. French, Chairperson
Dwight D. Keen, Commissioner
Annie Kuether, Commissioner

FROM: Douglas Hall, Senior Rate Analyst
Janet Buchanan, Deputy Director of Utilities
Justin Grady, Director of Utilities

DATE: June 10, 2025

SUBJECT: Docket No. 25-EKCE-223-TAR: Evergy Joint Application

EXECUTIVE SUMMARY

On November 22, 2024, Evergy Kansas Central, Inc. & Evergy Kansas South, Inc., (together, “Evergy Kansas Central”) and Evergy Metro, Inc. (“Evergy Kansas Metro”) filed a Joint Application (collectively, “Evergy”) requesting approval of modifications to the Large Economic Development Rider (“LED R”) Tariffs for both Evergy Kansas Central and Evergy Kansas Metro to conform with changes to Kansas House Bill 2527 (“HB 2527”). HB 2527 went into effect on July 1, 2024.¹

Staff reviewed the proposed changes to the LED R Tariffs for Evergy Kansas Central and Evergy Kansas Metro and concluded that they conform with HB 2527. Therefore, Staff recommends that the Commission approve Evergy’s Application.

BACKGROUND

The Commission has previously approved language changes to Evergy’s LED R Tariffs based upon changes in Kansas Law. On July 1, 2020, the Senate Substitute for HB 2585 by Committee on Utilities (“HB 2585”) went into effect, which in part amended K.S.A. 66-101j by authorizing the Commission to approve contract rates that are *not* based on a facility’s cost of service if certain

¹ See 2024 Kansas Legislature HB 2527, available at https://kslegislature.gov/li_2024/b2023_24/measures/hb2527/. In relevant part, H.B. 2527 amended K.S.A. § 66-101j.

criteria are met showing that the continued operation of the facility is in the public interest.² Additionally, the bill authorized electric utilities to offer discounted economic development rates to commercial customers meeting certain criteria.³

After the enactment of HB 2585, Evergy filed a revised LEDR Tariff in Docket No. 21-EKCE-318-TAR (“21-318 Docket”), which proposed changes for all Evergy service areas based upon HB 2585.⁴ Staff and the Citizens’ Utility Ratepayer Board (“CURB”) supported the changes because they agreed they were made to comply with updated Kansas law.⁵ The Commission ultimately approved the updated LEDR Tariffs.⁶

On, July 1, 2024, HB 2527 went into effect, amending K.S.A. 66-101j further; the specific changes will be discussed in detail below. On November 22, 2024, Evergy Kansas Central and Evergy Kansas Metro filed a Joint Application in the above-captioned docket requesting approval of modifications to its respective LEDR Tariffs. The proposed changes to the LEDR Tariffs are made to conform to changes to Kansas law set forth in Kansas House Bill HB 2527.

ANALYSIS

Evergy’s LEDR Tariff, included as Attachment A to this R&R, reflects several changes to comply with Section 3 of HB 2527, included as Attachment B to this R&R, which is comprised of eight subparagraphs. The language in the body of the Evergy Kansas Central and Evergy Metro versions of the tariff are identical, so Staff treats these versions as a single tariff for the purpose of its analysis. Staff will examine each revision of HB 2527 in order and compare it to the tariff language to ensure compliance with the entirety of Section 3 of HB 2527.

Section 3(b)(1)(B)(vi)

The sole change in this paragraph is the removal of the word “or” at the end of the section. This is not a trivial change, because HB 2585 had two sets of criteria that a larger customer could meet to receive a discounted rate under the LEDR, and the removal of the word “or” makes room for a third set of criteria in Section 3(b)(2). Evergy’s tariff also reflects the removal of the word “or”.

Section 3(b)

This portion of Section 3 is new and serves to lay out a new set of criteria under which a large customer can receive an economic development discounted rate. It reads as follows:

² Previously, the statute only allowed approval of contract rates outside of a general rate proceeding based on the utility’s incremental cost of service for a facility. *See* 2020 Kansas Legislature HB 2585, available at https://kslegislature.gov/li_2020/b2019_20/measures/documents/hb2585_enrolled.pdf.

³ *See id.*

⁴ *See* Tariff for Evergy Kansas Central, Inc., p. 1, 21-318 Docket (Feb. 22, 2021).

⁵ *See* Notice of Filing of Staff Report and Recommendation, p. 7, 21-318 Docket (Mar. 19, 2021), CURB’s Response to Staff’s Report and Recommendation, 21-318 Docket, p. 4 (Mar. 25, 2021).

⁶ Order Approving Limited Large Customer Economic Development Discount Rider Tariffs, 21-318 Docket (Apr. 8, 2021).

- (2) a peak demand that is reasonably projected to be at least 300 kilowatts within two years of the date the customer first receives service under the discounted rate and is not the result of shifting existing demand from other facilities of the customer in the electric utility's certified territory and:
 - (A) An annual load factor that is reasonably projected to be at least 55% within two years of the date the customer first receives service under the discounted rate; and
 - (B) the facility shall, once first achieved, maintain the peak demand and load factor for the remaining duration of the discounted rate; or
- (3) a peak demand that is reasonably projected to be at least 300 kilowatts 25 megawatts within two years of the date the customer first receives service under the discounted rate ...

In Evergy's proposed LEDR, Section 2 under Availability uses almost identical language; the only changes are stylistic and do not change the meaning of the criteria. This language was also reviewed by Staff and approved by the Commission in the 21-318 Docket.

Paragraph (b)(3) has been renumbered from its counterpart in HB 2585 due to the addition of a third set of qualifying criteria. The sole change is that the peak demand requirement raised from 300 kilowatts to 25 megawatts. Evergy's proposed LEDR reflects this change in Section 3 under Availability, and otherwise uses the previously approved language from the current LEDR.

Section 3(c)

This paragraph lays out the duration of the economic development discounted rates. In HB 2585, the maximum duration specified was five years. Revisions in HB 2527 expand on the requirements and read as follows:

...for each year of service under the discount for a period of up to:

- (1) Five years to facilities that qualify pursuant to subsection (b)(1) or (b)(2); and
- (2) 10 years to facilities that qualify pursuant to subsection (b)(3).

Evergy specifies the duration of the discount under its Calculation of Discount section, with subsections 1 and 2 using identical language to that found in HB 2527.

Section 3(d)

This paragraph specifies limits for economic development discounts based on which set of criteria the customer qualifies for, and reads as follows:

(d) (1) For discounts to facilities that qualify pursuant to subsection (b)(1), the average of the annual discount percentages shall not exceed 20% except that such discounts may be between 5% and 30% in any year of such five-year period.

(2) For discounts to facilities that qualify pursuant to subsection (b)(2), the average of the annual discount percentages shall not exceed 40%, except that such discounts may be between 20% and 50% in any year of such five-year period.

(3) For discounts to facilities that qualify pursuant to subsection (b)(3), the average of the annual discount percentages shall not exceed:

(A) For the first five years of the discount period, 40%, except that such discounts may be between 20% and 50% in any year of such five-year period; and

(B) for the final five years of the discount period, 20%, except that such discounts may be between 10% and 30% in any year of such five-year period.

Subparagraphs (1), (2), and (3) are mirrored in Evergy's proposed LEDR as subsections 3, 4, and 5, respectively, of the Calculation of Discount section.

Section 3(e)

This paragraph has been replaced in HB 2527, and reads as follows:

(1) Except as provided in paragraph (2), on or after July 1, 2024, the difference in revenues generated by applying the discounted rates authorized pursuant to this section and the revenues that would have been generated without such discounts shall not be imputed into the electric public utility's revenue requirement.

(2) Any reduction in revenue resulting from any discount provided pursuant to this section that was tracked by the public utility and deferred to a regulatory asset prior to July 1, 2024, shall be recoverable in any general rate proceeding initiated on or after July 1, 2024, through an equal percentage adjustment to the revenue requirement responsibility for all customer classes of the public utility, including the customer classes that include customers qualifying for discounts pursuant to this section.

This text is used verbatim in the Ratemaking section of Evergy's LEDR, excepting a change in language to refer to the text of HB 2527.

Section 3(h)

This paragraph is new to HB 2527, and reads as follows:

An electric public utility shall be authorized to only implement discounted rates for facilities that qualify for such discounted rates pursuant to subsection (b)(3) until December 31, 2030, except that, upon application by such public utility, the

commission may authorize the public utility to continue to implement such discounted rates for facilities that qualify for such discounted rates pursuant to subsection (b)(3) until December 31, 2036. Any such application shall be filed with the commission on or before December 31, 2028. The commission shall issue a determination on an application filed pursuant to this subsection within 240 days of the date that such application is filed. If requested by the public utility, an intervenor in the application docket or commission staff, the commission shall hold a hearing on such application.

When considering and making a determination upon such application, the commission may consider factors that the commission deems just and reasonable and condition the commission's determination on any factors that are relevant to the discounted rates for facilities that qualify for such discounted rates pursuant to subsection (b)(3). If the commission denies the public utility's application, such denial shall only act to prohibit the public utility from implementing discounted rates for facilities that qualify for such discounted rates pursuant to subsection (b)(3) after December 31, 2030, and shall not otherwise affect or terminate any discounted rates implemented by the public utility pursuant to this section or any regulatory or ratemaking treatment of such discounted rates.

Paragraph 3(h) is not included in Evergy's proposed LEDR. However, because the paragraph sets forth limitations on a public utility's ability to implement discounted rates and a process to extend that authorization, and further, does not affect or otherwise set limitations on presently discounted rates, Staff does not believe that the omission from the tariff of this paragraph has an impact on customers.

Section 3(i)

The sole change in this paragraph is replacing the word "prescribed" with "defined." This language did not appear in either the previous or proposed version of Evergy's LEDR, and it does not have any effect on the proposed LEDR.

Conclusion

Based on a review of the text of HB 2527 and Evergy's proposed LEDR, Staff concludes that the proposed tariff conforms with HB 2527 and should be approved.

RECOMMENDATION

Staff recommends that the Commission find that Evergy's revised LEDR conforms with HB 2527 and therefore approve the Joint Application and accept the proposed tariff changes.

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THE STATE CORPORATION COMMISSION OF KANSASEVERGY KANSAS CENTRAL, INC. & EVERGY KANSAS SOUTH, INC., d/b/a/ EVERGY KANSAS CENTRAL SCHEDULE LEDR

(Name of Issuing Utility)

Replacing Schedule LEDR Sheet 1EVERGY KANSAS CENTRAL RATE AREA

(Territory to which schedule is applicable)

which was filed May 8, 2021No supplement or separate understanding
shall modify the tariff as shown hereon.

Sheet 1 of 5 Sheets

LIMITED LARGE CUSTOMER ECONOMIC DEVELOPMENT DISCOUNT RIDER**PURPOSE:**

The purpose of this Limited Large Customer Economic Development Rider (Rider) is to provide discounts from standard rates for electric service for new or expanded facilities of industrial or commercial customers that are not in the business of selling or providing goods or services directly to the general public in compliance with Kansas House Bill No. 2527, approved on April 18, 2024.

AVAILABILITY:

Electric service under this Rider shall be limited to new or expanded facilities of industrial or commercial customers that are not in the business of selling or providing goods or services directly to the general public and that meet either of the following requirements Nos. 1, 2, or 3 and each of the following requirements Nos. 4, 5, and 6. 1 or 2, and each of the following requirements Nos. 3, 4, and 5:

1. A peak demand that is reasonably projected to be at least two-hundred (200) kilowatts within two (2) years of the date the Customer first receives service under the discounted rate and is not the result of shifting existing demand from other facilities of the Customer in the Company's certified service territory; and
 - a. Has an annual load factor that is projected to equal or exceed the Company's annual system load factor within two (2) years of the date the Customer first receives service under the discounted rate; or
 - b. Otherwise warrants a discounted rate based on any of the following factors:
 - i. The number of new permanent full-time jobs created or the percentage increase in existing permanent full-time jobs created;
 - ii. The level of capital investment;
 - iii. Additional off-peak usage;
 - iv. Curtailable or interruptible load;
 - v. New industry or technology; or
 - vi. Competition with existing industrial customers;

Issued November 21, 2024
Month Day YearEffective _____
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Darrin Ives, Vice President

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THE STATE CORPORATION COMMISSION OF KANSAS

EVERGY KANSAS CENTRAL, INC. & EVERGY KANSAS SOUTH, INC., d/b/a/ EVERGY KANSAS CENTRAL SCHEDULE LEDR

(Name of Issuing Utility)

Replacing Schedule LEDR Sheet 2

EVERGY KANSAS CENTRAL RATE AREA

(Territory to which schedule is applicable)

which was filed May 8, 2021

No supplement or separate understanding
shall modify the tariff as shown hereon.

Sheet 2 of 5 Sheets

LIMITED LARGE CUSTOMER ECONOMIC DEVELOPMENT DISCOUNT RIDER

2. A peak demand that is reasonably projected to be at least three-hundred (300) kilowatts within two (2) years of the date the Customer first receives service under the discounted rate and is not the result of shifting existing demand from other facilities of the Customer in the Company's service territory; and
 - a. An annual load factor that is reasonable projected to be at least 55 percent of the Company's annual system load factor within two (2) years of the date the Customer first receives service under the discounted rate; and
 - b. The facility maintains the peak demand and load factor for the remaining duration of the discounted rate.
3. A peak demand that is reasonably projected to be at least 25 megawatts (25000) kilowatts within two (2) years of the date the Customer first receives service under the discounted rate and is not the result of shifting existing demand from other facilities of the Customer in the Company's service territory; and
 - a. An annual load factor that is reasonable projected to be at least fifty-five (55) percent of the Company's annual system load factor within two (2) years of the date the Customer first receives service under the discounted rate; and
 - b. The facility maintains the peak demand and load factor for the remaining duration of the discounted rate.
4. Have incentives from one or more local, regional, state, or federal economic development agencies to locate new or expanded facilities in the Company's service territory;
5. Qualify for service under the Company's nonresidential and non-lighting rate schedules for a new or expanded facility; and;
6. Not receive the discount together with service provided by the Company pursuant to any other special rate contract agreements.

Issued November 21, 2024
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By  _____

Darrin Ives, Vice President

THE STATE CORPORATION COMMISSION OF KANSAS

EVERGY KANSAS CENTRAL, INC. & EVERGY KANSAS SOUTH, INC., d/b/a/ EVERGY KANSAS CENTRAL SCHEDULE LEDR

(Name of Issuing Utility)

Replacing Schedule LEDR Sheet 3

EVERGY KANSAS CENTRAL RATE AREA

(Territory to which schedule is applicable)

which was filed May 8, 2021No supplement or separate understanding
shall modify the tariff as shown hereon.

Sheet 3 of 5 Sheets

LIMITED LARGE CUSTOMER ECONOMIC DEVELOPMENT DISCOUNT RIDER**APPLICABILITY:**

1. For facilities of a Customer contracting under this Rider due to expansion, the Company may install metering equipment necessary to measure load subject to this Rider. The Company reserves the right to make the determination of whether such load will be separately metered or sub-metered. If the Company determines that the nature of the expansion is such that either separate metering or sub-metering is impractical or economically infeasible, the Company will determine, based on historical usage, what portion of the Customer's load in excess of the monthly baseline, if any, qualifies as incremental load eligible for this Rider.
2. The Customer's load subject to service under this Rider is the qualifying incremental load. If the demand associated with the qualifying incremental load is not separately metered, the Company's determination of the incremental demand shall control.
3. Customer demand existing at the time the customer begins to receive discounted rates under this section shall not constitute incremental demand.
4. Service under this Rider shall begin on the date when the meter associated with the qualifying incremental load is permanently set. However, if the permanent meter is set prior to occupancy and operation of the associated facility, the customer will notify Company when operation begins and service of this Rider shall begin at such time as full operation begins. If the qualifying incremental load is measured rather than metered, service under this Rider shall begin upon notification to the Company by the Customer when operation begins.
5. For Customers with existing facilities at one or more locations in the Company's service area, this Rider shall not be applicable to service provided at any existing delivery point prior to receiving service under this Rider. Failure to comply with this provision may result in termination of service under this Rider.
6. Customers qualifying for this discount under the provisions of AVAILABILITY section 1(b) must provide sufficient documentation or support demonstrating qualification prior to receiving any discount.
7. Unless terminated pursuant to a Termination provision, service is available under this Rider up to five (5) years.

Issued November 21, 2024
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Darrin Ives, Vice President

THE STATE CORPORATION COMMISSION OF KANSAS

EVERGY KANSAS CENTRAL, INC. & EVERGY KANSAS SOUTH, INC., d/b/a/ EVERGY KANSAS CENTRAL SCHEDULE LEDR

(Name of Issuing Utility)

Replacing Schedule LEDR Sheet 4

EVERGY KANSAS CENTRAL RATE AREA

(Territory to which schedule is applicable)

which was filed May 8, 2021No supplement or separate understanding
shall modify the tariff as shown hereon.

Sheet 4 of 5 Sheets

LIMITED LARGE CUSTOMER ECONOMIC DEVELOPMENT DISCOUNT RIDER**CALCULATION OF DISCOUNT:**

The discount is determined by reducing otherwise applicable charges associated with the rate schedule that applies to the new or expanded existing facility by a fixed percentage for each year of service under the discount for a period of up to:

1. Five (5) years to facilities that qualify pursuant to paragraph one or paragraph two of the Availability section; and
2. Ten (10) years to facilities that qualify pursuant to paragraph three of the Availability section.
3. For discounts to facilities that qualify pursuant to paragraph one of the Availability section, the average of the annual discount percentage shall not exceed twenty (20) percent except that such discounts may be between five (5) percent to thirty (30) percent in any year of such five (5) year period.
4. For discounts to facilities that qualify pursuant to paragraph two of the Availability section, the average of the annual discount percentages shall not exceed forty (40) percent except that such discounts may be between twenty (20%) and fifty (50%) in any year of such five-year period.
5. For discounts to facilities that qualify pursuant to paragraph three of the Availability section, the average of the annual discount percentages shall not exceed:
 - a. For the first five years of the discount period, forty (40) percent, except that such discounts may be between twenty (20) percent to fifty (50) percent in any year of such five-year period; and
 - b. For the final five years of the discount period, twenty percent (20), except that such discounts may be between ten (10) percent and thirty (30) percent in any year of such five-year period.

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Darrin Ives, Vice President

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THE STATE CORPORATION COMMISSION OF KANSAS

EVERGY KANSAS CENTRAL, INC. & EVERGY KANSAS SOUTH, INC., d/b/a/ EVERGY KANSAS CENTRAL SCHEDULE LEDR

(Name of Issuing Utility)

Replacing Schedule LEDR Sheet 5

EVERGY KANSAS CENTRAL RATE AREA

(Territory to which schedule is applicable)

which was filed May 8, 2021

No supplement or separate understanding
shall modify the tariff as shown hereon.

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LIMITED LARGE CUSTOMER ECONOMIC DEVELOPMENT DISCOUNT RIDER

DEFINITIONS:

These terms are specific to bill provisions regarding contract and discounted Company rates:

"Expanded facility" means a separately metered facility of the Customer, unless the Company determines the additional costs of separate metering of such facility would exceed the associated benefits or that it would be difficult or impractical to install or read the meter, that has not received service in the Company's certified service territory in the previous 12 months; and

"New facility" means a building of the Customer that has not received electric service in the Company's certified service territory in the previous 12 months.

RATEMAKING:

Except as provided in paragraph two of Kansas House Bill 2527, on and after July 1, 2024, the difference in revenues generated by applying the discounted rates authorized pursuant to this section and the revenues that would have been generated without such discounts shall not be imputed into the Company's revenue requirement.

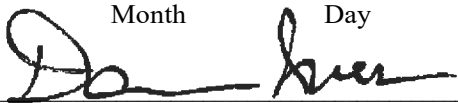
Any reduction in revenue resulting from any discount provided pursuant to this section that was tracked by the Company and deferred to a regulatory asset prior to July 1, 2024, shall be recoverable in any general rate proceeding initiated on or after July 1, 2024, through an equal percentage adjustment to the revenue requirement responsibility for all customer classes of the Company; including the customer classes that include customers qualifying for discounts pursuant to this section.

TERMINATION:

Failure of the Customer to meet and maintain compliance with each of the items contained in this Rider shall result in termination of service under this Rider.

Issued November 21, 2024
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Darrin Ives, Vice President

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THE STATE CORPORATION COMMISSION OF KANSAS

EVERGY METRO, INC., d.b.a. EVERGY KANSAS METRO

(Name of Issuing Utility)

SCHEDULE LEDR

EVERGY KANSAS METRO RATE AREA

(Territory to which schedule is applicable)

Replacing Schedule LEDR Sheet 1which was filed May 8, 2021No supplement or separate understanding
shall modify the tariff as shown hereon.

Sheet 1 of 5 Sheets

LIMITED LARGE CUSTOMER ECONOMIC DEVELOPMENT DISCOUNT RIDER**PURPOSE:**

The purpose of this Limited Large Customer Economic Development Rider (Rider) is to provide discounts from standard rates for electric service for new or expanded facilities of industrial or commercial customers that are not in the business of selling or providing goods or services directly to the general public in compliance with Kansas House Bill No. 2527, approved on April 18, 2024.

AVAILABILITY:

Electric service under this Rider shall be limited to new or expanded facilities of industrial or commercial customers that are not in the business of selling or providing goods or services directly to the general public and that meet either of the following requirements Nos. 1, 2, or 3 and each of the following requirements Nos. 4, 5, and 6. 1 or 2, and each of the following requirements Nos. 3, 4, and 5:

1. A peak demand that is reasonably projected to be at least two-hundred (200) kilowatts within two (2) years of the date the Customer first receives service under the discounted rate and is not the result of shifting existing demand from other facilities of the Customer in the Company's certified service territory; and
 - a. Has an annual load factor that is projected to equal or exceed the Company's annual system load factor within two (2) years of the date the Customer first receives service under the discounted rate; or
 - b. Otherwise warrants a discounted rate based on any of the following factors:
 - i. The number of new permanent full-time jobs created or the percentage increase in existing permanent full-time jobs created;
 - ii. The level of capital investment;
 - iii. Additional off-peak usage;
 - iv. Curtailable or interruptible load;
 - v. New industry or technology; or
 - vi. Competition with existing industrial customers;

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Darrin Ives, Vice President

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THE STATE CORPORATION COMMISSION OF KANSAS

EVERGY METRO, INC., d.b.a. EVERGY KANSAS METRO

(Name of Issuing Utility)

SCHEDULE LEDR

EVERGY KANSAS METRO RATE AREA

(Territory to which schedule is applicable)

Replacing Schedule LEDR Sheet 2

which was filed May 8, 2021

No supplement or separate understanding
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Sheet 2 of 5 Sheets

LIMITED LARGE CUSTOMER ECONOMIC DEVELOPMENT DISCOUNT RIDER

2. A peak demand that is reasonably projected to be at least three-hundred (300) kilowatts within two (2) years of the date the Customer first receives service under the discounted rate and is not the result of shifting existing demand from other facilities of the Customer in the Company's service territory; and
 - a. An annual load factor that is reasonable projected to be at least 55 percent of the Company's annual system load factor within two (2) years of the date the Customer first receives service under the discounted rate; and
 - b. The facility maintains the peak demand and load factor for the remaining duration of the discounted rate.
3. A peak demand that is reasonably projected to be at least 25 megawatts (25000) kilowatts within two (2) years of the date the Customer first receives service under the discounted rate and is not the result of shifting existing demand from other facilities of the Customer in the Company's service territory; and
 - a. An annual load factor that is reasonable projected to be at least fifty-five (55) percent of the Company's annual system load factor within two (2) years of the date the Customer first receives service under the discounted rate; and
 - b. The facility maintains the peak demand and load factor for the remaining duration of the discounted rate.
4. Have incentives from one or more local, regional, state, or federal economic development agencies to locate new or expanded facilities in the Company's service territory;
5. Qualify for service under the Company's nonresidential and non-lighting rate schedules for a new or expanded facility; and;
6. Not receive the discount together with service provided by the Company pursuant to any other special rate contract agreements.

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THE STATE CORPORATION COMMISSION OF KANSAS

EVERGY METRO, INC., d.b.a. EVERGY KANSAS METRO

(Name of Issuing Utility)

SCHEDULE LEDR

EVERGY KANSAS METRO RATE AREA

(Territory to which schedule is applicable)

Replacing Schedule LEDR Sheet 3which was filed May 8, 2021No supplement or separate understanding
shall modify the tariff as shown hereon.

Sheet 3 of 5 Sheets

LIMITED LARGE CUSTOMER ECONOMIC DEVELOPMENT DISCOUNT RIDER**APPLICABILITY:**

1. For facilities of a Customer contracting under this Rider due to expansion, the Company may install metering equipment necessary to measure load subject to this Rider. The Company reserves the right to make the determination of whether such load will be separately metered or sub-metered. If the Company determines that the nature of the expansion is such that either separate metering or sub-metering is impractical or economically infeasible, the Company will determine, based on historical usage, what portion of the Customer's load in excess of the monthly baseline, if any, qualifies as incremental load eligible for this Rider.
2. The Customer's load subject to service under this Rider is the qualifying incremental load. If the demand associated with the qualifying incremental load is not separately metered, the Company's determination of the incremental demand shall control.
3. Customer demand existing at the time the customer begins to receive discounted rates under this section shall not constitute incremental demand.
4. Service under this Rider shall begin on the date when the meter associated with the qualifying incremental load is permanently set. However, if the permanent meter is set prior to occupancy and operation of the associated facility, the customer will notify Company when operation begins and service of this Rider shall begin at such time as full operation begins. If the qualifying incremental load is measured rather than metered, service under this Rider shall begin upon notification to the Company by the Customer when operation begins.
5. For Customers with existing facilities at one or more locations in the Company's service area, this Rider shall not be applicable to service provided at any existing delivery point prior to receiving service under this Rider. Failure to comply with this provision may result in termination of service under this Rider.
6. Customers qualifying for this discount under the provisions of AVAILABILITY section 1(b) must provide sufficient documentation or support demonstrating qualification prior to receiving any discount.
7. Unless terminated pursuant to a Termination provision, service is available under this Rider up to five (5) years.

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THE STATE CORPORATION COMMISSION OF KANSAS

EVERGY METRO, INC., d.b.a. EVERGY KANSAS METRO

(Name of Issuing Utility)

SCHEDULE LEDR

EVERGY KANSAS METRO RATE AREA

(Territory to which schedule is applicable)

Replacing Schedule LEDR Sheet 4

which was filed May 8, 2021

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shall modify the tariff as shown hereon.

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LIMITED LARGE CUSTOMER ECONOMIC DEVELOPMENT DISCOUNT RIDER

CALCULATION OF DISCOUNT:

The discount is determined by reducing otherwise applicable charges associated with the rate schedule that applies to the new or expanded existing facility by a fixed percentage for each year of service under the discount for a period of up to:

1. Five (5) years to facilities that qualify pursuant to paragraph one or paragraph two of the Availability section; and
2. Ten (10) years to facilities that qualify pursuant to paragraph three of the Availability section.
3. For discounts to facilities that qualify pursuant to paragraph one of the Availability section, the average of the annual discount percentage shall not exceed twenty (20) percent except that such discounts may be between five (5) percent to thirty (30) percent in any year of such five (5) year period.
4. For discounts to facilities that qualify pursuant to paragraph two of the Availability section, the average of the annual discount percentages shall not exceed forty (40) percent except that such discounts may be between twenty (20%) and fifty (50%) in any year of such five-year period.
5. For discounts to facilities that qualify pursuant to paragraph three of the Availability section, the average of the annual discount percentages shall not exceed:
 - a. For the first five years of the discount period, forty (40) percent, except that such discounts may be between twenty (20) percent to fifty (50) percent in any year of such five-year period; and
 - b. For the final five years of the discount period, twenty percent (20), except that such discounts may be between ten (10) percent and thirty (30) percent in any year of such five-year period.

Issued November 22 2024
Month Day Year

Effective _____
Month Day Year

By 

Darrin Ives, Vice President

Index _____

THE STATE CORPORATION COMMISSION OF KANSAS

EVERGY METRO, INC., d.b.a. EVERGY KANSAS METRO

(Name of Issuing Utility)

SCHEDULE LEDR

EVERGY KANSAS METRO RATE AREA

(Territory to which schedule is applicable)

Replacing Schedule LEDR Sheet 5

which was filed May 8, 2021

No supplement or separate understanding
shall modify the tariff as shown hereon.

Sheet 5 of 5 Sheets

LIMITED LARGE CUSTOMER ECONOMIC DEVELOPMENT DISCOUNT RIDER

DEFINITIONS:

These terms are specific to bill provisions regarding contract and discounted Company rates:

"Expanded facility" means a separately metered facility of the Customer, unless the Company determines the additional costs of separate metering of such facility would exceed the associated benefits or that it would be difficult or impractical to install or read the meter, that has not received service in the Company's certified service territory in the previous 12 months; and

"New facility" means a building of the Customer that has not received electric service in the Company's certified service territory in the previous 12 months.

RATEMAKING:

Except as provided in paragraph two of Kansas House Bill 2527, on and after July 1, 2024, the difference in revenues generated by applying the discounted rates authorized pursuant to this section and the revenues that would have been generated without such discounts shall not be imputed into the Company's revenue requirement.

Any reduction in revenue resulting from any discount provided pursuant to this section that was tracked by the Company and deferred to a regulatory asset prior to July 1, 2024, shall be recoverable in any general rate proceeding initiated on or after July 1, 2024, through an equal percentage adjustment to the revenue requirement responsibility for all customer classes of the Company; including the customer classes that include customers qualifying for discounts pursuant to this section.

TERMINATION:

Failure of the Customer to meet and maintain compliance with each of the items contained in this Rider shall result in termination of service under this Rider.

Issued November 22 2024
Month Day Year

Effective _____
Month Day Year

By  _____

Darrin Ives, Vice President

accounted for in a general rate proceeding. In the absence of a commission order that specifies the "rate base cutoff date," "rate base cutoff date" means the date as reflected in any jointly proposed procedural schedule submitted by the parties in the applicable general rate proceeding or the date that is otherwise agreed to by the parties.

(5) "Revenue requirement impact cap" means the product of:

(A) $\frac{1}{12}$ of 1.5% multiplied by the number of months that have elapsed from the effective date of new base rates in an electric public utility's most recently completed general rate proceeding to the effective date of new base rates in the general rate proceeding in which the cap is applied; and

(B) the retail revenue requirement used to set base rates in the electric public utility's most recently completed general rate proceeding concluded prior to the general rate proceeding in which the cap is applied.

(b) The provisions of this section apply to any public utility that has elected to make the deferrals authorized pursuant to section 1, and amendments thereto, until the public utility's authority to make such deferrals expires pursuant to section 1, and amendments thereto.

(c) Any part of a public utility's retail revenue requirement used to set the public utility's base rates in any general rate proceeding of the public utility that is concluded on or after July 1, 2024, and that consists of a revenue requirement arising from inclusion in rate base of the qualifying regulatory asset balance shall not exceed the revenue requirement impact cap. If inclusion in rate base of the full balance of the qualifying regulatory asset balance would cause the public utility to exceed the revenue requirement impact cap, any part of the qualifying regulatory asset balance that exceeds the revenue requirement impact cap shall not be included in rate base and the qualifying regulatory asset balance shall be reduced accordingly as a penalty.

Sec. 3. K.S.A. 2023 Supp. 66-101j is hereby amended to read as follows: 66-101j. (a) Notwithstanding the provisions of K.S.A. 66-101b or 66-109, and amendments thereto, the commission shall authorize an electric public utility to implement economic development rate schedules that provide discounts from otherwise applicable standard rates for electric service for new or expanded facilities of industrial or commercial customers that are not in the business of selling or providing goods or services directly to the general public. To be eligible for such discounts, such customer shall:

(1) Have incentives from one or more local, regional, state or federal economic development agencies to locate such new or expanded facilities in the electric public utility's certified service territory;

(2) qualify for service under the electric public utility's non-residential and non-lighting rate schedules for such new or expanded facility; and

(3) not receive the discount together with service provided by the electric public utility pursuant to any other special contract agreements.

(b) The discount authorized by this section shall only be applicable to new facilities or expanded facilities that have:

(1) A peak demand that is reasonably projected to be at least 200 kilowatts within two years of the date the customer first receives service under the discounted rate and is not the result of shifting existing demand from other facilities of the customer in the electric public utility's certified service territory and:

(A) Has an annual load factor that is reasonably projected to equal or exceed the electric public utility's annual system load factor within two years of the date the customer first receives service under the discounted rate; or

(B) otherwise warrants a discounted rate based on any of the following factors:

- (i) The number of new permanent full-time jobs created or the percentage increase in existing permanent full-time jobs created;
- (ii) the level of capital investment;
- (iii) additional off-peak usage;
- (iv) curtailable or interruptible load;
- (v) new industry or technology; or
- (vi) competition with existing industrial customers; ~~or~~

(2) *a peak demand that is reasonably projected to be at least 300 kilowatts within two years of the date the customer first receives service under the discounted rate and is not the result of shifting existing demand from other facilities of the customer in the electric public utility's certified service territory and:*

(A) An annual load factor that is reasonably projected to be at least 55% within two years of the date the customer first receives service under the discounted rate; and

(B) the facility shall, once first achieved, maintain the peak demand and load factor for the remaining duration of the discounted rate; or

(3) a peak demand that is reasonably projected to be at least ~~300 kilowatts~~ 25 megawatts within two years of the date the customer first receives service under the discounted rate and is not the result of shifting existing demand from other facilities of the customer in the electric public utility's certified service territory and:

(A) An annual load factor that is reasonably projected to be at least 55% within two years of the date the customer first receives service under the discounted rate; and

(B) the facility shall, once first achieved, maintain the peak demand and load factor for the remaining duration of the discounted rate.

(c) The discount authorized by this section shall be determined by reducing otherwise applicable charges associated with the rate schedule applicable to the new or expanded existing facility by a fixed percentage for each year of service under the discount for a period of up to:

(1) Five years to facilities that qualify pursuant to subsection (b)(1) or (b)(2); and

(2) 10 years to facilities that qualify pursuant to subsection (b)(3).

(d) (1) For discounts to facilities that qualify pursuant to subsection (b)(1), the average of the annual discount percentages shall not:

~~(1) — exceed 20% for discounts that qualify pursuant to subsection (b)(1), but, except that such discounts may be between 5% to 30% in any year; and of such five-year period.~~

(2) For discounts to facilities that qualify pursuant to subsection (b)(2), the average of the annual discount percentages shall not exceed 40%, except that such discounts may be between 20% and 50% in any year of such five-year period.

(3) For discounts to facilities that qualify pursuant to subsection (b)(3), the average of the annual discount percentages shall not exceed:

(A) For the first five years of the discount period, 40% ~~for discounts that qualify pursuant to subsection (b)(2), but, except that such discounts may be between 20% to 50% in any year of such five-year period; and~~

(B) for the final five years of the discount period, 20%, except that such discounts may be between 10% and 30% in any year of such five-year period.

~~(d)(e)~~ In each general rate proceeding concluded after the effective date of this section, the commission shall allocate the reduced level of revenues arising from the discounted rates provided for in this section through the application of a uniform percentage adjustment to the revenue requirement responsibility for all customer classes of the electric public utility providing such discounted rate, including the classes with customers that qualify for discounts under this section, except for rates for service provided to customers under contract rates either approved by the commission pursuant to K.S.A. 2023 Supp. 66-101i, and amendments thereto, or the commission's general ratemaking authority *(1) Except as provided in paragraph (2), on and after July 1, 2024, the difference in revenues generated by applying the discounted rates authorized pursuant to this section and the revenues that would have been generated without such discounts shall not be imputed into the electric public utility's revenue requirement.*

(2) Any reduction in revenue resulting from any discount provided pursuant to this section that was tracked by the public utility and deferred to a regulatory asset prior to July 1, 2024, shall be recoverable in any general rate proceeding initiated on or after July 1, 2024, through an equal percentage adjustment to the revenue requirement responsibility for all customer classes of the public utility, including the customer classes that include customers qualifying for discounts pursuant to this section.

~~(e) (1) The commission shall approve a tracking mechanism to track reductions in revenue experienced by the electric public utility serving the facility as a result of the discount rate from the date the discount rate becomes effective; and~~

~~(2) such reductions in revenue shall be deferred to a regulatory asset and shall accrue interest at the weighted average cost of capital used by the commission to set the electric public utility's rates in its most recently concluded general rate proceeding with the balance of such regulatory asset to be included in the rate base and revenue requirement of the electric public utility in each of the utility's general rate proceedings through an amortization of the balance over a reasonable period until fully collected from the utility's non-contract rate customers.~~

(f) The provisions of this section shall not apply to rates for service provided to customers under contract rates approved by the commission pursuant to K.S.A. 2023 Supp. 66-101i, and amendments thereto, or the commission's general ratemaking authority according to custom and practice of the commission in place prior to the effective date of this section.

(g) Starting in January 2023, the commission shall biennially provide a status report to the legislature about any discounts from tariffed rates authorized pursuant to this section. Such report shall include the:

- (1) Number of entities with such discounts;
- (2) number of entities with increased load;
- (3) number of entities with decreased load;
- (4) aggregate load and change in aggregate load on an annual basis;
- (5) total subsidy and the subsidy for each individual contract;
- (6) annual and cumulative rate impact on non-contract rate customers; and
- (7) estimated economic development impact of entities with discounted rates that occurred as a result of such discounts through an evaluation of the annual: (A) Total employment for such entities; (B) change in employment for such entities; and (C) tax revenue generated by such entities.

(h) *An electric public utility shall be authorized to only implement discounted rates for facilities that qualify for such discounted rates pursuant to subsection (b)(3) until December 31, 2030, except that, upon application by such public utility, the commission may authorize the public utility to continue to implement such discounted rates for facilities that qualify for such discounted rates pursuant to subsection (b)(3) until December 31, 2036. Any such application shall be filed with the commission on or before December 31, 2028. The commission shall issue a determination on an application filed pursuant to this subsection within 240 days of the date that such application is filed. If requested by the public utility, an intervenor in the application docket or commission staff, the commission shall hold a hearing on such application. When considering and making a determination upon such application, the commission may consider factors that the commission deems just and reasonable and condition the commission's determination on any factors that are relevant to the discounted rates for facilities that qualify for such discounted rates pursuant to subsection (b)(3). If the commission denies the public utility's application, such denial shall only act to prohibit the public utility from implementing discounted rates for facilities that qualify for such discounted rates pursuant to subsection (b)(3) after December 31, 2030, and shall not otherwise affect or terminate any discounted rates implemented by the public utility pursuant to this section or any regulatory or ratemaking treatment of such discounted rates.*

(i) For the purposes of this section:

(1) "Electric public utility" means the same as ~~prescribed~~ defined in K.S.A. 66-101a, and amendments thereto, but does not include any such utility that is a cooperative as defined in K.S.A. 66-104d, and amendments thereto, or owned by one or more such cooperatives;

(2) "expanded facility" means a separately metered facility of the customer, unless the utility determines that the additional costs of separate metering of such facility would exceed the associated benefits or that it would be difficult or impractical to install or read the meter, that has not received service in the electric utility's certified service territory in the previous 12 months; and

(3) "new facility" means a building of the customer that has not received electric service in the electric utility's certified service territory in the previous 12 months.

Sec. 4. K.S.A. 2023 Supp. 66-1239 is hereby amended to read as follows: 66-1239. (a) As used in this section:

(1) "Commission" means the state corporation commission;

(2) "contract" means a public utility's contract for the purchase of electric power in the amount of at least ~~\$5,000,000~~ \$10,000,000 annually;

(3) "generating facility" means any electric generating plant or improvement to existing generation facilities;

(4) "stake" means a public utility's whole or fractional ownership share or leasehold or other proprietary interest in a generating facility or transmission facility;

(5) "public utility" means the same as defined in K.S.A. 66-104, and amendments thereto; and

(6) "transmission facility" means: (A) Any existing line, and supporting structures and equipment, being upgraded for the transfer of electricity with an operating voltage of 34.5 kilovolts or more of electricity; or (B) any new line, and supporting structures and equipment, being constructed for the transfer of electricity with an operating voltage of 230 kilovolts or more of electricity.

(7) "Weighted average cost of capital" means the same as defined in section 1, and amendments thereto.

CERTIFICATE OF SERVICE

25-EKCE-223-TAR

I, the undersigned, certify that a true and correct copy of the above and foregoing Notice of Filing of Staff's R&R was served via electronic service this 10th day of June, 2025, to the following:

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