THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Dwight D. Keen, Chair

Susan K. Duffy Andrew J. French

In the Matter of the Application of Evergy)	
Metro, Inc. d/b/a Evergy Kansas Metro for)	
Approval of its 2022 Energy Efficiency Rider)	Docket No. 22-EKME-464-TAR
for Program Costs Incurred January 1 Through)	
December 31, 2021)	

ORDER ADOPTING STAFF'S REPORT AND RECOMMENDATION AND APPROVING 2022 ENERGY EFFICIENCY RIDER

This matter comes before the State Corporation Commission of the State of Kansas (Commission). Having reviewed its files and records, the Commission makes the following findings:

- 1. On March 31, 2022, Evergy Metro, Inc. ("Evergy") filed an Application seeking approval of its 2021 demand-side management (DSM) program costs and its proposed 2022 Energy Efficiency Rider (EER). In its Application, Evergy requested approval of its Energy Efficiency Rider effective July 1, 2022 through June 30, 2023.
- 2. The Evergy (formerly Kansas City Power & Light) EER was first established in Docket No. 07-KCPE-905-RTS, and is utilized by Evergy to recover its DSM program costs. In Docket No. 20-KCPE-154-MIS, Evergy requested a three-year extension of its five DSM programs² until December 31, 2022. Ultimately, the Commission: (1) approved the PT program and budget as proposed by Evergy; (2) conditionally extended the IEW program for three years as

¹ Application of Evergy Kansas Metro for Approval of its 2022 Energy Efficiency Rider (Application), Mar. 31, 2022.

² The five DSM programs are: Programmable Thermostat (PT), Home Energy Analyzer (HEA), Business Energy Analyzer (BEA), Building Operator Certification (BOC) and Income-Eligible Weatherization (IEW)

³ Order Granting Approval of Demand-Side Management Programs, Docket No. 20-KCPE-154-MIS, p. 1 (Jul. 23, 2020) (20-154 Order).

its existing budget and gave Evergy thirty days to supplement its initial Application with documents demonstrating the effectiveness of the program;⁴ and (3) approved the HEA, BEA, and BOC programs conditioned upon any increased costs of those three programs above the 2019 budget amounts would be treated as a regulatory asset that Evergy could seek recovery of in its next rate case, and not be recovered through the EER.⁵

- 3. In its Application, Evergy states it incurred 2021 DSM costs of \$213,940.6 The EER filing calculation also includes an over-recovery of costs amounting to \$53,698 from two years prior, which in this case are the 2019 DSM costs included in Docket No. 20 EKME-410-TAR (20-410 Docket).7
- 4. Evergy explains the educational programs (HEA, BEA, and BOC) did exceed the 2019 program budgets by \$17,453; this amount has been excluded from recovery in the instant filing and will remain deferred for consideration in Evergy Kansas Metro's next general rate case.⁸
- 5. In total, Evergy requested the Commission approve \$160,242 of Energy Efficiency DSM costs for recovery.⁹
- 6. On May 19, 2022, Commission Staff filed its Report and Recommendation regarding Evergy's Application. Staff performed an audit of Evergy Metro's Application and did not discover any improper or unnecessary costs. 11
- 7. Staff recommended the Commission approve Evergy's EER amount of \$160,242 on the condition that Evergy files its next EER recovery application by March 31, 2023, which is

⁴ Evergy fulfilled this requirement and the Commission took no further action to disapprove the IEW program and its budget. *See* Evergy Metro, Inc. Response to Commission Order, Docket No. 20-KCPE-254-MIS (Aug. 24, 2020). ⁵ 20-154 Order, at 9.

⁶ Application, at 2.

⁷ *Id.*

⁸ *Id.*

⁹ *Id*.

¹⁰ See Public Notice of Filing of Staffs Report and Recommendation (May 19, 2021) (R&R).

¹¹ *Id.* at 2.

to include costs incurred for Commission-approved programs from January 1, 2022 through December 31, 2022. Additionally, Staff conditioned its recommended approval on the basis that in its next filing, Evergy includes a calculation to true-up the amounts collected from July 1, 2021, to June 30, 2022, versus the amounts intended to be collected during that time period.

8. Historically, Evergy has calculated Energy Efficiency Rider rates by utilizing the demand allocator and kWh consumption data included in the Class Cost of Service Study from its most recent rate case. Here, Evergy calculated the EER rates by utilizing the demand allocator and kWh consumption data from its Class Cost of Service Study filed in Docket No. 18-KCPE-480-RTS. As with all previous EER Dockets, Evergy derived an EER rate for each customer class with the exception of the off-peak and other lighting classes. Staff reviewed the rates and found them to be accurate. 15

9. For Residential Service, the proposed EER would result in a charge of \$0.00003 per kWh. 16 Assuming the average residential customer usage of 1,059 kWh per month, Evergy Metro's proposed EER factor would decrease customer bills by \$0.07 per month, or \$0.84 annually. 17

THEREFORE, THE COMMISSION ORDERS:

A. Evergy's proposed 2022 Energy Efficiency Rider, as detailed in its Application, is approved with the following conditions:

¹² *Id.* at 3.

¹³ *Id.* at 2–3.

¹⁴ *Id.* at 3.

¹⁵ Id.

¹⁶ Application, p. 3

¹⁷ R&R, p. 1.

Evergy shall file its next Energy Efficiency Rider by March 31, 2023, which is
to include costs incurred for Commission-approved programs from January
2022 through December 31, 2022; and

• In its next filing, Evergy shall include a calculation to true-up the amounts collected from July 1, 2021 to June 30, 2022, versus the amounts intended to be collected from the period.

B. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-528(a)(1).¹⁸

BY THE COMMISSION IT IS SO ORDERED.

Keen, Chair; Duffy, Commissioner; French, Commissioner

Dated:	06/23/2022	
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Lynn M. Retz

Executive Director

JRJ

¹⁸ K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

CERTIFICATE OF SERVICE

22-EKME-464-TAR

I, the undersigned, certify	that a true copy of the attached	Order has been served to the following by means of
electronic service on	06/23/2022	
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/S/ DeeAnn Shupe

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