

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

In the Matter of the Joint Application of Westar)
Energy, Inc. and Kansas Gas and Electric)
Company for Approval to Make Certain Changes) Docket No. 18-WSEE-328-RTS
in their Charges for Electric Services.)
)

**TESTIMONY AND ATTACHMENTS OF RICK GILLIAM
ON BEHALF OF CLIMATE AND ENERGY PROJECT, SIERRA CLUB,
AND VOTE SOLAR IN RESPONSE TO WESTAR'S PROPOSED RATE DESIGNS**

NOVEMBER 13, 2020

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I. Introduction

1 **Q. Please state your name and business address.**

2 A. My name is Rick Gilliam. My business address is 590 Redstone Drive, Suite 100,
3 Broomfield, Colorado.

4 **Q. On whose behalf are you submitting this direct testimony?**

5 A. I am submitting this testimony on behalf of Climate and Energy Project, Sierra Club,
6 and Vote Solar.

7 **Q. By whom are you employed and in what capacity?**

8 A. I serve as the Senior Program Director of Distributed Generation (“DG”) Regulatory
9 Policy for Vote Solar. I oversee policy initiatives, development, and implementation
10 related to distributed solar generation, as well as other distributed energy resources
11 including electric vehicles. In this capacity, I review regulatory filings, perform
12 technical analyses, review and analyze rate designs, and testify in commission
13 proceedings around the country.

14 **Q. Please describe your educational background.**

15 A. I hold a Master’s Degree in Environmental Policy and Management from the
16 University of Denver in Denver, Colorado, and a Bachelor’s of Science in Electrical
17 Engineering from Rensselaer Polytechnic Institute in Troy, New York.

18 **Q. Please describe your experience in utility regulatory matters.**

19 A. Prior to joining Vote Solar in January of 2012, my regulatory experience included
20 five years in the Government Affairs group at SunEdison, at the time one of the
21 world’s largest solar developers, as a manager, director, and eventually vice
22 president; twelve years with Western Resource Advocates (formerly known as the

1 Land and Water Fund of the Rockies) as Senior Policy Advisor; and twelve years in
2 Public Service Company of Colorado’s rate division as Director of Revenue
3 Requirements.

4 Prior to that, I spent six years with the Federal Energy Regulatory Commission
5 (“FERC”) as a technical witness (engineer). All told, I have over forty years of
6 experience in utility regulatory matters. A complete summary of my background is
7 appended as Attachment RG-1.

8 **Q. Have you previously testified before the Kansas Corporation Commission**
9 **(“Commission”)?**

10 A. Yes. I testified before this Commission in Docket No. 16-GIME-403-GIE, a general
11 investigation to examine issues surrounding rate design for DG customers.

12 **Q. What other utility regulatory commissions have you testified before?**

13 A. I testified in proceedings before the Arizona Corporation Commission, Colorado
14 Public Utilities Commission, Georgia Public Service Commission, Idaho Public
15 Utilities Commission, Nevada Public Utilities Commission, New Mexico Public
16 Regulation Commission, Utah Public Service Commission, Wisconsin Public Service
17 Commission, Wyoming Public Service Commission, and the FERC.

II. Purpose of Testimony and Summary

18 **Q. What is the purpose of your testimony in this proceeding?**

19 A. My testimony addresses the rate design proposals set forth by Evergy Kansas Central,
20 Inc. and Evergy Kansas South, Inc. (“Evergy” or the “Company”) in its October 13,
21 2020, filing in this proceeding, along with the underlying (although largely irrelevant)
22 cost recovery concerns raised by the Company.

1 **Q. Please summarize your recommendations.**

2 A. I recommend rejecting both the Company’s proposed grid access charge and
3 minimum bill alternative. Instead, I propose the Commission require Evergy to either
4 eliminate the DG customer class and transfer all customers back to the standard
5 residential service (“RS”) class, or to impose the same rates and charges on DG
6 customers as the RS rate. Regardless, the Commission should also order Evergy to
7 refund RS-DG customers for the higher bills that they paid under the unlawful RS-
8 DG rate, with interest determined at the Company’s authorized weighted average cost
9 of capital.

III. Summary of the Kansas Supreme Court Decision

10 **Q. Please summarize your understanding of the Court’s Decision in Case No.**
11 **120,346.**

12 A. While I am not a lawyer and I am not providing any legal conclusions in this
13 testimony, I base my testimony on my understanding of the Court’s decision. As I
14 read the plain language of the decision, it can be summarized by several key points.

- 15 • The Court recognized that partial requirements or DG customers, “are less
16 dependent than others on the primarily fossil-fueled electricity sold by the
17 utilities” because they “use less utility generated electricity” and “in some
18 cases, if the DG customer is generating more electricity than they use and
19 selling the excess back to the grid, the variable energy portion of the bill may
20 amount to a net-zero.”¹
- 21 • Because the typical two-part rate structure is designed to send long-term price
22 signals to reduce usage of utility-supplied electricity by collecting costs
23 through usage-based charges, the utility’s short run revenues are lower when
24 customers respond to that price signal, including when customers self-supply.
25 To reverse that revenue reduction from DG customers, “the Utilities sought

¹ *Matter of Westar Energy, Inc.*, 460 P.3d 821, 822 (Kan. 2020).

1 and obtained approval of a new rate structure applicable only to DG
2 customers—the residential distributed generation (RS-DG) rate design.”²

- 3 • “The proposed RS-DG rate design violates K.S.A. 66-117d because it uses a
4 customer's DG status as a basis for charging more for the same goods and
5 services than the Utilities charge to non-DG customers.”³
- 6 • If the Commission seeks to change the price signals incorporated into
7 volumetric charges it must do so equally for DG and non-DG customers.⁴

8 To reach those conclusions, the Court determined that K.S.A. 66-1265(e), which
9 allows utilities to propose “time-of-use rates, minimum bills or other rate structures
10 that would apply to all such customer-generators prospectively,” does not supersede
11 the anti-discrimination statute, K.S.A. 66-117d, and that a rate structure for DG
12 customers need not necessarily result in higher or otherwise discriminatory charges.
13 In other words, “while utilities may try to alter the rate structure applicable to DG
14 customers, they must do so within the larger context of a nondiscriminatory price
15 regime.”⁵

16 In addition, while the Court recognized that DG customers use less electricity and
17 therefore pay less in volumetric charges than they would without DG, the Court
18 understood this response to be the natural result of a rate design that puts fixed costs
19 into volumetric charges rather than a problem specific to DG customers.⁶ The fact
20 that DG customers respond to the intentional price signal sent by volumetric charges
21 by reducing the amount of utility-provided electricity they consume is simply
22 volumetric rates producing the response they are intended to induce. The Court did
23 not draw a distinction between electric service to DG customers and non-DG

² *Id.* at 823.

³ *Id.* at 827.

⁴ *Id.*

⁵ *Id.*

⁶ *Id.* at 823.

1 customers. And the Court commented—through a rhetorical question—that a DG
2 customer’s response to price signals provided through volumetric rates by using less
3 utility electricity is a feature, not a flaw, of a rate design intended to incentivize that
4 exact response. If the Commission decides to no longer send price signals based on
5 the volume of utility electricity consumed (which I believe would be a poor policy
6 choice), it must do so across the board. It cannot change that policy only for DG
7 customers and single them out to pay more for their electricity than other customers.

8 **Q. Did the Court agree that the Company has a “free-rider” problem, as alleged by
9 Evergy’s testimony⁷ and by Staff’s August 14, 2020 comments?⁸**

10 A. No, it did not. The Court mentions “free-riders” three times, each time making it clear
11 that such characterization was the Utilities’. The Court did not agree with those
12 characterizations.

- 13 • “According to the Utilities, this has created what is sometimes referred to in
14 economic parlance as a ‘free rider’ problem.”⁹
- 15 • “As such, one would be justified in wondering whether the free rider problem
16 identified by the Utilities is a feature of the system rather than a bug (because
17 lower energy users will necessarily pay a smaller per-unit share of the fixed
18 costs).”¹⁰
- 19 • “We can think of several ways the Utilities could attempt to reduce or
20 eliminate their economic ‘free rider’ problem without creating a regime of
21 price discrimination.”¹¹

22 The Court’s references to the purported “free-rider problem” were to ultimately
23 conclude—even if one accepts the purported “problem” for the sake of argument—

⁷ *Direct Testimony on Remand of Ahmad Faruqui on Behalf of Evergy*, at 8:10 (Oct. 13, 2020) (“Faruqui Direct”).

⁸ *Verified Initial Comments of Commission Staff*, ¶ 14 (Aug. 14, 2020).

⁹ *Matter of Westar Energy, Inc.*, 460 P.3d at 822.

¹⁰ *Id.* at 823.

¹¹ *Id.* at 827.

1 that it would not justify a discriminatory rate. Moreover, the Court recognized the
2 underlying policy reasons for K.S.A. 66-117d and the Public Utilities Regulatory
3 Policies Act of 1978 (“PURPA”): “to encourage increased conservation of electric
4 energy, increased efficiency in the use of facilities and resources by electric utilities,
5 and equitable retail rates for electric consumers.”¹² Among other things, PURPA
6 prohibited utilities from “discriminat[ing] against qualifying cogenerators or
7 qualifying small power producers,” such as DG customers.¹³

IV. Review of Evergy’s Rate Design Proposals

A. *Evergy’s Grid Access Charge Proposal is Discriminatory*

9 **Q. Have you read the direct testimony on remand of the two Evergy witnesses?**

10 A. Yes.

11 **Q. Do those witnesses correctly understand the Court’s Decision?**

12 A. No. Evergy witness Faruqui’s claim that “KSA 66-117d and the Kansas Supreme
13 Court order do not prohibit Evergy from charging RS-DG customers a different rate,
14 even if it results in an overall higher price for some RS-DG customers”¹⁴ is in direct
15 conflict with the Court’s decision and application of K.S.A. 66-117d:

16 K.S.A. 66-117d is an antidiscrimination provision that prohibits utilities from
17 charging DG customers a higher price than non-DG customers for the same
18 service.¹⁵

19 The Company’s logic appears to be that “the grid access charge can be applied
20 equally to all residential customers (RS and RS-DG) without being regarded as

¹² *Id.* at 824.

¹³ 16 U.S.C. § 824a-3(b)(2).

¹⁴ Faruqui Direct at 10:5–7.

¹⁵ *Matter of Westar Energy, Inc.*, 460 P.3d at 826.

1 discriminatory”¹⁶ even though, “[b]y definition, the charge would be zero for RS
2 customers since they don’t have DG capacity and, therefore, do not export power to
3 Evergy’s grid.”¹⁷ However, claiming to “apply” a charge to customers who do not
4 pay the charge is not a serious distinction and does not change the fact that DG
5 customers would pay a higher price for their electric service, which is exactly what
6 the Kansas Supreme Court found violates K.S.A. 66-117d. Accordingly, the grid
7 access charge plainly violates KSA 66-117d, regardless of whether the utility includes
8 a line in non-DG customers’ bills for a \$0 grid access charge. It is therefore unclear if
9 Evergy’s proposal to impose charges that only DG customers pay for electric service
10 is intended to be taken seriously, or whether it is simply a strategy of refusing to
11 accept the Court’s conclusion.

12 **Q. How does the grid access charge impose higher prices on DG customers for their**
13 **service?**

14 A. Because the grid access charge applies to DG customers’ generation—which is what
15 distinguishes them from non-DG customers—in addition to the monthly fixed charge
16 and usage based charge means that the DG customer will pay an additional \$3.00 per
17 installed kilowatt (“kW”) beyond what the non-DG customer will pay for the same
18 electricity. While this is true at any level of consumption and any size of generation,
19 I prepared an example in Figure 1, which compares a DG with an 8 kW generating

¹⁶ Faruqui Direct at 10:14–16.

¹⁷ *Id.* at 10:16–17.

1 system and a non-DG customer, each consuming 850 kilowatt hour¹⁸ (“kWh”) in the
2 sample month.

3 **Figure 1. Bill Impact Comparison for non-DG and DG Residential Customers,**
4 **Each Consuming 850 kWh during the month**

Charge	Residential (850 kWh)	Residential (850 kWh) with 8 kW Solar DG
Basic Service Fee	\$ 14.50	\$ 14.50
First 500 kWh	\$ 36.76	\$ 36.76
Next 400 kWh	\$ 25.73	\$ 25.73
Additional kWh	\$ 0.00	\$ 0.00
Grid Access Charge	\$ 0.00	\$ 15.00
Total before Riders	\$ 76.99	\$ 100.99

5 In this example, the DG customer pays 31% more for the same amount of utility-
6 supplied electricity.

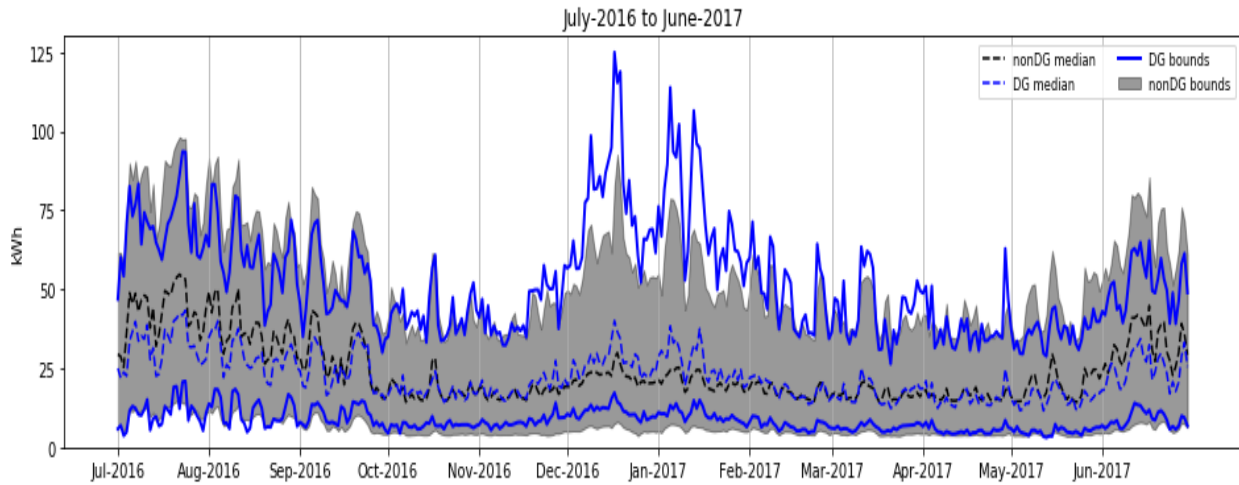
7 **Q. Do DG customers as a group use more utility-delivered electricity than non-DG**
8 **customers?**

9 A. On average, DG customers’ usage is higher than those of non-DG customers. That is
10 to be expected because single family residences are the typical residential DG
11 customer and single family detached housing usually has higher usage. However,
12 averages are misleading when comparing two diverse groups who significantly
13 overlap. All customers have different individualized usage patterns. Like any subset
14 of residential customers, RS-DG customers will have differences between each other,
15 as well as differences from other residential customers. Figures 2a and 2b
16 demonstrate that the load characteristics of DG customers are well within the range of
17 non-DG customers overall.

¹⁸ 850 kWh is very close to the average monthly consumption of the average Evergy Kansas Central residential customer. *Direct Testimony on Remand of Bradley D. Lutz on Behalf of Evergy*, at 11:21–12:1 (Oct. 13, 2020) (“Lutz Direct”).

1

Figure 2a: Utility-provided Electricity to DG and non-DG customers



2

3

Figure 2a plots the upper and lower bounds of utility provided electricity for all non-DG and DG customers for which data are available. Non-DG customers are reflected by the gray shading and the DG customers within the range bounded by solid blue lines. The median values for each group are shown by the dashed lines.

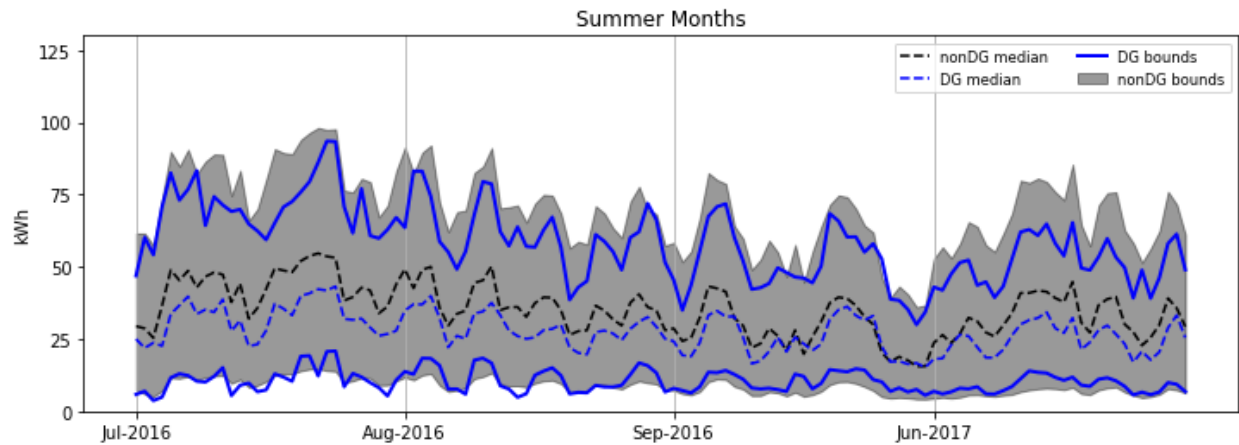
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6

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Figure 2b: Levels of Utility-provided Electricity During Summer Months



8

9

The load data confirms that nearly all DG customers fall within the natural variation of non-DG customers. As a group, DG customer loads are within the range of non-DG customers.

10

11

1 **Q. Does a DG customer have a different, more costly or elaborate connection to**
2 **“access” the utility grid that could justify imposing a different “grid access**
3 **charge” on DG customers?**

4 A. No. All residential customers have essentially the same connection to the grid—a
5 distribution transformer, a service drop, and a meter. Any incremental cost associated
6 with interconnecting the DG system to the grid is paid by the customer.¹⁹ There is no
7 cost basis for charging DG customers a premium for “access to the grid.”

8 **Q. Evergy suggests that the presence of DG customers connected to its grid can**
9 **actually increase the utility’s costs to serve customers. Do you agree?**

10 A. No, I do not agree, and there is no evidence to support Evergy’s claim. DG
11 customers export electricity that serves other loads in real time. Absent the DG
12 customers’ exports, those other loads would be served by utility-supplied energy
13 flowing from a central station across the transmission system and the entire
14 distribution system. DG exports not only displace the electricity that the utility would
15 otherwise generate or purchase to serve load, but inject electricity downstream from
16 all of the transmission and primary distribution system to reduce the loading on all of
17 the upstream equipment. DG exports do not increase flows upstream from the nearest
18 load; rather, they *reduce* the overall load on the grid, and therefore costs from the
19 secondary distribution system all the way up to the generator level.

20 **Q. Do DG customers receive a different service than non-DG customers?**

21 A. No. All of the services that a DG customer receives are bundled in the inflow
22 electricity from the utility. Regardless of what label one applies (standby,

¹⁹ Additionally, a \$100 processing fee is charged to the DG customer with the application to interconnect to the grid in accordance with Rate Schedule NMR.

1 supplemental, partial requirements), what the utility is providing and the customer is
2 receiving are the same. DG customers' inflowed electricity is no different than non-
3 DG customers' electricity. Nor is the utility reserving additional capacity to serve a
4 DG customer should their generation stop producing more than the utility reserves to
5 serve a non-DG customer, whose load may change instantly (pool pump starts,
6 resistance water heater turns on, electric vehicle plugs in).

7 In an effort to demonstrate that DG customers receive a different service than
8 non-DG customers, Evergy listed possible "costs" and "burdens" related to DG
9 customers.²⁰ When asked to support its claims, Evergy was unable to provide any
10 quantification or estimate of these costs or burdens.²¹ That is similar to my
11 experience in other cases, including in states with significantly higher DG penetration
12 than Kansas, where utilities are still unable to support claims that adding DG imposes
13 costs to the system. In fact, as I note above, DG customers actually reduce burdens
14 and costs on the system upstream of nearby loads served by DG exports.

15 In addition, while Evergy expresses concern about theoretical geographically
16 clustered DG (in the form of photovoltaic) leading to hypothetical new capacity
17 constraints on the distribution system, it has nothing beyond speculation to support
18 such concerns.²² In discovery, the Company clarified that this concern is related to a
19 future condition "as more RS customers become RS-DG customers."²³ Evergy does
20 not identify what level of new DG customers would be required before any such

²⁰ Faruqui Direct at 7:5–9.

²¹ Evergy's Response to Interrogatories Sierra Club 8-3 (Oct. 27, 2020).

²² Faruqui Direct at 7:12–15.

²³ Evergy's Response to Interrogatories Sierra Club 8-4 (Oct. 27, 2020).

1 issues arise, much less the actual cost that would occur even if the undefined and
2 theoretical level of DG customers is reached.

3 Relatedly, Evergy describes the possibility of increased costs resulting from two-
4 way flows of electricity on a system designed for one-way flows.²⁴ Here again,
5 Evergy provides no data or analyses supporting this assertion. I note, again, that this
6 “two-way flow” exists only on the secondary distribution system and primarily on the
7 solar customer’s service drop. The cost of the service drop itself is paid through the
8 monthly Basic Service Fee that DG customers pay like any other customer. Upstream
9 of the nearest load, which is almost always on the secondary system, there is no “two-
10 way flow” and, instead, only a reduction in load.

11 **Q. In your experience, have you seen distribution capacity constraints due to**
12 **geographical clustering of DG occur in other states?**

13 A. I have not. For example, in Colorado, Xcel Energy has about twice the number of
14 residential customers and more than fifty times the penetration of DG on its grid as
15 that on Evergy’s grid. Colorado has experienced neither the grid constraint issue nor
16 two-way flow issues that Evergy hypothesizes.

17 **Q. Does the proposed grid access charge recover the purported additional costs of**
18 **DG customers’ two-way flow on the grid, even if such costs did exist?**

19 A. No. Evergy’s claims of increased costs from bi-directional DG flows is completely
20 irrelevant to the grid access charge. As noted, there are no documented costs of
21 exports. But even if there were, the proposed grid access charge is not based on those
22 costs. Instead, it is calculated based on—and would recover revenues allocated to—

²⁴ Faruqui Direct at 7:16–8:4.

1 loads or inflows of electricity from the utility to the customer from the utility's cost of
2 service study.²⁵ In other words, the proposed grid access charge recovers costs of
3 providing electricity from the utility to the DG customer.

4 **Q. What costs is the grid access charge designed to recover?**

5 A. The grid access charge is Evergy's estimate of the average *revenue* shortfall per
6 customer per month in the DG group.²⁶ It starts with a total DG class cost figure
7 from Westar's cost of service ("COS") study and subtracts estimated kWh revenues
8 to derive a purported difference between the costs and revenues, divides that
9 purported deficit by the number of customers, and then by the average installed DG
10 system size.²⁷ There are a number of problems with the inputs used to calculate the
11 charge, some of which I discuss further below. However, the relevant point in this
12 phase of the proceeding is that the charge recovers allocated revenue requirement for
13 the common and conventional costs of utility service, not any costs of the "two-way
14 flow," DG-caused distribution system capacity constraints, or any other costs unique
15 to DG customers. Instead, the proposed grid access charge is simply higher charges
16 for DG customers to cover the utilities' normal costs of serving all customers,
17 resulting in DG customers paying more towards the utility's costs than non-DG
18 customers with identical levels of use.

²⁵ Evergy's Response to Interrogatories CURB-58, Attach. QCURB-58_Grid Access Charge Calculation.xls (Oct. 27, 2020).

²⁶ Evergy's Response to Interrogatories Sierra Club 8-11 (Oct. 27, 2020).

²⁷ Evergy's Response to Interrogatories CURB-58, Attach. QCURB-58_Grid Access Charge Calculation.xls (Oct. 27, 2020).

1 **Q. Are there other problems with Evergy’s proposed grid access charge?**

2 A. Yes. Several. First, the Company’s calculation appears to start with a revenue
3 requirement derived from Westar’s original COS study, not the Commission’s
4 approved revenue requirement for DG customers. Not only is that the wrong revenue
5 requirement value, but Westar’s COS study overstates DG customer costs of service
6 by applying the wrong non-coincident peak (“NCP”) allocator hour and allocating
7 costs of load placed on the primary distribution system to customer exports, which are
8 not only not load, but do not reach the primary system and actually reduce loads on
9 the primary system.²⁸ Second, it uses a revenue value that (a) is calculated from rates
10 other than those approved in the Commission’s September 27, 2018 Order Approving
11 the Non-Unanimous Stipulation and Agreement; (b) uses a subset of only 31 DG
12 customers rather than all DG customers (or the proof of revenue billing determinants
13 approved by the Commission as Appendix D to the Non-Unanimous Stipulation and
14 Agreement); and (c) subtracts credits for electricity received from DG customers and
15 resold to other customers as a reduction in revenue from DG customers.²⁹ The
16 combination of the overstated cost to serve and understated revenues produces a false
17 revenue deficiency value that Evergy uses to calculate the grid access charge. In
18 addition, the average DG system size used to determine the level of charge does not
19 appear to be from the same 31 customer data sample used to derive the costs and
20 revenues it is applied to.

²⁸ These allocation errors, alone, account for \$251 per DG customer in over-allocated costs. *Direct Testimony and Exhibits of Madeline Yozwiak on Behalf of Sierra Club and Vote Solar*, at 23 (June 11, 2018). This represents almost half of the Company’s assumed \$536 of “cross subsidy” even before accounting for the other errors in the calculation.

²⁹ Sierra Club Hr’g Ex. 6 (Westar Response to Data Request Sierra Club 1-41). This not only fails to recognize any value for electricity received from DG customers and used to serve other customers’ loads, but reducing DG customer revenues implies that it has negative value.

1 The fundamental problem with the Company’s proposed grid access charge is that
2 it discriminates by charging RS-DG customers more for the electricity they receive
3 from the Company than a non-DG customer would pay for the exact same level of
4 electricity. However, in addition, the inputs to the Company’s calculation of the
5 charge itself contain numerous flaws.

6 Lastly, the Company’s testimony is unclear on whether it proposes to apply the
7 charge to all DG customers or only those who interconnected after July, 2014 (or
8 some other vintage date). To the extent that Evergy seeks to apply the charge to
9 customers covered by K.S.A. 66-1265(d), the charge would appear to violate that
10 statute as well as violating K.S.A. 66-117d.

11 **Q. Evergy points to Arizona and New York as other states that have imposed grid**
12 **access charges. What is your response?**

13 A. Arizona Public Service Company (“APS”) instituted a grid access charge as a result
14 of a settlement, and not a litigated outcome. There was no determination on the
15 merits that the charge is lawful based on any statute similar to K.S.A. 66-117d.
16 Moreover, the APS grid access charge is at issue in a pending APS general rate case,
17 and it may be rescinded. Other Arizona regulated utilities, such as Tucson Electric³⁰
18 and UniSource Energy,³¹ do not have a grid access charge.

19 It is also incorrect that all three rate plans available for APS DG customers have a
20 monthly fixed charge that is “30% higher than that for non-DG customers,” as

³⁰ Tucson Electric Power, *Tariff R-4* (effective Sept. 21, 2018), https://www.tep.com/wp-content/uploads/2018/10/704_tep_rider.pdf.

³¹ UNS Electric Inc., *UNS Electric Statement of Charges* (effective July 1, 2020), <https://www.uesaz.com/wp-content/uploads/2018/03/Statement-of-Charges.pdf>.

1 claimed by Evergy witness Faruqui.³² In reality, the basic service charge under that
2 utility's three DG tariffs is 15% lower than its basic residential tariff and 12% lower
3 than Evergy's RS and RS-DG monthly fixed charge.³³

4 Evergy also incorrectly characterizes New York's Customer Benefit Contribution
5 as a grid access charge. That charge is not an additional charge on DG customers to
6 pay for a service received. Instead, as the name implies, it is a charge to recover non-
7 bypassable public benefit costs.³⁴

8 **Q. Are you aware of proposed grid access or similar charges in other states?**

9 A. Yes. Southwestern Public Service Company ("SPS") in New Mexico began charging
10 its DG customers a "standby charge" that was tied to the amount of generation each
11 month from the customer's DG system. Like Evergy's proposal here, SPS explained
12 the purpose of the charge was to recover a portion of the utility's unrecovered fixed
13 costs from serving DG customers. However, a Hearing Examiner in New Mexico
14 found that there were no incremental costs of serving DG customers, and that the
15 standby rates were not cost based. As a result, the Hearing Examiner ordered SPS to
16 cancel its two standby service tariff sheets.³⁵

17 Wisconsin Electric proposed and the Wisconsin PSC approved a \$3.794/kW grid
18 access charge in 2014.³⁶ While the utility mischaracterized the charge as a "demand

³² Faruqui Direct 12:1–3.

³³ APS "Premier Choice" is the utility's standard two-part rate with flat kWh charges. The monthly service charge for that tariff is \$15 per month. The three tariffs open to DG customers have monthly service charges of \$13 per month. Only the limited tariff for small customers has a lower monthly service charge. See APS, *Residential Service Plans*, https://www.aps.com/-/media/APS/APSCOM-PDFs/Residential/Service-Plans/1804088-Plan_Comparison_Update_FL.ashx?la=en&hash=7B3D9E77B447045FC916BEC7268C885F.

³⁴ State of New York Public Service Commission, *Order Establishing Net Metering Successor Tariff*, at 26–27, Case No. 15-E-0751 (July 16, 2020).

³⁵ New Mexico Public Regulation Commission, *Recommended Decision*, Case No. 17-00255-UT (June 29, 2018). Adopted in pertinent part by the Public Regulation Commission of the State of New Mexico.

³⁶ Public Service Commission of Wisconsin, *Final Decision*, at App. B, 5-UR-107 (Dec. 23, 2014).

1 charge,” the charge was actually imposed on each kW of installed capacity and not on
2 customer demand. While the Wisconsin commission initially approved the charge, a
3 court reversed, finding the charge unlawful and precluding the utility from imposing
4 it.³⁷ Similar to the Kansas Supreme Court’s comment that DG customers reducing
5 charges by reducing use is “a feature of the system rather than a bug,” the Wisconsin
6 court noted that utility claims of an “unfair subsidy” refers to any customer who uses
7 less electricity and therefore contributes less revenue, which was intended by the
8 volumetric rate design and also not specific to DG customers.³⁸

9 DTE Electric Company in Michigan proposed a grid access charge in 2018—
10 called a “system access contribution charge”—to be imposed on a DG customer’s
11 system capacity size. The Michigan PSC rejected the charge, finding it “neither [cost
12 of service]-based... nor equitable” and “unreasonable from a [cost of service]
13 ratemaking perspective.”³⁹

14 Finally, the Minnesota Public Utilities Commission reviewed a series of grid
15 access charges imposed by electric cooperatives. Like Evergy’s proposed grid access
16 charge in this case, the Minnesota cooperatives’ charge was calculated from a
17 purported revenue deficiency from DG customers and divided by and applied to
18 installed generation capacity.⁴⁰ Notably, unlike Evergy’s proposal in this case, the

³⁷ Final Order and Judgment, *The Alliance for Solar Choice and Renew Wisconsin v. Pub. Serv. Comm’n of Wisconsin and Wisconsin Elec. Power Co.*, Case No. 15-cv-153 (Dane Co. Wis. Cir. Ct., Nov. 20, 2015).

³⁸ Hr’g Tr. 63–66, 69, *The Alliance for Solar Choice and Renew Wisconsin v. Pub. Serv. Comm’n of Wisconsin*, Case No. 15-cv-153 (Dane Co. Wis. Cir. Ct., Oct. 30, 2015).

³⁹ Michigan Public Service Commission, *Order* at 198, Case No. U-20162 (May 2, 2019), <https://mi-psc.force.com/sfc/servlet.shepherd/version/download/068t0000004SM3yAAG>, adopting the Administrative Law Judge’s Proposal for Decision at 285–286 (Mar. 5, 2019), <https://mi-psc.force.com/sfc/servlet.shepherd/version/download/068t0000004HLiHAAW>.

⁴⁰ Minnesota Public Utilities Commission, *Staff Briefing Papers* at 9, Docket No. E999/CI-16-512 (Nov. 9, 2017), <https://www.edockets.state.mn.us/EFiling/edockets/searchDocuments.do?method=showPop&documentId={80B77D5F-0000-C61B-9997-5A54425728AD}&documentTitle=201711-137125-01>.

1 Minnesota cooperatives’ method exempted the first 3.5 kW of DG to reflect the
2 “‘normal’ variation of customer usage due to energy efficiency, usage patterns, and
3 household size” within the class as a whole and also capped the charge based on the
4 class-wide average customer distribution fixed costs.⁴¹ Even with the additional
5 limitations on the charge that the Evergy proposal does not contain, the Minnesota
6 commission found that the charge, based on a DG customer’s reduction in revenues,
7 violated a state law that allowed an additional charge for DG customers only where
8 “reasonable and appropriate... based on the most recent cost of service study.”⁴²

9 **Q. Please summarize your testimony on the grid access charge proposal.**

10 A. The proposed grid access charge is plainly discriminatory and must be rejected by
11 this Commission. “Grid access” is a service both DG and non-DG customers receive,
12 not a different service provided to DG customers. In addition, contrary to Evergy’s
13 claim that the grid access charge “appropriately charge[s] RS-DG customers for the
14 service they are taking ... when they are using the grid in a two-way fashion,”⁴³ the
15 charge is neither related to any costs associated with the export of energy, nor based
16 on the level of exports. A DG customer with a balanced load and DG combination or
17 who uses battery storage, and thus eliminates exports, would pay the same charge as a
18 customer who exports most of her DG generation.

⁴¹ *Id.* at 10.

⁴² Minn. Stat. § 216B.164, Sub. 3(a); Minutes of November 9, 2017 Public Utilities Commission Meeting, at Energy Agenda - E-999/CI-16-512 - *In the Matter of a Commission Investigation into Fees Charged to Qualifying Facilities by Cooperative Electric Associations under the 2015 Amendments to Minn. Stat. § 216B.164, Subd. 3* (applying Minn. Stat. § 216B.164, Sub.3(a)), <https://www.edockets.state.mn.us/EFiling/edockets/searchDocuments.do?method=showPop&documentId={A0692B63-0000-C732-A360-AF0673C2582B}&documentTitle=20185-142756-02.>

⁴³ Faruqui 10:10–12.

1 The proposed grid access charge so obviously discriminates and the Company’s
2 defense of it is so transparently weak that it appears to be a Trojan horse for Evergy’s
3 “secondary” proposal of a high fixed charge for all customers.

4 ***B. Evergy’s “Minimum Bill” Proposal is Regressive and Contrary to Kansas’s Net***
5 ***Metering Law***

6 **Q. Please describe Evergy’s “alternative” rate design proposal.**

7 A. Evergy proposes an “alternative” to its discriminatory grid access charge proposal
8 that it claims is “easy to explain to customers and easy to implement.”⁴⁴ This
9 mechanism would require all residential customers to pay a minimum of \$35 to
10 Evergy each month, regardless of the amount of electricity each customer consumed.
11 While this would have little effect on higher use customers, low-use and often lower
12 income customers would be hit hardest by this proposal. Indeed, Evergy concedes
13 that its minimum bill proposal “will raise the monthly bills for low use customers.”⁴⁵
14 Evergy’s proposal constitutes a regressive rate design similar to high fixed charges,
15 which this Commission has previously rejected. In addition, applying a minimum bill
16 to DG customers appears inconsistent with statutory requirements for net metering.

17 **Q. Has Evergy calculated the amount of incremental revenue that would result**
18 **from the proposed minimum bill?**

19 A. No, it has not.⁴⁶

⁴⁴ *Id.* at 12:10.

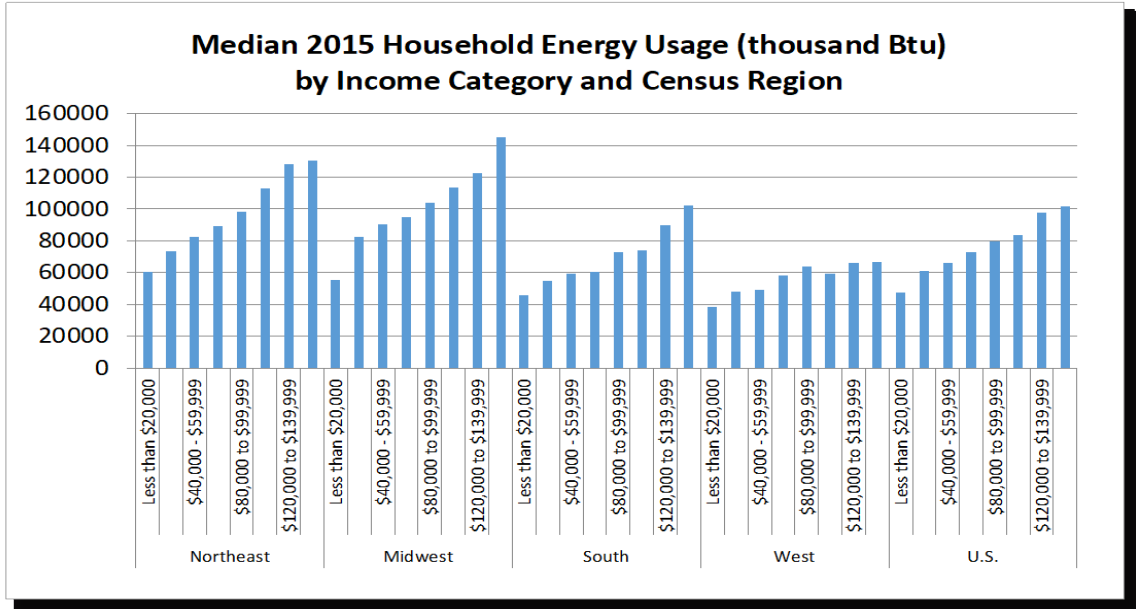
⁴⁵ *Id.* at 14:4.

⁴⁶ Evergy Response to Interrogatories CURB-63 (Oct. 27, 2020).

1 **Q. Are low-use customers also low-income customers?**

2 A. Generally, low-income customers tend to have lower consumption than more affluent
3 customers. This has proven to be true in virtually all regions of the country as shown
4 in Figure 3.⁴⁷

5 **Figure 3: Energy Use by Income and Region**



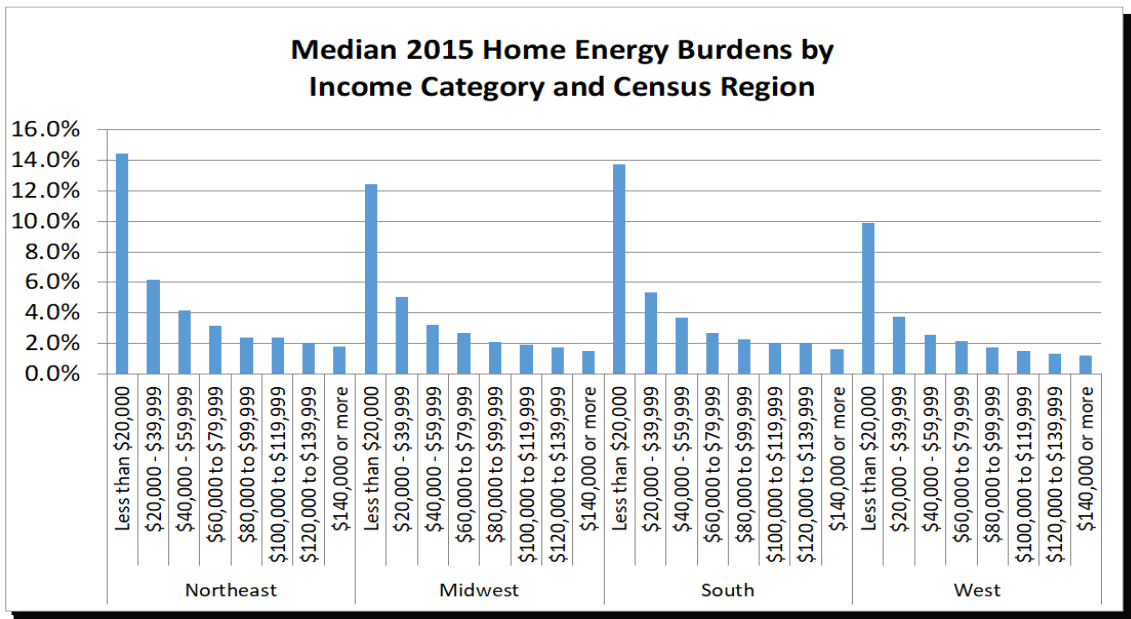
6
7 Even with lower usage, the electricity bills of customers with lower incomes
8 comprise a larger share of household income (known as energy burden) as shown in
9 Figure 4.⁴⁸

⁴⁷ John Howat et al., *Reversing Energy System Inequity: Urgency and Opportunity During the Clean Energy Transition*, at 2, https://www.nclc.org/images/pdf/special_projects/climate_change/report-reversing-energy-system-inequity.pdf.

⁴⁸ *Id.* at 3.

1

Figure 4: Energy Burden by Income and Region



2

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4

Thus, the customers least able to afford increases in electric bills are those that will be among the most burdened by the Evergy minimum bill proposal.

5

Q. How many DG customers does Evergy Kansas Central, Inc. (formerly Westar) have that would be subject to this rate design proposal?

6

7

A. Of Evergy Kansas Central Inc.’s 611,452 residential customers, 833 (about one-tenth of one percent) are DG customers.⁴⁹ Not all of those customers will be impacted by the minimum bill. At the same time, of the Company’s 610,619 non-DG customers, a large number will have monthly usage below 278 kWh,⁵⁰ and thus will be impacted by the proposed minimum bill.

8

9

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⁴⁹ Lutz testimony 10:9–12.

⁵⁰ *Id.* at 11:19–21.

1 **Q. Has Evergy estimated the number of non-DG customers that would be impacted**
2 **by the proposed minimum bill?**

3 A. No, it has not.⁵¹

4 **Q. Have you estimated the number of non-DG customers with one or more months**
5 **of usage less than 278 kWh?**

6 A. Yes. For the test period in this proceeding, I estimate that 32% of the 610,619 non-
7 DG residential customers have one or more months of electricity consumption less
8 than 278 kWh, representing more than 195,000 residential customers. In other words,
9 Evergy seeks to address its belief that a subset of its 833 DG customers are not paying
10 their “fair share” of fixed costs (which is also not supported by the evidence) by
11 increasing the electricity bills of nearly 200,000 non-DG customers.

12 **Q. Please explain how you derived your figures.**

13 A. Evergy provided hourly consumption data for 406,074 non-DG residential customers,
14 representing 67% of the total number of non-DG customers. Unfortunately, only
15 187,876 of the 406,074 non-DG customers had complete data. Even so, all non-DG
16 customers were reviewed for months where consumption fell below the 278 kWh
17 threshold for minimum bill impact.

18 I found that 129,576 of the 406,074 non-DG customers (31.9%) had at least one
19 month with usage below the threshold. I also found the energy usage of 5,517 non-
20 DG customers (1.36%) below the threshold for *every* month of the test period.

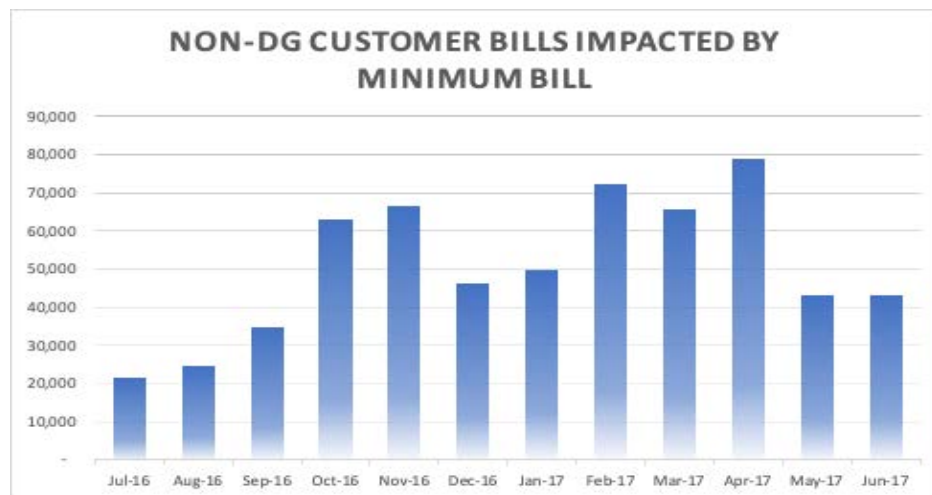
21 Assuming that the mix of load patterns in the group of 406,074 non-DG
22 customers is representative of the patterns of the somewhat larger total group of non-

⁵¹ Evergy’s Response to Interrogatory CURB-64 at 64(a) (Oct. 27, 2020).

1 DG customers, the number of non-DG customers with at least one month below the
2 threshold can be extrapolated to 194,845 customers in the larger total residential
3 group.

4 Notwithstanding the fact that Evergy should have presented this data to the
5 Commission in its case-in-chief, receiving complete data from Evergy would have
6 allowed me to provide more accurate estimates of the number of customers with
7 consumption below the 278-kWh threshold. Figure 5 shows non-DG customers
8 impacted by month.

9 **Figure 5: Non-DG Customers by Month Below Minimum Bill Threshold**



10
11 **Q. Do you have other concerns regarding the minimum bill proposal?**

12 **A.** Yes. Increasing cost recovery from one-third of Evergy's customers through a
13 minimum bill policy without reducing other charges will produce more revenue than
14 authorized in the rate proceeding. Because there is a rate change moratorium in place
15 through 2023, this problem cannot be rectified immediately. At best, the Commission
16 would have to create a regulatory liability and recover the over-collection through a
17 future rate case—creating new cost shifts between customers and over time.

1 **Q. You noted above that you have concerns with the consistency of the minimum**
2 **bill with statutory requirements. Please explain.**

3 A. The Kansas net metering statute, K.S.A. 66-1266(b)(1) provides:

4 If the electricity supplied by the utility exceeds the electricity generated by the
5 customer-generator during a billing period, the customer-generator shall be billed
6 for the net electricity supplied by the utility. (emphasis added).

7 However, for customer-generators with net usage below 278 kWh, Evergy's
8 minimum bill proposal would bill the DG customer the minimum bill, which is more
9 than "for the net electricity supplied by the utility."

V. Other Problems With The Company's Rate Design Proposals

10 **A. *The DG customer cost of service decreases roughly proportionate to volumetric***
11 ***reduction***

12 **Q. Please explain the issue or concern raised by the Company with respect to the**
13 **cost of serving DG customers.**

14 A. Evergy identifies the "primary policy issue associated with the installation of rooftop
15 solar panels" as a dramatic reduction in the amount of power that DG customers buy
16 from Evergy for purposes of revenue collection but not for purposes of cost
17 incurrence.⁵² Evergy argues that:

18 As the volume comes down, their bill goes down. But the cost to serve them does
19 not go down as dramatically. In the case of Evergy, RS-DG customers purchase
20 significantly less energy from the utility without reducing their demand by a
21 corresponding amount – about a 49% reduction in energy with a less than 5%
22 change in demand.⁵³

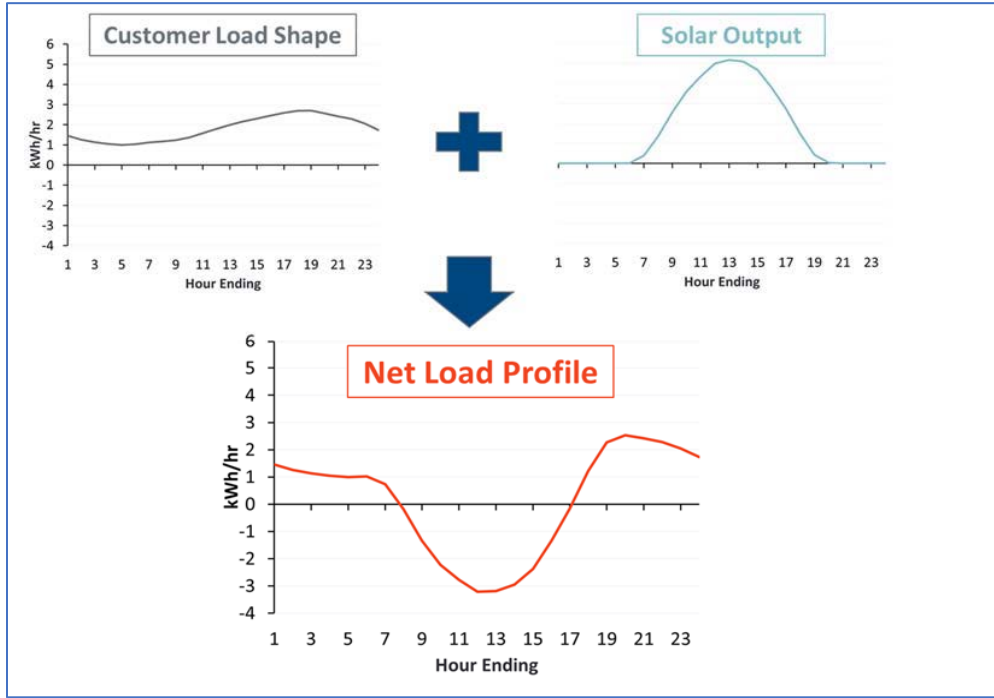
23 Evergy graphically demonstrates its claim by netting a residential customer load
24 profile (based on Westar's own 2013 residential load research sample) on an average

⁵² Faruqui Direct at 5:1–3.

⁵³ *Id.* at 5:4–8.

1 summer day with the output from a solar generator (based on Wichita solar data) to
2 obtain a “net load profile”⁵⁴ as reproduced in Figure 6:

3 **Figure 6: Evergy Witness Faruqi’s Figure 1.**



4
5 Evergy’s chart does not support the Company’s “cost to serve” contention. The
6 entire argument conflates individual customer maximum demand with the cost to
7 provide service. According to Evergy, “[c]ost causation is the key element to
8 selecting an allocation method. This has been the standard by which an allocation
9 method is evaluated and it continues to be the gold standard for assessing cost
10 allocation.”⁵⁵ Yet, individual customer maximum demand causes virtually no costs
11 and has an imperceptible impact on cost to serve. Looking at DG customers’ load
12 reduction during cost-causing hours produces the opposite result as Evergy’s claims:
13 installing DG reduces cost to serve roughly commensurate with revenue reductions.

⁵⁴ *Id.* at 6, Figure 1: Residential Customer Load Profile, Average Summer Day.

⁵⁵ *Direct Testimony of Ronald J. Amen*, at 8 (Feb. 1, 2018).

1 **Q. How are the costs of providing service allocated to customer classes?**

2 A. Costs are first functionalized into three or four basic functions. Evergy subdivides
3 costs into the following categories:

- 4 • Production/supply
- 5 • Transmission
- 6 • Distribution
- 7 • Customer service/Retail Billing

8 Once functionalized, the costs are then classified as customer-related, demand-
9 related, or energy-related. Customer-related costs are generally recovered through the
10 monthly basic service fee. Energy-related costs are mostly fuel or purchased power
11 and some maintenance costs. These costs vary with energy and thus tend to match
12 consumption patterns of DG customers. It is the recovery of demand-related costs
13 that are the underlying concern to Evergy that resulted in this remanded proceeding.

14 The costs classified as demand related by function from Evergy (then, Westar's)
15 COS study are shown in Figure 7.

16 **Figure 7. COS by Function and Sub-function⁵⁶**

	System Average
Production/Supply	85.7%
Transmission	0.5%
Transformer	1.2%
Primary Distribution	11.9%
Secondary Distribution	0.6%
Total	100.0%

17 Figure 7 shows that 97.6% of the total system demand-related costs are
18 production and primary distribution, with the vast majority in the production function.

⁵⁶ *Id.*, Schedule RJA-6, COS by Function at 1 of 3.

1 Finally, the functionalized and classified costs are allocated to customer classes.
2 When allocated to customer classes, the percentages of residential class costs
3 attributable to five functions above are nearly the same as the system-wide
4 percentages. That is, the vast majority of residential demand costs are production
5 related demand costs and a smaller portion are primary distribution. Very small
6 fractions are transmission, transformers, and secondary distribution. This is reflected
7 in Figure 8, below.

8 For Evergy’s “primary policy issue” to be true, DG customers would have to
9 reduce their consumption charges significantly without a similar reduction in their
10 contribution to the demands that drive the production and primary costs and, to a
11 lesser extent, to the demands that drive the transmission, transformer, and secondary
12 costs. As shown below, DG customers actually reduce those cost-causing demands
13 significantly.

14 **Q. What are the bases for cost-causation as identified by Evergy?**

15 A. The bases for cost causation vary by function. At issue in this proceeding has been
16 the recovery of fixed costs related to its production, transmission, and distribution
17 functions. According to Evergy’s witness, the cost-causing bases for allocating these
18 functions are as follows:

19 Production: “In the case of production, the choice of an allocation factor depends
20 on how costs are incurred for the capacity portion of production costs. It is a basic
21 proposition of reliable utility service that the utility must have adequate capacity
22 to meet the peak load requirements of its customers plus a level of reserves to
23 maintain reliability. This means that peak load causes capacity costs to be
24 incurred.”⁵⁷ Evergy goes on to note that a “portion of the capital cost for baseload
25 is related to energy,”⁵⁸ and that “[t]he AED method [average and excess demand]

⁵⁷ *Id.*, App. B at 10.

⁵⁸ *Id.*, App. B at 11.

1 recognizes a portion of cost is related to energy and the excess cost is a pure
2 demand related cost.”⁵⁹

3 The AED method allocates a portion (equal to the system load factor) of
4 generation on average demand (a.k.a. energy), and the remainder on the basis of
5 four coincident peaks or “4CP.” The 4CP portion assigns costs to customer
6 classes on the basis of each class’s contribution to each of the critical four
7 monthly summer peaks of the test year.

8 Transmission: Allocation of transmission costs is based on the twelve coincident
9 peak method or “12CP.” The 12CP method assigns costs to customer classes on
10 the basis of each class’s contribution to each of the monthly system peaks of the
11 test year.

12 Distribution: Allocation of distribution costs depends on the level of the system
13 cost at issue. Generally, each class’s non-coincident peak or “NCP” (to the sum
14 of all classes NCPs) is used to allocate the primary system, and the sum of
15 individual NCPs are used to allocate the secondary system.

16 Application of these (and other) allocation factors results in the cost responsibility
17 for the residential class represented in Figure 8.

18 **Figure 8. Residential COS by Function and Sub-function⁶⁰**

	Residential
Production/Supply	86.0%
Transmission	0.5%
Transformer	1.3%
Primary Distribution	11.5%
Secondary Distribution	0.7%
Total	100.0%

19 Similar to the results shown in Figure 7 above, Figure 8 shows that 97.5% of the
20 demand-related COS allocated to the residential class is related to production and
21 primary distribution functions, with the vast majority in the production function.

⁵⁹ *Id.*, App. B at 11.

⁶⁰ *Id.*, Schedule RJA-6, COS by Function at 1 of 3.

1 **Q. What are the implications of these COS results for the DG group of customers**
2 **within the residential class in light of Evergy’s contention that the cost to serve**
3 **DG customers doesn’t decline when consumption declines?**

4 A. The implications for DG customers are significant. For the far and away largest cost
5 function assigned to the residential class – production costs – the cost causation
6 factors either (1) decline as consumption declines (for the average demand or energy
7 portion) or (2) drop to zero or a negative value for the portion caused by contribution
8 to the four coincident peaks.

9 Evergy witness Faruqui’s example characterized DG reducing energy purchased
10 from the utility by about 49% but only reducing peak demand by about 5%. However,
11 the only costs that are assigned to customers on the basis of individual customer
12 maximum peak demand in the Company’s COS study is a portion of the secondary
13 distribution system. These costs only represent 0.6% of total system demand-related
14 costs, and about one-quarter of total system secondary distribution costs. Even so, a
15 reduction in loading on the secondary system, even if only 5%, is helpful.

16 **Q. Did Evergy provide any actual data in its testimony to support its implied**
17 **contention that the customer’s maximum load drives cost causation?**

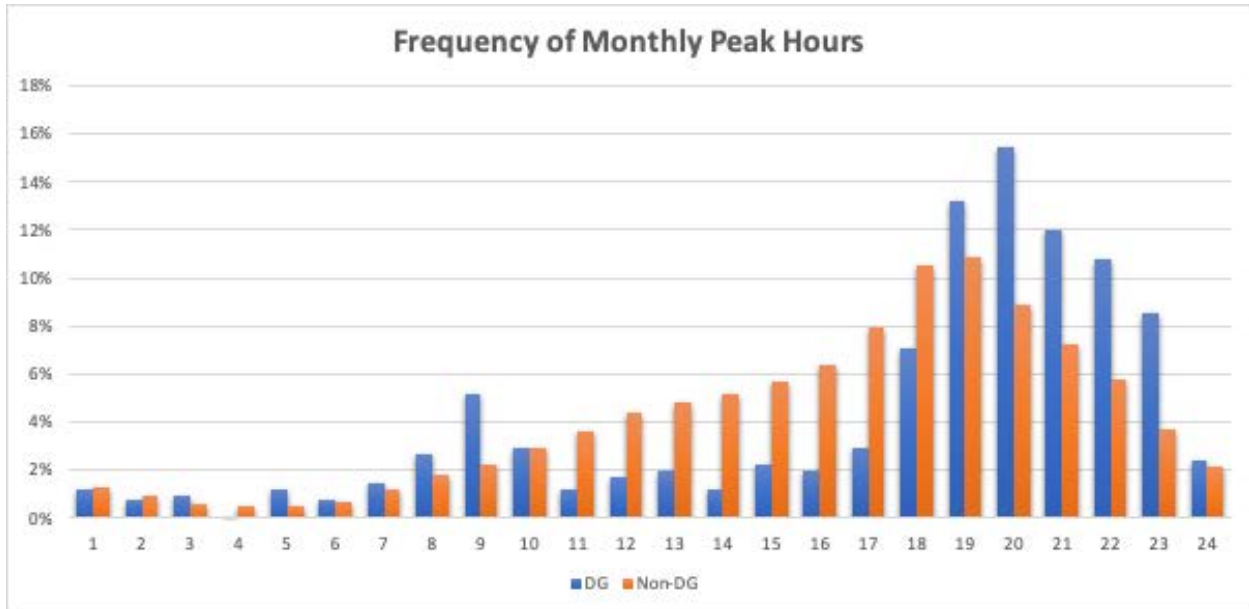
18 A. No, it did not.

19 **Q. If there were a relationship between individual customer’s peak load and cost**
20 **causation, would the DG customers be contributing to that cost?**

21 A. Only to a limited extent. The individual peak loads of DG customers overlap with
22 non-DG customers, but are generally occurring later in the evening. Figure 9 plots the

1 frequency of the occurrence of the monthly peak loads of individual DG and non-DG
2 customers.

3 **Figure 9. Frequency by Hour of Monthly Peak Loads**



4
5 Figure 9 shows the hours with the highest number of maximum loads for non-DG
6 customers are 5 p.m. through 8 p.m. The corresponding four-hour period for DG
7 customers is 7 p.m. through 10 p.m. This load diversity tends to spread customers'
8 maximum demands on the distribution system over a longer period of time,
9 reducing loading at any one time and costs on the grid. DG customers have lower
10 individual peaks during the cost-causing peak hours and have shifted their individual
11 peaks to later in the day, when there is more unused capacity on the system and their
12 loads cause fewer if any costs.

13 **Q. Please describe what is meant by “fixed costs.”**

14 A. The term “fixed costs” has different meanings in different contexts. When used for
15 utility ratemaking arguments, it typically is used to describe costs that do not vary
16 with the amount of energy consumed. For example, a customer’s meter is a fixed cost

1 needed to measure customer consumption, but its cost does not vary with the amount
2 of that consumption. Fuel costs, on the other hand, do vary directly with consumption
3 in almost real time. The more energy consumed, the more fuel required to produce
4 that energy. All other costs are fixed or variable depending on the time horizon.

5 **Q. Are fixed costs non-varying for long periods of time?**

6 A. No, the lives of fixed costs vary. For example, many administrative and general
7 expenses are relatively short term in nature, such as information technology
8 equipment, automobiles, office furniture, and certain wages and salaries. Others are
9 longer term in nature but are in flux because they reflect large categories of costs that
10 include regular turnover rather than a single asset. Power plants have long lives but
11 the number and mix of power plants changes over time. Transformers' lifespan
12 depends on age and wear caused by loading, and utilities replace and upgrade some
13 portion of their transformers on a regular basis. Some equipment maybe considered
14 for retirement is refurbished with newer components. Other components are
15 upgraded or upsized at end of economic or useful life. In the end, all costs are
16 variable. That is why Evergy's COS methodology (like most utilities) treat even
17 short-run "fixed" costs like power plants, distribution substations, and transmission as
18 being caused by usage and allocated by the long-run cost-causing usage attributes like
19 load during peak hours, rather than pro rata customer count.

20 **Q. For the test period in this proceeding, what time of day did the cost-causing
21 system peak demands occur during each of the four summer months?**

22 A. Figure 10 provides a chart showing the hour of the system peak for each of the four
23 summer months of the test period.

1 **Figure 10: Timing of Test Period System Peak Hours⁶¹**

MONTH	PEAK HOUR
JUNE 2017	5:00 p.m.
JULY 2016	5:00 p.m.
AUGUST 2016	5:00 p.m.
SEPTEMBER 2016	4:00 p.m.

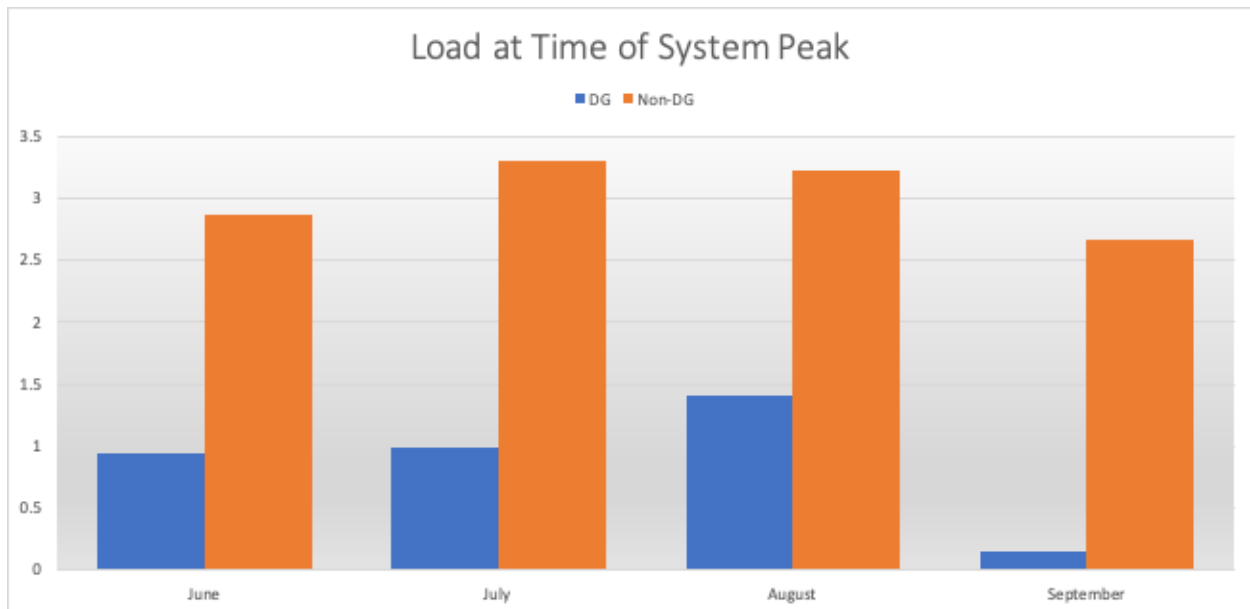
2 Comparing the timing of the system peak in these months to the net load profile in
3 Dr. Faruqui's testimony, reproduced above, confirms that DG customers placed either
4 zero or a negative demand (i.e. they supplied capacity to the utility) on the system
5 during the hours upon which production and primary distribution cost causation is
6 measured. The implication for the critical summer system peak hours is that DG
7 customers either placed no load on the system or were actually providing capacity to
8 the system. Thus, contrary to Dr. Faruqui's assertions that DG customers do not
9 reduce costs to serve them commensurate with reduced kWh billing determinants, DG
10 customers significantly reduce their contribution to peak load hours and, therefore,
11 cost to serve.

12 **Q. Figure 1 in Evergy witness Faruqui's testimony relied on a hypothetical load**
13 **chart rather than actual Evergy customer load data. Have you reviewed the**
14 **data for actual Evergy DG customers?**

15 A. Yes, I have. Figure 11 shows the average load contribution of DG and non-DG
16 customers at the time of the peak demand for DG customers for each of the four
17 monthly summer peak hours.

⁶¹ Evergy's Response to Interrogatories Sierra Club 8-16, Attach. Q8-16 Native Load Peak.

1 **Figure 11. Average Load Contribution for DG and Non-DG Customers**
2 **at Peak Summer Hours**



3
4 As depicted in Figure 11, the relative contribution of load to Evergy’s overall
5 system loads is much lower for DG customers than for non-DG customers, supporting
6 the low cost-causation premise discussed above.

7 **Q. Dr. Faruqi claims that DG customers “exhibit different consumption**
8 **characteristics” than non-DG customers. Do you agree?**

9 **A.** No. Dr. Faruqi uses averages to reflect “typical” customers and generic solar
10 generation curves to make his argument. He uses net usage, which is not a
11 consumption pattern of the customer, but consumption combined with services
12 provided to the utility. The reality is that all customers are unique and exhibit
13 different consumption characteristics. An average hides the diversity within the class.
14 The variability among individual residential customers is significant. As shown in
15 Figures 2a and 2b, above, DG customers have consumption of utility-supplied
16 electricity within the range of non-DG customers. Moreover, the degree to which

1 Evergy’s 833 DG customers deviate from the mean is no greater than the amount by
2 which other subgroups deviate from the mean.

3 **Q. Is there other evidence that DG loads are within the natural variation of the**
4 **residential class?**

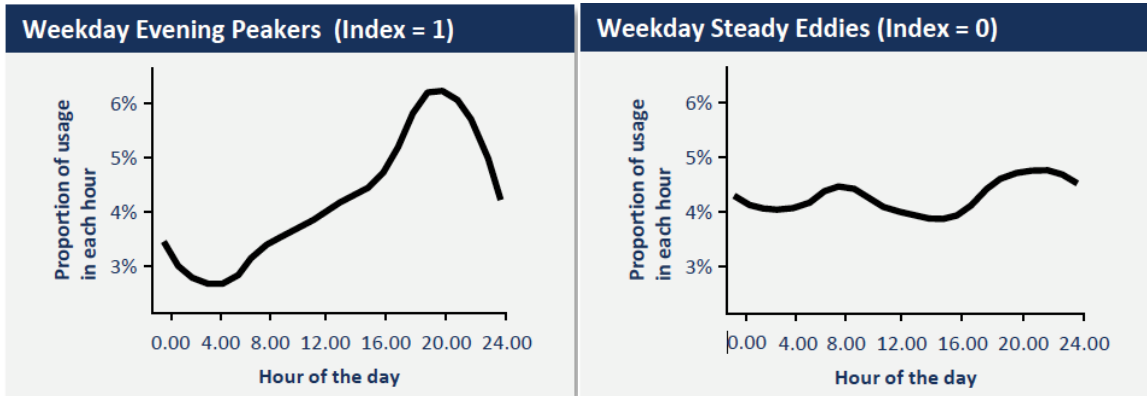
5 A. Yes. An APS study found considerable variation in load shapes among residential
6 customers,⁶² identifying five different types of residential customers with very
7 different usage patterns. Figure 12 below illustrates the different sub-groups’ load
8 shapes. The DG customer load shape in Arizona is similar to the load shape found in
9 Dr. Faruqui’s Figure 1.

⁶² See *Direct Testimony of Briana Kobor on Behalf of Vote Solar*, Arizona Corporation Commission Docket Nos. E-01345A-16-0036 and E-01345A-16-0123, at 69 (Feb. 3, 2017), <http://images.edocket.azcc.gov/docketpdf/0000177081.pdf> (“Kobor APS Direct”).

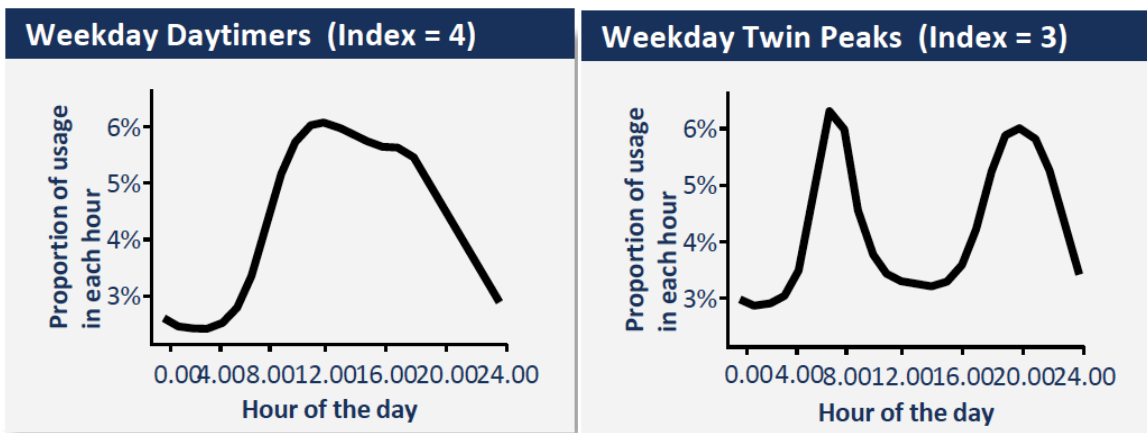
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Figure 12: APS Residential Customer Load Types⁶³

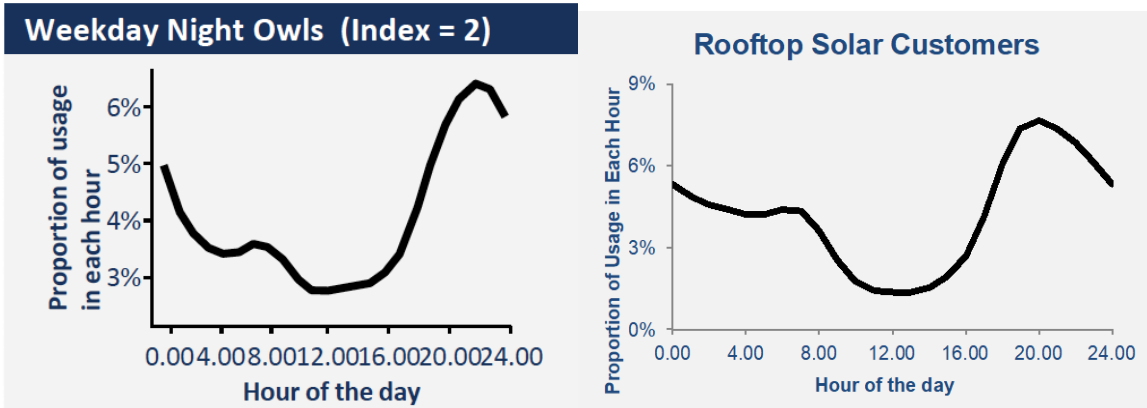
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5

APS additionally indicated that the residential class breaks down into the various

6

customer types as shown in Figure 13 below.

⁶³ *Id.*

1 **Figure 13: APS Residential Customer Class by Customer Type**⁶⁴

Customer Type	Percentage of Customers
Weekday Evening Peakers	42%
Weekday Steady Eddies	19%
Weekday Daytimers	16%
Weekday Twin Peaks	10%
Weekday Night Owls	10%
Rooftop Solar Customers	3%

2 Results from the APS study demonstrate that it is possible to identify several
3 distinct groups of customers larger than the group of rooftop solar customers with
4 highly varying load shapes. In this context, the rooftop solar customer load shape
5 does not appear to be an outlier. Moreover, other subgroups with an identifiable load
6 shape are much more numerous and therefore significant than solar customers, even
7 in APS territory that has significantly more solar customers than Evergy.

8 While this evidence is from Arizona, it demonstrates that (1) simple averaging of
9 the loads of a large class masks the high degree of variability that exists between
10 various subgroups within the class; and (2) DG customers are not the only subgroup
11 that, on average, may appear different from the other subgroups or the class as a
12 whole. To my knowledge, Evergy does not have the granular data necessary to
13 perform a similar analysis, but there is no reason to believe that a similar analysis
14 within its residential class would not show similar differences between subgroups.

15 **Q. Please summarize your view of Evergy's cost causation concern.**

16 A. Evergy's concern that the DG cost causation factors do not decline in the same
17 proportion as reductions in utility-supplied energy is misplaced and wrong. For the

⁶⁴ *Id.* at 70.

1 vast majority of costs, the cost causation factor declines as much, if not more than, net
2 energy. However, even if DG customers' costs were higher than revenues, that
3 characteristic would not be unique to DG customers and imposing a charge only on
4 DG and not the many non-DG customers who exhibit a similar ratio of loads during
5 cost causing peaks to total energy use would discriminate against DG.

6 ***B. DG customers do not receive a different service than non-DG customers***

7 **Q. How does Evergy characterize the service provided to DG customers?**

8 A. Evergy itself agrees that the Court states “a rate design is only discriminatory and in
9 violation of the statute if it charges RS-DG customers a higher price than non-DG
10 customers for the same service.”⁶⁵ Therefore, to justify its proposed grid charge,
11 Evergy attempts to characterize service to DG customers as a different service
12 because DG customers “have the ability to send power out onto the grid.”⁶⁶ But
13 exported electricity is a different service—one provided by the customer to the
14 utility—than the service reflected in inflowed electricity from the utility to the
15 customer. The utility-provided inflowed electricity service is subject to K.S.A. 66-
16 117d, and Evergy cannot charge the DG customer more.

17 **Q. Did the Court understand that DG customers have the ability to send power out
18 onto the grid?**

19 A. Yes. The Court fully understood that the service utilities provide to DG customers
20 reflects the fact that DG customers can export energy and reduce their consumption,
21 even to net zero.

⁶⁵ *Faruqui Direct* at 9:17–10:2 (Oct. 13, 2020).

⁶⁶ *Id.* at 10:3–5.

1 Still connected to the utility grid, so-called DG customers have always paid the
2 flat service charge, just like everyone else. But as a class, they use less utility
3 generated electricity and thus the variable energy portion of their utility bills is
4 lower. In fact, in some cases, if the DG customer is generating more electricity
5 than they use and selling the excess back to the grid, the variable energy portion
6 of the bill may amount to a net-zero.⁶⁷

7 Yet, despite the fact that DG customers may export, the Court correctly found
8 that: “The proposed RS-DG rate design violates K.S.A. 66-117d because it uses a
9 customer’s DG status as a basis for charging more for the same goods and services
10 than the Utilities charge to non-DG customers.”⁶⁸

11 **Q. How is electricity exported by a DG customer a service provided to the utility
12 and indirectly to a neighbor?**

13 A. Electricity exports from DG customers result in reduced loads on the distribution and
14 transmission systems, and reduced generation by the utility. As a matter of physics,
15 exported energy serves a neighboring customer. Energy exported from one residence
16 follows the path of least resistance to the nearest load where it is consumed
17 instantaneously without incremental cost to the utility, nor any control over the flow.
18 The neighboring customer consuming the exported solar electricity sees nothing
19 different in its normal electricity service, unaware that the electricity in use was
20 generated by their solar-powered neighbor. As a result, they pay the full retail price
21 for the electricity. The utility recovers full retail revenue for the solar electricity from
22 the DG customer’s neighbor, which is set based on a revenue requirement covering
23 all of the utility’s assets and expenses even though the utility did not use those assets
24 to provide the DG customer’s electricity to a neighboring home.

⁶⁷ *Matter of Westar Energy, Inc.*, 460 P.3d at 3.

⁶⁸ *Id.* at 13.

1 Thus, a DG customer's exported energy provides energy service to the neighbor
2 without any action or management by the utility, and the utility receives retail
3 revenue from the non-solar neighbor, thus being made whole and in some cases more
4 than whole.

VI. Summary of Recommendations

5 **Q. Please summarize your recommendations to the Commission.**

6 A. I recommend the Commission reject both the Company's proposed grid access charge
7 and minimum bill alternative as replacement rate designs for the RS-DG group.

8 I further recommend the Commission require Evergy to either eliminate the DG
9 customer class and transfer all customers back to the RS class, or to impose the same
10 rates and charges on DG customers as the RS rate.

11 Finally, Evergy has collected higher charges from RS-DG customers for two
12 years despite the Kansas Supreme Court finding the charges unlawful and reversing.
13 To effectuate the court's decision, I recommend that the illegal charges be returned to
14 those customers with interest at the Company's approved weighted cost of capital.

15 **Q. Does this complete your testimony?**

16 A. Yes, it does.

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

In the Matter of the Joint Application of Westar)
Energy, Inc. and Kansas Gas and Electric) Docket No. 18-WSEE-328-RTS
Company for Approval to Make Certain)
Changes in their Charges for Electric Service)

VERIFICATION

I, Rick Gilliam, state and affirm the following: that I am an expert witness for the Climate and Energy Project, Sierra Club and Vote Solar; I have read and reviewed the above and foregoing testimony; and attest that the contents therein are true and correct to the best of my information, knowledge, and belief.

Dated this 13th day of November, 2020.

/s/ Rick Gilliam
Rick Gilliam

****The notarization requirement is waived temporarily pursuant to Kansas Corporation Commission Order Temporarily Waiving Notary Requirement filed in KCC Docket No. 20-GIMX-393-MIS on April 21, 2020.**

ATTACHMENT RG-1

STATEMENT OF QUALIFICATIONS

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Senior Program Director, Vote Solar
rick@votesolar.org
303-550-3686

Professional Employment

January 2012 to Present: Program Director, DG Regulatory Policy, Vote Solar. Manage technical and policy research for Vote Solar, and engage in state, regional, and national campaigns related to distributed solar generation and beneficial electrification. Expert witness in many formal state regulatory proceedings addressing issues related to distributed solar resources.

March-April 2012: Solar Energy Industries Association - Under a short term contract with SEIA to participate in an Xcel Energy distributed solar generation Technical Review Committee and to manage consulting support also under contract to SEIA.

January 2007 to January 2012: SunEdison, LLC - Various solar policy related positions beginning with Director of Interior West Policy to Managing Director of Western Policy (July 2007), to Vice President of North American Government Affairs (July 2009) to Global Policy Advisor (July 2011). In each of these roles, directed and managed policy research, development and implementation for the company for the various geographies identified at the regulatory and legislative levels.

June 2011 to December 2011: Chair of the Solar Alliance Board.

Dec 1994 to Jan 2007: Senior Energy Policy Advisor, Western Resource Advocates (formerly the Land and Water Fund of the Rockies), Boulder, Colorado. Develop innovative clean energy and air quality public policies within the economic and cultural framework unique to this region. Lead environmental advocate in development of Arizona Environmental Portfolio Standard, Nevada Renewable Portfolio Standard implementation rules, Colorado Renewable Energy Standard legislative proposals, and the 2003 Utah Renewable Energy Standard legislative proposal. Principal author of Colorado’s Amendment 37 and lead advocate for related PUC rule development.

Jan 1983 to Dec 1994: Director of Revenue Requirements, Public Service Company of Colorado, Denver, Colorado. Primary responsibility for development of formal rate-related filings for this investor-owned utility for electric, gas, and thermal energy service in two states and the FERC. Developed and responded to a variety of proposed mechanisms to encourage the use of energy efficiency technologies, including innovative rate design approaches.

Dec 1976 to Dec 1982: Technical Witness (Engineer), Federal Energy Regulatory Commission, Washington, D.C. Testified as expert witness on behalf of the FERC in wholesale rate filings on technical, accounting, and economic issues related to rate design, pricing, and other issues.

Education

Masters, Environmental Policy and Management, University of Denver, Denver, Colorado

Bachelor of Science, Electrical Engineering, Rensselaer Polytechnic Institute, Troy, New York

Summary of Formal Testimonies and Rulemaking Participation

Representing Vote Solar

- Public Service Company of CO Docket 20A-0204E: Transportation Electrification Plan
- Public Service Company of CO Docket 19AL-0687E: Residential TOU Rates
- El Paso Electric Company Case No. 19-00349-UT, CCN for Newman 6 C.T.
- Public Service Company of CO Docket 19A-0369E: Renewable Energy Standard Plan
- Georgia Power Company, Docket No. 42516: GRC Rate Design & Structure
- Public Service Company of CO Docket 19AL-0268E: GRC Phase 1
- PUC of Nevada 19-06010: Rulemaking addressing Senate Bill 358 (2019)
- Colorado PUC 19R-0096E: Proposed Amendments to Multiple PUC Rules
- Nevada Energy 18-06003; Integrated Resource Plan addressing QFs, inter alia
- Public Service Company of CO Docket 17A-0797E: Accelerated Depreciation and the Renewable Energy Standard Adjustment
- Southwestern Public Service Co., 17-00255-UT: GRC and Solar Surcharge
- Pacificorp/RMP Docket No. 17-035-61: Export Credit Rate Phase 1
- Idaho Power Company, Case No. IPC-E-17-13, Net Metering Service Class
- Nevada Power Company Docket No. 17-06003, et al., GRC Rate Design
- Public Service Company of CO Docket 16A-0396E: Electric Resource Planning
- Nevada Energy Docket No. 17-03009/10: Proposed Subscription Solar Program
- Pacificorp/RMP Docket No. 14-035-114: Costs and Benefits of Net Energy Metering
- Kansas Corporation Commission Investigation Docket 16-GIME-403-GIE: Rate Design for Distributed Generation Customers
- Public Service Company of CO Docket 16A-0546E: Decoupling
- Sierra-Pacific Power Company Docket 16-06006, et al: GRC Phase 2
- Sierra-Pacific Power Company Docket 16-07001, et al: IRP
- Public Service Company of CO Docket 16AL-0048E, et al: Three docket settlement
- Public Service Company of CO Docket 16AL-0048E: GRC Phase2
- Public Service Company of CO Docket 16A-0055E: Solar*Connect 2 Subscription Proposal
- Nevada Energy Docket No. 15-07041, et al.: Cost of Service Study and Net Metering Tariffs
- El Paso Electric Company Case No. 15-00127-UT: General Rate Case
- Public Service Company of CO Docket 13AL-0958E: Qualifying Facilities Rates/Remand
- Public Service Company of CO Docket 14A-0302E: Solar*Connect Subscription Proposal
- We Energies (WI) Docket No. 05-UR-107, General Rate Case
- Rocky Mountain Power (UT) Docket No. 13-035-184: General Rate Case
- Public Service Company of CO Docket 13AL-0958E: Qualifying Facilities (QF) Rates
- Public Service Company of CO Docket 13A-0836E: 2014 RES Compliance Plan
- Public Service Company of CO Docket 13AL-0695E: Line Extension Policy
- Idaho Power Company, Case No. IPC-E-12-27, Net Metering Service
- Arizona Public Service, et al., Docket No. E-01345A-10-0394, et al., RES Compliance
- New Mexico PRC Case No. 11-00218-UT: RPS Reasonable Cost Threshold
- Tucson Electric Power Docket No. E-01933A-12-0291: General Rate Case

Representing Sunedison LLC

- Public Service Co of New Mexico Case No. 10-00037-UT 2010 Procurement Plan
- Public Service Company of CO Docket 09A-772E: 2010 Compliance Plan
- Public Service Company of CO Docket 09AL-299E: 2009 Rate Case Phase 2

- Public Service Company of CO Docket 08A-532E: 2009 Compliance Plan
- Colorado PUC Rulemaking Docket 08R-424E: Renewable Energy Standard Rules
- New Mexico PRC Case No. 08-00084-UT: Reasonable Cost Threshold Rulemaking
- Nevada PUC Docket No. 07-10007: Petition for Declaratory Order re 3rd party ownership
- Public Service Company of CO Docket 07A-447E: 2007 Resource Plan
- Public Service Company of CO Docket 07A-462E: 2008 Compliance Plan
- New Mexico PRC Case No. 07-00157-UT: RPS Rulemaking; diversity standard
- Public Service Company of CO Docket 06A-478E: 2007 Compliance Plan
- Public Service Company of CO Docket 06A-534E: Approval of Alamosa Contract

Representing large commercial customers

- Nevada Power Company Docket No. 02-11037: Electric Tariff Rule related to loss factor associated with metering secondary service at primary level
- Nevada Power Company Docket No. 02-5044: Electric Tariff Rule related to metering

Representing Western Resource Advocates (formerly the Land and Water Fund of the Rockies)

- Public Service Company of CO Docket 06S-234EG: 2006 GRC - Windsource issue
- Public Service Company of CO Docket 05A-112E: Renewable Energy Standard Rulemaking
- Public Service Company of CO Docket 05A-288E: Electric Quality of Service Monitoring & Reporting Plan: 2007-08
- Public Service Company of CO Dockets 06S-016E: Renewable Energy Service Adjustment
- Public Service Company of CO Consolidated Dockets 04A-214E, 215, 216E: Resource Plan
- Public Service Company of CO Docket No. 04S-164E: GRC Windsource & Net Metering
- Public Service Company of CO Docket 02S-315EG: 2002 GRC - Windsource issue
- Nevada Power Company Docket No. 01-7016: Demand-side Management Programs
- PacifiCorp Rate Case Docket No. 01-035-10: Demand-side Mgt Cost Recovery
- Public Service Company of CO Docket No. 00A-008E: IRP - DSM & Wind Resources
- PacifiCorp Rate Case Docket No. 99-035-10: System Benefit Charge Proposal
- Arizona Restructuring Rulemaking Docket No. 99-205: Renewable Portfolio Standard
- Public Service Company of CO Docket No. 98A-511E: Air Quality Improvement Rider
- Arizona Restructuring Rulemaking Docket No. 94-165: Stranded Cost Proceeding
- Nevada Power Company Docket No. 94-7001 (Refiled): Integrated Resource Plan
- Southwestern Public Service Case No. 2678: Merger Proceeding
- PSCo Docket No. 95A-531EG: Merger Proceeding

Representing Public Service Company of Colorado

- Public Service Company of CO Docket No. 93S-001EG GRC Revenue Requirements
- Public Service Company of CO Docket No. 91A-480EG DSM & Decoupling Proceeding
- Public Service Company of CO Docket No. 93I-199EG Incentive Regulation Investigation
- Public Service Company of CO Docket No. 91S-091EG GRC
- Public Service Company of CO No. 91A-281E Fort St. Vrain Supplemental Settlement
- Various PSCo FERC rate proceedings, and subsidiary rate proceedings

Representing the Staff of the Federal Energy Regulatory Commission

- Connecticut Light & Power Company, Docket ER 82-301
- Kentucky Utilities Company, Docket ER 81-341

- Philadelphia Electric Company, Docket ER 80-557, et al.
- Minnesota Power & Light Company, Docket ER 80-5
- Boston Edison Company, Docket ER 79-216, et al.
- Connecticut Light & Power Company, Docket ER 78-517
- South Carolina Electric & Gas Company, Docket ER 78-283
- Minnesota Power & Light Company, Docket ER 78-245
- New England Power Company, Docket ER 78-78
- New England Power Company, Docket ER 77-97

ATTACHMENT RG-2

COMPILATION OF INTERROGATORIES TO EVERY

Evergy Kansas Central
Case Name: 2018 Westar Change in Charges for Electric Service
Case Number: 18-WSEE-328-RTS

Response to Astrab Joseph Interrogatories - CURB_20201014
Date of Response: 10/27/2020

Question:CURB-58

Reference the Direct Testimony on Remand of Mr. Lutz at page 8, lines 14-21. Please explain in detail how Evergy determined that a grid access charge of \$6.50 per kW of installed DG capacity would be necessary to resolve RS-DG subsidy concerns. Include an electronic copy of all workpapers supportive of Evergy's conclusion.

Response:

Please see the attached file.

Prepared by Brad Lutz

Attachment:
QCURB-58_Grid Access Charge Calculation.xlsx

Grid Access Charge Calculation

Component	Value	Sources and Notes
[1] # of DG Customers		156 From cost of service study; see "Westar COS Study.xlsm"
Costs		
[2] Total Costs from DG Class (\$/yr)	\$217,688	From Faruqui Rebuttal Testimony; also see "Westar COS Study.xlsm"
[3] Total Costs from DG Class (\$/cust-yr)	\$1,395	[2] / [1]
Revenue		
[4] Existing DG Revenue (\$/yr)	\$133,994	From Faruqui Rebuttal Testimony
[5] Existing DG Revenue (\$/cust-yr)	\$859	[4] / [1]
Cross-subsidy		
[6] Cross-subsidy (\$/yr)	\$83,694	[2] - [4]
[7] Cross-subsidy (\$/cust-yr)	\$536	[6] / [1]
[8] Cross-subsidy (\$/cust-month)	\$45	[7] / 12 months
Grid Access Charge		
[9] Avg. Installed Capacity (kW/cust)	6.85	For Kansas Central; provided by Evergy
[10] Grid Access Charge (\$/kW-month)	\$6.53	[8] / [9]

Evergy Kansas Central
Case Name: 2018 Westar Change in Charges for Electric Service
Case Number: 18-WSEE-328-RTS

Response to Astrab Joseph Interrogatories - CURB_20201014
Date of Response: 10/27/2020

Question:CURB-63

Reference the Direct Testimony on Remand of Mr. Lutz at page 12, lines 19-22. Please provide an estimate of the amount of incremental revenue that would be produced by the Company's proposed minimum bill in excess of that contemplated in the Company's last general rate proceeding.

Response:

An estimate of the incremental revenue is not available at this time.

Prepared by Brad Lutz

Attachments: None

Evergy Kansas Central
Case Name: 2018 Westar Change in Charges for Electric Service
Case Number: 18-WSEE-328-RTS

Response to Astrab Joseph Interrogatories - CURB_20201014
Date of Response: 10/27/2020

Question:CURB-64

Reference the Direct Testimony on Remand of Mr. Lutz at page 13, lines 1-6.

- a. For 2019, please provide a bill frequency analysis showing the total number of residential bills, by monthly usage level, using 50 kWh increments (i.e., 0-50, 51-100 etc.). For 2019, what is the total number of monthly bills with usage less than 278 kWh per month?
- b. Assume that the Company's proposed minimum bill were to be set at \$77 per month. Please provide the breakeven level of monthly usage under this scenario (i.e., the usage level equivalent to the 278 kWh identified in the referenced testimony).
- d. For 2019, what is the total number of monthly bills with usage less than the breakeven level identified in part (b)?

Response:

- a. This data is not available.
- b. $\$77 - \14.50 customer charge = $\$62.50$ remaining
 $\$62.50 \div \0.073512 first & second block energy charge = 850.2 kWh
At the \$77 minimum bill level the equivalent usage would be 850.2 kWh
- c. This data is not available.

Prepared by Brad Lutz

Attachments: None

Evergy Kansas Central
Case Name: 2018 Westar Change in Charges for Electric Service
Case Number: 18-WSEE-328-RTS

Response to Bender David Interrogatories - Sierra Club_20201014
Date of Response: 10/27/2020

Question:8-3

Reference the Direct Testimony on Remand of Ahmad Faruqui at 7:5–9. Quantify the amount of increase to Westar/Evergy's costs attributable to RS-DG customers' exported electricity, itemized separately for each of the following: (1) complicating system planning; (2) managing load flow; (3) system dispatch; (4) additional administrative burden; (5) additional transactional burden; (6) additional accounting burden; and (7) additional billing burden. Produce all evidence, worksheets, analysis and calculations relied upon in identifying and quantifying each such category of increased cost.

Response:

This quantification has not been carried out.

Attachments: None

Evergy Kansas Central
Case Name: 2018 Westar Change in Charges for Electric Service
Case Number: 18-WSEE-328-RTS

Response to Bender David Interrogatories - Sierra Club_20201014
Date of Response: 10/27/2020

Question:8-4

Reference the Direct Testimony on Remand of Ahmad Faruqui at 7:11–16. Identify each instance during the most recent five (5) years when "geographically clustered" RS-DG customers' exported electricity resulted in a new capacity constraint on the Westar/Evergy distribution system as a result of distribution transformers that were not equipped to handle the excess generation. For each instance identified, produce the engineering studies and property records related to any replacement or addition of a distribution transformer necessitated by RS-DG customer exports.

Response:

This is a general statement referring to what is likely to happen in the future as more RS customers become RS-DG customers.

Attachments: None

Evergy Kansas Central
Case Name: 2018 Westar Change in Charges for Electric Service
Case Number: 18-WSEE-328-RTS

Response to Bender David Interrogatories - Sierra Club_20201014
Date of Response: 10/27/2020

Question:8-11

Produce the workpapers, calculations, analysis and underlying data that support the claim on page 8:15–16, of the Direct Testimony of Lutz on Remand that a \$6.50/kW grid access charge would be required "[t]o resolve the subsidy concern."

Response:

See workpaper "Q8-11 Grid Access Charge Calculation.xlsx"

Grid Access Charge Calculation

Component	Value	Sources and Notes
[1] # of DG Customers		156 From cost of service study; see "Westar COS Study.xlsm"
Costs		
[2] Total Costs from DG Class (\$/yr)	\$217,688	From Faruqui Rebuttal Testimony; also see "Westar COS Study.xlsm"
[3] Total Costs from DG Class (\$/cust-yr)	\$1,395	[2] / [1]
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[8] Cross-subsidy (\$/cust-month)	\$45	[7] / 12 months
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[9] Avg. Installed Capacity (kW/cust)	6.85	For Kansas Central; provided by Evergy
[10] Grid Access Charge (\$/kW-month)	\$6.53	[8] / [9]

Evergy Kansas Central
Case Name: 2018 Westar Change in Charges for Electric Service
Case Number: 18-WSEE-328-RTS

Response to Bender David Interrogatories - Sierra Club_20201014
Date of Response: 10/28/2020

Question:8-16

Identify, by month, from January 1, 2015 through present, the monthly system peak in kilowatts and the date and time of that peak (specifying hour beginning or hour ending and whether adjusted for daylight savings time).

Response:

Monthly system peak data has been provided for Evergy Kansas Central (Westar) from January 2015 through September 2020.

Attachment(s): Q8-16_ Sierra Club_20201014_EKC_Native_Load_Peak.xls

Prepared by: Kevin Helmer, Accountant

CERTIFICATE OF SERVICE

I hereby certify that on this 13th day of November, 2020, a true and correct copy of **TESTIMONY AND ATTACHMENTS OF RICK GILLIAM ON BEHALF OF CLIMATE AND ENERGY PROJECT, SIERRA CLUB, AND VOTE SOLAR IN RESPONSE TO WESTAR'S PROPOSED RATE DESIGNS** was electronically delivered to the following individuals:

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