

AGENDA ITEM
March 17, 2020

Subject: Demand Response Participation Agreement

Department: Administration

This ordinance will approve the attached "Business Demand Response Customer Participation Agreement" with Evergy Missouri West (formerly KCP&L). Participation in the program will allow the provider to reduce the load on their grid during high demand days in exchange for incentive payments. The City will participate by curtailing electricity demand levels at six city buildings during curtailment events through use of backup generators. Facility operations and service to residents will not be affected. In exchange, the City will receive a participation payment of \$8,580 at the end of the season, as detailed in the agreement.

BILL NO. 2020-026

ORDINANCE NO.

**A SPECIAL ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NEVADA,
MISSOURI AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH EVERGY
MISSOURI WEST.**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEVADA, MISSOURI,
THAT:**

Section 1. The agreement between the City of Nevada and Evergy Missouri West, attached hereto and incorporated herein by reference is hereby approved.

Section 2. The City Manager is authorized and directed to execute the same on behalf of the City of Nevada, Missouri, and is authorized to take all reasonable steps to comply with the terms of the agreement.

Section 3. This ordinance shall be in full force and effect from and after its passage and adoption.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Nevada, Missouri, this _____ day of _____, 2020.

(seal)
ATTEST:

George Knox, Mayor

Johnna Williams, City Clerk

**BUSINESS DEMAND RESPONSE
CUSTOMER PARTICIPATION AGREEMENT
MEEIA CYCLE 3: 2020 - 2022**

Section A - Participant Information

Participant Name: City of Nevada
Everyy Billing Name: CITY OF NEVADA
Billing Address: 110 S ASH ST **Territory:** Everyy Missouri West (hereinafter "Company")
City: Nevada
State: MO
Zip: 647723117

Participant Agreement Contact: Randy Marti **Title:** Admiinstrative Services Director
Telephone: (417) 448.5504 **Mobile Telephone :**() **Email:** rmarti@nevadamo.gov

Table 1:

Facility Address	Account #	SPID	Meter #	SAID	Rate Code
200 N ASH ST	6687559200	5210731810	1772118600764	6681017183	MOSDS
200 N ASH ST	6687559200	5210731811	1772118600734	6681171273	MOSDS
110 S ASH ST,CITY HALL	6687559200	6000731383	1772118599347	6680966958	MOSDS
100 N TOWER ST,WATERPLANT	6687559200	1940946335	1772118600735	6681278411	MOLGS
16517 S 1338 ST	6687559200	3770812203	1772118601543	6681017181	MOLGS
316 W CHERRY ST	6687559200	9640883033	1772118599346	6681131067	MOSDS
100 N TOWER ST,WATERPLANT	6687559200	1940946334	1772118600230	6681295232	MOSDS
301 N MAIN ST	8067039018	3130670430	1772118600946	8060926847	MOSDS

Table 2:

Total Agreement Curtailable Load (CL)	286 kW
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Table 3:

Agreement Length	3 years
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All Agreements will be re-evaluated and may be amended at least annually to reflect changes in demand usage or facility operations. The Company reserves the right to amend the total CL in this Agreement if data indicates enrolled CL level is no longer accurate.

Initial Here: _____

Section B - Curtailment Plan:

The following is the curtailment plan for the above Participant when an event is called:

- Utilize generators at the following locations
 - Community Center
 - Senior Center
 - Water Treatment Plant
 - Waste Water Treatment Plant
 - Fire Station
 - Police Station/Courthouse

- Participant's preferred method of curtailment:

Load Reduction

EPA Certified Self Generation:

By executing this Agreement, the Participant certifies having reviewed the EPA regulations pertaining to their specific generating equipment and hereby represents and warrants that any enrolled self-generation utilized in the BDR Program is in compliance with all of the currently-applicable federal and/or local regulations.

Combination Load Reduction/Self Generation

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Section C - Participant Incentive “Pay for Performance”

The Company will use a calculated baseline load (CBL) methodology to determine Participant's kW savings associated with a demand response curtailment event. A CBL approach applies a computer model to develop a site-specific baseline for each day by using historic metered usage data. This model is calibrated to best match recent operational and/or weather patterns. Then, the model is used to forecast facility demand usage for each hour of the event day absent a curtailment event. The CBL is then compared to the actual measured average hourly demand (kW) during the curtailment event. The difference between the forecasted hourly baseline and the actual measured hourly usage during the event equals the hourly impact kW achieved during the event. All kW is calculated as a whole number. The Seasonal hourly average kW achieved divided by the kW enrolled is the Participant's % achieved. The Company pays the Participant for their achieved Seasonal average percent of their enrolled Curtailable load within the established floor and cap as detailed below.

- Participant must achieve a minimum 40% for the Season to be eligible for any Payment, but also may earn up to 110% for over-achievement of their enrolled Curtailable Load.
- Participant Participation Payment is **\$28.00 or \$30.00 per kilowatt** of their Event average of achieved Curtailable Load for the Season. Please see details below and select preferred agreement incentive:

1-Year Agreement:

- Your Payment at 100% Performance = $(\$28.00 \times 286 \text{ kW}_{\text{enrolled}} \times 100 \% \text{ achieved}) = \$8,008$
 - Hourly $\text{kW}_{\text{achieved}} = \text{hourly kW}_{\text{CBL}} - \text{hourly kW}_{\text{measured}}$
 - Average Hourly kW achieved = $\Sigma \text{ Hourly kW}_{\text{achieved}} / \text{Number of Event Hours}$
 - $\% \text{achieved} = \text{Average Hourly kW}_{\text{achieved}} / \text{kW}_{\text{enrolled}}$
 - Payment is capped at 110% of $\text{kW}_{\text{enrolled}}$
 - Payment floor requires 40% achieved Participant performance Payment eligibility

Multi-Year Agreement:

Participant must meet 90% achieved performance to remain eligible for multi-year agreement bonus. If not met, Participant Agreement will be revised to 1-Year agreement terms for the next curtailment season.

- Your Payment at 100% Performance = $(\$30.00 \times 286 \text{ kW}_{\text{enrolled}} \times 100 \% \text{ achieved}) = \$8,580$
 - Hourly $\text{kW}_{\text{achieved}} = \text{hourly kW}_{\text{CBL}} - \text{hourly kW}_{\text{measured}}$
 - Average Hourly kW achieved = $\Sigma \text{ Hourly kW}_{\text{achieved}} / \text{Number of Event Hours}$
 - $\% \text{achieved} = \text{Average Hourly kW}_{\text{achieved}} / \text{kW}_{\text{enrolled}}$
 - Payment is capped at 110% of $\text{kW}_{\text{enrolled}}$
 - Payment floor requires 40% achieved Participant performance Payment eligibility

The Participation Payment is paid to the Participant at the end of the Season between October 1 and December 31 in the form of either a bill credit or a check and may be subject to applicable income taxes. All other billing, operational, and related provisions of other applicable rate schedules shall remain in effect.

Participant's preferred incentive payment method:

Bill Credit – Company will apply (1) Participation Payment bill credit to the largest enrolled account number at each Participant facility identified in this Agreement

Check – Company will provide (1) Participation Payment check per Customer Agreement
 W-9 Attached (Required for payment)

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Section D - Participant Contact Information

The Company will notify the Participant of a Curtailment Event per each of the following methods. (Participant should only provide information for those channels by which he or she wishes to be contacted.)

Please Note:

- 1) A minimum of 2 unique Participant contacts are required
- 2) One (1) contact must have physical ability to execute Curtailment plan.
- 3) Cell phone carrier is required in order to receive event notifications via text message.

Contact #1

Web Portal Access Requested

Name	
Title	
Phone #	
Cell #	
Cell Carrier	
Email	

Contact #2

Web Portal Access Requested

Name	
Title	
Phone #	
Cell #	
Cell Carrier	
Email	

Contact #3

Web Portal Access Requested

Name	
Title	
Phone #	
Cell #	
Cell Carrier	
Email	

Initial Here: _____

Section E – Terms and Conditions

Purpose:

The Company is offering the Business Demand Response program as a voluntary program within the Missouri Energy Efficiency Investment Act (MEEIA) to reduce Participant load during peak periods to improve local and/or regional system reliability, offset forecasted system peaks that could result in future generation capacity additions, and/or provide a more economical option to generation or purchasing energy in the wholesale market. Participant curtailment may be requested for any of these operational or economic reasons as determined by the Company.

Business Demand Response Tariff:

The Company has filed with the Public Service Commission of the State of Missouri (Commission) the Business Demand Response tariff stating the general rules and regulations of the BDR Program. The approved tariff provides the general rules and regulations of the Program. However, by signing this Participation Agreement, the Participant also agrees to the Program requirements as detailed in this agreement and/or any future addenda.

Current Business Demand Response tariffs may be viewed at: <https://psc.mo.gov/>

Business Demand Response Website:

All current Program information, documents and contact information are available on the BDR website: <https://www.evergy.com/ways-to-save/incentives/demand-reponse>

Availability:

The BDR program is available during the MEEIA Cycle 3 to Evergy Missouri West and Evergy Missouri Metro commercial and industrial rate class customers. To become a BDR Participant, a customer must demonstrate to the Company economic and technical feasibility for measurable and verifiable load curtailment at their enrolled facility. The Participant may enroll in the Program either directly through the Company's Program Administrator or through a Company approved Aggregator under an independent third-party contract with the Aggregator. If a customer chooses to participate in BDR via an Aggregator, they will contract directly with and be paid by the Aggregator per the terms of their contract with Aggregator.

Curtailment Season:

The Participant will curtail their annual enrolled Curtailable Load (Table 2, Section A) by executing their Curtailment Plan (Section C) when notified by the Company the following times throughout the term of this Agreement.

Curtailment Season: June 1 – September 30
Designated Event Days: Monday – Friday; excluding holidays
Designated Event Window: 12:00 p.m. – 8:00 p.m.

Curtailment Events:

The Company will communicate with Participants in advance of a curtailment event to increase Participants ability to successfully participate. The Company and Participant agree to the following Curtailment Event criteria:

Maximum number of events per season – 10
Minimum number of events per season – 1
Minimum number test events per season – 1**
Maximum duration of an event - 8 hours
Minimum notification prior to an event - 1 hour

The Company reserves the right to require one (1) system Test** curtailment event each year to ensure Participant technical and operational capability of achieving their enrolled Curtailable Load reduction. If

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V1.0

Participant does not participate in the scheduled Test Curtailment event, the Company reserves the right to suspend or terminate this Agreement. Test Curtailments do not count toward the minimum or maximum number of annual Curtailment Events and will not be included in calculation of average Seasonal performance.

The Company reserves the right to cancel a scheduled Curtailment Event prior to the start time of such Curtailment Event. However, if cancellation occurs less than two hours before the scheduled start time of a Curtailment Event, the canceled Curtailment Event will count toward the Seasonal maximum number of events.

Participant agrees to acknowledge receiving event notification(s) prior to designated Event start time via the preferred communications method(s) as listed in Section D. Additionally, Participant acknowledges that Program staff will contact Participant prior to and/or during Curtailment events to validate Company participation if Participant has not responded to Event notification(s).

The Company will provide a financial incentive to Participant on a “pay for performance” scale equal to Participant’s hourly average realized Seasonal curtailment level as described in Section C of this Agreement.

Enrolled Facilities/Metering:

Participant affirms the Company provides electric service to the Participant’s facility located at the address referenced in Section A of this Agreement and that any equipment necessary for BDR participation aside from electrical service equipment provided by the Company per applicable Customer Service Agreement(s) is the obligation of the Participant. The Participant agrees to make available site-specific technical staff for consultation and regular communication of the facility’s curtailment capabilities throughout the duration of Agreement to ensure Participant’s successful achievement of enrolled Curtailment Level in this Agreement.

Only for the purposes of participating in BDR, individual service points with Company installed meters at Participant facility will be aggregated and tracked by the Company to determine facility demand usage. If Participant requests to enroll multiple facilities under one Agreement, the facilities’ aggregated Curtable Load Agreement will be evaluated together for performance.

Additionally, if Participant wishes for any account data including their facility metering data to be shared with a third-party, Participant must provide a signed Letter of Authorization on their corporate letterhead to the Company stating name of the third-party being authorized, the information to be shared and dates of authorization.

Self-Generation:

Self-generation as a curtailment method is restricted to Participants validating compliance pursuant to Environmental Protection Agency (“EPA”) regulations (summarized at www.epa.gov/ttn/atw/icengines/comply.html) that affect the use of reciprocating internal combustion engines. By executing this Agreement, the Participant certifies that it has reviewed the EPA regulations pertaining to its specific generating equipment and it hereby represents and warrants that any enrolled self-generation utilized in the BDR Program is in compliance with all of the currently-applicable federal and/or local regulations. The Participant further acknowledges that the Company will not certify, maintain any records or report on behalf of the Participant’s self-generation certifications, testing, or reporting of self-generation used as a curtailment method in BDR.

DERMS Database of Record:

All official Participant notifications, tracking, reconciliation and reporting for Curtailment Event performance and Participation Payments will be executed within the Evergy Distributed Energy Resource Management System (DERMS).

Participant will be granted access to an online customer portal, www.evergy.websmartview.oati.com, for greater visibility into their enrolled facilities’ electrical load details such as near-real-time performance during

Curtailment Events, post event performance data and Participant point of contact information. Participant shall indicate which contact(s) in Section D above are authorized to have portal access. Access to portal will remain active throughout the term of this Agreement. Participant is responsible for contacting Evergy to terminate portal access for any designated contact.

Marketing:

By executing this Agreement Participant agrees that Evergy may use the Customer's name, noted above, in promotional material, including but not limited to print advertising, for Evergy Business Demand Response programs. Evergy will not disclose actual incentive payment amounts made without Participant's written approval. Participant may opt out of this Marketing agreement by submitting a written request.

General Terms:

Participants in BDR will automatically be enrolled in the Voluntary Load Reduction ("VLR") Rider under which the Company reserves the right to request voluntary participation during Non-BDR event days. Additional details and compensation for such events are described in the VLR Tariff available at www.evergy.com.

The Participant acknowledges that this Agreement is not assignable by Participant without the written consent of Company. If Participant no longer owns or operates the facility identified in this Agreement, participant agrees to notify Company in writing and this Agreement will be terminated.

The Participant further acknowledges that all information provided to the Company for the purpose of determining whether the Participant is eligible for service under the Tariff shall be retained by the Company, and shall be subject to inspection and disclosure under Chapters 386 and 393, RSMo, as amended from time to time. Should the Participant designate any such information as proprietary or confidential, Company shall notify Participant of any request for inspection or disclosure and shall use good faith efforts to secure an agreement or Commission order protecting the proprietary or confidential nature of such information.

This Agreement shall be governed in all respects by the laws of the State of Missouri, without regard to its conflict of law's provisions, and by the orders, rules and regulations of the Commission, as they may exist from time to time. Nothing contained herein shall be construed as divesting, or attempting to divest, the Commission of any rights, jurisdiction, power or authority vested in it by law.

Any regulation or law prohibiting the execution of this Agreement or its continuing execution will cancel the Agreement in place without penalty to either party.

This Agreement is subject to the Participant gaining the necessary permits, and to the Commission approval of MEEIA Cycle 3.

In the event of modifications to the Business Demand Response Tariff, the parties will meet and discuss such changes. This Agreement may be replaced by a new agreement or revised by Amendment.

Signatures:

Company

City of Nevada

Signature: _____

Signature: _____

Name: Brian File

Name: _____

Title: Sr. Manager, Products & Services

Title: _____

Date: _____

Date: _____