

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 23rd day of
August, 2023.

In the Matter of the Prudence Review of the)
Steam Operations of Evergy Missouri West,) **File No. HO-2023-0357**
Inc. d/b/a Evergy Missouri West)

ORDER APPROVING STAFF’S PRUDENCE REVIEW REPORT

Issue Date: August 23, 2023

Effective Date: September 22, 2023

The tariff of Evergy Missouri West, Inc. d/b/a Evergy Missouri West (“the Company”) contains a quarterly cost adjustment (QCA) rider,¹ which provides the Company with a rate adjustment mechanism to reflect changes in fuel costs for its steam operations. The tariff provides for a two-step approach regarding prudence reviews of the Company’s implementation of the QCA.

Under Step One, the Staff of the Commission (Staff) are to review the Company’s operations to ascertain that the Company and customer interests are aligned as intended by the tariff and that no significant level of imprudent costs is apparent. After considering the Step One results, Staff may proceed with Step Two – a full prudence review.

Pursuant to Step One, Staff reviewed the Company’s financials regarding the QCA increases and could not conclude that no significant level of imprudent costs was apparent. Staff notified the Company of its Step One conclusion on or around March 15, 2023. On April 14, 2023, Staff filed a *Notice of Start of Prudence Review*, announcing its plan to conduct a full prudence review of the costs and revenues associated with the Company’s steam operations for the period of January 1, 2022 through December 31, 2022.

¹ P.S.C. MO. No. 1, Tariff Sheet Nos. 6.6 through 6.10.

On August 9, 2023, Staff filed its *Report on the Prudence Review of Evergy Missouri West's Costs Related to the Quarterly Cost Adjustment for the Steam Heat Operations* ("Report"). Following the Commission prudence standard established in *State ex re. Associated Natural Gas Co. v. Public Service Com'n of State of Mo.*, 954 S.W.2d 520 (Mo. App. W.D., 1997), Staff found no evidence of imprudence by the Company.

No parties have filed a request to intervene in this matter nor has any party objected to or filed any response to Staff's Report.

The Commission has considered Staff's Report, finds it reasonable, and will approve it.

THE COMMISSION ORDERS THAT:

1. The Staff Report on the prudence review of the Company's implementation of the QCA for the period of January 1, 2022 through December 31, 2022 is approved.
2. This order shall become effective on September 22, 2023.
3. This file shall be closed on September 25, 2023.



BY THE COMMISSION

A handwritten signature in black ink that reads "Nancy Dippell".

Nancy Dippell
Secretary

Rupp, Chm., Coleman, Holsman, Kolkmeier
and Hahn CC., concur.

Seyer, Regulatory Law Judge

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 23rd day of August, 2023.



Nancy Dippell

Nancy Dippell
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

August 23, 2023

File/Case No. HO-2023-0357

**Missouri Public Service
Commission**
Staff Counsel Department
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
staffcounsel@psc.mo.gov

Office of the Public Counsel
Marc Poston
200 Madison Street, Suite 650
P.O. Box 2230
Jefferson City, MO 65102
opcservice@opc.mo.gov

Evergy Missouri West
Legal Department
One Kansas City Place, 1200
Main Street
P.O. Box 418679
Kansas City, MO 64105
roger.steiner@evergy.com

**Missouri Public Service
Commission**
Travis Pringle
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
Travis.Pringle@psc.mo.gov

Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,



**Nancy Dippell
Secretary**

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.