

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held by telephone and internet audio conference on the 20th day of January, 2021.

In the Matter of the Application of Evergy)
Metro, Inc. d/b/a Evergy Missouri Metro for)
Approval of the Accrual and Funding of) **File No. EO-2021-0056**
Wolf Creek Generating Station)
Decommissioning Costs at Current Levels)

**ORDER APPROVING APPLICATION
REGARDING DECOMMISSIONING COSTS**

Issue Date: January 20, 2021

Effective Date: February 19, 2021

On September 1, 2020, Evergy Metro, Inc. d/b/a Evergy Missouri Metro filed its application for approval of the accrual and funding of Wolf Creek Generating Station decommissioning costs at current levels. The application was made pursuant to Section 393.292, RSMo (2016) and 20 CSR 4240-20.070(4). Because Evergy Missouri Metro is not proposing a change in the funding level, no new tariff sheets have been filed.

Pursuant to Commission Rule 20 CSR 4240-20.070(4), every three years, electric utilities with decommission trust funds must perform a cost study of the latest estimates of the costs for decommissioning its nuclear generating unit. The study must also detail the funding levels necessary to defray the decommissioning costs, and must be filed with the Commission. Evergy Missouri Metro's application requests the Commission: (i) find that the 2020 cost study and 2020 funding analysis satisfies the rule requirement; and (ii) approve the continuation of the annual decommissioning expense accrual and trust fund contribution at the current level of \$1,281,264.

Evergy Missouri Metro's decommissioning trust fund was established in File No. EO-85-185 and EO-85-224.¹ The trust fund contribution amount was set in 1985 at \$803,000.² In File No. EO-91-84, the Commission approved the trust fund contribution amount at \$2,303,856. This trust fund contribution amount was maintained throughout the periodic three year reviews until File No. ER-2006-0314, when the Commission lowered the trust fund contribution amount to \$1,281,264, primarily to reflect the 20-year life extension of Wolf Creek Generating Station. The \$1,281,264 trust fund contribution has since been maintained in each three year review through to the present file.

On January 8, 2021, the Staff of the Missouri Public Service Commission (Staff) submitted a Non-Unanimous Stipulation and Agreement (Agreement). Evergy Missouri Metro and Staff are the signatories. Pursuant to Commission Rule 20 CSR 4240-2.115, non-signatory parties may object within seven days. The Office of the Public Counsel is the only non-signatory party and it filed no objections. Therefore, the Commission will treat the Agreement as unanimous.³

Section 393.292, RSMo (2016) establishes the Commission's jurisdiction as it states, in pertinent part,

[T]he public service commission shall have the power, pursuant to regulations, to review and authorize changes to the rates and charges contained in the schedules of an electric corporation as a result of a change in the level or annual accrual of funding necessary for its nuclear power plant decommissioning trust fund only after a full hearing and after considering all facts relevant to such funding level or accrual rate.

¹ Due to file conversions, file numbers can be accessed in EFIS as EO85185xxxxx and EO85224xxxxx.

² Order Approving Stipulation and Agreement, issued August 21, 1992, EO-91-84 (EO9184xxxxxx), p. 3.

³ Commission Rule 20 CSR 4240-2.115(C).

No party requested an evidentiary hearing. The requirement for a hearing is met when the opportunity for a hearing has been provided.⁴ Without an evidentiary hearing, information regarding the accrual and funding of Wolf Creek Generating Station decommissioning cost is contained solely in the Agreement.

The Agreement requests that the Commission:

1. Approve the Agreement;
2. Receive into evidence the Agreement, and the 2020 cost study;
3. Find that Evergy Missouri Metro's application and the 2020 cost study satisfy the requirements of 20 CSR 4240-20.070(4);
4. Find, pursuant to the Agreement, that Evergy Missouri Metro's Missouri retail jurisdiction annual decommissioning expense accruals and trust fund payments shall continue at the current level of \$1,281,264;
5. Find, in order for the decommissioning fund to retain its qualified tax status, that the current decommissioning costs for Wolf Creek, inclusive of the Independent Spent Fuel Storage Installation, are included in Evergy Missouri Metro's current Missouri cost of service and are reflected in its current Missouri retail rates for ratemaking purposes; and
6. Authorize Evergy Missouri Metro to continue to record and preserve Wolf Creek asset retirement obligation costs, as agreed to by the Staff, Office of the Public Counsel and Evergy Missouri Metro, and authorized by the Commission, in Case No. EU-2004-0294.

⁴ *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494, 496 (Mo. App. 1989).

Having considered the 2020 decommissioning cost study for the Wolf Creek Generating Station and the Agreement, both of which will be received into evidence, the Commission determines that the Agreement should be approved. In doing so, the Commission finds that Evergy Missouri Metro's 2020 cost study satisfies the requirements of 20 CSR 4240-20.070(4). In addition, the Commission finds that Evergy Missouri Metro's Missouri retail jurisdiction annual decommissioning expense accruals and trust fund payments shall continue at the current level of \$1,281,264. The Commission also finds that the current decommissioning costs for Wolf Creek are included in Evergy Missouri Metro's current Missouri cost of service and are reflected in its current Missouri retail rates for ratemaking purposes.

THE COMMISSION ORDERS THAT:

1. The Agreement filed January 8, 2021, is approved, and is attached to this order as Attachment 1.
2. The signatories shall comply with the terms of the Agreement.
3. The Agreement and the 2020 cost study and funding analysis (Schedules A and B to Evergy Missouri Metro's application) are admitted into evidence.
4. Evergy Missouri Metro's retail jurisdiction annual decommissioning expense accruals and trust fund payments shall continue at the current level of \$1,281,264.
5. Evergy Missouri Metro is authorized to continue to record and preserve Wolf Creek asset retirement obligation costs, as agreed by Staff, the Office of the Public Counsel, and Evergy Missouri Metro and authorized by the Commission in File No. EU-2004-0294.

6. This order shall be effective on February 19, 2021.
7. This file shall close on February 20, 2021.



BY THE COMMISSION

A handwritten signature in black ink that reads "Morris L. Woodruff". The signature is written in a cursive, flowing style.

Morris L. Woodruff
Secretary

Silvey, Chm., Kenney, Rupp, Coleman, and
Holsman CC., concur.

Hatcher, Regulatory Law Judge