

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 4th day of
October, 2023.

In the Matter of the Application of Evergy)
Metro, Inc. d/b/a Evergy Missouri Metro)
for Authority to Issue Debt Securities)

File No. EF-2023-0425

ORDER APPROVING APPLICATION FOR FINANCING AUTHORITY

Issue Date: October 4, 2023

Effective Date: October 20, 2023

On August 22, 2023,¹ Evergy Metro, Inc. d/b/a Evergy Missouri Metro (EMM) filed an application requesting authority to refinance \$79,480,000 of existing tax-exempt Environmental Improvements Revenue Refunding Bonds (“EIRR Bonds”) that are scheduled to mature on December 1.²

In 1983, the City of Burlington, Kansas issued bonds, the proceeds of which were used to finance the design, purchase, and installation of certain air and water pollution control facilities at EMM’s Wolf Creek generating station. Those original bonds were subsequently refunded with EIRR Bonds Series 1993A and 1993B refunding bonds (collectively, the “Series 1993 Bonds”). The Series 1993 Bonds consist of \$40,000,000 of 1993A Burlington EIRR Bonds 2.95% due December 1 and \$39,480,000 of 1993B Burlington EIRR Bonds 2.95% due December 1. EMM now seeks authority to refinance the Series 2013 Bonds through the issuance of 2023 EIRR Bonds.

¹ Unless otherwise noted, all date references are to the year 2023.

² Evergy Missouri Metro’s application was filed pursuant to Sections 393.180, 393.190, and 393.200, RSMo 2016, and Commission Rules 20 CSR 4240-2.060, 20 CSR 4240-10.125, and 20 CSR 4240-4.017(1)(D). Unless otherwise stated, all statutory citations are to the Revised Statutes of Missouri, as codified in the year 2016.

In its application, EMM also requested expedited treatment of its financing application such that a Commission order granting it financing authority would be effective October 20. EMM stated that it needs sufficient time before the maturity date, due to the relative complexity of tax-exempt issuances, the tight issuance windows in November and December, due to the holidays, the third quarter earnings blackout, and volatile interest rates.

On September 13, the Staff of the Commission (Staff) filed its recommendation that the Commission approve EMM's application, subject to certain conditions. On September 20, EMM filed a response to Staff's recommendation, in which it agreed to Staff's recommended conditions. The time to file responses to Staff's recommendation has passed and no other responses were filed.

Section 393.200, RSMo, and Commission Rule 20 CSR 4240-10.125 require EMM to obtain the Commission's authority to issue debt securities. Sections 393.180 and 393.200, RSMo, authorize public utilities to issue long-term financing, when necessary, for the purposes enumerated in the statute.³ If the utility's request falls within the enumerated purposes and is necessary or reasonably required, the Commission may grant the request.⁴

After review of EMM's application and of Staff's recommendations, the Commission concludes that granting EMM's request accords with EMM's stated purposes, that the issuance of the debt securities proposed in the application is, or will be, reasonably required for those stated purposes, and that such purposes are not in

³ Purposes include "the acquisition of property, the construction, completion, extension or improvement of its plant or system, or for the improvement or maintenance of its service or for the discharge or lawful refunding of its obligations." Section 393.200, RSMo

⁴ *In re Laclede Gas Co.v. Mo. Pub. Serv. Com'n.* 526 S.W.3d 245 (Mo. App. 2017).

whole, or in part, reasonably chargeable to operating expenses or to income. Accordingly, the Commission finds that the request satisfies Section 393.200, RSMo. EMM's application for authority to refinance existing EIRR Bonds will be approved, subject to the conditions recommended by Staff.

Based on the reasons cited by EMM, the Commission also finds it reasonable to make this order effective in less than 30 days, so that this order is effective on the date requested by the company.

THE COMMISSION ORDERS THAT:

1. Evergy Missouri Metro's request for expedited treatment is granted.
2. Evergy Missouri Metro is authorized to refinance \$79,480,000 of existing tax-exempt Environmental Improvements Revenue Refunding Bonds that are scheduled to mature on December 1, as set out in its application.
3. Evergy Missouri Metro's application filed on August 22, is approved, subject to the following conditions:
 - a. Nothing in this Order shall be considered a finding by the Commission of the value of this transaction for rate making purposes, which includes, but is not limited to, the capital structure, and the Commission reserves the right to consider the rate making treatment to be afforded these transactions, and their effect on the cost of capital, in future rate cases;
 - b. Evergy Missouri Metro shall file with the Commission, through the Commission's electronic filing and information system (EFIS) in this case, any information concerning communication with credit rating agencies concerning this issuance;
 - c. Evergy Missouri Metro shall file with the Commission (as a non-case related submission in EFIS under "Utility Compliance e-Filings & Search" – "New Non-Case e-Filing" – "Ordered Submission"), any credit rating agency reports published on Evergy Missouri Metro's corporate credit quality or the credit quality of its securities;

- e. Evergy Missouri Metro shall file a five-year capitalization expenditure schedule in future finance cases; and
 - f. To the extent that any non-regulated investments made by Evergy Missouri Metro or Evergy, Inc. and affiliated companies may materially impact Evergy Missouri Metro's credit quality and resulting credit ratings, Evergy Missouri Metro shall notify Staff of such possibility within ten business days of filing a report to the Securities and Exchange Commission (SEC) and provide a status report to the Commission.
4. Evergy Missouri Metro is authorized to execute all documents and take all actions necessary for the above-described transactions.
 5. This order shall become effective on October 20, 2023.
 6. This file shall close on October 21, 2023.



BY THE COMMISSION

Nancy Dippell

Nancy Dippell
Secretary

Rupp, Chm., Coleman, Holsman, Kolkmeyer
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 4th day of October, 2023.



Nancy Dippell

Nancy Dippell
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

October 4, 2023

File/Case No. EF-2023-0425

MO PSC Staff
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
(OPC)
Marc Poston
200 Madison Street, Suite 650
P.O. Box 2230
Jefferson City, MO 65102
opc@opc.mo.gov

Evergy Missouri Metro
James Fischer
2081 Honeysuckle Lane
Jefferson City, MO 65109
jfisherpc@aol.com

Evergy Missouri Metro
Roger Steiner
1200 Main Street, 16th Floor
P.O. Box 418679
Kansas City, MO 64105-9679
roger.steiner@evergy.com

MO PSC Staff
Paul Graham
200 Madison Street
Jefferson City, MO 65101
paul.graham@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.