

**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 January, 2024.

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-2024-0056**
Wolf Creek Generating Station)
Decommissioning Costs at Current Levels)

**ORDER APPROVING APPLICATION
REGARDING DECOMMISSIONING COSTS AND
APPROVING STIPULATION AND AGREEMENT**

Issue Date: January 4, 2024

Effective Date: February 3, 2024

On September 1, 2023, 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 2023 cost study and 2023 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 is also seeking Commission approval for a change in nuclear decommissioning trust (“NDT”) investment manager. Evergy Missouri Metro is planning to change from Columbia Threadneedle as its fixed income portfolio manager and Duff & Phelps as its equity portfolio manager to SEI Investments Company as an overall Chief Investment Officer for the NDT.

Evergy Missouri Metro’s decommissioning trust fund was established in File Nos. EO-85-185 and EO-85-224. The trust fund contribution amount was set in 1985 at \$803,000.¹ 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 December 15, 2023, Evergy Missouri Metro and the Staff of the Missouri Public Service Commission (Staff) submitted a Non-Unanimous Stipulation and Agreement (Agreement). 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 within the time frame allowed by rule. Therefore, the Commission will treat the Agreement as unanimous.²

¹ Order Approving Stipulation and Agreement, issued August 21, 1992, EO-91-84 (EO9184xxxxxx), p. 3.

² Commission Rule 20 CSR 4240-2.115(C).

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.

No party requested an evidentiary hearing. The requirement for a hearing is met when the opportunity for a hearing has been provided.³ 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 2023 cost study;
3. Find that Evergy Missouri Metro's application and the 2023 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

³ *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494, 496 (Mo. App. 1989).

Metro's current Missouri cost of service and are reflected in its current Missouri retail rates for ratemaking purposes;

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; and
7. Authorize Evergy Missouri Metro to change the NDT investment manager from Columbia Threadneedle as its fixed income portfolio manager with Duff & Phelps as its equity portfolio manager to SEI Investments Company, acting as the overall Chief Investment Officer.

Having considered the 2023 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 2023 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 December 15, 2023, 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 2023 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 3, 2024.
7. This file shall close on February 4, 2024.



BY THE COMMISSION

Nancy Dippell

Nancy Dippell
Secretary

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

Pridgin, Deputy Chief Regulatory Law Judge

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Application of)	
Evergy Metro, Inc. d/b/a Evergy Missouri)	
Metro for Approval of the Accrual and Funding)	Case No. EO-2024-0056
of Wolf Creek Generating Station)	
Decommissioning Costs at Current Levels)	

NON-UNANIMOUS STIPULATION AND AGREEMENT

Evergy Missouri Metro, Inc., d/b/a Evergy Missouri Metro (“Evergy Missouri Metro”) and the Staff of the Public Service Commission of the State of Missouri (“Staff”) (collectively, the “Signatories” and individually “Signatory”) submit this Non-Unanimous Stipulation and Agreement (“Agreement”) to the Public Service Commission of the State of Missouri (“Commission”). The Office of the Public Counsel (“Public Counsel”) has advised the Signatories that it will not oppose this Agreement.

INTRODUCTION AND BACKGROUND

The Commission is authorized “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 hearing¹ and after considering all facts relevant to such funding level or accrual rate.”² The Commission is authorized to adopt regulations governing the procedures for tariff changes under Section 393.292 and “to ensure that the amounts collected from ratepayers and paid into such trust

¹ The requirement for a hearing is met when the opportunity for hearing is provided and no proper party requests the opportunity to present evidence. *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Pub. Serv. Comm’n*, 776 S.W.2d 494, 496 (Mo. App. W.D. 1989).

² § 393.292, RSMo (2016). This authority is an exception to the prohibition against single-issue ratemaking. *See, e.g.*, § 393.270.4, RSMo (2016); *State ex rel. Utility Consumers’ Council of Mo., Inc. v. Pub. Serv. Comm’n*, 585 S.W.2d 41, 56 (Mo. banc 1979).

funds will be neither greater nor lesser than the amounts necessary to carry out the purposes of the trusts.”³

Under the Commission’s regulations, an electric utility shall establish a tax-qualified externally managed trust fund for the purpose of collecting funds to pay for decommissioning costs if it owns, in whole or in part, or operates nuclear generating units, the costs of which are reflected in the rates charged to Missouri ratepayers.⁴ Every three years, electric utilities with decommissioning trust funds must perform a cost study detailing the utilities’ latest cost estimates for decommissioning its nuclear generating unit(s).⁵ The study must also detail the funding levels necessary to defray these decommissioning costs.⁶ The study must be filed with the Commission along with any appropriate tariff(s) to effectuate any rate change necessary to defray the decommissioning costs.⁷

Evergy Missouri Metro’s predecessor in interest, Kansas City Power & Light Company (KCP&L)⁸ established an external nuclear decommissioning trust fund as a result of its ownership interest in the Wolf Creek Generating Station (“Wolf Creek”).⁹ In Case EO-91-84, the Commission established Evergy Missouri Metro’s retail jurisdictional operations annual decommissioning accrual and trust fund payment at \$2,303,856.¹⁰ This amount was maintained

³ § 393.292, RSMo (2016).

⁴ 20 CSR 4240-20.070(5) (2019). Under Federal law, The Nuclear Regulatory Commission (NRC) establishes minimum amounts necessary for licensees to provide reasonable assurance that funds will be available for the decommissioning process. 10 CFR 50.75 (2019). However, federal regulations also provide that “Funding for the decommissioning of power reactors may also be subject to the regulation of Federal or State Government agencies (e.g., Federal Energy Regulatory Commission (FERC) and State Public Utility Commissions) that have jurisdiction over rate regulations.” 10 CFR 50.75(a) The NRC’s federal regulations are “in addition to, and not substitution for, other requirements, and are not intended to be used by themselves or by other agencies to establish rates.” *Id.*

⁵ 20 CSR 4240-20.070(4) (2019).

⁶ *Id.*

⁷ *Id.*

⁸ To maintain simplicity, this agreement refers to KCP&L as Evergy Missouri Metro unless otherwise indicated.

⁹ *Kansas City Power & Light Co.*, Case Nos. EO-85-185 and EO-85-224, 28 Mo.P.S.C. (N.S.) 228 (1986).

¹⁰ *Kansas City Power & Light Co.*, 1 Mo.P.S.C.3d 353 (1992).

until Case No. ER-2006-0314, when the Commission lowered the amount to \$1,281,264, primarily to reflect the 20-year life extension of Wolf Creek.¹¹ The Commission has maintained the annual funding amount of \$1,281,264 to present.¹²

THE 2023 COST STUDY

Pursuant to 20 CSR 4240-20.070(4), on September 1, 2023, Evergy Missouri Metro filed its Application for Approval of the Accrual and Funding of Wolf Creek Generating Station Decommissioning Costs at Current Levels (“Application”). Evergy Missouri Metro filed, as Schedule A, the Wolf Creek Generating Station Decommissioning Cost Estimate Update for September 1, 2023 (“2023 Study”). The 2023 Study, with the date August 2023 on its cover, was prepared for the Wolf Creek Nuclear Operating Corporation (“WCNOC”) by TLG Services, Inc. (“TLG”), a consulting engineering firm based in Bridgewater, Connecticut.¹³ The TLG analysis relies upon site-specific, technical information from a TLG evaluation prepared in 2020, updated to reflect current assumptions pertaining to the disposition of the nuclear station and relevant industry experience in undertaking such projects. Costs are represented in 2023 Dollars.

¹¹ *Kansas City Power & Light Co.*, Case No. EO-94-80, 3 Mo.P.S.C.3d 60 (1994); *Kansas City Power & Light Co.*, Case No. EO-97-84, 7 Mo. P.S.C.3d 124 (1998); *Kansas City Power & Light Co.*, Case No. EO-2000-210, 8 Mo. P.S.C. 3d 516 (2000).

¹² Case Nos. EO-2009-0072, EO-2012-0068, EO-2015-0056, EO-2018-0062, EO-2021-0056; *see also* Case Nos. ER-2007-0291, ER-2009-0089, ER-2010- 0355, ER-2012-0174, ER-2016-0285, ER-2022-0129 (rate cases maintaining trust fund payment amounts at same level).

¹³ Since 1982, TLG has provided engineering and field services for contaminated facilities including estimates of decommissioning costs for nuclear generating units. TLG also prepared the decommissioning cost estimate for Wolf Creek that was filed with and approved by the Commission in previous Evergy Missouri Metro and Union Electric Company decommissioning cost studies.

For the purposes of the 2023 Study, the final shutdown date of Wolf Creek continues to be projected to occur in 2045. TLG examined two decommissioning scenarios: (a) DECON,¹⁴ and (b) SAFSTOR.¹⁵ The 2023 Study shows the decommissioning cost estimate to be \$1,183,198,487 in 2023 Dollars for the DECON decommissioning option or \$1,524,712,000 in 2023 Dollars for the SAFSTOR option. Both alternatives are acceptable to the NRC.¹⁶ Evergy Missouri Metro's Schedule B ("2023 Funding Analysis") to the Application indicates that under current assumptions the present annual trust fund contribution of \$1,281,264 is sufficient to meet the estimated DECON decommissioning option within \$26,136 which is less than 0.005% of the Missouri jurisdictional share of future estimated total decommissioning costs. Based on its analysis Evergy Missouri Metro has concluded that its funding level should result in a final decommissioning trust amount which is sufficient to cover the costs estimated in the 2023 Study under what Evergy Missouri Metro believes are a reasonable set of economic, financial, and investment assumptions. Evergy Missouri Metro believes it is reasonable and prudent to continue the annual accruals at the current level of \$1,281,264.

The 2023 Study by TLG includes Evergy Missouri Metro's share of the decommissioning cost of Wolf Creek and the Independent Spent Fuel Storage Installation ("ISFSI"). Evergy Missouri Metro's 47% share of the \$1.183 billion is \$556.1 million (for its Missouri and Kansas

¹⁴ DECON assumes decontaminating and decommissioning immediately following conclusion of power operations in 2045. Work is anticipated to be completed by 2078. DECON consists of removal of fuel assemblies, source material, radioactive fission and corrosion products, and other radioactive materials immediately after cessation of power operations. *General Requirements for Decommissioning Nuclear Facilities*, 53 Fed. Reg. 24018, 24022 (Jun. 27, 1988). Total estimated cost to decommission in 2023 Dollars is \$1,171,364,000. 2023 Study at 21 of 172 [Document W11-1817-001, Rev. 1, Page xxi of xxii].

¹⁵ SAFSTOR places the facility in protective storage for deferred decontamination to levels that permit release for unrestricted use. 53 Fed. Reg. 24018, 24022 (Jun. 27, 1988). Delayed decontamination and dismantling activities are initiated once spent fuel and source material are removed, such that license termination is accomplished within the 60-year time period set by the NRC. This process is anticipated to be completed by 2105. Total estimated cost to decommission in 2023 Dollars is \$1,524,712,000. 2023 Study at 22 of 172 [Document W11-1817-001, Rev. 1, Page xxii of xxii].

¹⁶ 53 Fed. Reg. 24018 *et seq.* (Jun. 27, 1988).

operations).¹⁷ Calculating escalated decommissioning costs, TLG indicates the total costs will be approximately \$3.3 billion.¹⁸ Evergy Missouri Metro's 47% share of the \$3.3 billion is approximately \$1.57 billion for Missouri and Kansas operations and the approximately 54.8% (\$859 million) of that amount is allocated to Missouri operations,¹⁹ identified in the current decommissioning cost analysis prepared by TLG, dated August 2023.²⁰ The ISFSI will be constructed on the Wolf Creek site to hold the spent nuclear fuel assemblies (high-level radioactive waste). The Department of Energy has partially breached a contract with Evergy Missouri Metro, under which Evergy Missouri Metro customers have, in the past, paid fees in rates, to remove, transport, and dispose of at the Nevada – Yucca Mountain repository site.²¹ Until the Department of Energy performs under that contract, the spent nuclear fuel assemblies will need to be stored onsite in the ISFSI with a portion stored in the spent fuel pool until decommissioning.

Among other things, the 2023 Funding Analysis is based on capital market assumptions dated July 1, 2023 from Evergy Missouri Metro's pension consultants, Willis Towers Watson. A weighted decommissioning cost escalation rate of 3.33% based on wage and non-labor inflation assumptions, 3.72% and 2.83% respectively, are used in order to provide consistency with the capital market assumptions.²²

¹⁷ 2023 Study, Amended Schedule B.

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ Since the design for decommissioning has not been selected, the 2023 \$1.183 billion amount should be considered a representative decommissioning cost included within the DECON and SAFSTOR estimates. (*See* Amended Schedule B of TLG Services 2023 Cost Study.)

²¹ Evergy Missouri Metro is not the only utility affected by the Department of Energy's failure to accept and dispose of radioactive waste from United States nuclear utilities. *See, e.g., Yankee Atomic Elec. Co. v. U.S.*, 536 F.3d 1268, 1270 (Fed. Cir. 2008) (*Yankee I*). TLG's assumption that if DOE will not accept already-canistered fuel, that DOE will have liability for costs incurred to transfer the fuel to DOE-supplied containers, is not unreasonable. 2020 Study at 8-9 or 170; *see, Yankee Atomic Elec. Co. v. U.S.*, 679 F.3d 1354, 1362-63 (Fec. Cir. 2012) (entering judgment in favor of utility and against the United States for utility's wet storage pool costs resulting from the Department of Energy's breach of contract).

²² Page 3, Paragraph 8, Evergy Missouri Metro Application.

In its Application, Evergy Missouri Metro requests the Commission: (i) find that the 2023 Study and Funding Analysis satisfy the requirements of 20 CSR 240-3.185(3);²³ and (ii) approve the continuation of the annual decommissioning expense accrual and trust fund contribution amount at the current funding level of \$1,281,264 (Missouri jurisdictional amount). Because Evergy Missouri Metro is not proposing a change in the funding level, Evergy Missouri Metro has not filed new tariff sheets regarding its funding of decommissioning, is not requesting a hearing, and does not believe that a hearing is required respecting its decommissioning cost study filing.

INVESTMENT MANAGER CHANGE

In its Application, Evergy Missouri Metro requests the Commission approve a change in the nuclear decommissioning trust (“NDT”) investment manager.²⁴ Evergy Missouri Metro is asking to change from Columbia Threadneedle as its fixed income portfolio manager and Duff & Phelps as its equity portfolio manager to a single company; SEI Investments Company to act as the overall Chief Investment Officer for the NDT.

In late 2020 and early 2021 SEI won an “arms-length competitive process” to manage a large portion of Evergy Inc.’s investment assets.²⁵ As of June 30, 2023, SEI manages, advises, or administers approximately \$1.3 trillion in assets.²⁶ SEI manages approximately \$1.8 billion in assets for Evergy, Inc. and subsidiaries thereof.²⁷ If the request for a change in NDT investment manager is approved, Wolf Creek NDT funds will make up 33% of the total funds entrusted to SEI by Evergy, Inc. and its subsidiaries.²⁸

²³ Effective August 28, 2019, the triennial filing requirement was moved from 20 CSR 4240-3.185(3) to 20 CSR 4240-20.070(4). 44 Mo. Reg. 1594-95 (Jun. 3, 2019).

²⁴ Page 4, Paragraph 10, Evergy Missouri Metro Application.

²⁵ Id.

²⁶ Company response to Data Request 0015.

²⁷ Company response to Data Request 0014.

²⁸ Id.

Evergy Missouri Metro stated that “[s]eparate from fees, a driving force of the move is that this allows us to get a more informed fiduciary view of appropriate asset risk and return for the portfolio.”²⁹

SEI will provide the service of a more informed fiduciary manager. SEI is an experienced asset manager and through this change there will be a single asset manager with complete overview of the trust asset composition. As a result, SEI will be better positioned to manage those assets, make appropriate asset class assignments, and give more appropriate consideration to alternative asset classes in the face of the defined trust liability.³⁰

SEI has not managed any other NDTs other than the portion of Wolf Creek NDT being placed into trust by Kansas Gas and Electric Company (“KG&E”), one of the three owners of Wolf Creek.³¹ SEI has managed KG&E’s portion of the NDT since 2010 and has experienced a growth of 8.07% since its inception.³²

Evergy Missouri Metro’s Wolf Creek Decommissioning Trust Analysis (“Schedule B”) indicates changing its NDT investment manager to SEI will result in increased annual fees of 3.9 basis points each year.³³ Evergy Missouri Metro states that after the change in investment manager over the course of the NDT, from 2024 through 2079, the NDT’s earnings after fees and taxes will be \$4,880.05 higher than by using the current NDT investment managers.³⁴ Evergy Missouri Metro also points out that:

Separate from fees, a driving force of the move is that this allows us to get to a more informed fiduciary view of appropriate asset risk and return across the entire portfolio rather than have separate managers for equity and fixed income mandates. It would only take an increase in expected returns or reduction of risk totaling 5 basis points as a result of SEI management of the portfolio to negate the slightly higher fee rate, and this level of

²⁹ Company response to Data Request 0011.

³⁰ Company response to Data Request 0011.2.

³¹ Company Response to Data Request 0015.

³² Id.

³³ Company response to Data Request 0011.1.

³⁴ Id.

management and fiduciary responsibility will become more valuable as we approach the decommissioning date and seek to incrementally de-risk the portfolio while maximizing returns.³⁵

Staff did not find a significant impact on ratepayers changing the NDT investment manager.

STIPULATIONS AND AGREEMENTS

The Signatories to this case have reached certain understandings so that the Staff and Evergy Missouri Metro stipulate and agree as follows:

1. Evergy Missouri Metro's retail jurisdictional authorized annual decommissioning expense accrual and trust fund payment is currently set at \$1,281,264. Because the expenses identified in the 2023 Study increased, and because funds currently being collected will continue to earn enough return, Evergy Missouri Metro's current retail jurisdictional authorized annual decommissioning expense accrual need not be adjusted at this time.

2. On September 1, 2023, Evergy Missouri Metro filed its Application along with the 2023 Study. The Signatories request that the Commission recognize in its Report and Order for this case that Evergy Missouri Metro's Application and the 2023 Cost Study meet the requirements of 20 CSR 4240-20.070(4).

3. The 2020 Study extended the estimation period from 2053 to 2079 to incorporate the likelihood of extended ISFSI operations following decommissioning. While there is still uncertainty in this area, the probability where the spent fuel remains on site for an extended period following decommissioning of the power block, has become the most likely scenario.

4. The 2023 Study estimates the decommissioning cost for the DECON alternative to be \$1,171,364,000 in 2023 Dollars for the decommissioning period 2045-2079, which is 9.1%

³⁵ Company response to Data Request 0011A.

higher than the 2020 estimate of \$1,073,642,000 for the same decommissioning period. The 2023 Study includes Evergy Missouri Metro's share of the cost for decommissioning the ISFSI.³⁶

5. ISFSI funds recovered from the DOE in connection with decommissioning of the ISFSI will be used to offset the costs of decommissioning the Wolf Creek site.

6. Excess trust funds from the costs of decommissioning the Wolf Creek site are to be reimbursed to the ratepayers through the ratemaking process pursuant to the terms of 20 CSR 4240-20.070(16) (2019).

7. The current annual contribution of \$1,281,264 (Missouri jurisdictional amount) to Evergy Missouri Metro's nuclear decommissioning trust fund is reasonable given the uncertainties in the numerous forecasted assumptions used to determine the contribution level. The forecasted assumptions include, but are not limited to, capital market expectations, projected decommissioning inflation rates and the costs to decommission Wolf Creek.

8. The Signatories agree that it is reasonable to use capital market return expectation information provided by Evergy Missouri Metro's pension plan consultant for purposes of developing expected portfolio returns for Evergy Missouri Metro's nuclear decommissioning trust fund. The Signatories agree that any proposed changes to the annual contribution to Evergy Missouri Metro's nuclear decommissioning trust fund shall be based on capital market return expectation information provided by Evergy Missouri Metro's pension plan consultant, unless the Signatories agree to use a different source and/or methodology for capital market return expectations or the Commission finds in a contested case that different sources and/or methodologies for capital market return expectations are more appropriate.

³⁶ 2023 Study, Appendix C, page 127 of 172.

9. Evergy Missouri Metro shall continue its Missouri retail jurisdiction expense accruals and trust fund payments at current levels without any change in its Missouri retail jurisdictional rates, unless and until the Commission subsequently approves such a change.

10. Annual Missouri retail jurisdictional decommissioning costs, inclusive of the ISFSI, in the amount of \$1,281,264 are, and should continue to be, included in Evergy Missouri Metro's cost of service and reflected in its current rates for ratemaking purposes. The Signatories request that this finding be specifically recognized in the Commission's Report and Order and note that this finding is required in order for the decommissioning fund to retain its qualified tax status.

11. The Signatories agree and acknowledge that this Agreement does not prevent any Signatory from proposing changes to the annual contribution amount to the nuclear decommissioning trust fund in a subsequent rate proceeding.

12. The Signatories agree that Evergy Missouri Metro shall continue to record and preserve Wolf Creek asset retirement obligation costs, as agreed to by the Staff, Public Counsel, and Evergy Missouri Metro, and authorized by the Commission, in Case No. EU-2004-0294.

13. The Signatories agree that Evergy Missouri Metro shall continue to file with the Commission quarterly information providing the performance of the trust investments (including a comparison to benchmarks) and the costs of the NDT investment manager.

14. Except as explicitly agreed otherwise herein, none of the Signatories to this Agreement shall be deemed to have approved or acquiesced in any question of Commission authority, decommissioning methodology, ratemaking principle, valuation methodology, cost of service methodology or determination, depreciation principle or method, rate design

methodology, cost allocation, cost recovery, or prudence that may underlie this Agreement or for which provision is made in this Agreement.

15. If the Commission does not unconditionally approve this Agreement without modification, and notwithstanding its provision that it shall become void thereon, neither this Agreement nor any matters associated with its consideration by the Commission shall be considered or argued to be a waiver of the rights that any Signatory has to a hearing on the issues presented by the Agreement, regarding cross-examination or a decision in accordance with Section 536.080.1, RSMo (2016) or Article V, Section 18 of the Missouri Constitution. The Signatories shall retain all procedural and due process rights as fully as though this Agreement had not been presented for approval, and any suggestions or memoranda, testimony or exhibits that may have been offered or received in support of or in opposition to this Agreement shall thereupon become privileged as reflecting the substantive content of settlement discussions, and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any further purpose whatsoever.

16. To assist the Commission in its review of this Agreement, the Signatories also request that the Commission advise them of any additional information that the Commission may desire from the Signatories related to the matters addressed in this Agreement, including any procedures for furnishing such information to the Commission.

17. If requested by the Commission, the Staff shall submit to the Commission a memorandum responsive to the Commission's request. Each party of record shall be served with a copy of any memorandum and shall be entitled to submit to the Commission within five (5) days of receipt of the Staff's memorandum, a responsive memorandum which shall also be served on all parties. The contents of any memorandum provided by any party are its own and are not

acquiesced in or otherwise adopted by the other signatories to this Agreement, whether or not the Commission approves and adopts this Agreement.

18. The Staff also shall provide, at any agenda meeting at which this Agreement is noticed to be considered by the Commission, whatever oral explanation the Commission requests. The Staff shall, to the extent reasonably practicable, provide the other parties with advance notice of when the Staff shall respond to the Commission's request for such explanation once such explanation is requested from the Staff. The Staff's oral explanation shall be subject to public disclosures, except to the extent it refers to matters that are privileged or protected from disclosure pursuant to any Protective Order that may be issued in this case.

19. Because this is an Agreement with the sole purpose of addressing the authority requested by the Application of Evergy Missouri Metro, except as specified herein, the Signatories to the Agreement shall not be prejudiced, bound by, or in any way affected by the terms of this Agreement: (i) in any future proceeding; (ii) in any proceeding currently pending under a separate docket; and/or (iii) in this proceeding, should the Commission decide not to approve the Agreement or in any way condition its approval of the same, except as stated herein. Because this is an Agreement for the purpose of settling matters in this case, it shall not be cited as precedent or referred to in testimony as an assertion of the particular position of any Signatory in any subsequent or pending judicial or administrative proceeding, except that this shall not be construed to prohibit reference to its existence in future proceedings, including proceedings to enforce compliance with its terms.

20. The parties offer the 2023 Study, attached hereto and incorporated by reference, into evidence.

21. Pursuant to Section 393.290 RSMo, the Signatories agree that the Commission may review and authorize changes to Evergy Missouri Metro's retail jurisdictional rates and charges as a result in a change in the annual accrual of funding for the Missouri jurisdictional sub-account of the Wolf Creek decommissioning trust after a full hearing, including but not limited to any general rate increase case or excess earnings complaint case, and after considering all facts relevant to such accrual rate.

22. The provisions of this Agreement have resulted from discussions/negotiations among the Signatories and are interdependent. In the event that the Commission does not approve and adopt the terms of this Agreement in total, it shall be void and no Signatory hereto shall be bound by, prejudiced, or in any way affected by any of the agreements or provisions hereof unless otherwise provided herein.

23. In the event the Commission accepts the specific terms of this Agreement, the Signatories waive their respective rights: (i) to cross-examine witnesses pursuant to Section 536.070(2) RSMo; (ii) to present oral argument and written briefs pursuant to Section 536.080.1 RSMo; (iii) to the reading of the transcript by the Commission pursuant to Section 536.080.2 RSMo; and (iv) to judicial review pursuant to Section 386.510 RSMo. This waiver applies only to a Commission Report and Order respecting this Agreement issued in this proceeding, and does not apply to any matters raised in any subsequent Commission proceeding, or any matters not explicitly addressed by this Agreement.

WHEREFORE, the Signatories hereto request that the Commission issue an order:

1. Approving this Non-Unanimous Stipulation and Agreement;
2. Receiving into evidence this Non-Unanimous Stipulation and Agreement, and the 2023 Study;

3. Finding that Evergy Missouri Metro's 2023 Cost Study satisfies the requirements of 20 CSR 4240-20.070(4) (2019);

4. Finding, pursuant to this Non-Unanimous Stipulation and Agreement, that 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. Finding, in order for the decommissioning fund to retain its qualified tax status, that the current decommissioning costs for Wolf Creek, inclusive of the ISFSI, are included in Evergy Missouri Metro's current cost of service and are reflected in its current Missouri retail rates for ratemaking purposes;

6. Authorizing Evergy Missouri Metro to continue to record and preserve Wolf Creek asset retirement obligation costs, as agreed to by the Staff, Public Counsel and Evergy Missouri Metro, and authorized by the Commission, in Case No. EU-2004-0294; and

7. Authorizing Evergy Missouri Metro to change the NDT investment manager from Columbia Threadneedle as its fixed income portfolio manager with Duff & Phelps as its equity portfolio manager to SEI Investments Company, acting as the overall Chief Investment Officer.

Respectfully submitted,

/s/ Roger W. Steiner

Roger W. Steiner, MBN 39586
Evergy, Inc.
1200 Main Street
Kansas City, MO 64105
Phone: (816) 556-2791
roger.steiner@energy.com

Counsel for Evergy Missouri Metro

/s/ Kevin A. Thompson

Kevin A. Thompson, Missouri Bar No. 36288
Chief Staff Counsel
Missouri Public Service Commission
Post Office Box 360
Jefferson City, Missouri 65102
573-751-6514 Voice
573-522-6969 FAX
kevin.thompson@psc.mo.gov

**Attorney for the Staff of the Missouri Public
Service Commission**

CERTIFICATE OF SERVICE

The undersigned certifies that true and correct copies of the foregoing have been e-mailed or mailed, via first class United States Mail, postage pre-paid, to the service list of record this 15th day of December 2023.

/s/ Roger W. Steiner

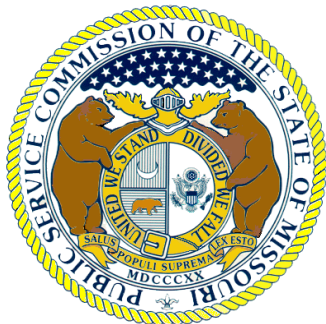
Roger W. Steiner
Counsel for Evergy Missouri Metro

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 January 2024.



Nancy Dippell

Nancy Dippell
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

January 4, 2024

File/Case No. EO-2024-0056

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

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

MO PSC Staff

Kevin Thompson
200 Madison Street
Jefferson City, MO 65101
kevin.thompson@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.