

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

In the Matter of the Application of Evergy)
Missouri West, Inc. d/b/a Evergy Missouri)
West for a Financing Order Authorizing the) **File No. EF-2022-0155**
Financing of Extraordinary Storm Costs)
Through an Issuance of Securitized Utility)
Tariff Bonds)

**STAFF RESPONSE TO ORDER DIRECTING STAFF TO
SUBMIT DUCERA REPORT AND BRIEF STATEMENT**

COMES NOW Staff of the Missouri Public Service Commission, and for its Response to the *Order Directing Staff to Submit Ducera Report and Staff Recommendation* (“Order”) issued by the Commission by delegation of authority on February 13, 2024, respectfully states as follows:

1. The Order directed, in part, that “No later than close of business on the second [business] day after submission of the IAL, Staff must provide the Commission with Ducera’s opinion on the Securitized Utility Tariff Bond issuance as well as pleadings containing a brief statement of Staff’s opinion and any concerns Staff has with the final terms of the Securitized Utility Tariff Bonds and Staff’s recommendation about Evergy Missouri West’s compliance tariff.” [the compliance tariff sheets filed by Evergy Missouri West will be addressed in a separate Staff pleading]. The IAL was filed by Evergy Missouri West on February 15, 2024.

2. Section 393.1700.2(3)(h) RSMo. provides in part that “The commission shall have the authority to designate a representative or representatives from commission staff, who may be advised by a financial advisor or advisors contracted with the commission, to provide input to the electrical corporation and collaborate with the electrical corporation in all facets of the process undertaken by the electrical corporation to place the securitized utility tariff bonds to market so the commission's representative or representatives

can provide the commission with an opinion on the reasonableness of the pricing, terms, and conditions of the securitized utility tariff bonds on an expedited basis. Neither the designated representative or representatives from the commission staff nor one or more financial advisors advising commission staff shall have authority to direct how the electrical corporation places the bonds to market although they shall be permitted to attend all meetings convened by the electrical corporation to address placement of the bonds to market.” (emphasis added)

3. For purposes of this Response, the information used in preparing this Response may have been obtained from or through the utility, the issuer, the underwriters, Staff’s advisors, the Issuance Advice Letter, the certifications, public sources or otherwise. Staff has assumed and relied upon, without undertaking any independent verification of, the accuracy and completeness of all of the factual, financial, and other information supplied or otherwise made available to, discussed with, or reviewed by Staff (including information that is available from generally recognized public sources), and Staff assumes no liability therefor. Staff has further assumed that all of the information furnished by the underwriters, the utility, the issuer and any other person (including, for the avoidance of doubt, the certifications) is complete and accurate as of the date hereof (except to the extent superseded by other information provided prior to the date hereof) and does not contain any material omissions or misstatement of material facts.

Staff assumes no responsibility for and expresses no view as to any projected financial data relating to the utility or the issuer, or the assumptions on which they are based, including, but not limited to, any assumptions made regarding energy sales forecasts, ratepayer payment and charge-off patterns, defaults by third party suppliers, or servicing or administrative costs. With respect to any market data, projections, forecasts, and estimates, Staff has assumed that they have been reasonably prepared on bases reflecting the best

currently available estimates and good faith judgments of the utility, the issuer, and underwriters.

Staff has assumed that the utility and the issuer will implement the transaction in accordance with the terms of the Financing Order and the transaction documents. Staff expresses no view regarding the sufficiency of true-up adjustments or other actions that the utility or the issuer are required to take under the transaction documents and the Financing Order.

This Response is based on the parameters set forth in the Financing Order and is dependent upon regulatory, economic and market conditions known to Staff as they exist as of the date hereof and involve numerous assumptions, not limited to those which have been stated herein and some of which cannot be established or confirmed. This Response addresses only the market conditions and facts existing or assumed as of the date hereof. The information expressed herein may be affected by actions taken or omitted, events occurring, or changes in the relevant facts, after the date hereof.

4. In response to the Order, and in accordance with Section 393.1700.2(3)(h) RSMo. as set forth above, Staff submits this Response to inform the Commission that Staff believes the pricing, terms, and conditions of the securitized utility tariff bonds to be reasonable and is not aware of any concerns Staff has with the final terms of the Securitized Utility Tariff Bonds filed herein by Evergy Missouri West on February 15, 2024.

Ducera Letter

5. According to the Order's requirement that "Staff must provide the Commission with Ducera's opinion on the Securitized Utility Tariff Bond issuance," the letter submitted by Ducera to Staff (as contemplated by the Contract between Ducera and the Commission) is being filed along with this Response as Confidential in its entirety pursuant to 20 CSR 4240-2.135(2)(A)5, as "reports, work papers, or other documentation related to

work produced by internal or **external** auditors, **consultants**, or attorneys”
(emphasis added).

WHEREFORE Staff submits this Response, along with the Confidential Ducera letter, in compliance with the Commission’s *Order Directing Staff to Submit Ducera Report and Staff Recommendation*¹ issued February 13, 2024, and prays the Commission accept same.

Respectfully submitted,

/s/ Jeffrey A. Keevil

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Attorney for the Staff of the
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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to counsel of record as reflected on the certified service list maintained by the Commission in its Electronic Filing Information System this 20th day of February 2024.

/s/ Jeffrey A. Keevil

¹ As noted in paragraph 1 above, the compliance tariff sheets filed by Evergy Missouri West will be addressed in a separate Staff pleading.

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Case No. EF-2022-0155

AFFIDAVIT OF KIMBERLY K. BOLIN

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW KIMBERLY K. BOLIN and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Response to Order Directing Staff Response*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

Kimberly K. Bolin
KIMBERLY K. BOLIN

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 20th day of February 2024.

Dianna L. Vaughn
Notary Public

DIANNA L. VAUGHN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: July 18, 2027
Commission Number: 15207377