

Exhibit: _____

Issues: Estimated Up-front and Ongoing
Financing Costs; Special Purpose
Entity

Witness: Jason Humphrey

Type of Exhibit: Direct Testimony

Sponsoring Party: Evergy Missouri West

Case No. EF-2022-0155

Date Testimony Prepared: March 11, 2022

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO:

EF-2022-0155

DIRECT TESTIMONY

OF

JASON HUMPHREY

ON BEHALF OF

EVERGY MISSOURI WEST

Kansas City, Missouri

March 2022

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DIRECT TESTIMONY

OF

JASON HUMPHREY

Case No. EF-2022-0155

I. INTRODUCTION

1 **Q: Please state your name and business address.**

2 A: My name is Jason Humphrey. My business address is 818 S. Kansas Ave. Topeka, KS
3 66612.

4 **Q: By whom and in what capacity are you employed?**

5 A: I am employed by Evergy Kansas Central, Inc. and serve as Senior Director of Renewables
6 and Assistant Treasurer for Evergy Metro, Inc. d/b/a Evergy Kansas Metro (“Evergy
7 Kansas Metro”), Evergy Kansas Central, Inc. and Evergy South, Inc., collectively d/b/a as
8 Evergy Kansas Central (“Evergy Kansas Central”), Evergy Metro, Inc. d/b/a as Evergy
9 Missouri Metro (“Evergy Missouri Metro”), and Evergy Missouri West, Inc. d/b/a Evergy
10 Missouri West. These are the operating utilities of Evergy, Inc. (“Evergy”).

11 **Q: On whose behalf are you testifying?**

12 A: I am testifying on behalf of Evergy Missouri West, Inc. d/b/a Evergy Missouri West
13 (“Evergy Missouri West”, or “EMW” or “Company”) in support of the approval of the
14 Company’s Application for a Financing Order authorizing the financing of Qualified

1 Extraordinary Costs through an issuance of Securitized Utility Tariff Bonds
2 (“Securitization Bonds”).¹

3 **Q: What are your responsibilities?**

4 A: My responsibilities include all cash management and corporate finance functions of Evergy
5 and its related companies. In addition, I am responsible for development of Renewable
6 Energy assets for Evergy’s operating utilities.

7 **Q: Please describe your education, experience and employment history.**

8 A: I graduated Magna Cum Laude from the Kansas State University in May 2008 with a
9 Bachelor of Science degree in Mechanical Engineering with a Nuclear Engineering option.
10 I also received a Master of Business Administration degree with Honors from Baker
11 University in May 2017. I joined Evergy Kansas Central as a Power Plant Engineer in June
12 2008, was later named Supervisor, Electrical Maintenance in March 2011; and Plant
13 Manager, Emporia Energy Center in May 2012. In May of 2013 I was named Director of
14 Natural Gas Fired Generation and director of Evergy Kansas Central’s natural gas fired
15 powerplant operations. I later served as Director of Performance Excellence in August of
16 2015 and became Director of Integration Success upon the formation of Evergy in June of
17 2018. In May of 2020 I was named Senior Director, Finance and in December of 2020 I
18 was named Assistant Treasurer. In September of 2021, Senior Director of Renewables was
19 added to my responsibilities.

¹ Capitalized terms such as Financing Order, Qualified Extraordinary Costs, and Securitized Utility Tariff Bonds are defined in Section 393.1700.1, Mo. Rev. Stat. (2016), as amended.

1 **Q: Have you previously testified in a proceeding at the Missouri Public Service**
2 **Commission (“Commission” or “PSC”) or before any other utility regulatory agency?**

3 A: Yes. I have provided testimony in support of Nuclear Decommissioning Trust costs and
4 investment requirements in both Kansas and Missouri.

5 **Q: What is the purpose of your testimony?**

6 A: The purpose of my testimony is to: (i) provide an estimate of financing costs, both up-front
7 and ongoing; and (ii) provide explanation on the formation of the Special Purpose Entity
8 (“SPE”) and why it is an important part of the securitization financing structure.

9 **Q: Are you sponsoring any exhibits to your direct testimony?**

10 A: Yes. I am sponsoring:

- 11 • Schedule JOH-1 – Estimated Up-Front and Ongoing Financing Costs

12 This schedule was prepared under my direction and control, and to the best of my
13 knowledge all factual matters contained therein are true and accurate.

14 **II. UP-FRONT FINANCING COSTS AND ONGOING FINANCING COSTS**

15 **A. UP-FRONT FINANCING COSTS**

16 **Q: Please provide a description of the up-front financing costs that will be financed**
17 **with the proceeds of the Securitization Bonds.**

18 A: Up-front financing costs, which will be financed from the proceeds of the Securitization
19 Bonds, include the fees and expenses to obtain the Financing Order, as well as the fees and
20 expenses associated with the structuring, marketing and issuance of each series of
21 Securitization Bonds, including: external legal fees, structuring advisory fees and
22 expenses, underwriting fees (including underwriters’ counsel) and original issue discount,
23 rating agency and trustee fees (including trustee’s counsel), accounting and auditing fees,

1 information technology programing costs, SPE independent director and manager fees,
2 servicer’s set-up costs, printing and marketing expenses, stock exchange listing fees and
3 compliance fees, filing and registration fees, and the costs of outside consultant(s) and
4 counsel, if any, retained by the Commission or the Staff. Up-front financing costs include
5 reimbursement to Evergy for amounts advanced for payment of such costs. These items
6 are consistent with the definition of Financing Costs found in Section 393.1700.1(8)² of
7 the Securitization Law enacted in Missouri in 2021.

8 **Q: Please provide an estimate and discussion of these up-front financing costs for each**
9 **individual item expected to be in excess of \$50,000.**

10 A: Evergy Missouri West estimates the up-front financing costs associated with its
11 recommended issuance of Securitization Bonds to be approximately \$6.6 million, based on
12 the estimates developed through comparison to similar transactions. This detail is provided
13 in Schedule JOH-1. The Company reviewed several asset recovery securitization filings
14 made by other utilities and developed an estimate of up-front financing costs with the
15 assistance of its co-advisors. These numbers are subject to change, as the costs are
16 dependent on the timing of issuance, market conditions at the time of issuance, the outcome
17 of requests for proposals for certain fees and other events outside the control of the
18 Company, such as possible litigation, incremental legal fees resulting from protracted
19 resolution of issues, possible review by the Securities and Exchange Commission (“SEC”)
20 and rating agency fee changes and requirements.

21 **Q: Please describe the estimated underwriting fees and expenses.**

22 A: Underwriting fees and expenses (excluding underwriters’ counsel fees) are shown in line

² All citations are to the Revised Statutes of Missouri (2016), as amended.

1 5 of Schedule JOH-1 and represent the amount that the underwriters will receive for
2 underwriting and selling the Securitization Bonds, assuming Evergy Missouri West issues
3 the Securitization Bonds in the manner previously discussed. This estimated range of fees
4 and expenses is consistent with those paid under recent, similar transactions.

5 **Q: How will underwriters' fees be determined?**

6 A: Assuming EMW issues the Securitization Bonds in the manner that other similar utility
7 securitization transactions have been issued since 2010, underwriting fees will be incurred
8 for the services previously discussed. The final amount of underwriters' fees will be
9 updated through the issuance advice letter ("IAL") procedure called for in Section
10 393.1700.2(3)(h), as described in the testimony of Company witnesses Ives and Lunde
11 testimony, after the Securitization Bonds are priced. Underwriters' fees of 40 basis points
12 of the principal amount of the Securitization Bonds are consistent with similar individual
13 utility securitization transactions with comparable issuance sizes that have occurred in the
14 market, based on the Company's review of a list of recent, comparable transactions.
15 Because the level of underwriting fees is uncertain at this time, the actual costs will be
16 updated through the issuance advice letter procedure. As previously discussed, Evergy will
17 select underwriters with specific experience in the marketing of utility securitization
18 issuances.

19 **Q: Please describe the servicer set-up fees (including information technology
20 programming costs).**

21 A: Section 393.1700.1(8)(c) of the Securitization Law includes information technology
22 programming costs in the definition of financing costs for a Securitization Bond
23 transaction. The Company intends this amount to recover the cost of information

1 technology systems modifications to bill, monitor, collect, and remit Securitized Utility
2 Tariff Charges (“Charge” or “Charges”). The amount included in line 8 of Schedule JOH-
3 1 represents the Company’s current estimate of the costs of these information technology
4 systems modifications. This amount will be updated through the IAL procedure.

5 **Q: Please describe and explain Evergy’s proposed treatment of legal fees.**

6 A: Legal fees are a function of the legal work necessary to issue the Securitization Bonds.
7 External legal fees are based upon the review of similar transactions of similar size. This
8 category line 4 of Schedule JOH-1 includes the fees and expenses of external counsel for
9 Evergy and the SPE, the underwriters and the Company’s co-advisors. Counsel will advise
10 on the Securitization Bond transaction structure, including bankruptcy, regulatory and tax
11 matters; issue various transaction opinions, including bankruptcy opinions; and draft most
12 other documents related to the financing, including, among other tasks, the SEC
13 registration statement, the property purchase and sale agreement, the indenture, the
14 servicing agreement, the administration agreement, the SPE organizational documents, and
15 any other necessary agreements. These estimated expenses are based on discussion with
16 our internal legal counsel and estimates from external counsel. Evergy’s advisor and
17 underwriters’ counsel also advise on the transaction structure, review all Securitization
18 Bond transaction documents, and perform due diligence reviews of the transaction in
19 connection with the underwriters’ initial purchase of the Securitization Bond. The legal
20 fees (over and above those incurred to date) will be affected by events between the date of
21 the filing of the Petition and the date of Securitization Bond issuance, including the extent
22 to which this proceeding is contested by intervenors, the scope of any appeals, the extent
23 of any comments received during the SEC review, the requirements of underwriters,

1 trustees, rating agencies, regulators or the Commission's Advisor, if applicable, for any
2 requested revisions to documents, the use of additional credit enhancements, and other
3 factors that cannot be foreseen. Thus, the aggregate amount of legal fees and expenses to
4 be financed will not be known until closing. However, these costs will be estimated to the
5 best of the Company's ability and updated through the issuance advice letter process.

6 **Q: Please describe rating agency fees.**

7 A: In order to sell the Securitization Bonds at the most favorable interest rate reasonably
8 achievable, the Securitization Bonds should be rated by a minimum of two of the three
9 major rating agencies. Typically, a fee is required by each of the rating agencies to rate
10 the Securitization Bonds. The fees charged by the rating agencies are subject to change at
11 any time and are typically a function of the size and structure of the offering. The fees are
12 typically calculated by applying a base rate charge to the initial principal balance, subject
13 to a required minimum fee. Neither the Company nor the Commission has any effective
14 control over the fees charged by the rating agencies, however, Evergy will use
15 commercially reasonable means to negotiate the lowest possible rating agency fees. The
16 amounts shown on line 15 of Schedule JOH-1 reflect an estimate of the rating agencies
17 fees to be incurred for a transaction of the size contemplated by the Company. The
18 combined fee is estimated at 13.25 basis points (or 0.1325 percent) on the principal amount
19 of Securitization Bonds issued, payable to two rating agencies. This estimate assumes no
20 additional fees charged for the issuance from the Special Purpose Entity. Accordingly, the
21 possibility of a change due to either the size of the offering, or modification of the agencies'
22 fee requirements must be taken into account in determining the level of rating agency fees,
23 and any increase in these fees should be recoverable by Evergy Missouri West, pursuant to

1 the issuance advice letter procedure.

2 **Q: Please describe and explain Evergy's proposed treatment of the Commission Staff's**
3 **financial advisor fee.**

4 A: Staff may retain advisor(s) and the costs of these advisory services and its legal counsel, if
5 any, qualify as an up-front financing cost in this proceeding under Section
6 393.1700.1(8)(f). The total cost of the Staff's financial advisor and its legal counsel, if
7 any, is not within Evergy's control or influence and may not be known until closing. The
8 estimate on line 9 of Schedule JOH-1 will be updated through the issuance advice letter
9 process.

10 **Q: Please describe the fees of the structuring advisors to Evergy.**

11 A: After conducting diligence discussions with Evergy's banking partners, Evergy selected
12 Citi to act as its structuring advisor in connection with structuring the transaction(s) and
13 providing related services in connection with this proceeding. Company witness Lunde
14 served as Director in the Global ABS Financing and Securitization, at the time of the
15 diligence information requests and was a key factor in Evergy's decision to select Citi as
16 structuring advisor.

17 We expect Citi to have the opportunity to continue as an underwriter until the
18 Securitization Bonds are issued, but all structuring fees are expected to be earned upon
19 commencement of the ratings process. The fees and related expenses to be paid to Citi
20 have been agreed upon and reflect the required payments under the contract. These fees
21 and related expenses are consistent with the amounts in recent transactions that have taken
22 place in the market. However, it is not known with precision when Citi's services will end.
23 Following issuance of the Financing Order, and assuming the Company pursues the

1 marketing and sale of the Securitization Bonds consistent with how similar utility
2 securitization transactions of a similar nature have been offered to investors since 2010,
3 the Company expects to name book-runners who will perform advisory services as part of
4 the services normally performed by a book-running lead underwriter. For these services,
5 it is expected that the book-runner(s) will not seek fees beyond those underwriting fees
6 they would be paid in their capacity as book-runner(s) after they are engaged as book-
7 runner(s). However, as previously stated, the exact timing of that appointment is not
8 known. To the extent Citi's fees exceed the estimate, the Company will update this amount
9 through the issuance advice letter process.

10 **Q: Please describe the auditor fees.**

11 A: Auditor fees (line 6 of Schedule JOH-1) relate to the Company's independent auditor or
12 other recognized accounting or consulting firm and include the costs of agreed-upon
13 procedures related to the Securitization Bonds.

14 **Q: Please describe the SEC registration fee.**

15 A: The SEC has specific formulas for calculating registration fees based upon the initial
16 principal amount. The current fee is \$92.70 per million dollars registered or 0.0092%.
17 That fee structure, however, changes from time to time. The fees are mandatory for
18 registered offerings, and Evergy has no control over such charges. The estimated amount
19 on line 14 of Schedule JOH-1 will either increase or decrease proportionately as a result of
20 any increase or decrease in the size of the Securitization Bond financing, and/or as a result
21 of any change in the SEC registration fee structure.

22 **Q: Please describe both up-front and ongoing financing costs of credit enhancements.**

23 A: To ensure the Securitization Bonds are issued under the most advantageous terms, it may

1 be necessary to use various forms of credit enhancement or other mechanisms designed to
2 improve the credit quality and marketability of the Securitization Bonds, including but not
3 limited to overcollateralization accounts or letters of credit. It cannot be known until the
4 Securitization Bonds are about to be issued whether the use of credit enhancements will
5 reduce customer costs. Such mechanisms will be used only if they are cost justified (i.e.,
6 the savings exceed the costs). Because the need for any such credit enhancements or
7 mechanisms, as well as their costs and benefits, will be determined based upon rating
8 agency discussions and market conditions at the time the Securitization Bonds are priced,
9 decisions to use them can only be made at or near the time of pricing. On my Schedule
10 JOH-1, I have assumed no credit enhancements, other than the true-up mechanism and the
11 Capital Subaccount, will be used, because, as Company witness Lunde discusses in his
12 testimony, additional credit enhancements are not currently anticipated to be necessary to
13 achieve “AAA” or equivalent credit ratings.

14 **Q: How will the Company reconcile actual up-front financing costs with the estimates**
15 **provided by Evergy Missouri West through the issuance advice letter procedure since**
16 **the actual costs will not be known until after the Commission issues the Financing**
17 **Order and the Securitization Bonds have been issued?**

18 A: The proceeds of the Securitization Bond issuance will be used to pay (or reimburse the
19 Company for) the actual up-front financing costs incurred. The issuance advice letter
20 process, which will discuss the actual up-front financing costs, is addressed in the direct
21 testimony of Company witnesses Ives and Lunde. If the actual up-front financing costs are
22 below the amount appearing in the issuance advice letter filed with the Commission the
23 excess amount shall be included in the first true-up adjustment. If the actual up-front

1 financing costs are in excess of the amount appearing in the issuance advice letter, then
2 Evergy will have the right to collect such prudently incurred excess amounts through the
3 establishment of a regulatory asset. This reconciliation process is in the direct testimony
4 of Company witness Klote and is included in the proposed Financing Order appended to
5 the direct testimony of Company witness Lunde.

6 **B. ONGOING FINANCING COSTS**

7 **Q: Please describe the estimated ongoing financing costs (excluding debt service) that**
8 **will be recovered from the Charge.**

9 A: In addition to debt service on the Securitization Bonds, there will be expenses that will be
10 incurred throughout the life of the Securitization Bonds to support the ongoing operations
11 of the SPE. These ongoing financing costs are estimated at approximately \$0.56 million
12 annually for Evergy Missouri West in Schedule JOH-1, and includes servicing fees; return
13 on the capital contribution; administration fees; accounting and auditing fees; regulatory
14 fees; legal fees; rating agency surveillance fees; trustee fees; SPE independent director or
15 manager fees; and other miscellaneous fees associated with the servicing of the
16 Securitization Bonds. These ongoing cost items are considered Financing Costs under
17 Section 393.1700.1(8)(b) and (c) of the Securitization Law.

18 Certain of these ongoing financing costs, such as the administration fees and the
19 amount of the servicing fee for Evergy Missouri West (as the initial servicers) may be
20 determinable, either by reference to an established dollar amount or a percentage, on or
21 before the issuance of any series of Securitization Bonds. Other ongoing financing costs
22 will vary over the term of the Securitization Bonds.

23 **Q: What are the estimated servicing fees and how will they be calculated?**

1 A: In consideration for its servicing responsibilities, the servicer, which is expected to be
2 Evergy Missouri West, will receive the periodic servicing fee (line 25 of Schedule JOH-
3 1), which will be recovered through the Charges. To support the bankruptcy analysis
4 necessary to achieve the highest credit rating, the servicing fees must be on arm's length
5 terms and at market-based rates. Such servicing responsibilities will include, without
6 limitation: (i) billing, monitoring, collecting and remitting Charges, (ii) reporting
7 requirements imposed by the servicing agreement, (iii) implementing the true-up
8 mechanism, (iv) procedures required to coordinate required audits related to the
9 Company's role as servicer, (v) legal and accounting functions related to the servicing
10 obligation, and (vi) communication with rating agencies.

11 The annual servicing fee to be paid by the SPE to Evergy Missouri West is currently
12 estimated to be 0.05 percent of the original principal balance of the Securitization Bonds,
13 payable on each Securitization Bond payment date. Alternatively, if the Company ceases
14 to service the Securitization Bonds and a successor servicer is appointed, its servicer fee
15 should be set at a level not to exceed 0.60 percent of such original balance unless a higher
16 rate is approved by the Commission. To date, we are not aware of any utility securitization
17 transactions where a successor servicer has had to be appointed. The servicing fees
18 reflected appear to the Company to be consistent with the rates in other recent
19 securitizations. Since the servicing fee is based on the estimated original principal balance,
20 the final amount will be known only when the transaction is priced and will be updated
21 through the issuance advice letter process.

22 **Q: Please describe return on invested capital.**

23 A: When the Securitization Bonds are issued, Evergy proposes that it will make a capital

1 contribution to its respective SPE, which the SPE will deposit into the Capital Subaccount.
2 The Securitization Bond proceeds will not be used to fund this capital contribution. As
3 previously discussed, the amount of the capital contribution will be at least 0.50 percent of
4 the original principal amount of the Securitization Bonds. The Capital Subaccount will
5 serve as collateral to facilitate timely payment of principal of and interest on the
6 Securitization Bonds. To the extent that the Capital Subaccount must be drawn upon to
7 pay these amounts due to a shortfall in the Charge collections, it will be replenished to its
8 original level through the true-up process. The funds in the Capital Subaccount will be
9 invested in short-term high-quality investments and, if necessary, such funds (including
10 investment earnings) will be used by the Indenture Trustee to pay the principal of and
11 interest on the Securitization Bonds and the ongoing financing costs payable by the SPE.
12 Evergy Missouri West requests to earn a rate of return on its invested capital equal to the
13 weighted average cost of capital of the utility. Evergy requests that this return on invested
14 capital be a component of ongoing financing costs, and accordingly, recovered through the
15 Charges. This is consistent with sections 393.1700.1(8)(b) and 393.1700.2(3)(c)l of the
16 Securitization Law. Company witness Klote discusses how this return amount will be
17 adjusted from time to time as a result of changes authorized to the Company's cost of
18 capital in future rate cases.

19 **Q: Please describe the purpose of the administration fees that you identified and explain**
20 **how they will be calculated.**

21 A: The annual administration fees are set forth on line 26 of Schedule JOH-1 and are
22 meant to cover expenses associated with administrative functions Evergy will be providing
23 to the relevant SPE. These functions will include, among others, maintaining the general

1 accounting records, preparation of quarterly and annual financial statements, arranging for
2 annual audits of each SPE's financial statements, preparing all required external financial
3 filings, preparing any required income or other tax returns, and related support. None of
4 the SPEs will have any employees, so the administrator will perform these functions for
5 each SPE. These functions are separate from those of the servicer. Each SPE will also have
6 an independent director or manager to oversee its operation, and he or she will receive a
7 fee for their services and will be entitled to indemnification.

8 **Q: Please describe the purpose of the other ongoing financing costs that you identified**
9 **in more detail.**

10 A: The accounting and auditing fees (line 28 of Schedule JOH-1) are meant to represent costs
11 for activities such as providing periodic reports to the trustee and reviewing/certifying SEC
12 filings. These fees will be paid to Company's independent auditor or other recognized
13 accounting firm.

14 Each SPE will incur periodic legal fees. The annual estimate for these expenses is
15 shown on line 29 of Schedule JOH-1.

16 The rating agencies will assess ongoing fees associated with monitoring the credit
17 rating of each Securitization Bond series (line 30 of Schedule JOH-1).

18 The Indenture Trustee will be responsible for and earn a fee (line 27 of Schedule
19 JOH-1) for, among other things: (i) maintaining a record of investors; (ii) calculating and
20 remitting interest and principal payments to investors; (iii) otherwise fulfilling its
21 obligations under the indenture and other documents; and (iv) reporting as required by the
22 Commission or any other regulatory body.

1 Other miscellaneous costs (line 34 of Schedule JOH-1) are any costs that may be
2 incurred but that have not been specifically identified at this time. Such types of costs have
3 been identified by other utility companies for similar transactions.

4 Other than the servicing fee and the administrative fee, it is difficult to predict the
5 level of such costs to be incurred by the SPE over the term of the Securitization Bonds. It
6 is virtually certain these fees will increase over the term, not only because service providers
7 periodically increase their fees, but also because of inflation. Therefore, the Company
8 believes there should be no cap on the ongoing financing costs. Moreover, each SPE must
9 recover all of its ongoing financing costs in order to preserve bankruptcy remoteness of the
10 SPE and to secure AAA or equivalent credit ratings on the Securitization Bonds.

11 **Q: How will the Company reconcile its actual ongoing financing costs of the transaction**
12 **with its estimated costs?**

13 A: Because ongoing financing costs are recovered through the Charge, disparities will be
14 resolved periodically through the true-up mechanism. The true-up mechanism is described
15 in more detail in Company witness Klote's testimony.

16 **Q: Has the United States Treasury Department issued any guidance on accounting for**
17 **securitization financing and related income taxes?**

18 A: Yes. Revenue Procedure 2005-62 provides a safe harbor for public utility companies that,
19 pursuant to specified cost recovery legislation, receive an irrevocable financing order
20 permitting the utility to recover certain specified costs through a qualifying securitization.
21 Under the revenue procedure, Evergy Missouri West will not recognize taxable income
22 upon: 1) the receipt of the Financing Order; 2) the transfer of the Company's rights under
23 the Financing Order to the wholly-owned SPE; or 3) the receipt of cash in exchange for the

1 issuance of the Securitization Bonds. Evergy will treat the Charge as gross income to
2 Evergy Missouri West recognized under the Company's usual method of accounting.

3 **Q: Does the securitization financing Evergy is proposing meet the requirements of this**
4 **revenue procedure?**

5 A: Yes.

6 **Q: Does this conclude your testimony?**

7 A: Yes.

**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) Case No. EF-2022-0155
Financing of Extraordinary Storm Costs)
Through an Issuance of Securitized Utility)
Tariff Bonds.)

AFFIDAVIT OF JASON HUMPHREY

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

Jason Humphrey, being first duly sworn on his oath, states:

1. My name is Jason Humphrey and I am employed by Evergy Metro, Inc. as Sr Director Renewable & Assistant Treasurer - Renewables Development.


2. Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of Evergy Missouri West consisting of sixteen (16) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.

3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.



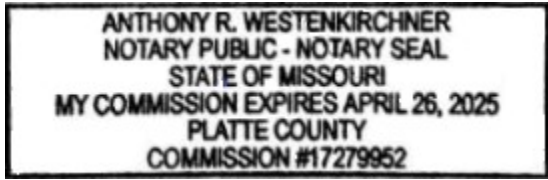
Jason Humphrey

Subscribed and sworn before me this 8th day of March 2022.



Notary Public

My commission expires: 4/26/2025



Direct Testimony of Jason O. Humphrey
Evergy Missouri West
Before the Missouri Public Service Commission
Case. No. EF-2022-0155
Estimated Up Front and Ongoing Securitization Costs

1	Storm Uri costs (incl. carrying costs)		From RAK-3 Line 4 Revenue Requirement
2			
3	<u>Up Front Costs:</u>		
4	Legal fees		
5	Underwriting		
6	Auditor fee		
7	Structuring advisor (incl. discount)		
8	Information Technology Programming Costs		
9	Commission advisors		
10	Original Issue Discount		
11	Misc		
12	Sub-total Up Front Costs		
13			
14	SEC Registration Fees		
15	Bond rating fees		
16	Filing fees total percentage		Line 14 + Line 15
17	Total Rating and Filing Fees		(Line 1 + Line 12) * Line 16
18			
19	Total Upfront Costs		Line 12 + Line 17
20			
21	Estimated bond issuance amount		Line 1 + Line 19
22			
23	<u>Estimated Ongoing Costs per year</u>		
24			
25	Servicing		
26	Administration		
27	Trustee fee		
28	Auditing/accounting fees		
29	Legal fees		
30	Rating agency surveillance fees		
31	Return on Capital Account for Credit enhancement (calculated at proposed WACC from ER-2021-0312)		
32	Printing fees		
33	Independent Manager Fee		
34	Miscellaneous		
35	Ongoing Costs Per Year		
36			
37	Ongoing Costs Per Month		