BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of the Application of Evergy Metro, Inc. d/b/a Evergy Missouri Metro for Authority To Sell Assets located in Carrol County, Missouri)

Case No. EO-2022-

APPLICATION AND REQUEST FOR VARIANCE

COMES NOW, Evergy Metro, Inc. d/b/a Evergy Missouri Metro ("Evergy Missouri Metro" or "Applicant"), pursuant to 20 CSR 4240-2.060 and 20 CSR 4240-10.105 hereby submits to the Missouri Public Service Commission ("Commission"), its Application for authority pursuant to Section 393.190.1 RSMo. (2000) to sell assets described in detail within this Application in order to support the customer's rate change. In support of its request, Applicant states as follows:

П. APPLICANT

Evergy Missouri Metro is a Missouri corporation with its principal office and 1. place of business at 1200 Main Street, Kansas City, Missouri 64105. It is engaged in the generation, transmission, distribution and sale of electricity in western Missouri and eastern Kansas, operating primarily in the Kansas City metropolitan area. Evergy Missouri Metro is an "electrical corporation" and a "public utility" subject to the jurisdiction, supervision, and control of the Commission under Chapters 386 and 393.

2. Evergy Missouri Metro's certificate of good standing was filed in Case No. EN-2020-0063 and is incorporated by reference pursuant to 20 CSR 4240-2.060(1)(G).

3. Evergy Missouri Metro is a wholly-owned subsidiary of Evergy, Inc. It has no annual reports or regulatory assessment fees that are overdue.

4. Evergy Missouri Metro has no pending actions or final unsatisfied judgments or decisions against it from any state or federal agency or court which involved customer services

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or rates, which action, judgment or decision has occurred within three years of the date of this application.

5. In addition to serving counsel named below, all correspondence, pleadings, notices, orders and other communications regarding this proceeding should also be sent to:

Darrin R. Ives Vice President, Regulatory Affairs Evergy, Inc. 1200 Main Street Kansas City MO 64105 (tel.) (816) 556-2522 Darrin.Ives@evergy.com

Anthony R. Westenkirchner Senior Paralegal, Legal Department Evergy, Inc. 1200 Main Street Kansas City, MO 64105 (tel.) (816) 556-2668 Anthony.Westenkirchner@evergy.com

6. By this Application, Evergy Missouri Metro seeks an order from the Commission authorizing Evergy Missouri Metro to sell the assets ("Assets") detailed on the attached Bill of Sale and Asset List (**CONFIDENTIAL Exhibit 1**), including all equipment and materials located on the Company's secondary system except for power meters.

III. <u>REQUEST FOR AUTHORITY TO SELL ASSETS</u>

7. This Application seeks approval by the Commission for the sale of the Assets so that the customer (Show Me Ethanol, LLC) can qualify to be served under the Company's primary voltage customer rate¹. By owning these assets and being served on the primary customer rate the customer's financial ability to grow its operation is enhanced. The customer expects to increase its the energy consumption by 2.5 to 3 MWs.

¹ PSC MO No. 7 10th Revised Sheet 11B.

8. The Commission must approve the proposed transaction if it is not detrimental to the public interest. *See* 20 CSR 4240-10.105(1)(D). *See also State ex rel. Fee Fee Trunk Sewer v. Litz*, 596 S.W.2d 466, 468 (Mo. App. 1980) ("obvious purpose of [Section 393.190] is to ensure the continuation of adequate service to the public served by the utility [and] Commission may not withhold its approval of the disposition of assets unless it can be shown that such disposition is detrimental to the public interest") (citing *State ex. rel. City of St. Louis v. PSC*, 335 Mo. 448, 73 S.W.2d 393, 400 (Mo. banc 1934); *In re: Arkansas Power & Light Co.*, 1981 Mo. PSC LEXIS 60, at *4 January 23, 1981 ("purpose of the statute is to protect Missouri consumers from the disposition of useful and necessary parts of a utility's system by which Missouri residents receive their electricity").

9. The proposed sale of the Assets will cause no detriment to the public interest since the Company will be compensated for the equipment at the fair market value of the equipment to be sold. This transfer of ownership is a main driver for the customer to add a CO_2 capturing facility to its ethanol plant. This will increase energy sales as well as reduce the Applicant's operation and maintenance expense since it will no longer own and operate the secondary equipment at the ethanol plant.

10. The proposed sale of the Assets should have no impact upon the tax revenues of the political subdivision (Carroll County) in which the assets are located.

III. MOTION FOR WAIVER

11. Evergy Missouri Metro does not anticipate, nor should it anticipate, that this matter will be a contested case. This Commission has held that an application regarding a transfer of assets pursuant to Section 393.190, RSMo. is not a contested case. ²

12. Accordingly, Evergy Missouri Metro was not required to file a 60-day Notice of Filing pursuant to 20 CSR 4240-4.017. However, to the extent that a 60-day Notice of Filing could otherwise be required, Evergy Missouri Metro respectfully requests that such notice requirement be waived for good cause under 20 CSR 4240-4.017(D). The verification of Mr. Ives that Evergy has had no communication with the Office of the Commission within the prior 150 days regarding any substantive issue likely to arise in this case is attached.

WHEREFORE, Evergy Missouri Metro respectfully requests that the Commission approve the sale of the Assets as described herein.

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

Attorneys for Evergy Missouri Metro

² <u>See</u>, In the Matter of the Application of The Empire District Electric Company for Authority to Sell and Transfer Part of its Works or System to the City of Monett, Missouri, Case No. EO-2009-0159, <u>Order Approving The Transfer Of Assets</u>, Footnote 4, February 11, 2009.

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been handdelivered, emailed or mailed, postage prepaid, to the Staff of the Commission and to the Office of the Public Counsel this 8th day of October 2021.

|s| Roger W. Steiner

Attorney for Evergy Missouri Metro

VERIFICATION

COUNTY OF JACKSON) STATE OF MISSOURI

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I, Darrin R. Ives, state that I am Vice President of Regulatory Affairs for Evergy, Inc., that, pursuant to 20 CSR 4240-2.060(M), I have reviewed the foregoing pleading, that I am familiar with its contents, that the statements contained therein are true and correct to the best of my knowledge and belief. Additionally, Evergy has had no communication with the Office of the Commission within the prior 150 days regarding any substantive issues likely to arise in this case.

Under penalty of perjury, I declare that the foregoing is true and correct to the best of my knowledge and belief.³

Evergy, Inc.

Darrin R. Ives, Declar

³ See Letter from the Commission, dated March 24, 2020: "[A]ny person may file an affidavit in any matter before the Commission without being notarized so long as the affidavit contains the following declaration: [']Under penalty of perjury, I declare that the foregoing is true and correct to the best of my knowledge and belief.['] Signature of Declarant[.] This guidance applies both to pleadings filed in cases before the Commission and to required annual reports and statements of income."

EXHIBIT 1 CONTAINS CONFIDENTIAL INFORMATION NOT AVAILABLE TO THE PUBLIC.

ORIGINALS FILED UNDER SEAL.