

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

In the Matter of Kansas City Power & Light            )  
Company’s Request for Authority to Implement        )  
a General Rate Increase for Electric Service.        )                    Case No. ER-2016-0285

**NOTICE TO RESUME FUEL HEDGING**

**COMES NOW**, Evergy Metro, Inc. d/b/a Evergy Missouri Metro (“Evergy Missouri Metro” or the “Company”)<sup>1</sup> and hereby respectfully submit this *Notice to Resume Fuel Hedging* (“Notice”). In support thereof, the Company states as follows:

1. On February 10, 2017, parties to this docket filed a *Non-Unanimous Partial Stipulation and Agreement* (“Agreement”) which was approved on March 8, 2017, by the Missouri Public Service Commission’s (“Commission”) *Order Approving Stipulation and Agreement Regarding Certain Issues* (“Order”). The Agreement included the stipulation that:

The Signatories agree KCP&L may resume its natural gas fuel hedging activities should the market place and/or other factors change such that resuming natural gas fuel hedging activities would be warranted. KCP&L agrees to notify Staff and OPC if KCP&L decides to resume its natural gas fuel hedging activities. In the event KCP&L resumes natural gas fuel hedging activities, KCP&L will record all hedging gains to FERC Account 254, Regulatory Liability and hedging losses to FERC Account 182.3 Other Regulatory Assets or FERC Account 186, Deferred Debits. This deferral is agreed upon for purposes solely described in this paragraph and does not apply to or set precedent for any other case or expense. All parties are free to argue for the ratemaking treatment of any amounts deferred under this language and the ongoing treatment of hedging costs.<sup>2</sup>

2. Due to changes in the natural gas market and current Southwest Power Pool conditions and after discussions with Staff, the Office of the Public Counsel, and Midwest Energy Consumers Group (“MECG”), the Company intends to institute hedging transactions of natural

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<sup>1</sup> Effective October 7, 2019, Evergy Metro, Inc. d/b/a Evergy Missouri Metro adopted the service territory and tariffs of Kansas City Power & Light Company (“KCP&L”).

<sup>2</sup> See, *Non-Unanimous Stipulation and Agreement*, p.2, Section 2., dated February 10, 2017.

gas and purchased power (including cross-hedging) for the settlement periods January 2022 through April of 2022.

3. For the requested resumption of hedging transactions, of natural gas and purchased power (including cross-hedging), the Company will record all hedging gains to FERC Account 254, Regulatory Liability and hedging losses to FERC Account 182.3 Other Regulatory Assets or FERC Account 186, Deferred Debits, as specified in the Agreement. Consistent with the Agreement, all parties are free to argue for the ratemaking treatment of any amounts deferred under this language and the ongoing treatment of hedging costs.

4. For any hedging transactions for the periods following the January to April 2022 time period, the Company expects to work with parties to establish a long-term hedging and cross-hedging policy.

**WHEREFORE**, for the reasons stated above, the Company respectfully submits this Notice as information to the Commission and the parties.

Respectfully submitted,

*/s/ Roger W. Steiner*

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**Attorney for Evergy Missouri Metro**

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all parties of record on this 22<sup>nd</sup> day of December 2021.

*/s/ Roger W. Steiner*

Attorney for Evergy Missouri Metro