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)	File No. EO-2022-0105
Authority to Sell Assets located in Carroll)	
County, Missouri	

ORDER AND NOTICE

Issue Date: October 18, 2021 Effective Date: October 18, 2021

On October 8, 2021, Evergy Metro, Inc., d/b/a Evergy Missouri Metro, submitted an Application and Request for Variance to the Commission. Evergy Missouri Metro wants to sell certain of its assets located in Carroll County, Missouri, to Show Me Ethanol, LLC, a customer of Evergy Missouri Metro.

The Commission finds that proper persons should be allowed 20 days from the issuance of this order to file an application to intervene. The Commission will order notice of this filing be directed to potentially interested parties. The Commission will also set a deadline for intervention.

The Commission notes that Section 393.190.1, RSMo 2016, requires the Commission to notify the county clerk of the county in which the sale will have any effect on the tax revenues of any political subdivision with that county. By providing a copy of this order to the clerk of Carroll County and the other counties in Evergy Missouri Metro's service territory, the Commission hereby notifies those political subdivisions that Evergy Missouri Metro represents that the proposed sale will have no financial impact on the tax revenues of the political subdivisions.

THE COMMISSION ORDERS THAT:

1. Any person wishing to intervene in this matter shall file an application to intervene no later than November 8, 2021. The application shall be filed in the Commission's Electronic Filing and Information System ("EFIS") or with the Secretary of the Commission. Comments on the Application may also be made in EFIS.

- 2. The Commission's Data Center shall provide a copy of this order and the Application to the county commissions of each county in the service area of Evergy Missouri Metro, including Carroll County.
- 3. The Commission's Public Information Officer shall make notice of this order available to the members of the General Assembly representing the service area of Evergy Missouri Metro and to the media serving those counties.
- 4. The Commission's Staff shall file a recommendation, or a status report indicating when it will file its recommendation, regarding the Application no later than November 18, 2021.
 - This Order shall be effective when issued.

BY THE COMMISSION

Morris L. Woodruff

Secretary

Kenneth J. Seyer, Regulatory Law Judge, by delegation of authority pursuant to Section 386.240, RSMo 2016.

Dated at Jefferson City, Missouri, on this 18th day of October, 2021.

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 Authority)	Case No. EO-2022	
To Sell Assets located in Carrol County, Missouri)		

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:

II. <u>APPLICANT</u>

- 1. Evergy Missouri Metro is a Missouri corporation with its principal office and 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

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. REQUEST FOR AUTHORITY TO SELL ASSETS

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.

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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 CO₂ 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

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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.

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CERTIFICATE OF SERVICE

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

|s| Roger W. Steiner

Attorney for Evergy Missouri Metro

VERIFICATION

COUNTY OF JACKSON)		
)	SS	
STATE OF MISSOURI)		

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, Declarant

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.

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 18th day of October, 2021.

SSION OF THE OF

Morris L. Woodruff

Secretary

MISSOURI PUBLIC SERVICE COMMISSION October 18, 2021

File/Case No. EO-2022-0105

Missouri Public Service Commission

Staff Counsel Department 200 Madison Street, Suite 800 P.O. Box 360 Jefferson City, MO 65102 staffcounselservice@psc.mo.gov

Office of the Public Counsel

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County of Andrew, Missouri

County Commission Clerk Andrew County Courthouse P.O. Box 206 Savannah, MO 64485 clerk@andrewcounty.org

County of Atchison, Missouri

County Commission Clerk 400 S. Washington - Atchison County 8 South Main, Ste. 6 Courthouse P.O. Box 280 Rock Port, MO 64482 acclerk@atcomo.org

County of Carroll, Missouri

County Commission Clerk Carroll County Courthouse Carrollton, MO 64633 countyclerk@carrollcomo.org

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County Commission Clerk 109 W Main St, DeKalb County Courthouse PO Box 248 Maysville, MO 64469 countyclerk@unitedfiber.email

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

Missouri Public Service Commission Curtis Stokes 200 Madison Street, Suite 800 P.O. Box 360 Jefferson City, MO 65102 curtis.stokes@psc.mo.gov

Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,

Morris L. Woodruff 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.