

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

In the Matter of the Establishment of a)
Collaborative Working Case Dedicated to) File No. EW-2025-0220
Reviewing the Consolidation of Jurisdictions of)
Evergy Metro, Inc. d/b/a Evergy Missouri Metro)
and Evergy Missouri West, Inc. d/b/a Evergy)
Missouri West)

WORKSHOP 3 SUMMARY

COMES NOW, Evergy Metro, Inc. d/b/a as Evergy Missouri Metro (“Evergy Missouri Metro”) and Evergy Missouri West, Inc. d/b/a Evergy Missouri West (“Evergy Missouri West”) (collectively, “Evergy” or the “Company”) and submits its *Workshop 3 Summary* (“Summary”) to the Missouri Public Service Commission (“Commission”), and states as follows:

1. As described in paragraph 8 of the *Stipulation & Agreement* filed on October 2, 2024 (“Stipulation & Agreement”) and approved in Docket No. EW-2024-0189, the Company agrees to participate in, within this docket, at least three workshops that will occur once each quarter starting the second quarter of 2025.

2. Following an on-the-record presentation to Commissioners on May 20, 2025, to present what Evergy considers the most important consolidation issues that need to be addressed, the Company held its first workshop with signatories to the Stipulation & Agreement on June 6, 2025. A second workshop with stakeholders was held on September 8, 2025, and a third workshop was held with stakeholders on December 15, 2025. As part of the Stipulation & Agreement, after each workshop the Company is to file a report that summarizes the workshop and answers outstanding questions from the workshop.

3. The purpose of this third workshop was to address three broad areas. The first agenda item was to review highlights and learnings from the second workshop discussion. The

second agenda item was to discuss feedback from stakeholders on Evergy’s recommended “1 Per State” approach for the roadmap to evaluate potential consolidation. The third section of the agenda included Evergy presenting some additional initial data requested by stakeholders related to items such as Metro substations along the state line, border customers, Metro generation facilities, considerations for wholesale contracts and Power Purchase Agreements (PPAs), Southwest Power Pool (SPP) considerations, recent discussions with Staff at the Kansas Corporation Commission, and share rate alignment work already underway to include in the upcoming Evergy Missouri Metro rate case. A copy of the presentation discussed at Workshop 3 is attached hereto as Attachment 1.

Discussion Points

4. During the first half of the workshop, stakeholders had some additional discussion on items initially addressed in the prior workshops:
 - Stakeholders shared that the review of Workshop 2 generally captured the key discussion points and follow-up items.
 - Stakeholders discussed one of the big issues around splitting Metro will be how generation capacity will be split between Missouri and Kansas. This is not as much an issue of Evergy determining what that split should be but will be driven as much by the Missouri stakeholders working with their Kansas counterparts to agree on what allocation is appropriate. This will not be a normal process where Evergy moves forward with a plan that parties weigh in on later after the fact – it will need to be everyone coming up with a plan to put forward in both states for this to move forward.

- Stakeholders discussed the timing related to the “1 per state” approach – Evergy shared that changes for all the jurisdictions could happen concurrently, and that there was also another potential option discussed during Workshop #2 where Evergy Missouri West becomes a division of Metro. Bringing in Evergy Missouri West before splitting Metro may provide some financing and credit metric advantages, while providing more time to work through the various challenges to splitting Metro. Whether there is enough benefit to justify the two-step approach would be determined during the due diligence phase.
- Stakeholders asked if Evergy believes a services company is needed to achieve legal entity consolidation or achieve rate consolidation. Evergy stated that either legal entity consolidation or rate jurisdiction consolidation could both be pursued without having to establish a services company. If the roadmap due diligence work gets to the point of pursuing the separation of Metro into different legal entities, then Evergy suggests it makes sense to consider establishing a services company. Legal entity consolidation, not rate consolidation, may improve credit metrics. Some of the credit metrics improvements may be achieved through a division approach for Evergy Missouri West.
- Evergy discussed that it intends to address the consolidation roadmap related filings primarily in the context of rate cases and merger filings as opposed to separate standalone dockets.
- Stakeholders discussed Evergy’s recommended “1 Per State” roadmap approach to due diligence. In terms of what it will cost to move forward with this approach, Evergy shared that the full cost is yet to be determined and that Evergy will have

to bring in investment bankers, and other experts to help deal with various issues such as debt refinancing. Each discrete phase will have a fair amount of internal work, and each phase will have some level of external support (rate design, mitigation strategy, investment bankers to renegotiate the debt with bond holders, etc.). As Evergy initiates the work, Evergy will need to define the Scope of Work and may solicit bids as needed. Evergy's anticipates that the costs may be in the seven figure dollars to ultimately get consolidation completed, considering SPP work, asset splits, etc., and that the costs will come in waves and phases.

- Stakeholders discussed bill impact analysis. The venue for residential and C&I bill impact analysis would ultimately be in the rate cases, which will be impacted by decisions with regards to legal entity consolidation and rate alignment. Evergy shared that it is planning to utilize the UI Planner in future consolidation proposals to perform bill impact modeling. Staff requested that when bill impacts are produced, the Company would produce the underlying details to support their review. Evergy shared that its intent is to provide those details as part of any future bill impact analysis. The Company further clarified that to make an initial comparison, there needs to be a static data set, and we will have to be thoughtful about how we lay out the scope of work and the alternatives.
- Evergy asked the parties present to confirm if they were on board with Evergy's recommendation to move forward with the "1 Per State" roadmap approach for due diligence. OPC and Staff voiced support that at this time it makes sense to move forward with that approach, recognizing that there are the necessary offramps to consider if a pivot to another option is appropriate at some point in the due diligence

process, and/or if an identified challenge cannot be successfully mitigated to the satisfaction of the stakeholders.

- Stakeholders also discussed how the Company views offramps identified on the roadmap, where offramps are really a spectrum of options and choices, and there can be stakeholders/intervenors in both states, and how opposition in one state could trigger an offramp on certain options. Intervenor opposition may show up in many steps along the way, but whether it triggers an offramp depends on the intervenor and the basis of their opposition.
- Evergy also reviewed the “High Level Timeline for Consolidated Roadmap” with stakeholders and emphasized how the timeline presented is for planning purposes only, and subject to change depending on case outcomes, pace of due diligence activities and influence from other external stakeholders. The timeline initially shared showed due diligence activities starting in 2025, but due to the workshop discussions with stakeholders that are first occurring in 2025 to align on an approach, the due diligence activities will not be starting in earnest until 2026. Evergy shared that it will update the High-Level Timeline for Consolidated Roadmap accordingly to reflect shifting out the planning milestone timelines by one year.

Follow-up Items

5. Stakeholders spent a portion of Workshop 3 reviewing the following initial information requested during Workshop 2.
 - Evergy shared information related to Metro generation assets, showing from both Missouri and Kansas accounting perspective, production plant net book value of

the different facilities, including demand allocators used during the past 20 years. Data supporting the demand allocators is based on weather normalized and actuals depending on methodology by year. Evergy confirmed that it always does a final model reflecting the demand allocators assumed even for cases that are settled. Stakeholders also discussed how large load customers could impact these allocations in the future, and as generation is coming in Metro, Evergy believes it makes sense to assign generation, rather than letting it flow from allocators. A demand allocator approach going forward will be more difficult, and we have work to do on this issue with or without consolidation.

- Stakeholders also discussed how long-term wholesale contracts and PPAs might be addressed if Metro is split. By 2030, most Metro PPAs will be expired. Evergy shared that stakeholders will need to determine a methodology, and that the methodology should likely line up with how stakeholders plan to split generation assets. If there were any sales, stakeholders would also need to allocate sales as well as purchases. (For example, Metro sold paper capacity to EMW in the past but that is expected to end by 2028). As the Company considered PPA splits, if there is a PPA that was a direct assignment to a specific customer, it would follow the customer. As follow-up, Evergy will provide a list of current Metro PPAs that would need to be allocated. With regards to the impact on the fuel clause, all costs would tie back to whatever split there is as determined by the stakeholders.
- Stakeholders also asked how Renewable Energy Credits would be allocated when there is a splitting of demand for PPAs that are shared. Evergy shared that it may be a blended metric, but the Company will need to look at the underpinnings under

each transaction to make sure the allocator is pointing the right way directionally. While both states have had Renewable Energy Standard (RES) requirements, Kansas eventually moved to a voluntary RES some years ago.

- Approaches to Transmission asset allocations were discussed. Evergy shared a document showing from both Missouri and Kansas accounting perspective production plant net book value of the different Metro substation facilities. One potential approach to allocate Metro assets would be to do a physical inventory. With a physical inventory and a physical division of the assets, if the asset is on the MO side of the state line, there would need to be a division of the dollars (also addressing issues such as mass accounting for poles, etc.). Another approach could be to hardcode an allocation for transmission assets similar to how they are allocated today. This approach is a similar methodology to splitting generation that stakeholders discussed. From SPP's perspective, Evergy understands that it is not an issue if the approach chosen is to hard code split transmission assets. On SPP Notices to Construct (NTC)s with this approach, a transmission project could potentially have joint ownership for transmission projects to avoid having to make changes that impact existing transmission zones in the near term.
- Stakeholders also discussed transmission zones. Annual transmission revenue requirements (ATRR) should be allocated based on the split of transmission assets. There would need to be a single transmission zone for SPP to issue single bills per state, although a single zone is not required. If the Company moves to change transmission zones, this will change the bucket of dollars in the zones and affect rates (including other third parties in the zone). However, there are potentially

multiple ways to have multiple transmission zones and still have a single retail rate. To potentially avoid some of the upfront issues of consolidating to one zone per state in the near term, one possible option is to consider splitting Metro and creating a transmission zone for EKM and EMM for a period of time. Recognizing there are currently different cost structures between the zones based on different historical investments, if customers in different zones were put into a single transmission zone on day one, it could be a policy decision to recognize the imbalance exists but at the state retail level there could be an allocation to get to a phased in rate over time.

- Stakeholders also had a preliminary discussion on potential impacts with SPP as it relates to the Network Integration Transmission Service Agreement (NITSA) and potential transmission upgrade studies. The purpose of the SPP NITSA is to formalize how power flows across the interconnected grids, ensuring stability and fair access. The NITSA identifies the specific resources that are designated to serve a specific load. A few years ago, Evergy consolidated into one NITSA for Metro and Evergy Missouri West load (in addition to the one NITSA for EKC). In the event that the Company splits Metro, it is Evergy's understanding that SPP does not necessarily require Evergy to split NITSA. Updating the NITSA is more about providing better transparency for state and federal reporting cost allocation purposes. For example, today we have Iatan 1 – allocated to Metro and EMW. NITSA just lists Iatan. If Metro is separated, Evergy will identify for the NITSA how much goes to EMM and EKM for every unit that is co-owned. If Evergy goes to 2 NITSA's instead of 1 NITSA today for Metro and EMW, SPP will need to do a study on the separation of NITSA to see if it can supply the subdivided designated

resources to those loads, or whether transmission upgrades would be required. Evergy believes the potential cost of such a study is likely under \$200K. The timing for such a study would likely be completed in 6 months to 1 year. SPP typically does this study because they want it to be impartial. (SPP may hire a consultant to do the study). Evergy personnel would be involved in terms of what the inputs are to be used in the study. Getting the accounting system to allocate to this new approach would be time intensive and involve significant work for Evergy.

- Stakeholders also discussed potential impacts on zonal nodes from consolidation activities. The Location Marginal Price (LMP) for pricing are settlement nodes. Almost every connection point on the grid is a pricing (p) node. A settlement node can be an aggregation of p-nodes. Regardless of how one allocates transmission lines and substations, this does not change the calculation of the LMP on the grid. In other words, how you aggregate all the pricing points up into a settlement for what you might pay as an entity can change, but this doesn't change the net dollars paid. Today Evergy has a load settlement node for Metro and a load settlement node for EMW that is settled hourly every day for the energy consumed. Because Evergy Metro and EMW have a combined NITSA, the TCRs from the resources to the loads settle at an aggregation of the two load settlement points. Internally, Evergy takes the dollars SPP gives the Company for owning the TCRs and we allocate them to the retail rates inside of EMW and Metro. Because the SPP Market does not care how legal entities are registered for this purpose, the total dollars settling with the market should not change. With consolidation activities, Evergy will likely want to create an EKM settlement node and EMM settlement node or

create one settlement node in Kansas and one settlement node in Missouri. So, if Evergy ultimately gets to “1 Per State” (one operating utility and one rate jurisdiction for each state), Evergy would redefine the node to include a) the West settlement node and b) the Missouri P. nodes included in the current Metro settlement node, and create one settlement node for Evergy MO. However, this change is not required for SPP purposes, and Evergy may only likely do this if legally splitting Metro or combining rate jurisdictions (so, not necessary if just merging EMW into Metro).

- Stakeholders also briefly discussed transmission congestion rights (TCRs). Once you split up the NITSA, then the TCRs will fall where they fall. It is all source to sink determination regardless of transmission zones so the TCRs should fall to the same determination regardless of any changes in transmission zones.
- Stakeholders also discussed border customers Evergy customers in one jurisdiction being served from assets in another jurisdiction, and Evergy shared a document showing the preliminary view of border customers being served off of substations in another jurisdiction.
- Evergy also previewed the rate alignment work that is being anticipated for the upcoming Evergy Missouri Metro rate case filing. The bulk of the rate design work will be directed at non-residential rates, targeting metering intervals, Hours-use replacement, and class demand thresholds. Evergy mentioned that it is still considering options for what will replace Hours use pricing, but options include time-based and flat kWh pricing. For the planned change of metering intervals from

30-minute to 15-minute, the supporting data will be shown with the traditional excel format.

- Everygy also shared an update to stakeholders based on its discussion with KCC Staff on October 30th where Everygy presented similar materials to what was shared at Workshops 1 & 2 in Missouri. Initial Staff feedback is that they believe it makes sense to continue with due diligence and evaluation laid out in the roadmap at this point. Approaching the roadmap from the “1 per State” option at the beginning of the due diligence is appropriate given the potential benefits, recognizing that there are offramps contemplated if we get to a point where it no longer makes sense to continue on the same path if potential challenges that arise from the due diligence process cannot be overcome. KCC Staff is going to consider how they want the process to unfold in Kansas as we begin the due diligence work.

Next Steps

6. The Company shared that per the Commission Order the parties are to go back in front of Commissioners to make another On the Record Presentation before the end of March 2026. The Company’s intent is to give the Commissioners an overview that includes laying out the high-level consolidated roadmap and that the feedback to date from the workshops in Missouri is to move forward with due diligence based on the “1 Per State” approach, with offramps available as needed. The Company will also address how it sees its due diligence work unfold in 2026. Everygy indicated to stakeholders that it will socialize the presentation with the other parties prior to the On the Record presentation.

7. On February 4, 2025, the Commission issued an Order stating that this On-The-Record presentation will occur on March 25, 2026, at 1:00 pm at the Commission's offices in Room 310.

8. Evergy discussed its intent to continue periodic meetings with stakeholders, particularly as it gets to key milestones for decision points in the due diligence work. At some point in the future, Evergy also envisions potential meetings with Kansas stakeholders to discuss certain issues identified on the roadmap. This process post On the Record presentation in Q1 2026 can continue informally or using a docket, depending on the Commission's pleasure as to what makes sense.

9. Evergy indicated to stakeholders that it will be emailing them some follow-up regarding certain documents shared and discussed during Workshop #3.

WHEREFORE, The Company submits this Summary and attached presentation to the Commission.

Respectfully submitted,

/s/ Roger W. Steiner

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**ATTORNEYS FOR EVERGY MISSOURI
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CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing was emailed on this 20th day of February 2026 to counsel for all parties.

/s/ Roger W. Steiner

Roger W. Steiner



EW-2025-0220

Jurisdictional Consolidation
Workshop #3

December 15, 2025





Workshop # 3 Agenda

01

Highlights and Learnings from the September 8th Workshop

02

Discussion: Stakeholder Feedback to Evergy

- Additional discussion and feedback on materials presented in Workshop 2
- Feedback on recommended “1 Per State” Approach for due diligence

03

Next Steps

- Q1 2026 On the Record Presentation
- Discussion on some questions for follow-up identified in Workshop #2
- Rate alignment work in conjunction with upcoming rate case



Workshop #2 Recap

- ✓ Reviewed and discussed information presented at the June 6th Workshop #1
- ✓ Reviewed and discussed considerations related to different approaches to legal entity consolidation
- ✓ Discussed considerations for a potential service company approach combined with legal entity consolidation
- ✓ Discussed approach and considerations for rate jurisdiction consolidation
- ✓ Presented high level consolidated roadmap showing interrelated milestones for legal entity, services company and rate jurisdiction due diligence workstreams
- ✓ Presented detailed roadmaps for evaluating due diligence on legal entity consolidation and rate jurisdiction consolidation
- ✓ Requested feedback from Stakeholders by Workshop #3 on the recommended “1 Per State” roadmap approach

Workshop #2 presented detailed roadmap recommendations on path forward regarding due diligence approach to evaluating options

Stakeholder Feedback to Evergy on Recommended Roadmap





Recommended Consolidation Approach

Legal Entity Consolidation

- “1 Per State” end state recommended for organizing roadmap evaluation
- Key off ramps needed for debt restructuring and regulatory approvals
- There are certain “no regret steps” Evergy can take now (e.g., drawing new boundaries, planning post-consolidation operations, performing transmission allocation studies, and doing other preparatory studies)
- There is a “Path of Least Resistance” alternative that leaves Evergy Metro intact, but it is suboptimal in terms of unlocking legal consolidation’s benefits

Service Company Establishment

- Evergy has already achieved merger synergies with a distributed shared services approach
- Legal entity consolidation is a realigning event for the establishment of a service company
- The ease of justifying a service company approach for shared services to regulators is correlated to the degree that benefits exceed detriments

Rates Jurisdiction Consolidation

- There is no shortcut for full rate consolidation in each state
 - Rate structure and price consolidation requires multiple phases
- Stakeholder reactions to Rate Consolidation proposals are critical off-ramp points
- Commercial and Industrial rate structures require the most change

Splitting Metro will be challenging. However, it is the path that unlocks Evergy’s long-term vision of a stronger financial foundation and greater simplification. Following a gated approach will sequentially identify any fatal flaws with Splitting Metro while no regret moves for long-term legal consolidation, rate consolidation, and service company formation can be made concurrently.

These three workstreams can be coordinated as part of a consolidated roadmap



Recommended Approach: Consolidated Integration Sequence

- Evergy recommends a focus on Legal Entity Consolidation first, while continuing rate structure consolidation (i.e., bill impact analyses, etc.) towards full Rates Consolidation and laying the initial groundwork for Service Company establishment (i.e., evaluating the scope of a services company, etc.).
- While not strictly necessary, achieving Legal Consolidation provides a stronger foundation and execution path for both Rate Consolidation and establishing a Service Company.
- Some potential Legal Entity offramps (e.g., inability to separate Metro, existing indenture issues) will manifest early (if they do at all). If challenges result in offramps, Evergy can modify its approach to Legal Entity Consolidation and pursue “Regulatory Consolidation” (i.e., jurisdictional alignment of rate structures, revenue requirements).
- Establishing a Service Company platform could benefit from a triggering event (i.e., legal entity consolidation). Thus, depending on how Legal Entity Consolidation unfolds, Evergy may decide to pause steps to establishing a Service Company to reflect early Legal Entity Consolidation outcomes.

A decision and filing for legal entity consolidation can be a key milestone that impacts the sequencing and timing of rate jurisdiction consolidation activities

High Level Timeline for Consolidated Roadmap

	2025 (push into 2026)	2026	2027	2028	2029	2030 & Beyond
Legal	Draw boundaries, determine operations; begin consolidation planning (financing and other analyses)  Transmission study outcomes	Continue financing and other analyses  Indenture renegotiation issues	Draft legal reorganization documents and filings	File reorganization approvals in KS and MO  Regulatory approval denied/overly onerous	Complete legal documentation after approvals	Complete legal entity consolidation
Service Company	Determine scope and scale of services to be initially offered and org. structure  See Legal offramp  Superseding transaction	Plan regulatory filings, update shared service agreements and CAMs  See Legal offramp	Draft testimony and filings for necessary approvals	File for necessary approvals  See Legal offramp  Superseding transaction	Roll-out service company implementation	TBD
Rates	Begin rate alignment  Intervenor opposition	Continue rate alignment C&I bill impact analyses and bill mitigation proposals	Continue rate proceedings to phase-in rate structure alignment	Continue rate proceedings to phase-in rate structure alignment (begin C&I bill impact analyses and bill mitigation proposals)	File for consolidated revenue requirements in KS and MO (3-5 phase process)  Legal Consolidation denied	Continued implementation of phase-ins

Planning timeline only. Actual timeline is subject to iterative case outcomes, pace and outcomes of due diligence activities and influence from other external stakeholders.  Potential Offramp

A potential filing for legal entity consolidation is a critical milestone for the consolidated roadmap

Next Steps



Workshop #2 Follow-up Items for further discussion

- ✓ Metro substations along state line
- ✓ Impact on border customers
- ✓ Metro generation facilities
- ✓ Impact on long-term wholesale contracts and PPAs
- ✓ SPP transmission allocation study (NITSA, transmission asset allocation; transmission zones)
- ✓ Impact on zonal nodes
- ✓ Impact on ATRRs and TCRs
- ✓ Discussions with KCC
- ✓ Rate alignment work for upcoming rate case

Several topics were highlighted during Workshop #2 for further discussion in future meetings



Potential Rate Structure Alignment Issues

MO West	Replace Hours Use Structure
	ABD Clean-up & Removal
	Continued Facilities Charge cost alignment
	Propose optional C&I rate (time based) and propose elimination of Time Related Pricing
	Implement Bright Lines (Evaluate/Determine the need for MGS class)
	EMW has RESRAM and Securitization Charge while EMM does not
MO Metro	Replace 30-min with 15-min demand intervals
	Replace Hours Use Structure
	Facilities Charge Cost Alignment
	Implement Bright Lines
	Propose optional C&I rate (time based) and propose elimination of Time Related Pricing
	Eliminate Residential Time of Day Rate
	Simplify C&I customer charge (remove block)

Evergy will be addressing these rate alignment issues in the upcoming rate cases



Overview of Commission Order & Purpose of EW-2025-0220 Docket

