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Issue:	Allocations
Witness:	John Wolfram
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Sponsoring Party:	Evergy Missouri Metro
Case No.:	ER-2026-0143
Date Testimony Prepared:	August 11, 2026

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO. ER-2026-0143

REBUTTAL TESTIMONY

OF

JOHN WOLFRAM

ON BEHALF OF

EVERGY MISSOURI METRO

Kansas City, Missouri
August 2026

REBUTTAL TESTIMONY

OF

JOHN WOLFRAM

Case No. ER-2026-0143

Q: Please state your name, position, and business address.

A: My name is John Wolfram. I am the founder and Principal of Catalyst Consulting LLC, a rate and regulatory consulting firm. My business address is 3308 Haddon Road, Louisville, Kentucky, 40241.

Q: Are you the same John Wolfram who submitted direct testimony in Case No. ER-2026-0143 on February 6, 2026?

A: Yes.

Q: On whose behalf are you testifying?

A: I am testifying on behalf of Evergy Metro, Inc. d/b/a as Evergy Missouri Metro ("Evergy Missouri Metro," "EMM," or the "Company"), a subsidiary of Evergy, Inc. ("Evergy").

Q: What is the purpose of your rebuttal testimony?

A: The purpose of my rebuttal testimony is to respond to the Direct Testimony of Greg R. Meyer on behalf of Midwest Energy Consumers Group ("Meyer Direct"), and to the Direct Testimony of Alan Bax ("Bax Direct") and Keith Majors ("Majors Direct") on behalf of the Missouri Public Service Commission Staff ("Staff").

Q: Did Mr. Meyer explain that historically, the Missouri Commission adopted the 4 CP allocation method as a means to establish some degree of jurisdictional harmony for the Company, only for the Kansas jurisdiction to subsequently reject the 4 CP approach?

A: Yes. On page 5 of Meyer Direct, Mr. Meyer explained that the record is clear that the Missouri Commission took a step towards a compromise position in 1985. He further explained on page 9 that "Missouri compromised before and it did not result in a comprehensive multi-jurisdictional allocator."

Q: How do you respond?

A: I agree with Mr. Meyer's recitation of the facts; it is true that *over forty (40) years ago*, the Missouri Commission adopted the 4 CP method over the 1 CP method as a step toward compromise. Mr. Meyer is correct that I did not delve into these details in my direct testimony. However, Mr. Meyer also fails to discuss the complete history of this issue, which demonstrates the Kansas Corporation Commission ("KCC") also and more recently took steps to achieve jurisdictional harmony. I described this on pages 11-12 of my direct testimony. In the last Evergy rate case in Kansas, the KCC historically approved a combination of 12 CP (for Wolf Creek and Transmission) and the simple average of 4 CP and 12 CP (for production demand other than Wolf Creek). They also agreed to language in the settlement of that case that "the parties agree that the above-described allocator methodology is intended to facilitate a collaborative process with Missouri to attempt to arrive at an agreeable jurisdiction allocator methodology for Kansas and Missouri."

Thus it is evident that both Missouri and Kansas have taken steps toward jurisdictional harmony – Missouri did so forty-one years ago, and Kansas did so three years ago. Evergy believes that both Commissions can continue to do so until jurisdictional harmony on demand cost allocation is achieved.

Q: Mr. Meyer claims on page 8 that Evergy is essentially asking the Commission to "ignore its statutory duty to set just and reasonable rates by adopting an averaging calculation based on a flawed allocator" and that "just and reasonable rates cannot be achieved under this scenario." Do you agree?

A: No. These claims are overstated and extreme. Evergy is not asking the Commission to ignore any of its statutory duties. Instead, the Company proposed adopting a method of allocating production demand costs aimed at bridging the current gap between the jurisdictional history of Evergy Metro operating in both Missouri and Kansas, which is well within the statutory obligations of the Commission. What the Company is requesting is for both the Missouri Commission and the Kansas Commission to allow them to recover their costs, fully eliminating an allocation gap that has existed for some time.

Q: How do you summarize the foundation of Mr. Meyer's argument?

A: At bottom Mr. Meyer argues that the 12 CP approach is not appropriate because of the results of the FERC tests. However, he implies equivalence between the Company proposal for averaging the 4 CP and 12 CP amounts and the use of the 12 CP approach. He indicates that because of the results of FERC tests, the use of 12 CP data in any way whatsoever in any other calculations renders such calculations unreasonable. But this is not correct; the use of 12 CP data in the proposed averaging method does not invalidate the Company proposal.

Q: Why not?

A: There are several reasons. The first is that Mr. Meyer appears to assert that the 4 CP approach is the only "correct" jurisdictional allocation factor.[1] But this view is flawed, because it is possible that more than one allocation method is just and reasonable. The FERC tests are not the only method of determining allocation methodologies, and even FERC acknowledges this point.[2] The FERC tests only indicate whether the use of seasonal peaks is more or less appropriate than the use of all twelve monthly peaks for determining the demand allocator; the tests do not specify that the 4 CP is "correct" in this context.[3]

The second and most important reason relates to the results of the Company's proposed calculation. The results of the FERC tests provided in Schedule JW-2 of my direct testimony show that any of the CP approaches considered is more appropriate than the use of the 12 CP approach on its own. The results also show that the values across different CP approaches do not differ very much. See Table 1 with excerpts from Schedule JW-2.

[1] See Meyer Direct, page 3, line 17.

[2] See Wolfram Direct, page 13-14: "While the FERC Tests are a strong indicator for appropriate development of the Demand allocator, they are not the sole criteria to use when making this decision. FERC itself recognized that the full range of a company's operating realities should be considered along with peak demands, including scheduled maintenance, unscheduled outages, diversity, reserve requirements, and off-system sales commitments. (FERC Opinion 501 (123 FERC ¶ 61,047), paragraph 75.) Simply adopting the 4 CP method due to the results of the FERC Tests would ignore significant factors relevant to the just and reasonable determination of customer rates. Evergy considers jurisdictional harmony related to operating in two states to be one of these factors."

[3] Even if it did, it is my understanding that the Commission is not under any statutory obligation to apply the "correct" factor for allocation demand costs between multiple jurisdictions.

Table 1. Jurisdictional CP Ratios

#	Approach	Missouri	Kansas	Wholesale	Total
1	1 CP	50.61%	49.22%	0.17%	100%
2	3 CP (JJA)	51.73%	48.11%	0.16%	100%
3	3 CP (JAS)	50.93%	48.91%	0.16%	100%
4	4 CP	51.47%	48.37%	0.16%	100%
5	6 CP	51.81%	48.05%	0.14%	100%
6	8 CP	51.96%	47.90%	0.14%	100%
7	10 CP	52.06%	47.80%	0.14%	100%
8	12 CP	52.36%	47.50%	0.14%	100%
9	AVG of 4 CP and 12 CP	51.92%	47.93%	0.15%	100%

Note that the range of outputs for the Missouri CP allocator is relatively small. More importantly, the table indicates that the Company's proposed method on line 9 (51.92%) is virtually equivalent to the result of the 4 CP analysis shown on line 4 (51.47%).

Q: Why does this matter?

A: Because the results matter more than the method. Under the statutory standard of just and reasonable, it is the result reached, not the method employed, which is controlling.[4] This fundamental finding of the US Supreme Court in the Hope Natural Gas case ("*Hope*") is directly on point here, because the Company's approach achieves a result that is virtually identical to that achieved using 4 CP, which is reasonable according to the FERC tests.

[4] *Federal Power Comm'n v. Hope Natural Gas Co.*, 320 U.S. 602 (1944).

Using this rationale, according to *Hope*, the result reached by the Company's proposed approach is reasonable, regardless of the inputs to the calculation.

Q: Do you consider the 12 CP method to be unreasonable or flawed such that its use in any way should be disqualified, even as an input to an allocator calculation, as Mr. Meyer implies?

A: No. As I stated in direct testimony, the FERC test results indicate that using a seasonal peak determination is more appropriate than using 12 CP for determining the demand allocator, but that is not the same as saying that the 12 CP allocator is unreasonable or flawed. Furthermore, I also acknowledged that there are other factors that the FERC Tests do not address that must be considered, and that while the FERC Tests are a strong indicator for appropriate development of the demand allocator, they are not the sole criteria to use when making this decision. I explained this thoroughly in my direct testimony. For these reasons, in addition to those explained before, the use of the 12 CP as an input to the Company's proposed allocation calculation should not be dismissed out of hand.

Q: Are there other reasons the Company's proposal is valid?

A: Yes. The Company's proposal is reasonable on its own merits. In my direct testimony I explained why the proposed method is consistent with traditional ratemaking principles, is objective, and is consistent with the treatment afforded other utilities that operate in multiple retail jurisdictions. I supported each of these points in detail, and for the reasons I explained, the approach is just and reasonable.

Q: Did Mr. Meyer respond to any of Evergy's points?

A: No. Mr. Meyer made no mention of any of these points, other than to narrowly excerpt my conclusions about the results of the FERC tests regarding the use of 12 CP. The points I made supporting the reasonableness of the Company approach remain uncontroverted by the Midwest Energy Consumers Group.

Q: On behalf of Staff, what did Mr. Bax and Mr. Majors proposed for the allocation of demand costs between the Missouri and Kansas jurisdictions?

A: Mr. Bax proposed the use of the 4 CP allocator for jurisdictional demand, essentially based on the same points raised by Staff in numerous previous Evergy rate filings. He does so based on precedent and on the results of the FERC tests, even though there are other factors to consider, as I explained before. Mr. Majors relied on the allocators derived by Mr. Bax to develop the revenue requirement.

Q: Did either Mr. Bax or Mr. Majors acknowledge the concept of achieving jurisdictional harmony between Missouri and Kansas with respect to the allocation of demand costs?

A: No. Neither witness raised the issue of jurisdictional harmony.

Q: Did either Mr. Bax or Mr. Majors respond to any of your arguments for the Company proposed jurisdictional allocation of demand costs?

A: No.

Q: Does this conclude your testimony?

A: Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Evergy Metro, Inc. d/b/a Evergy Missouri Metro's Request for Authority to Implement A General Rate Increase for Electric Service	))))	Case No. ER-2026-0143

AFFIDAVIT OF JOHN WOLFRAM

COMMONWEALTH OF KENTUCKY)
) ss
COUNTY OF JEFFERSON)

John Wolfram, being first duly sworn on his oath, states:

1. My name is John Wolfram. I work in Louisville, Kentucky, and I am employed as Principal of Catalyst Consulting LLC.

2. Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony on behalf of Evergy Missouri Metro consisting of seven (7) 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.

John Wolfram

Subscribed and sworn before me this 7th day of August 2026.

Notary Public

My commission expires: 10/30/2029

JADEN WESTERN
Notary Public - State at Large
Kentucky
My Commission Expires Oct. 30, 2029
Notary ID KYNP106206