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BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION

CASE NO. EA-2026-0343

DIRECT TESTIMONY

OF

KEVIN D. GUNN

ON BEHALF OF

EVERGY MISSOURI METRO & EVERGY MISSOURI WEST

**Kansas City, Missouri
August 2026**

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DIRECT TESTIMONY

OF

KEVIN GUNN

Case No. EA-2026-0343

I. INTRODUCTION AND EXECUTIVE SUMMARY

Q: Please state your name and business address.

A: My name is Kevin D. Gunn. My business address is 1200 Main Street, Kansas City, Missouri 64105.

Q: By whom and in what capacity are you employed?

A: I am employed by Evergy Metro, Inc. and serve as Vice President – Regulatory and Government Affairs for the operating utilities of Evergy, Inc. (“Evergy”), including Evergy Metro, Inc. (“Evergy Metro”) d/b/a Evergy Missouri Metro (“Evergy Missouri Metro” or “EMM”) and Evergy Missouri West, Inc. d/b/a Evergy Missouri West (“Evergy Missouri West” or “EMW”).

Q: On whose behalf are you testifying in this case?

A: I am testifying on behalf of both Evergy Missouri Metro and Evergy Missouri West (collectively, the “Applicants”).

Q: What are your responsibilities?

A: My responsibilities include developing and implementing Evergy’s regulatory policy at the state and federal level, including managing regional transmission organization (“RTO”) policy and government affairs.

Q: Please describe your education, experience, and employment history.

A: I received a Bachelor of Arts degree from American University in 1992 and a Juris Doctor degree from St. Louis University School of Law in 1996. I was a Commissioner on the

1 Missouri Public Service Commission (“Commission” or “PSC”) from 2008 to 2013 and
2 served as Chair from 2011 to 2013. Before serving on the Commission, I was a lawyer in
3 private practice and a chief of staff to a Member of Congress from Missouri. After my
4 Commission service, I worked as a regulatory affairs consultant and served as Executive
5 Director of Regulatory and Political Affairs, Central Region, for NextEra Energy
6 Resources.

7 **Q: Have you previously testified before this Commission or any other utility regulatory**
8 **agency?**

9 A: Yes. I have offered testimony before this Commission in Nos. EA-2026-0154, EA-2025-
10 0075, EA-2024-0292, ER-2024-0189, EO-2025-0154, ET-2025-0184, ER-2026-0143, and
11 EO-2026-0345.

12 **Q: What is the purpose of your direct testimony?**

13 A: The purpose of my direct testimony is to:

- 14 1. Provide a policy-level overview of the Applicants’ request for Certificates
15 of Convenience and Necessity (“CCN) under Section 393.170¹ covering
16 two generation projects — Buchanan Bluffs Energy Center Unit 2, an
17 approximately 710-megawatt (“MW”) advanced class combined-cycle gas
18 turbine plant (“CCGT”), and the Foxtrot BESS Project, an approximately
19 109 MW Battery Energy Storage System (“BESS”) facility (collectively,
20 the “Projects”);

¹ All citations are to the Revised Statutes of Missouri (2016), as amended.

2. Explain how each project satisfies the Commission’s 20 CSR 4240-20.045 (“CCN Rule”) and the traditional standards for evaluating and approving CCN requests;
3. Explain why granting the CCNs is in the public interest and why the Applicants’ decisions to build and acquire the Projects are prudent, because those decisions follow directly from EMM’s and EMW’s most recent Integrated Resource Plan (“IRP”) Preferred Plans including EMW’s August 2026 Revised Resource Plan.
4. Ask the Commission to make a determination of decisional prudence under CCN Rule Section (2)(C);
5. Ask the Commission to determine under Section 393.135.2 the amount of construction work in progress (“CWIP”) that may be included in rate base for Buchanan Bluffs Energy Center Unit 2;
6. Ask the Commission to authorize Evergy Missouri West’s request to acquire and merge the Foxtrot BESS Project into its generation portfolio under Section 393.190; and
7. Ask the Commission to grant the variances described in the Application and below.

Q: Are other witnesses testifying in support of the Application?

A: Yes. In addition to my testimony, the following witnesses provide direct testimony in support of the Application:

1. Jason Humphrey, Vice President of Development, describes the relationship between Evergy’s integrated resource planning process and its generation

1 planning, provides a development-perspective overview of the Projects, and
2 explains why building the resources now is reasonable.

3 2. J Kyle Olson, Senior Director of Conventional Generation Projects,
4 describes the Buchanan Bluffs Energy Center Unit 2; summarizes the siting
5 study performed, the evaluation criteria applied, and the basis for selecting
6 the Project site, including Evergy's engagement with the local community
7 and nearby landowners; explains the Buchanan Bluffs Energy Center Unit
8 2's configuration and basis for its technology selection, presents the project
9 cost estimates and discuss relevant industry cost trends; explain the
10 selection process and responsibilities of the Owner's Engineer ("OE");
11 describe the Engineering, Procurement, and Construction ("EPC") process;
12 describe the procurement process for the Power Island Equipment ("PIE");
13 identifies material project risks and the mitigation measures implemented
14 to manage those risks; provides an overview of fuel gas supply planning,
15 including the long-term natural gas procurement and transportation
16 strategy; describes the Southwest Power Pool ("SPP") transmission
17 interconnection requirements and related coordination activities; and
18 discusses Buchanan Bluffs Energy Center Unit 2's targeted in-service date
19 and the process for construction status reporting.

20 3. Cody VandeVelde, Senior Director of Strategy and Long-Term Planning,
21 describes Evergy's IRP process and how EMM's and EMW's 2026 IRP
22 Annual Updates, as well as EMW's August 2026 Revised Resource Plan,

1 which identify the need for the Projects and support the Applicants' request
2 for Certificates of Convenience & Necessity in this case.

3 4. Ronald Klote, Senior Director of Regulatory Affairs, describes the request
4 for CWIP treatment for the Buchanan Bluffs Energy Center Unit 2, the
5 accounting for the jointly owned facilities, and the jurisdictional allocation
6 of the Projects' costs.

7 5. John Grace, Senior Director of Corporate Planning and Financial
8 Performance, describes EMM's and EMW's ability to finance and own their
9 respective shares of the Projects, their credit ratings and liquidity, the
10 available federal tax credits, and the recovery of the Projects in rate base.

11 6. John Carlson, Director of Project Management and Controls, describes the
12 Foxtrot BESS Project and Evergy's project controls and strategic
13 governance framework for the Projects.

14 7. JP Meitner, Director of Market Operations, describes the natural gas market
15 and its pricing dynamics and the Applicants' natural gas fuel supply plan
16 (both as it exists today and as it pertains to the future natural gas generation
17 portfolio).

18 8. Zac Gladhill, Vice President of Strategy and Long-Term Planning,
19 describes the growth in large-load customers in the Applicants' service
20 territories and how they bring new opportunities for economic growth and
21 energy security; describes how the Projects are designed to provide electric
22 service to these large load customers and support economic growth which
23 benefits all EMM and EMW customers; and describes how the Projects and

1 large load customers will benefit all customers through rate affordability
2 and the strength of Evergy's system as a whole.

3 **Q: Please provide an executive summary of your testimony.**

4 A: Evergy Missouri Metro and Evergy Missouri West have filed an Application for CCNs to
5 construct Buchanan Bluffs Energy Center Unit 2 and Foxtrot BESS Project, assets which
6 are a significant part of EMM's and EMW's 2026 IRP Preferred Plans and broader long-
7 term resource plan to meet substantially increased capacity and energy requirements, while
8 ensuring system reliability and SPP market hedging. Evergy is committed to a multifaceted
9 plan to ensure system reliability, meeting increased capacity and energy requirements
10 economically, addressing economic development needs, and ensuring a resilient generation
11 portfolio through an all-of-the-above fuel supply strategy that will benefit Missouri
12 customers for years to come.

13 Evergy Missouri Metro's and Evergy Missouri West's preferred resource plans,
14 which identify their respective ownership share of the Projects, advance the fiscal and
15 economic objectives of ensuring that investments in new generating facilities are prudent,
16 that they are part of a robust, resilient resource plan that considers lower-cost options to
17 meet long-term planning requirements, that they meet our obligation to provide
18 dependable, efficient, and affordable service to Evergy's customers, and that they facilitate
19 the continuation of Missouri's successful economic development achievements. The
20 addition of the Projects will ensure EMM and EMW continue to accommodate Missouri's
21 economic development and economic growth, consistent with Senate Bill 4, which enacted
22 key reforms through amendments to Chapter 393.

The Projects meet the respective needs identified in Evergy Missouri Metro’s and Evergy Missouri West’s 2026 IRP Annual Updates, as well as EMW’s August 2026 Revised Resource Plan, which establish a preferred resource plan that is reasonable, reliable, and efficient. Implementation of their respective plans is prudent and will result in reasonable cost impacts for Evergy’s customers. The Projects enable Evergy to maintain regional rate competitiveness while constructing generation that ensures the Applicants can provide their customers with safe and adequate service and meet the demand resulting from economic growth in Missouri. Additionally, the Projects are needed to develop capacity required to ensure reliability with the growth in demand expected from large load customers, such as data centers and other advanced manufacturing customers that are seeking, or may seek in the near future, retail electric service from EMM or EMW. Overall, the addition of the Projects represents the next phase of Evergy’s sequenced strategy to provide flexible, reliable, dispatchable capacity that supports load growth, while maintaining affordability of safe and adequate service for all customers.

II. PROJECT OVERVIEW

Q: Please describe Buchanan Bluffs Energy Center Unit 2.

A: Buchanan Bluffs Energy Center Unit 2 will be an approximately 710 MW advanced-class combined-cycle gas turbine facility located in Buchanan County, Missouri, owned 50% (355 MW) by Evergy Metro and assigned 100% to Evergy Metro's Missouri jurisdictional customers, and 50% by Evergy Missouri West, with commercial operation targeted for pre-summer 2032. As Mr. Olson explains, the facility's major components consist of a Mitsubishi advanced single-shaft gas turbine, an electrical generator, a heat recovery steam generator, and a steam turbine. As Mr. VandeVelde explains, EMM's 355 MW share corresponds to the thermal capacity identified for 2032 in its 2026 IRP Annual Update, and

1 EMW's 355 MW share corresponds to the thermal capacity identified for 2032 in its 2026
2 IRP Annual Update. Overall, Buchanan Bluffs Energy Center Unit 2 adds firm,
3 dispatchable capacity that both utilities need.

4 **Q: What approach are the Applicants using to develop Buchanan Bluffs Energy Center**
5 **Unit 2?**

6 A: There are three major components to the Applicants' development of Buchanan Bluffs
7 Energy Center Unit 2 – (1) retaining an Owner's Engineer ("OE"), (2) procuring Power
8 Island Equipment ("PIE"), and (3) selection of an Engineer, Procure, and Construct
9 ("EPC") contractor. Under this structure, the OE will provide technical and managerial
10 support to the Applicants including assistance with oversight of the EPC process and
11 serving as EMM's and EMW's representative in the EPC contractor's procurement
12 process. By using an OE with experience in EPC work to oversee the EPC process, the
13 Applicants will be able to apply prudent oversight to that process and the EPC contractor.
14 The PIE includes the major equipment for Buchanan Bluffs Energy Center Unit 2,
15 including the advanced J-Class gas turbine, an electrical generator, the heat recovery steam
16 generator ("HRSG"), the steam turbine, and related auxiliary systems. Applicants'
17 approach is to procure this equipment from one manufacturer in order to minimize risk,
18 because the PIE vendor will warrant the equipment delivery schedule and performance.
19 The EPC contractor will design and construct a complete power plant for Buchanan Bluffs
20 Energy Center Unit 2 and will provide the Applicants with a facility that complies with the
21 commercial and technical specifications agreed upon during the contracting process. The
22 EPC contract coordinates all engineering design, procurement, and construction work, and
23 is responsible for ensuring Buchanan Bluffs Energy Center Unit 2 is completed on

1 schedule. The development of Buchanan Bluffs Energy Center Unit 2 is in harmony with
2 the Applicants' "design once, build many" framework, as it allows EMM and EMW to
3 carry forward the same general development model, contractor structure, and common
4 turbine technology already approved by the Commission in No. EA-2025-0075. That
5 continuity promotes schedule discipline, procurement leverage, lessons learned, parts
6 commonality, and more predictable cost and execution. As a whole, this approach will
7 help the Applicants complete Buchanan Bluffs Energy Center Unit 2 on schedule and
8 minimize risk. Mr. Olson's direct testimony discusses each of these components in greater
9 detail.

10 **Q: Has Evergy selected and contracted with an OE?**

11 A: Yes. As indicated in No. EA-2025-0075, and as Mr. Olson testifies in this case, the
12 Applicants are using Burns & McDonnell Inc. ("B&M") to be the OE to maximize
13 efficiencies through repeated design approach.

14 **Q: Has Evergy selected a supplier for the PIE?**

15 A: As Mr. Olson explains, prior to EMW's purchase of the gas turbines approved by
16 the Commission in No. EA-2025-0075, Evergy conducted a competitive solicitation for the
17 PIE, which constitutes the major plant components, such as the combustion turbine,
18 generator, emissions control equipment, and related auxiliary systems. The Applicants are
19 procuring the PIE equipment from Mitsubishi Power Americas ("MPWA"), which is also
20 the supplier for Chisholm Trail ("Viola") and McNew as approved by the Commission in
21 No. EA-2025-0075. This approach allows for efficiencies in procurement, engineering, and
22 construction. The selected technology provides fast start capability, deep turndown, and

1 low-emissions performance consistent with supporting Evergy’s system reliability and
2 environmental objectives.

3 **Q: What is the status of the Applicants’ selection of an EPC contractor?**

4 A: The Applicants have selected Kiewit Power Constructions (“Kiewit”) as Buchanan Bluffs
5 Energy Center Unit 2’s EPC contractor which is the same EPC contractor used for
6 Chisholm Trail (“Viola”) and McNew as approved by the Commission in No. EA-2025-
7 0075.

8 **Q: Please describe the Foxtrot BESS Project.**

9 A: The Foxtrot BESS Project will be an approximately 109 MW four-hour lithium-ion battery
10 energy storage system located in Jasper County, Missouri, on the site of the Foxtrot Solar
11 Project that the Commission approved No. EA-2024-0292. Evergy Missouri West will own
12 100% of the Foxtrot BESS Project, with a commercial operation date in the fourth quarter
13 of 2028, corresponding to the storage addition identified in its August 2026 Revised
14 Resource Plan. Locating the storage facility on the existing Foxtrot Solar Project site,
15 which was approved by the Commission for EMW in No. EA-2024-0292, allows it to use
16 interconnection infrastructure that is already in place.

17 As discussed further by Mr. Carlson, the Foxtrot BESS Project will consist of
18 specially designed outdoor-rated battery enclosures. Each enclosure skid contains battery
19 modules and supporting equipment housed within the enclosure. The battery modules,
20 monitoring and safety equipment, cooling equipment, and controls are assembled and
21 tested at the factory and shipped to the site within the enclosure, allowing each skid to be
22 immediately ready for installation. The battery skids will be placed on newly installed
23 foundations, interconnected to other battery enclosure inverters, and wired to transformers.

1 The transformers will step up the 480 to 690-volt battery skid output voltage to 34.5
2 kilovolts (“kV”). The 34.5 kV output will then be routed to the generator step-up (“GSU”)
3 transformers, increasing voltage to 161/345 kV before being interconnected to the 161 kV
4 Asbury substation. The facility will be monitored and controlled through EMW’s
5 supervisory control and data acquisition (“SCADA”) system, allowing for remote charging
6 or dispatch.

7 **Q: How was the Foxtrot BESS Project procured?**

8 A: As discussed by Mr. Carlson, Foxtrot BESS Project is being developed for Evergy Missouri
9 West by Foxtrot Energy Storage LLC (“Foxtrot Invenergy”), whose affiliate Invenergy
10 Renewables LLC (“Invenergy Renewables”) is developing the Foxtrot Solar Project for
11 EMW. The facility will be built by an EPC contractor hired by a yet to be determined
12 Invenergy entity.

13 In 2025, Evergy issued its All-Source RFP, which yielded multiple battery storage
14 proposals with delivery dates ranging from 2028 to 2030, as Mr. Carlson discusses in his
15 testimony. Following the Commission’s grant of a CCN to Evergy Missouri West for the
16 Foxtrot Solar Project in 2025, Evergy evaluated the viability and feasibility of co-locating
17 a BESS system at the Foxtrot Solar Project site. A key consideration in this evaluation was
18 whether Evergy could utilize Southwest Power Pool’s Surplus Interconnection Service
19 (“SIS”), which is available at the Foxtrot Solar Project location. The availability of SIS at
20 Foxtrot Solar Project presents significant advantages: the Foxtrot BESS Project would not
21 require an interconnection study or interconnection agreement and would avoid any
22 interconnection upgrade costs. Additionally, the established relationship between Evergy
23 Missouri West and Invenergy Renewables concerning construction of the Foxtrot Solar

1 Project led EMW to determine that proceeding with Foxtrot Invenergy on the Foxtrot BESS
2 Project represented the most advantageous path forward. Consistent with Evergy Missouri
3 West’s approach to the Build Transfer Agreement (“BTA”) with Invenergy Renewables
4 for the Foxtrot Solar Project, Company witness Carlson describes how EMW will have a
5 similar signed BTA with Foxtrot Invenergy for the Foxtrot BESS in the fourth quarter of
6 2026.

7 **III. THE PROJECTS MEET THE REQUIREMENTS FOR GRANTING THE CCNS**

8 **Q: What regulations apply to the Applicants’ CCN requests?**

9 A: The Commission’s CCN Rule requires a CCN before an electric utility constructs an
10 electric generating plant under Section 393.170.1. Under the CCN Rule, an “asset” includes
11 an electric generating plant expected to serve Missouri customers and be included in retail
12 rate base, “construction” includes construction of new asset(s), and a utility must obtain a
13 CCN before construction of an asset under Section 393.170.1. See 20 CSR 4240-
14 20.045(1)(A)1, (1)(B)1, & (2)(A)2. Buchanan Bluffs Energy Center Unit 2 and Foxtrot
15 BESS Project will be located in Missouri and will only serve Missouri customers. Mr.
16 Klote addresses the allocation of costs to the applicable jurisdiction under Section (3)(B)
17 of the CCN Rule. EMM and EMW both anticipate, upon approval from the Commission,
18 that their respective ownership share of the Projects will be included in their retail rates.

19 **Q: What are the specific requirements to be addressed if the application is for**
20 **authorization to construct an asset under section 393.170.1?**

21 A: Subsections (A) through (K) of CCN Rule 20 CSR 4240-20.045(6) set forth the specific
22 requirements applicable to the Applicants’ requests to construct the Projects under Mo.
23 Rev. Stat. § 393.170.1.

1 **Q: How do the Applicants address those requirements?**

2 A: The Application and supporting testimony address the requirements relevant for
3 construction CCNs. The Application and testimony provide more detailed information
4 responsive to subsections (6)(I) and (6)(J) closer to commercial operation, consistent with
5 CCN Rule Section (3)(C). Mr. Olson addresses Buchanan Bluffs Energy Center Unit 2's
6 description, site, schedule, common plant, project-specific procurement and development
7 approach, and the Applicants' high-level maintenance approach. Mr. Carlson addresses
8 the Foxtrot BESS Project's details. Mr. VandeVelde and Mr. Humphrey address how the
9 Projects relate to EMM's and EMW's 2026 IRP Preferred Plans, while Mr. Humphrey also
10 provides the generation-planning context for Evergy's competitive bidding and self-
11 development approach.

12 **Q: What other standard has the Commission traditionally applied in evaluating CCN**
13 **applications?**

14 A: When determining whether a project is necessary or convenient for the public service, the
15 Commission has traditionally applied five criteria, commonly known as the Tartan²
16 factors:

17 A. Is the service needed?

18 B. Is the applicant qualified to provide the service?

19 C. Is the applicant's proposal economically feasible?

20 D. Does the applicant have the financial ability to provide the service?

21 E. Does the service promote the public interest?

² In re Tartan Energy Co., No. GA-94-127, 1994 WL 762882 (Sept. 16, 1994) ("Tartan").

1 **Q: Will you address the Tartan factors?**

2 A: Yes.

3 **A. The Projects Are Needed**

4 **Q: How does the Commission define necessity for purposes of a CCN application?**

5 A: The Commission has followed Missouri’s appellate courts, as well as past PSC decisions
6 that have stated that “necessity” requires a showing that the additional service would be an
7 improvement that justifies its costs and that the inconvenience to the public caused by the
8 lack of that service is sufficient to amount to a necessity. In other words, if a project will
9 provide benefits that justify its cost, there is a need for the project. Whether the evidence
10 indicates that the public interest will be served by the award of a CCN is a decision
11 dedicated to the discretion of the Commission.³ The courts have stated that “necessity”
12 does not mean essential or absolutely indispensable, but that an additional service would
13 be an improvement justifying its cost.⁴ In other words, any improvement, or additional
14 service, which is important to the public convenience and desirable for the public welfare,
15 may be regarded as necessary.⁵ If “there is [a] reasonable necessity” for the additional
16 service, and “the public convenience will be enhanced,” then the “need” or “necessity”
17 requirement is satisfied by granting the CCN.⁶

18 **Q: Do the Projects satisfy the Tartan factor of need?**

19 A: Yes. Staff has previously interpreted “need” as a requirement for EMM and EMW to
20 demonstrate that there are benefits to the project that justify its cost.⁷ As Mr. VandeVelde

³ United for Missouri v. PSC, 515 S.W.3d 754, 759 (Mo. App. W.D. 2016).

⁴ Id.

⁵ Id.

⁶ State ex rel. Beaufort Transfer Co. v. Clark, 504 S.W.2d 216, 219 (Mo. App. K.C. 1973).

⁷ In re Evergy Metro, Inc. CCN App. for Solar Generation Facilities, No. EA-2022-0043, Memorandum at 7, attached to Staff Recommendation (March 10, 2022).

1 and Mr. Humphrey explain, EMM's and EMW's 2026 IRP Annual Update Preferred Plans
2 and EMW's August 2026 Revised Resource Plan identify a clear need for the capacity and
3 energy the Projects will provide. That need is driven by two forces that Mr. Gladhill and
4 Mr. VandeVelde describe: rapid growth in large-load customers seeking service in the
5 Applicants' territories, and increases in SPP's resource adequacy requirements, including
6 higher summer and winter planning reserve margins, a separate winter resource adequacy
7 requirement, and more rigorous capacity accreditation. Evergy Missouri Metro needs its
8 50% ownership share of Buchanan Bluffs Energy Center Unit 2 to meet its summer and
9 winter capacity requirements and to serve its large-load customer demand, and Evergy
10 Missouri West needs its 50% share of Buchanan Bluffs Energy Center Unit 2, as well as
11 its 100% ownership share of Foxtrot BESS Project, to meet its summer and winter capacity
12 requirements and to serve its own growing large-load demand.

13 **Q: How does Buchanan Bluffs Energy Center Unit 2 satisfy that need?**

14 A: Buchanan Bluffs Energy Center Unit 2 is a firm-fueled, dispatchable resource that provides
15 its full accredited capacity in both the summer and winter seasons, which is precisely the
16 kind of resource SPP's tightening resource adequacy requirements call for. As Mr.
17 VandeVelde explains, a new combined-cycle unit with firm fuel supply receives a high
18 seasonal capacity accreditation under SPP's Performance-Based Accreditation
19 methodology, and it adds baseload energy and capacity as EMM's and EMW's systems
20 transition from a position of surplus to one requiring new generation to match growing
21 customer demand. Because both utilities face capacity needs in the same 2032 timeframe,
22 EMM and EMW are individually requesting a CCN for a 50% ownership share of the
23 facility.

1 **Q: How does the Foxtrot BESS Project meet Evergy Missouri West’s need?**

2 A: As Mr. VandeVelde explains, the Foxtrot BESS Project adds dispatchable, flexible
3 capacity that is especially valuable during EMW’s most acute near-term winter capacity
4 deficits, as well as to provide safe and adequate service to all customers but particularly
5 large load customers. As demonstrated by Evergy Missouri West’s August 2026 Revised
6 Resource Plan and discussed by Mr. VandeVelde, EMW needs the capacity because it
7 amended the energy supply agreement (“ESA”) of a large load customer included in the
8 2026 Preferred Plan which increased the customer’s total peak demand by 75 MW. It will
9 also pair naturally with the Foxtrot Solar Project by storing energy during periods of high
10 output and discharging it when demand is high. Together with Buchanan Bluffs Energy
11 Center Unit 2, these resources allow Evergy Missouri West to meet its customers’ needs
12 with owned, accredited generation based on an “all-of-the-above” approach.

13 **B. The Applicants Are Qualified to Provide the Service**

14 **Q: Are Evergy Missouri Metro and Evergy Missouri West qualified to provide the**
15 **service?**

16 A: Yes. The Applicants and their affiliates have a long history of constructing, owning, and
17 operating a diverse fleet of thermal and renewable generation in Missouri and Kansas, and
18 Evergy’s operating utilities together own, operate, or contract for close to 16,000 MW of
19 generating capacity, as Mr. Carlson, and Mr. Grace and Mr. Humphrey describe.⁸ For
20 Buchanan Bluffs Energy Center Unit 2, the Applicants have retained Burns & McDonnell
21 as Owner’s Engineer and will use experienced contractors for construction, as Mr. Olson
22 explains. The OE’s expertise will be invaluable as Evergy moves forward and will benefit

⁸ See Evergy, Inc. 2025 Annual Report, Form 10-K at 35 (Feb. 18, 2026).

1 customers by helping ensure the development and construction process is efficiently
2 executed. Additionally, the EPC contractor constructing this project, Kiewit, is
3 experienced and skilled with construction of natural gas facilities.

4 **Q: Is Evergy Missouri West qualified to construct and operate a battery energy storage**
5 **system, given that it has not previously owned one?**

6 A: Yes. While the Foxtrot BESS Project will be Evergy Missouri West's first battery energy
7 storage facility, EMW has extensive experience developing, constructing, and operating
8 utility-scale generation and related supply-side facilities across a portfolio that includes
9 nuclear, coal, natural gas, wind, and solar resources. As Mr. Carlson explains, that
10 experience — together with the experience of the developer engaged to build the facility
11 — equips Evergy Missouri West to construct and operate the Foxtrot BESS Project. The
12 extensive experience Evergy Missouri West has gained operating thermal, wind, and solar
13 generation translates directly to operating a battery storage facility.

14 **C. The Projects Are Economically Feasible**

15 **Q: What is your understanding of the purpose of the economic feasibility Tartan factor?**

16 A: The economic feasibility factor of Tartan was never intended by the Commission to require
17 that EMM and EMW guarantee a particular result, that every cost projection be flawless,
18 and that every construction milestone be reached. Indeed, the Commission noted that
19 Tartan would bear most of the risk associated with recovering the cost resulting from its
20 project and its investment and did not assess whether an individual proposed unit would
21 always operate "in the black" or profitably. Tartan, 1994 WL 762882 at 11-14, No. GA-
22 94-127 (1994). When the competing propane dealers attacked Tartan Energy Company's
23 estimates of non-natural gas costs to be used in setting initial rates for the new utility, the
24 Commission stated that while "it is possible that ... these costs have been understated," it

1 was “of the opinion that the rates established [in a stipulation with Staff] are *objectively*
2 *reasonable*” Tartan, 1994 WL 762882 at 10 (emphasis added). After considering the
3 propane dealers’ arguments claiming that the Tartan natural gas project was not
4 economically feasible and the evidence provided by the parties, the Commission concluded
5 “that there is sufficient evidence from which to find that Tartan’s proposal, as modified by
6 the Stipulation, represents a viable project.” Id. at 11. Similarly, there is no question that
7 the Projects proposed here are “viable.” Just as the Tartan order declared that “[t]he
8 question” is “whether the estimates given are reasonable” in finding that the proposal was
9 economically feasible and in the public interest, the Applicants have plainly passed the
10 reasonableness test in this case where the technology, efficiency, and economics of the
11 Projects are clear.

12 **Q: What has the Commission recently relied upon in assessing economic feasibility?**

13 A: The Commission’s decisions in its Report & Order at 5, In re Empire Dist. Elec. Co., No.
14 EA-99-172, 2000 WL 228658 (Feb. 17, 2000) (“Empire Order”), and its Report & Order
15 on Remand at 27, In re Grain Belt Express CCN, No. EA-2016-0358 (Mar. 20, 2019)
16 (“Grain Belt Express Remand Order”), established an evidentiary threshold to assess
17 whether the Applicants have provided sufficient evidence to find that a project is
18 economically feasible. For a project to be considered economically feasible, the Applicants
19 should “provide credible evidence regarding the construction costs and revenue
20 expectations associated with the proposed expansion.” See Empire Order at 5. A witness’s
21 analysis and conclusions relating to economic feasibility may be credible when they
22 contain “levelized cost of energy, levelized avoided cost of energy, loss of load
23 expectation, or production cost model[ing],” and do not contain clear errors or incorrect

assumptions. See Grain Belt Express Remand Order at 27. As the Missouri Court of Appeals and this Commission have held, “economic feasibility” may be shown even where a “plant is not currently needed to supplement [a utility’s] load capacity,” “is not the least-cost alternative,” and “is not needed to comply with current environmental regulatory requirements.” See United for Missouri v. PSC, 515 S.W.3d 754, 764 (Mo. App. W.D. 2016) (approving Greenwood solar CCN); Report & Order at 18, In re Union Elec. Co. CCN Application for a Distributed Solar Pilot Program, No. EA-2016-0208 (Dec. 21, 2016) (“While the immediate benefits to Ameren Missouri and its ratepayers are not easily quantifiable, in light of the need for additional solar generation in the future, it is likely that those future cost savings will be substantial.”).

Q: Why is Buchanan Bluffs Energy Center Unit 2 economically feasible?

A: Buchanan Bluffs Energy Center Unit 2 will add efficient, low-cost, dispatchable capacity that helps EMM and EMW meet their forecasted capacity and energy needs and satisfy SPP’s resource adequacy requirements, as Mr. VandeVelde and Mr. Humphrey explain. EMM’s and EMW’s 2026 IRP Annual Update analyses continue to select the 2032 combined-cycle addition notwithstanding recent increases in gas-turbine cost estimates because of inflation, supply chain issues, prices of metals and components, constrained manufacturing capabilities since the Applicants’ 2025 IRP Annual Updates.

Additionally, the Applicants have taken concrete steps to keep costs reasonable: they are developing the facility using the same OE, PIE manufacturer, and EPC contractor structure recently approved in No. EA-2025-0075, capturing economies of scale through the “design once, build many” approach. Standardizing this approach further contains costs, improves constructability, and reduces execution risk—practical measures intended

1 to mitigate rate impacts while delivering needed, reliable, dispatchable capacity. Further,
2 Mr. Meitner describes a natural gas procurement and fuel-firming plan designed to support
3 reliability and reduce customers' exposure to fuel-price volatility. Finally, Applicants'
4 ability to recover CWIP for Buchanan Bluffs Energy Center Unit 2 will support economic
5 feasibility by allowing recovery of construction costs to begin sooner, which reduces
6 financing costs over the life of the facility.

7 **Q: What is the current estimate of the capital costs to complete Buchanan Bluffs Energy**
8 **Center Unit 2?**

9 A: As described in more detail by Evergy witnesses Mr. Olson and Mr. Grace, the current
10 capital cost estimate for Buchanan Bluffs Energy Center Unit 2 is approximately
11 **** [REDACTED] **** which reflects the exclusion of any allowance for funds used during
12 construction ("AFUDC") and the effect of any construction work in progress ("CWIP")
13 allowed in rate base.

14 **Q: Have the Applicants reviewed information to determine whether the initial cost**
15 **estimate for the natural gas plants included in this filing is reasonable and consistent**
16 **with other construction in the industry?**

17 A: Yes. The Applicants have reviewed and will continue to monitor comparable public utility
18 commission filings, including certificates of convenience and necessity (CCN)
19 applications, predetermination filings, and published Integrated Resource Plans (IRPs) for
20 projects with similar configurations and equipment. These sources provide relevant market
21 benchmarks that are used to assess the reasonableness of the engineering, procurement,
22 and construction (EPC) cost estimates and overall project costs. As the projects advance
23 toward execution, the Applicants will continue to compare project costs against these

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1 industry data points to validate that the cost estimates remain reasonable and consistent
2 with comparable utility-scale generation projects.

3 **Q: Why is the Foxtrot BESS Project economically feasible?**

4 A: The Foxtrot BESS Project is expected to qualify for a 50% investment tax credit under
5 Internal Revenue Code Section 48E — a 30% base credit plus a 10% bonus for its location
6 in an energy community and 10% credit by utilizing domestic content — which reduces its
7 effective capital cost by approximately 50%, as Mr. Grace explains. As discussed by Mr.
8 Carlson, locating the facility on the existing Foxtrot Solar Project site allows it to use
9 interconnection infrastructure already in place, which shortens the development timeline
10 and avoids new siting issues. Moreover, the facility will be dispatched during peak periods
11 and can provide ancillary services, and it delivers strong winter capacity accreditation
12 during EMW's most acute deficit years, as Mr. VandeVelde explains.

13 **Q: What is the current estimate of the capital costs to complete Foxtrot BESS?**

14 A: As described in more detail by Mr. Carlson and Mr. Grace, the current capital cost estimate
15 for the Foxtrot BESS Project is approximately **[REDACTED]** which reflects the
16 exclusion of any allowance for funds used during construction.

17 **Q: Have the Applicants reviewed information to determine whether the firm-fixed cost
18 estimate for the battery storage facility included in this filing is reasonable and
19 consistent with other construction in the industry?**

20 A: As discussed by Company witness Carlson, Evergy evaluated the economic feasibility of
21 a BESS resource by examining multiple sourcing pathways, including Request for Proposal
22 ("RFP") offers, self-development at existing sites, and standalone self-development. Co-
23 locating battery storage at existing generation or substation sites was also evaluated as this

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option can reduce development timelines and costs by reducing the need for new substation and transmission equipment. When compared to the 2025 All-Source RFP battery storage proposals with delivery dates in the 2028-2030 window, Foxtrot BESS Project proved to be an attractive project that was reasonable and consistent with the other bids.

Q: Was Evergy Metro's Preferred Plan the lowest-cost plan?

A: No, and it is important to be precise about this. As Mr. VandeVelde explains, Evergy Missouri Metro tested alternative resource plans, two of which produced a modestly lower net present value of revenue requirement than EMM's Preferred Plan. The lower-cost alternatives would concentrate two major thermal projects (Buchanan Bluffs Energy Center Unit 2 and Mullin Creek #2, No. EA-2026-0154) in a single construction year (2031). Evergy Missouri Metro nonetheless selected its Preferred Plan because the cost difference is very small — less than \$15 million, or under 0.05% of the twenty-year revenue requirement — and is more reasonably executable while lowering risk than the alternative plans. As the economic feasibility standard recognizes, a project need not be the least-cost alternative to be economically feasible, and Mr. VandeVelde and Mr. Humphrey explain why EMM's Preferred Plan is the best risk-adjusted portfolio for its customers.

D. The Applicants Have the Ability to Finance the Projects

Q: Do Evergy Missouri Metro and Evergy Missouri West have the ability to finance their respective shares of the Projects?

A: Yes. As Mr. Grace explains, EMM and EMW each have proven experience financing the purchase, construction, and operation of generating assets that serve Missouri customers, and each has the credit ratings, liquidity, and access to capital markets needed to finance its ownership share of the Projects during construction and to fund ongoing operations and maintenance. Mr. Grace describes each utility's investment-grade credit ratings and its plan

1 to finance its share of the Projects responsibly by balancing liquidity and capital-market
2 access while maintaining a capital structure consistent with those ratings.

3 **E. The Projects Are in the Public Interest**

4 **Q: Is granting the Applicants' CCNs for the Projects in the public interest?**

5 A: In addition to the four Tartan factors discussed above, which demonstrate that approval of
6 this Application is in the public interest, granting the CCNs advances Missouri's energy
7 and economic-development goals. As Mr. Gladhill and Mr. Humphrey describe, the
8 Projects support Missouri's ability to serve large-load customers, advance the objectives
9 Governor Kehoe identified in signing Senate Bill 4, and support job growth and affordable,
10 reliable, and sustainable service for all customers. The Projects are part of Evergy's "all-
11 of-the-above" resource strategy, which maintains affordability through economies of scale
12 and fuel-risk management and supports job creation and local tax bases, thereby serving
13 the public interest.

14 **IV. REQUEST FOR DECISIONAL PRUDENCE**

15 **Q: Does the CCN Rule authorize the Commission to make a prudence determination**
16 **regarding an asset that will serve Missouri customers and be included in rate base?**

17 A: Yes. Section (2)(C) of the CCN Rule provides: "In determining whether to grant a
18 certificate of convenience and necessity, the commission may, by its order, make a
19 determination on the prudence of the decision to operate or construct an asset subject to
20 the commission's subsequent review of costs and applicable timelines." The CCN Rule's
21 definition of an "Asset" in Section (1)(A) includes an electric generating plant which "is
22 expected to serve Missouri customers and be included in the rate base used to set their retail
23 rates. ..."

1 **Q: Is it appropriate for the Commission to address decisional prudence in this case?**

2 A: Yes. There is no reason why the Commission should not address decisional prudence in
3 this case. The Application, supporting testimony, exhibits, and schedules contain the
4 evidence needed to determine whether the decisions to build and acquire the Projects for
5 the benefit of Missouri customers are prudent, including the IRP analyses, the build
6 processes and evaluations, the technical due diligence, the ownership and operational
7 models, and the transaction prices. All of these issues and facts are encompassed by the
8 Tartan factors, especially the final factor that analyzes whether the acquisition and
9 operation of the Projects promotes the public interest. Even with a finding of decisional
10 prudence in this CCN by the Commission, other matters of prudence (such as around
11 construction and final costs) would be reserved for a future rate case after the new resources
12 are constructed and in-service. This is the appropriate case and time for the Commission
13 to make a determination on the prudence of moving forward with building these resources
14 for the benefit of EMM and EMW customers, especially considering the long lead time
15 associated with new generation construction. A prudence determination here will also
16 evidence a balanced “all-of-the-above” approach to resource planning that fortifies
17 reliability and supports economic development through a diversified portfolio, while
18 attempting to mitigate broader rate impacts.

19 **Q: Has the Commission made decisional prudence determinations in prior CCN cases?**

20 A: Yes. In its March 21, 2024, Order in No. EA-2023-0291 approving Evergy Missouri West’s
21 Application for Permission and Approval of a Certificate of Public Convenience, the
22 Commission states: “The Commission determines that Evergy Missouri West’s decision to
23 acquire and operate the Dogwood Energy Facility, pursuant to the terms of this Unanimous

1 Stipulation and Agreement, is prudent, subject to the Commission’s subsequent review of
2 costs and applicable timelines.”

3 Most recently, in No. EA-2025-0075, the Commission found that “based on the
4 degree of need, the need for dispatchable generation, . . . the flexibility of the SCGT, and
5 the SPP’s stated need for dispatchable generation and that natural gas generators are
6 generally able to respond most quickly, the Commission finds that Evergy Missouri West’s
7 decision regarding generation type (fuel type) of the Projects was prudent.” See Report &
8 Order at 35-36, No. EA-2025-0075.

9 Similarly, in No. EA-2024-0292, the Commission approved a Unanimous
10 Stipulation and Agreement in which the signatories agreed that Evergy Missouri West’s
11 decisions to construct, acquire, and operate the Sunflower Sky and Foxtrot Solar Projects
12 were prudent. See Order Approving Stipulation and Agreement and Granting Certificates
13 of Convenience and Necessity at 4, No. EA-2024-0292 (July 31, 2025) (approving the
14 Agreement and ordering the signatories to comply with it); Id., attached Unanimous
15 Stipulation and Agreement ¶ 3 (providing that those decisions “are both prudent”).

16 **Q: How does a decisional prudence determination promote predictability and certainty**
17 **for the Applicants?**

18 A: A finding of decisional prudence in this case regarding the Projects instead of pursuing
19 other supply-side resources permits the Applicants to have the certainty of knowing that
20 their investments for construction of the proposed Projects have been reviewed,
21 scrutinized, and found to be reasonable prior to construction. Further, such finding
22 provides certainty that the Commission has determined building the Projects to serve
23 Evergy Missouri Metro’s and Evergy Missouri West’s customers is prudent. This is crucial

1 given the magnitude of the investment anticipated by Evergy and the risks related to such
2 a substantial investment.

3 **V. REQUEST FOR CONSTRUCTION WORK IN PROGRESS**

4 **Q: What is the Applicants' request regarding construction work in progress?**

5 A: Applicants request that the Commission determine the amount of CWIP that may be
6 included in rate base for Buchanan Bluffs Energy Center Unit 2, a new natural gas
7 generating unit, per Section 393.135.2.

8 Mr. Klote provides support for this request, explaining how it will incentivize the
9 construction of new natural gas generation, provide savings to customers, and expand the
10 Company's electrical capacity.

11 **VI. REQUEST TO COMPLETE THE ASSET TRANSFER AND MERGER OF THE**
12 **FOXTROT BESS PROJECT**

13 **Q: Is Evergy Missouri West requesting authority to acquire and merge the Foxtrot BESS**
14 **Project?**

15 A: Yes. As described in the Application and in Mr. Carlson's testimony, Evergy Missouri
16 West will acquire 100% membership interest in the Foxtrot BESS Project through a Build
17 Transfer Agreement with Invenenergy's Foxtrot Energy Storage Holdings LLC immediately
18 upon the closing of this acquisition and will merge the facility into its generation asset
19 portfolio. Although the Commission's rule at 20 CSR 4240-10.115(1)(D) requires only a
20 statement that a merger "is not detrimental to the public interest," the facts here show that
21 Evergy Missouri West's acquisition and merger of the Foxtrot BESS Project into its
22 corporate holdings is in the public interest. The Application and the supporting direct
23 testimony discuss the positive impact of the merger on EMW's Missouri operations,
24 pursuant to Section (1)(E) of 20 CSR 4240 10.115. With reference to Section (1)(F) of this

1 rule, EMW does not believe at this time that the transaction will have a material impact on
2 the tax revenues of any political subdivision in which Evergy Missouri West's structures,
3 facilities, or equipment are located. However, EMW is continuing to assess this tax aspect
4 of the transaction and will advise the Commission once it has reached a conclusion. All of
5 these facts demonstrate that the merger of Foxtrot BESS Project into EMW is not
6 detrimental to the public interest. Evergy Missouri West therefore requests that the
7 Commission authorize it to complete that asset transfer and merger under Section
8 393.190.1.

9 VII. REQUESTED VARIANCES

10 **Q: Are the Applicants seeking any variances?**

11 A: Yes. The Application seeks variances under 20 CSR 4240-2.060(4) and CCN Rule Section
12 (3)(C) so the Applicants may provide later submissions regarding an overview of plans for
13 operating and maintaining the Projects and an overview of plans for restoration of safe and
14 adequate service after significant, unplanned/forced outages.

15 VIII. CONCLUSION

16 **Q: Please summarize your testimony.**

17 A: Evergy Missouri Metro and Evergy Missouri West respectfully request that the
18 Commission grant CCNs for the Buchanan Bluffs Energy Center Unit 2 facility and the
19 Foxtrot BESS Project. The evidence in this case demonstrates that the Projects satisfy the
20 CCN Rule requirements and each of the Tartan factors as they are needed to meet growing
21 capacity requirements and SPP resource adequacy standards, economically feasible, and
22 serve the public interest by supporting Missouri's economic development goals while
23 maintaining reliable and affordable service for customers. Applicants further request that
24 the Commission make a finding of decisional prudence under CCN Rule Section (2)(C),

1 authorize CWIP treatment for Buchanan Bluffs Energy Center Unit 2 under Section
2 393.135.2, authorize the asset transfer and merger of the Foxtrot BESS Project under
3 Section 393.190.1, and grant the requested variances. Approval of this Application will
4 enable Evergy Missouri Metro and Evergy Missouri West to continue implementing a
5 responsible, all-of-the-above generation strategy that benefits Missouri customers for years
6 to come.

7 **Q: Does that conclude your testimony?**

8 **A:** Yes, it does.

In the Matter of the Application of Evergy Metro,)
 Inc., d/b/a/ Evergy Missouri Metro and Evergy)
 Missouri West, Inc. d/b/a Evergy Missouri West)
 For Permission and Approval of Certificates of)
 Convenience and Necessity Authorizing them to)
 Construct, Install, Own, Operate, Manage,)
 Maintain, and Control Natural Gas and Solar)
 Electrical Production Facilities and a Battery)
 Energy Storage System)

ANTHONY R WESTENKIRCHNER
NOTARY PUBLIC - NOTARY SEAL
STATE OF MISSOURI
MY COMMISSION EXPIRES APRIL 26, 2029
PLATTE COUNTY
COMMISSION #17279952

Evergy Metro West, Inc. d/b/a Evergy Missouri West

Docket No.: EA-2026-0343

Date: August 31, 2026

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Document/Page	Reason for Confidentiality from List Below
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Gunn Direct, p. 21, ln. 15	3, 4, and 6

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