

Exhibit No.:
Issue(s): CWIP
Witness: Matthew R. Young
Sponsoring Party: MoPSC Staff
Type of Exhibit: True-Up Rebuttal Testimony
Case No.: ER-2026-00143
Date Testimony Prepared: September 23, 2026

MISSOURI PUBLIC SERVICE COMMISSION

FINANCIAL AND BUSINESS ANALYSIS DIVISION

AUDITING DEPARTMENT

TRUE-UP REBUTTAL TESTIMONY

OF

MATTHEW R. YOUNG

EVERGY METRO, INC. d/b/a Evergy MISSOURI METRO

CASE NO. ER-2026-0143

Jefferson City, Missouri

September 2026

**** Denotes Confidential Information ****

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1 Convenience and Necessity ("CCN") Case No. EA-2026-0154 before CWIP can be
2 included in a general rate case.

3 Q. What amount of CWIP is EMM requesting to include in rate base?

4 A. EMM's true-up rate base includes \$64 million of CWIP, which equates to
5 approximately \$6 million of its requested \$162.6 million annual revenue requirement
6 increase. The \$64 million rate base value represents costs charged to the construction of
7 Mullin Creek #2 gas generation unit at issue in EMM's concurrent CCN case.

8 Q. Has EMM supported the construction costs it is requesting to include in its
9 current rate base?

10 A. No. To gather information on EMM's amount of CWIP in rate base,
11 Staff submitted data request nos. 185 -190. These data requests attempted to gather
12 facts on the costs and benefits of including CWIP in rate base, the timeline of the
13 underlying projects, and actual costs incurred. The responses to Staff's data requests,
14 supplied on March 20, 2026, generally indicated that EMM was still finalizing its annual
15 integrated resource plan, so it could not provide specific details on costs, timelines,
16 or even how many projects were associated with its CWIP request in its direct case.
17 The response to Staff data request no. 187 stated the assigned projects and CWIP
18 balances will be included with EMM's true-up filing.

19 Q. Did EMM provide additional support for its true-up case?

20 A. Yes. EMM's true-up data request responses were supplied on
21 August 6, 2026. These DRs describe EMM's contemplation of constructing generation at
22 the Mullin Creek location as far back as 2023 and inclusion of Mullin Creek # 2 in its

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1 integrated resource planning since 2024. EMM also supplied details on the costs charged
2 to Mullin Creek #2 construction through December 31, 2026.

3 Q. Please describe the costs charged to construction.

4 A. ** [REDACTED] ** of the CWIP in EMM's rate base are contractor fees, separated
5 into ** [REDACTED] ** paid for equipment and ** [REDACTED] ** paid to the Engineering, Procurement,
6 and Construction ("EPC") contractor Kiewit Power Constructors. The remaining ** [REDACTED] **
7 of the total cost is composed of a variety of legal and engineering costs.

8 Q. If the Commission were to accept EMM's request to include CWIP in rate
9 base, is it appropriate to include the full request?

10 A. No. Exactly ** [REDACTED] ** of the total cost EMM has charged to
11 Mullin Creek #2 is for engineering services provided by Transource Energy, LLC.
12 EMM provided invoices which were payable to Transource Missouri, LLC.

13 Q. What is Transource Missouri, LLC?

14 A. Transource Missouri is a Delaware limited liability corporation qualified to
15 conduct business in Missouri, with its principal place of business in Columbus, Ohio.
16 Transource Missouri is a wholly owned subsidiary of Transource Energy, LLC
17 ("Transource"). Transource was established by Evergy, Inc., EMM's parent corporation,
18 and American Electric Power Company, Inc. ("AEP") to build wholesale regional
19 transmission projects within SPP, as well as other RTOs.

20 Q. Why would it be inappropriate to include CWIP charges from Transource in
21 rate base?

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1 A. Transource is an affiliate of EMM. It would be inappropriate to include any
2 amounts charged from Transource in rate base without justification since those amounts
3 are not the result of an arms-length transaction.¹ Including rate base amounts charged
4 from affiliates creates a smorgasbord of regulatory concerns that EMM has
5 not addressed.

6 Q. Did Staff request support for affiliate transactions charged to CWIP?

7 A. Yes. In Staff follow-up data request no. 188.1, Staff requested
8 documentation and support regarding the actual cost incurred by affiliates and the
9 market value of the services provided. EMM's response failed to lend any support that the
10 charges received from Transource are reasonable.

11 Q. Did EMM describe the transactions in its annual affiliate transactions
12 report?

13 A. No. Staff reviewed the annual affiliate transactions report submitted by
14 EMM in Docket No. BAFT-2026-0637. This filing provides EMM's 2025 affiliate
15 transactions but does not identify the CWIP charges or describe how the services
16 provided by Transource were priced.

17 Q. Does this conclude your true-up rebuttal testimony?

18 A. Yes it does.

¹ *Black's Law Dictionary* defines "arm's-length" as, "Of or relating to dealings between two parties who are not related or not on close terms and who are presumed to have roughly equal bargaining power; not involving a confidential relationship."

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 MATTHEW R. YOUNG

STATE OF MISSOURI)
COUNTY OF Clay) ss.

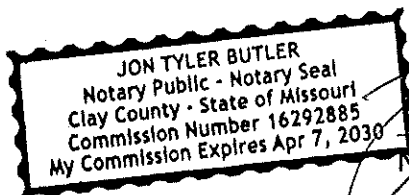
COMES NOW MATTHEW R. YOUNG and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *True-Up Rebuttal Testimony Matthew R. Young*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

Matthew Young
MATTHEW R. YOUNG

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Clay, State of Missouri, at my office in Kansas City, MO, on this 17 day of September 2026.



[Signature]
Notary Public