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# Exhibit No. 4

Evergy Missouri Metro – Exhibit 4
Direct Testimony of Kevin Gunn
Case No. EA-2026-0154

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**MISSOURI PUBLIC SERVICE COMMISSION**

**CASE NO.: EA-2026-0154**

# DIRECT TESTIMONY

**OF**

**KEVIN D. GUNN**

**ON BEHALF OF**

**EVERGY MISSOURI METRO**

**Kansas City, Missouri**
**May 2026**

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**DIRECT TESTIMONY**

**OF**

**KEVIN D. GUNN**

**CASE NO. EA-2026-0154**

## 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 Evergy Metro, Inc. ("Evergy Metro") d/b/a Evergy Missouri Metro ("Evergy Missouri Metro", "EMM", "Applicant", or the "Company"), Evergy Missouri West, Inc. d/b/a Evergy Missouri West ("Evergy Missouri West"), Evergy Metro, Inc. d/b/a Evergy Kansas Metro ("Evergy Kansas Metro"), and Evergy Kansas Central, Inc. and Evergy Kansas South, Inc., collectively d/b/a as Evergy Kansas Central ("Evergy Kansas Central" or "EKC"), the operating utilities of Evergy, Inc. ("Evergy").

**Q: Who are you testifying for?**

A: I am testifying on behalf of Evergy Missouri Metro.

**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 Missouri Public Service Commission ("Commission" or "PSC") from 2008 to 2013 and served as Chair from 2011-2013. Prior to being on the Commission, I served as a lawyer in private practice and as a chief of staff to a Member of Congress from Missouri. After serving on the Commission, I was a regulatory affairs consultant and was Executive Director of Regulatory and Political Affairs, Central Region for NextEra Energy Resources.

**Q: Have you previously testified in a proceeding at the Commission or before any other utility regulatory agency?**

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

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

A: The purpose of my direct testimony is to:

1. Provide an overview of EMM's request for a certificate of convenience and necessity ("CCN") authorizing it to construct, install, own, operate, manage, maintain, and control a 440 MW simple-cycle gas turbine ("SCGT") generating facility, known as Mullin Creek #2, located in Nodaway County, Missouri (the "Project").
2. Explain how this facility meets the requirements set forth in the Commission's CCN rule, as well as the Commission's traditional standards for evaluating and approving CCN requests;

3. State why granting the CCN request for the Project is in the public interest, and how adding the Project to Evergy Missouri Metro's resource generation fleet to serve Evergy Metro's Missouri customers is prudent because it will provide significant customer benefits and help satisfy the Company's future capacity requirements based upon its latest and upcoming integrated resource plan ("IRP") filings;

4. Address why it is appropriate for the Commission to make a determination in this docket on the prudence of the Company's decision to move forward with building the Project for the benefit of Evergy Metro's Missouri customers;

5. Determine in this CCN proceeding under Section 393.170[1] the amount of construction work in progress ("CWIP") that may be included in rate base for the new Mullin Creek #2 natural gas generating unit that is the subject of this case.

6. Provide an explanation of the procedural schedule the Company is proposing for this docket; and

7. Request that the Commission issue its decision approving the Application by December 23, 2026, including approval of the Application's requests for variances described in the Application and below.

In sum, my testimony explains why the Company is requesting the Commission to approve a CCN for the Project, so that the Company may prudently bring online steel-in-the-ground generation now to further the Company's Preferred Plan and as the next phase

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

of EMM's long-term resource planning determined by its IRP. This ensures the Company is well positioned to responsibly meet growing capacity needs with dispatchable generation and maintain affordability for customers, while transitioning and ultimately replacing retiring resources on a reliable, watt-for-watt basis.

**Q: Are there other witnesses testifying in support of the Company's Application?**

A: Yes. In addition to my testimony, the following witnesses are also providing direct testimony in conjunction with the Company's filing in this docket:

- Jason Humphrey, Vice President of Generation Development, provides testimony to: (a) describe the relationship between the Company's IRP process and generation planning; (b) identify the salient elements of EMM's long-term generation plans; (c) provide an overview, from the development perspective, of Mullin Creek #2; (d) describe in general terms the process employed by Evergy that resulted in the selection of Mullin Creek #2; and (e) provide additional context and support for the Company's CCN application.
- Cody VandeVelde, Senior Director of Strategy and Long-Term Planning, provides testimony to (a) describe how Evergy's IRP process and the recent 2025 and 2026 Annual IRP Updates and Preferred Plan for Evergy Metro, support this CCN Application for Mullin Creek #2, and how the Project fits within the overall capacity plan for the Company.
- J Kyle Olson, Director of Generation Projects, provides testimony to: (a) deliver an overview of the natural gas generation addition under review in this docket; (b) explain how the project location was selected; (c) explain

the approach and describe the respective roles of each contractor in connection with the project; (d) summarize the project procurement process; (e) provide project cost estimates; (f) describe project risk mitigation; (g) describe the plan for supplying fuel gas to the project; and (h) outline the costs of the transmission Interconnection Facilities and Network Upgrades assigned to the Mullin Creek #2 project through the Expedited Resource Adequacy Study ("ERAS") by Southwest Power Pool, Inc. ("SPP").

- John M. Grace, Senior Director, Corporate Planning and Financial Performance, provides testimony to describe the Company's plan to finance new generation assets that match the needs identified in Evergy Metro's most recent IRPs, which includes Evergy's plans to finance the proposed investment related to the Project and its ownership. Specifically, he (a) provides an overview of the Company's current investment grade credit ratings, available liquidity, and access to capital markets available to the Company to finance the Project during construction, as well as on-going operations and maintenance of the generating facility; and (b) discusses the ownership structure of the Project and the requested rate treatment, as described by Company witness Ronald Klote in his direct testimony.
- Ronald A. Klote, Senior Director of Regulatory Affairs, provides testimony: (a) to request that the Commission determine the amount of construction work in progress ("CWIP") that may be included in rate base, pursuant to newly enacted Section 393.135.2; (b) to discuss the accounting process the

Company will implement for the jointly owned common plant of the natural gas facilities at the Mullin Creek Generating Station to ensure costs are appropriately allocated according to each utility affiliate's ownership interest; and (c) to explain how 100% of the Project's costs will be allocated or assigned to the Missouri jurisdiction of Evergy Metro.

- JP Meitner, Director of Market Operations, will testify to: (a) the natural gas market as a whole, as well as the supply and pricing dynamics of the infrastructure intended to be used by the Project; and (b) Evergy's natural gas fuel supply plan.
- John Carlson, Director, Project Management and Controls, will testify to Evergy's Project controls, including system and work processes, third-party interactions and work processes, internal and external reporting, as well as describe Evergy's Strategic Governance Framework and the role of the Executive Oversight Committee.

**Q: Could you please provide an executive summary of your testimony?**

A: Evergy's construction of Mullin Creek #2 as proposed in this Application is a significant part of Evergy Metro's Preferred Plan and broader long-term resource plan to meet substantially increased capacity and energy requirements, while ensuring system reliability and hedging future carbon emission risks. Evergy is committed to a multifaceted plan for responsible generation transition, involving (a) new, highly efficient natural gas generation which helps modernize our dispatchable generation fleet, (b) less reliance on older units and coal for generation, (c) growing investment in renewable generation and energy storage resources, and (d) continued focus on demand-side management programs. This plan

results in a balanced, all-of-the-above strategy to maintain and enhance resource adequacy that will benefit Missouri customers for years to come.

Evergy Metro's preferred resource plan, including the Mullin Creek #2 facility, advances the fiscal and economic objectives of ensuring that investments in new generating facilities are prudent, that they are part of a robust, resilient resource plan that considers lower-cost options to meet long-term planning requirements, that they meet our obligation to provide dependable, efficient, and affordable service to Evergy's customers, and that they facilitate the continuation of Missouri's successful economic development achievements. The Company's investment in Mullin Creek #2, to be built in Nodaway County, will bring direct value to northwest Missouri in the form of jobs and tax dollars, as well as to electrical service to EMM customers. The addition of Mullin Creek #2 will ensure that EMM can continue to accommodate Missouri's economic development and business growth, consistent with Senate Bill 4 which enacted key reforms through amendments to Chapter 393.

The proposed construction of the Project meets the needs identified under Evergy Metro's 2025 IRP Annual Update and the recently filed 2026 IRP Annual Update which have established a preferred resource plan that is reasonable, reliable, and efficient. Implementation of that plan is prudent and will result in reasonable cost impacts for the Company's customers, allowing us to maintain our position with respect to regional rate competitiveness while building generation that will ensure the Company can reliably and efficiently serve our customers and meet the demand resulting from economic growth in the state. Additionally, the Project is 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. Overall, the addition of the Project represents the next phase of Evergy's sequenced strategy to provide flexible, reliable, dispatchable capacity that complements renewable generation, and supports load growth, while maintaining affordability of safe and adequate service for all customers.

## II. PROJECT OVERVIEW

**Q: Please describe the natural gas plant proposed in this case.**

A: Evergy Missouri Metro plans to build and own a 440 MW SCGT generating facility, known as Mullin Creek #2, which will be located in Nodaway County, Missouri. The Project will be proximate to the site of the Mullin Creek #1 generating facility (regarding which the Commission granted a CCN in its Report and Order issued in Case No. EA-2025-0075 on July 31, 2025) and will share certain common infrastructure with Mullin Creek #1, as described by Mr. Olson in his testimony.

Mr. Olson's testimony provides additional details regarding Evergy's plan to develop the Project, based on a multitude of criteria to ensure reliability and economic feasibility, and the expected costs associated with its construction.

**Q: What approach is Evergy using to develop the Project?**

A: There are three major components to Evergy's development of the Project – (1) retaining an Owner's Engineer ("OE"), (2) procuring Power Island Equipment ("PIE"), and (3) selection of an Engineer, Procure, and Construct ("EPC") contractor.

Under this structure, the OE will provide technical and managerial support to Evergy, including assistance with oversight of the EPC process and serving as Evergy's representative in the EPC contractor's procurement process. By using an OE with

experience in EPC work to oversee the EPC process, Evergy will be able to apply prudent oversight to that process and the EPC contractor.

The PIE includes the major equipment for Mullin Creek #2, including an advanced J-Class gas turbine, an electrical generator, and related auxiliary systems. Evergy's approach is to procure this equipment from one manufacturer in order to minimize risk, because the PIE vendor will warrant the equipment delivery schedule and performance.

The EPC contractor will design and construct a complete power plant for the Project and will provide Evergy with a facility that complies with the commercial and technical specifications agreed upon during the contracting process. The EPC contract coordinates all engineering design, procurement, and construction work, and is responsible for ensuring the Project is completed on schedule.

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

**Q: Are there benefits to Mullin Creek #2 utilizing the same OE and EPC contractors and technology as Mullin Creek #1?**

A: Yes. Company witness Olson testifies that Mullin Creek #2 is utilizing the same OE and EPC contractor structure, common generation technology, and the same original equipment

manufacturer as Mullin Creek #1. That continuity leads to more efficient, reliable, and cost-effective project delivery through economies of scale. The efficiencies and cost savings derive from repeatable designs, common lessons learned, procurement leverage, and the ability to coordinate long-term service planning, parts, and maintenance across substantially similar units.

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

A: Yes, as indicated in Docket No. EA-2025-0075, Evergy anticipated using the same contractor for Mullin Creek #1 and Mullin Creek #2 to maintain consistency between both units. As Mr. Olson testifies, to maximize efficiencies through a repeated design approach, Evergy has engaged Burns & McDonnell Inc. ("B&M") to be the OE for both units.

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

A: Yes. As Mr. Olson explains, Before Evergy purchased Mullin Creek #1, Evergy conducted a competitive solicitation for the PIE, which constitutes the major plant components, such as the combustion turbine, generator, emissions control equipment, and related auxiliary systems. The selected technology provides fast start capability, deep turndown, and low-emissions performance consistent with supporting Evergy's system reliability and environmental objectives. Based on the results of the Mullin Creek #1 RFP and to maintain consistency between units, Evergy made the decision to reserve Mullin Creek #2 with MPWA.

**Q: What is the status of Evergy's selection of an EPC contractor?**

A: As Mr. Olson explains, Evergy has issued a Limited Notice to Proceed to Kiewit Power Constructors ("Kiewit"), the same EPC contractor used for Mullin Creek #1, for engineering and long-lead procurement activities and expects to issue a full notice to

proceed to the PIE vendor and the EPC contractor in early 2027, following a successful outcome in this case.

## III. THE PROJECT MEETS THE REQUIREMENTS FOR GRANTING A CCN

**Q: Please provide an overview of the regulations that apply to the Company's CCN Application.**

A: The Commission's Rule at 20 CSR 4240-20.045 ("CCN Rule") requires a CCN for an electric utility to construct an electric generating plant under Section 393.170.1. Under the CCN Rule, an "asset" includes an electric generating plant expected to serve Missouri customers and be included in retail rate base, "construction" includes construction of new asset(s), and a utility must obtain a CCN before construction of an asset under Section 393.170.1. See 20 CSR 4240-20.045(1)(A)1, (1)(B)1, & (2)(A)2. The Project is located in Missouri, and Mullin Creek #2 will only serve Evergy Metro's Missouri customers. EMM anticipates, upon approval from the Commission, that the Project will be included in the Company's retail rates.

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

A: Subsections (A) through (K) of CCN Rule 420 CSR 4240-20.045(6) set forth the specific requirements applicable to the Company's request to construct Mullin Creek #2 under Mo. Rev. Stat. § 393.170.1.

**Q: How does the Company address those requirements?**

A: The Application and supporting testimony address the requirements relevant to this construction CCN, with the qualification stated in the Application that the Company seeks to provide more detailed information responsive to subsections (6)(I) and (6)(J) closer to

commercial operation, consistent with CCN Rule Section (3)(C). The Application also states that Mullin Creek #2 will not cross other utility facilities, railroad tracks, or underground facilities. Mr. Olson addresses the Project's description, site, schedule, common plant, project-specific procurement and development approach, and the Company's high-level maintenance approach. Mr. Grace addresses financing. Mr. VandeVelde and Mr. Humphrey address how Mullin Creek #2 relates to EMM's Preferred Plan, and Mr. Humphrey also provides the generation-planning context for the Company's competitive-bidding and self-development approach.

**Q: What other standards has the Commission traditionally employed in evaluating CCN applications?**

A: When determining whether a project is necessary or convenient for the public service, the Commission has traditionally applied five criteria, commonly known as the Tartan factors,[2] which are as follows:

A. Is the service needed?

B. Is the Applicant qualified to provide the service?

C. Does the Applicant have the financial ability to provide the service?

D. Is the Applicant's proposal economically feasible?

E. Does the service promote the public interest?

**Q: Will you be addressing the Tartan factors?**

A: Yes.

[2] In Re Tartan Energy Co. No. GA-94-127, 1994 WL 762882 (Sept. 16, 1994).

## A. THE PROJECT IS NEEDED

**Q: How does the Commission define necessity for purposes of CCN applications, such as this case?**

A: The Commission has followed Missouri's appellate courts, as well as past PSC decisions that have stated that "necessity" requires a showing that the additional service would be an improvement that justifies its costs and that the inconvenience to the public caused by the lack of that service is sufficient to amount to a necessity. In other words, if a project will provide benefits that justify its cost, there is a need for the project. Whether the evidence indicates that the public interest will be served by the award of a CCN is a decision dedicated to the discretion of the Commission.[3]

The courts have stated that "necessity" does not mean essential or absolutely indispensable, but that an additional service would be an improvement justifying its cost.[4] In other words, any improvement, or additional service, which is important to the public convenience and desirable for the public welfare, may be regarded as necessary.[5] If "there is [a] reasonable necessity" for the additional service, and "the public convenience will be enhanced," then the "need" or "necessity" requirement is satisfied by granting the CNN.[6]

**Q: Does the Project satisfy the Tartan factor of need?**

A: Yes. Staff has previously interpreted "need" as a requirement for EMM to demonstrate that there are benefits to the project that justify its cost.[7] Company witness Jason Humphrey describes how this natural gas electrical production facility is vital to meeting the capacity

[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 Applic. for Solar Generation Facilities, No. EA-2022-0043, Memorandum at 7, attached to Staff Recommendation (March 10, 2022).

and energy requirements identified in Evergy Metro's 2026 IRP Annual Update and is consistent with the thermal additions identified in EMM's near-term planning. The Project provides flexible, dispatchable capacity that supports reliability, complements intermittent resources, and helps meet customer demand during periods of extreme weather and load growth.

As Company witness Humphrey explains, Evergy's generation planning reflects four overarching objectives: (1) ensuring system reliability; (2) meeting increased capacity and energy requirements economically; (3) addressing economic development needs; and (4) ensuring a resilient generation portfolio utilizing an all-of-the-above fuel supply strategy.

Evergy's generation plan is multifaceted, involving: (a) new, highly efficient natural gas generation which helps modernize our dispatchable generation fleet, (b) less reliance on older units, (c) growing investment in renewable generation and energy storage resources, and (d) continued focus on demand-side management programs. This plan results in a balanced, all-of-the-above strategy in maintaining resource adequacy that will benefit customers. The Commission's recent report and order in No. EA-2024-0292, approving two solar facilities, directly advances least-cost, diversified portfolio by adding zero-fuel-cost, low-volatility resources that enhance resilience, mitigate fuel and carbon exposure, and support long-term affordability for Missouri customers.[8] Additionally, the Commission's recent report and order in No. EA-2025-0075, approving three natural gas facilities, complements Evergy's renewable buildout with fast-ramping, dispatchable capacity that strengthens reliability, supports peak demand coverage, and provides

[8] See Report & Order, In re EMW CCN App. for Three Natural Gas Facilities, No. EA-2025-0075 (July 31, 2025).

operational flexibility to integrate variable solar output efficiently. Together, these approvals specific to Evergy Missouri West serve as an example to highlight and operationalize the "all-of-the-above" approach Evergy is utilizing at each of its operating utilities.

Evergy's plan advances the fiscal and economic objectives of ensuring that investments in new generating facilities are prudent, that they are part of a robust, resilient resource plan that considers least-cost options to meet long-term planning requirements, that they meet our obligation to provide dependable, efficient, and affordable service to Evergy's customers, and that they facilitate the continuation of Missouri's successful economic development achievements.

With respect to the natural gas generation proposed in this Application, the Mullin Creek #2 simple cycle advanced class combustion turbine corresponds to the 440 MW natural gas generation identified in Evergy Metro's Preferred Plan by 2031, with 100% of the facility being owned by EMM.

Company witness VandeVelde describes the results of the updated IRP analysis that demonstrates how the Project continues to be selected as part of the preferred build plan for EMM customers in order to meet their energy needs over the 20-year planning horizon compared to other options. This value is provided through long-term low-cost energy and capacity to meet the Company's capacity requirements. Indeed, Evergy has discussed in testimony in previous dockets the capacity needs created by SPP's revised resource adequacy requirements, attributable to increased reserve margin requirements and changes in seasonal capacity accreditation standards, as well as the growth already occurring in EMM's system. Again, in this docket, Mr. VandeVelde discusses SPP's

increases to load-serving entities' planning reserve margins and recent publications regarding resource adequacy concerns and new generation resource siting. Finally, Mr. VandeVelde's and Mr. Humphrey's testimony details the importance of the role of the Project in ensuring the Company is able to meet the demand requirements for large load customers receiving service in EMM's service territory.

## B. EVERGY IS QUALIFIED TO PROVIDE THE SERVICE

**Q: Is EMM qualified to provide the service?**

A: Yes. Evergy Missouri Metro has a long history of operating generation, transmission, and distribution facilities that provide electricity in through the construction, operation, and ownership of different power generation assets and methods, including natural gas generation. Mr. Humphrey describes Evergy's history of owning and operating generating facilities, including gas facilities. Therefore, the Company is qualified to own, operate, maintain, control and manage the Project, as well as its related facilities.

As I discussed above, Evergy has also retained a skilled OE to assist with the construction and development of the Project. The OE's expertise will be invaluable as Evergy moves forward and will benefit customers by helping ensure the development and construction process is efficiently executed. Additionally, the EPC contractor constructing this project, Kiewit, is experienced and skilled with construction of natural gas facilities.

## C. THE PROJECT IS ECONOMICALLY FEASIBLE

**Q: What is your understanding of the original purpose of the economic feasibility Tartan Factor?**

A: The economic feasibility factor of Tartan was never intended by the Commission to require that EMM guarantees a particular result, that every cost projection be flawless, and that every construction milestone be reached. Indeed, the Commission noted that Tartan would bear most of the risk associated with recovering the cost resulting from its project and its investment and did not assess whether an individual proposed unit would always operate "in the black" or profitably. Tartan, 1994 WL 762882 at 11-14, No. GA-94-127 (1994). When the competing propane dealers attacked Tartan Energy Company's estimates of non-natural gas costs to be used in setting initial rates for the new utility, the Commission stated that while "it is possible that … these costs have been understated," it was "of the opinion that the rates established [in a stipulation with Staff] are *objectively reasonable* …." Tartan, 1994 WL 762882 at 10 (emphasis added). After considering the propane dealers' arguments claiming that the Tartan natural gas project was not economically feasible and the evidence provided by the parties, the Commission concluded "that there is sufficient evidence from which to find that Tartan's proposal, as modified by the Stipulation, represents a viable project." Id. at 11. Similarly, there is no question that the Project proposed here is "viable." Just as the Tartan order declared that "[t]he question" is "whether the estimates given are reasonable" in finding that the proposal was economically feasible and in the public interest, the Company has plainly passed the reasonableness test in this case where the technology, efficiency, and economics of the Project are clear.

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

A: The Commission's decisions in its Report & Order at 5, In re Empire Dist. Elec. Co., No. EA-99-172, 2000 WL 228658 (Feb. 17, 2000) ("Empire Order"), and its Report & Order on Remand at 27, In re Grain Belt Express CCN, No. EA-2016-0358 (Mar. 20, 2019) ("Grain Belt Express Remand Order"), established an evidentiary threshold to assess whether EMM has provided sufficient evidence to find that a project is economically feasible. For a project to be considered economically feasible, the Company should "provide credible evidence regarding the construction costs and revenue expectations associated with the proposed expansion." See Empire Order at 5. A witness's analysis and conclusions relating to economic feasibility may be credible when they contain "levelized cost of energy, levelized avoided cost of energy, loss of load 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.").

As discussed in other Company witnesses' testimony and EMM's Application, the Company has provided credible evidence of the Project's economic feasibility.

**Q: Do the benefits for EMM customers that result from adding this Project justify the costs associated with its addition?**

A: Yes. First, this Project provides a valuable addition to EMM's portfolio in terms of a firm, dispatchable power plant. As described by Company witness Meitner, this plant will have dual fuel capabilities, lessening the need for both natural gas firm transportation and forward natural gas molecule procurement.

The Project also helps the Company meet its capacity needs, as described in detail by Company witness VandeVelde. Mr. VandeVelde also describes the IRP process for Evergy Metro that identified the need for the addition of the Project. Moreover, as discussed by Mr. Meitner, Evergy plans to pair back-up fuel strategies with a disciplined fuel procurement and laddered hedging program designed to enhance price predictability over time, avoid over-reliance on a single commodity index or supplier, and balance reliability and cost for customers.

**Q: Has Evergy taken steps to ensure the costs for the Project is reasonable?**

A: Yes. As I discussed above, Evergy is developing this project consistent with the approach recently approved in the Evergy Missouri West's most recent natural gas CCN filing, No. EA-2025-0075. As such, Evergy has procured an OE, PIE, and an EPC. We have worked to minimize the risk and uncertainty associated with the transmission upgrades that will be required to connect the new generation to the transmission system and have taken steps at SPP to support a shift in cost allocation methodology that would benefit Evergy's customers. Evergy has also capitalized on economies of scale that result from planning and constructing multiple natural gas plants across its affiliate utilities. Standardizing scope and applying a "design once, build many" approach further contain costs, improve

constructability, and reduce execution risk—practical measures intended to mitigate rate impacts while delivering needed, reliable, dispatchable capacity.

**Q: What is the current estimate of the capital costs to complete the Mullin Creek #2 project?**

A: As described in more detail by Company witness Olson, the current capital cost estimate for the Mullin Creek #2 project is approximately **[redacted]**. This amount includes **[redacted]** associated with the generation portion of the project, or roughly **[redacted]** per kW. It also includes $13,069,532 in estimated Interconnection Facilities costs, as well as the cost for required transmission Network Upgrades which is currently estimated at $6,200,960.

**Q: Does the estimate of the cost of the SCGT provided by Mr. Olson in his direct testimony vary from the cost estimate Evergy used in the 2025 Annual IRP Update analysis, as well as vary from the cost estimate for Mullin Creek #1?**

A: Yes. As further discussed by Company witnesses Olson, Humphrey, and VandeVelde, the increase in estimated costs for Mullin Creek #2 reflects changes in market conditions since the estimates for Mullin Creek #1 were developed, including inflationary pressures, equipment and construction cost escalation, and broader supply-chain and capacity constraints affecting the power-generation industry.

**Q: How did Evergy account for this significant change in input with respect to the IRP which supports EMM's request in this proceeding?**

A: As Mr. VandeVelde explains, Evergy performed an updated IRP analysis in the 2026 IRP Annual Update, changing the cost of natural gas generation to be consistent with the cost estimate provided by Mr. Olson. The results of that updated analysis indicated that EMM's

investment in 100% of the Mullin Creek #2 plant is still the selected plan through 2031. Importantly, the 2031 CT was selected in every single alternative resource plan tested across both the 2025 and 2026 IRPs—regardless of the retirement scenario, critical uncertain factor assumptions, or near-term build option tested. Thus, this updated analysis continues to support EMM's plan related to the SCGT proposed in this docket. In fact, Company witness VandeVelde notes that Evergy Metro tested an alternative resource plan that did not allow Mullin Creek #2 as an option to be built, and this plan resulted in an approximately $245 million *higher* net present value revenue requirement ("NPVRR") when compared to Evergy Metro's Preferred Plan ACAA.

With respect to our proposal in this docket, the fact is that the Company must add generation that provides capacity and energy in order to meet needs related to load growth, increasing SPP reserve margin requirements, and ensure the continued reliability of its system. Even with the changed assumption related to cost, the addition of the SCGT is the best approach for EMM to meet those needs and maintain reliability for its customers.

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

A: Yes. Evergy has included pricing information from a firm power island equipment bid, as well as the level IV cost estimate from our OE as the basis for our pricing. Additionally, Evergy reviewed information from recent filings in other jurisdictions and determined that the costs in those cases are very similar to what we are proposing here. Mr. Olson discusses that Evergy has reviewed proceedings and IRPs in other states that include cost estimates for new natural gas plants similar to Evergy's initial cost estimate.

**Q: Is Evergy taking any steps to mitigate potential risks affecting the project schedules and projected costs?**

A: Yes. The fixed-price structure and well-defined scope of work that will be part of the Mullin Creek #2 EPC contract are the principal mitigation tools to minimize the effect risks might have on project costs. Company witness Olson describes this and other risk mitigation efforts that Evergy is addressing as part of this Project, and Company witness Meitner discusses risk mitigation associated with the Project gas purchase plan.

## D. EMM HAS THE ABILITY TO FINANCE THE PROJECT

**Q: Does Evergy Missouri Metro have the ability to finance the purchase and operation of the Project?**

A: Yes. EMM has experience in financing the purchase and operation of large projects. Mr. Grace further describes how the Company plans to responsibly finance this Project through balancing short-term liquidity and open windows in the capital markets, and by maintaining a capital structure indicative of its current credit ratings.

## E. THE PROJECT IS IN THE PUBLIC INTEREST

**Q: Please describe how the public interest will be served by a grant of the requested CCN?**

A: In addition to the factors discussed above, which demonstrate that approval of this Application is in the public interest, Company witness Mr. Humphrey describes the responsible portfolio transition of Evergy's generation fleet in detail. The addition of the Project's proposed natural gas plant is a key element of Evergy's generation plan.

More recently in the 2024 IRP process, both Staff and OPC have taken positions concerning the Company's need to build dispatchable thermal generation. Staff expressed

concern with the risk borne by ratepayers due to the Company's shift toward renewables instead of dispatchable generation.[9] As discussed by Mr. Humphrey, granting the CCN advances Governor Kehoe's economic development objectives, including the ability to serve announced large load customers, while preserving reliability and sustainability for all customers across Evergy's and SPP's footprint. By proceeding now with the Project's efficient, advanced-class technology, Evergy can maintain affordability through economies of scale and fuel risk management, and support job creation and local tax bases, thereby serving the public interest.

## IV. REQUEST FOR DECISIONAL PRUDENCE

**Q: Does the CCN Rule authorize the Commission to make a prudence determination regarding an asset that is to be operated so as to serve Missouri customers and to be included in rate base used to set customers' retail rates?**

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

[9] Staff Report at 2-3, No. EO-2024-0154.

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

A: Yes. There is no reason why the Commission should not address decisional prudence in this case. The Company's Application, supporting exhibits, testimony, and schedules contain every piece of evidence needed to evaluate and make a determination whether it is prudent for the Company to build and acquire this gas facility for the benefit of its Missouri customers. All the information related to the IRP analyses, RFP process and evaluation, technical due diligence, ownership, operational model, and transaction prices will be included in this proceeding. All of these issues and facts are encompassed by the Tartan factors, especially the final factor that analyzes whether the acquisition and operation of the Asset promotes the public interest. Even with a finding of decisional prudence in this CCN docket by the Commission, other matters of prudence (such as around construction and final costs) would be reserved for a future rate case after the new resources are constructed and in-service. This is the appropriate case and time for the Commission to make a determination on the prudence of moving forward with building this specific resource for the benefit of EMM customers, especially considering the long lead time associated with new generation construction. A prudence determination here will also evidence a balanced approach to resource planning that fortifies reliability and supports economic development, while attempting to mitigate broader rate impacts through standardized designs, programmatic procurement, and prudent fuel risk management.

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

A: Yes. In its March 21, 2024 Order in No. EA-2023-0291 approving Evergy Missouri West's Application for Permission and Approval of a Certificate of Public Convenience, the Commission states: "The Commission determines that Evergy Missouri West's decision to

acquire and operate the Dogwood Energy Facility, pursuant to the terms of this Unanimous Stipulation and Agreement, is prudent, subject to the Commission's subsequent review of costs and applicable timelines."

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

Similarly, in No. EA-2024-0292, the Commission ap proved a Unanimous Stipulation and Agreement in which the signatories agreed that Evergy Missouri West's decisions to construct, acquire, and operate the Sunflower Sky and Foxtrot solar facilities were prudent. See Order Approving Stipulation and Agreement and Granting Certificates of Convenience and Necessity at 4, No. EA-2024-0292 (July 31, 2025) (approving the Agreement and ordering the signatories to comply with it); id., attached Unanimous Stipulation and Agreement ¶ 3 (providing that those decisions "are both prudent").

**Q: How does a determination of decisional prudence by the Commission at this time promote predictability and certainty for Evergy?**

A: A finding of decisional prudence in this regarding the Project case allows Evergy to have the certainty of knowing that its investments for construction of the proposed Project have been reviewed, scrutinized, and found to be reasonable prior to construction. Further, such finding provides certainty that the Commission has determined building the facility to serve

Evergy Metro's Missouri customers is prudent. This is crucial given the magnitude of the investment anticipated by Evergy and the risks related to such a substantial investment.

## V. REQUEST FOR CONSTRUCTION WORK IN PROGRESS

**Q: What is the Company's request regarding construction work in progress ("CWIP")?**

A: EMM requests that the Commission determine under Section 393.135.2 the amount of CWIP that may be included in rate base for Mullin Creek #2, a new natural gas generating unit. The direct testimony of Company witness Ronald Klote provides support for this request, explaining how it will incentivize the construction of new natural gas generation, provide savings to customers, and expand the Company's electrical capacity.

## VI. PROPOSED PROCEDURAL SCHEDULE

**Q: Is Evergy proposing a specific schedule for this docket?**

A: Yes, we have attached our proposed schedule attached to the Application as **Exhibit A**. EMM respectfully requests that the Commission issue a final order by December 23, 2026, to allow construction of Mullin Creek #2 to proceed. A final Commission order by this date will allow the Company to issue the official Notice to Proceed (NTP) on the Project by no later than early 2027. If the NTP is delayed, there is increased risk that the Project will not achieve its targeted commercial operation date.

## VII. REQUESTED VARIANCES

**Q: Is the Company seeking any variances?**

A: The Application seeks certain variances, per 20 CSR 4240-2.060(4) and CCN Rule Section 3(C), so that the Company may provide later submissions regarding an overview of plans

for operating and maintaining the Project and an overview of plans for restoration of safe and adequate service after significant, unplanned/forced outages.

## VIII. CONCLUSION

**Q: Please summarize your testimony.**

A. The Commission should grant EMM's request for a CCN related to its 100% ownership share of the Mullin Creek #2 SCGT and find that Evergy Metro's decision to add this generation resource to serve its Missouri customers is prudent. Evergy Missouri Metro's Application and supporting documents and testimony demonstrate that its plan for constructing the Mullin Creek #2 natural gas generation facilities is reasonable, reliable and efficient, and that Evergy's decision is prudent under the circumstances.

EMM's CCN request is directly consistent with Evergy Metro's 2026 IRP Preferred Plan. Additionally, Mullin Creek #2 corresponds to the 440 MW of simple-cycle capacity identified for 2031 in Evergy Metro's Preferred Plan. The Project enables Evergy Missouri Metro to meet growing customer demand, accommodate substantial important economic development and growth in Missouri, to enhance the Company's investment in dispatchable natural gas facilities, and to provide substantial economic benefits to Missouri in terms of jobs and tax dollars. Therefore, the Project enables EMM to timely strengthen the capacity and reliability of its system, meet and supply the needs of a growing economy with additional demands on its system, but do so competitively and affordably for its customers.

The Company requests the Commission adopt the proposed procedural schedule identified in **Exhibit A** to the Application. Additionally, the Company requests that the

Commission should issue its decision approving the Application by December 23, 2026, including approvals of the Application's requests for variances.

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

A: Yes, it does.

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

| | | |
|---|---|---|
| In the Matter of the Application of Evergy Metro, Inc., d/b/a Evergy Missouri Metro for Permission and Approval of a Certificate of Convenience and Necessity Authorizing it to Construct, Install, Own, Operate, Manage, Maintain, and Control a Natural Gas Electrical Production Facility | ) ) ) ) ) ) | Case No. EA-2026-0154 |

**AFFIDAVIT OF KEVIN D. GUNN**

**STATE OF MISSOURI** )
) **ss**
**COUNTY OF JACKSON** )

Kevin D. Gunn, being first duly sworn on his oath, states:

1. My name is Kevin D. Gun. I work in Kansas City, Missouri and I am employed by Evergy Metro, Inc. as Vice President – Regulatory and Government Affairs.

2. Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of Evergy Missouri Metro consisting of twenty-eight (28) 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.

Kevin D. Gunn

Subscribed and sworn before me this 14th day of May 2026.

Notary Public

My commission expires: April 26, 2029.

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

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

Docket No.: EA-2026-0154
Date: May 14, 2026

CONFIDENTIAL INFORMATION

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The following information is provided to the Missouri Public Service Commission under CONFIDENTIAL SEAL:

| **Document/Page** | **Reason for Confidentiality from List Below** |
|---|---|
| Gunn Direct, p. 20, lns. 6-8 | 3, 4, and 6 |

Rationale for the "confidential" designation pursuant to 20 CSR 4240-2.135 is documented below:

1. Customer-specific information;

2. Employee-sensitive personnel information;

3. Marketing analysis or other market-specific information relating to services offered in competition with others;

4. Marketing analysis or other market-specific information relating to goods or services purchased or acquired for use by a company in providing services to customers;

5. Reports, work papers, or other documentation related to work produced by internal or external auditors, consultants, or attorneys, except that total amounts billed by each external auditor, consultant, or attorney for services related to general rate proceedings shall always be public;

6. Strategies employed, to be employed, or under consideration in contract negotiations;

7. Relating to the security of a company's facilities; or

8. Concerning trade secrets, as defined in section 417.453, RSMo.

9. Other (specify) _____.

Should any party challenge the Company's assertion of confidentiality with respect to the above information, the Company reserves the right to supplement the rationale contained herein with additional factual or legal information.