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Exhibit No. 24

Evergy Missouri Metro – Exhibit 24
Direct Testimony of Melissa K. Hardesty
Case No. ER-2026-0143

Exhibit No.:	
Issue:	Excess Deferred Income Taxes; Current and Deferred Income Tax; Accumulated Deferred Income Tax; Potential Federal Tax Increase; Property Tax; Nuclear Production Tax Credit
Witness:	Melissa K. Hardesty
Type of Exhibit:	Direct Testimony
Sponsoring Party:	Evergy Missouri Metro
Case Nos.:	ER-2026-0143
Date Testimony Prepared:	February 6, 2026

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2026-0143

DIRECT TESTIMONY

OF

MELISSA K. HARDESTY

ON BEHALF OF

EVERGY MISSOURI METRO

Kansas City, Missouri
February 2026

TABLE OF CONTENTS

I. INTRODUCTION 1
II. RB-125 ACCUMULATED DEFERRED INCOME TAXES 2
III. CS-125 INCOME TAX 4
IV. NUCLEAR PRODUCTION TAX CREDIT 10
V. RB-126 / CS-126 PROPERTY TAX 15

DIRECT TESTIMONY

OF

MELISSA K. HARDESTY

Case No. ER-2026-0143

I. INTRODUCTION

Q: Please state your name and business address.

A: My name is Melissa K. Hardesty. My business address is 1200 Main, 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 Senior Director of Taxes for Evergy Metro, Inc. d/b/a as Evergy Missouri Metro ("Evergy Missouri Metro", "EMM" or the "Company"), Evergy Missouri West, Inc. d/b/a Evergy Missouri West ("Evergy Missouri West" or "Company"), Evergy Metro, Inc. d/b/a Evergy Kansas Metro ("Evergy Kansas Metro"), and Evergy Kansas Central, Inc. and Evergy South, Inc., collectively d/b/a as Evergy Kansas Central ("Evergy Kansas Central") the operating utilities of Evergy, Inc.

Q: On whose behalf are you testifying?

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

Q: What are your responsibilities?

A: My responsibilities include management of taxes for Evergy Missouri Metro, including income, property, sales and use, and transactional taxes.

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

A: I graduated from the University of Kansas in 1996 with a Bachelor of Science in Accounting. After completion of my degree, I worked at the public accounting firm Marks,

Stallings & Campbell, P.A. as a staff accountant from 1996 to 1999. In 1999, I went to work for Sprint Corporation as a Tax Specialist in the company's federal income tax department. I held various positions at Sprint from 1999 to 2006. When I left Sprint to join Evergy in December 2006, I was Manager of Income Taxes for Sprint's Wireless Division. I joined Evergy as the Director of Taxes and was subsequently promoted to my current position of Senior Director of Taxes for Evergy in May of 2009.

Q: Have you previously testified in a proceeding at the Missouri Public Service Commission ("MPSC" or "Commission") or before any other utility regulatory agency?

A: Yes.

Q: What is the purpose of your testimony?

A: The purpose of my testimony is to describe the various tax related adjustments included in the revenue requirement model (Schedule MKH-1 attached to this testimony). The schedule includes various adjustments for accumulated deferred income taxes in rate base, income tax expense, and property tax expense. I will also provide background on the Nuclear Production Tax Credit ("Nuclear PTC"), the associated treatment in the revenue requirement and explain the Company's tracker request.

II. RB-125 ACCUMULATED DEFERRED INCOME TAXES

Q: Please explain adjustment RB-125.

A: We adjusted June 30, 2025, Accumulated Deferred Income Taxes ("ADIT") in adjustment RB-125. Deferred income taxes represent the tax on timing differences for income and deductions reported on EMM's income on EMM's income tax returns compared to what

is reported for book purposes. ADIT represents the accumulated balance of these income tax timing differences at a point in time.

Q: What are the ADIT adjustments to EMM rate base?

A: Adjustment RB-125 relates to items included in EMM ’s rate base or net operating income. This schedule reflects the deferred tax liabilities relating to depreciation and other expenses deducted for the tax return in excess of book deductions resulting in a rate base decrease. It also reflects deferred tax assets that serve to increase rate base.

Q: Why does ADIT affect rate base?

A: ADIT liabilities such as accelerated depreciation are considered a cost-free source of financing for ratemaking purposes. Ratepayers should not be required to provide for a return on plant in service that has been funded by the government in the form of reduced (albeit temporarily) taxes. As a result, ADIT liabilities are reflected as a rate base offset (reduction in rate base). Conversely, ADIT assets such as the timing difference related to accrued maintenance increase rate base. EMM has paid taxes to the government in advance of the time when such taxes are included in cost of service and collected from ratepayers. To the extent taxes are paid, EMM must borrow money and/or use shareholder funds. The increase to rate base for deferred income tax assets allows shareholders to earn a return on shareholder provided funds until recovered from ratepayers through ratemaking.

Q: What time period was used for ADIT in this case?

A: ADIT is based in general on June 30, 2025, general ledger balances, with the plant-related ADIT balances adjusted for projected plant activity through June 30, 2026, as reflected in rate case adjustment RB-20. In addition, Pension related ADIT balances were adjusted for projected activity through June 30, 2026, as reflected in rate case adjustments RB-65.

III. CS-125 INCOME TAX

Q: Please explain adjustment CS-125.

A: We adjusted test period income tax expense based on various adjustments to test year taxable income. The adjusted income tax calculation is shown on Schedule MKH-1. The income tax adjustment includes current income taxes, deferred income taxes, and the amortization of investment tax credits ("ITC") and certain other amortizations.

Q: Please explain the current income tax component in cost of service as calculated in Schedule MKH-1.

A: Jurisdictional operations and maintenance deductions and other adjustments are applied against jurisdictional revenues to derive net jurisdictional taxable income, which is then used to compute the jurisdictional current income tax expense component (current provision) for cost of service. For book purposes, these adjustments are the result of book versus tax differences and their implementation under normalization or flow through tax methods. Each adjustment is either added to or subtracted from net income to derive net taxable income for ratemaking. For Schedule MKH-1, however, a simplified methodology is used that eliminates the need to specifically identify all book and tax differences. Most significantly, all basis differences between the book basis and tax basis of assets are ignored in the current tax provision. Accelerated tax depreciation is used in the currently payable calculation based on the tax basis of projected plant in service as identified in adjustment RB-20. The difference between the accelerated depreciation deduction for tax depreciation on tax basis assets and the book depreciation deduction calculated on a straight-line basis generates offsetting deferred income tax. The resulting income tax expense, considering both the current and deferred income tax components, reflects a level of total income taxes

as if the depreciation deduction to arrive at taxable income was based solely on depreciation of projected tax basis assets calculated on a straight-line basis. This modified approach normalizes depreciation relating to the method differences (*e.g.*, accelerated versus straight-line) and life differences. The Company and the MPSC Staff have used this modified approach since the 2014 Rate Case.

Q: Please describe the adjustments to derive net taxable income for ratemaking.

A: The following are the primary adjustments to derive net taxable income for ratemaking purposes:

- Book depreciation and amortization expense (adjustments CS-120 through CS- 121) have been excluded from the deductions listed on Schedule MKH-1. As previously discussed, accelerated tax depreciation on both projected depreciable plant and projected amortizable plant is subtracted to derive taxable income.
- A portion of Meals and Entertainment expense is added back in to derive net taxable income since a portion of certain meals and entertainment expenses is not tax deductible. This adjustment increases taxable income and ultimately increases the current income tax provision. The amount by which taxable income was increased is equal to the amount for the 2024 federal income tax return.
- A deduction for dividends paid into employee 401(k) plans is included in deriving net taxable income since these dividends are deductible for tax purposes.

- Interest expense is subtracted to derive net taxable income. It is calculated by multiplying the adjusted jurisdictional rate base by the weighted average cost of debt as recommended in this proceeding. This is referred to as "interest synchronization" because this calculation ensures that the interest expense deducted to derive current taxable income equals the interest expense provided for in rates.

Q: Once the deductions and adjustments have been applied to net income to derive taxable income for ratemaking, what further deductions from taxable income are applied before calculating the two components of current income tax expense: federal current income tax expense and Missouri state current income tax expense?

A: Before calculating federal income taxes, Missouri state income taxes are deducted. Before calculating Missouri state income taxes, one-half of federal income taxes are deducted.

Q: What rate is used to compute the current income tax component?

A: The current income tax calculation utilizes the 21% federal tax rate and a 4% Missouri state tax rate, each of which is applied independently to the appropriate level of taxable income as discussed above. The federal and state income tax rates are used to compute the composite tax rate of 23.844% which is used to calculate deferred income taxes, discussed below. The composite tax rate reflects the federal benefit relating to deductible Missouri state income tax and the Missouri benefit of deducting 50% of federal income taxes when computing the current Missouri tax provision.

Q: Is the current federal tax expense, determined by multiplying current taxable income by the federal income tax rate, further reduced by tax credits?

A: Yes, the research and development ("R&D") credit, the solar and nuclear production tax credits, and the federal excise tax credit for fuel reduce the current federal income tax due.

Q: Please explain the R&D tax credit on Schedule MKH-1.

A: IRC Section 41 allows for a federal tax credit based on the amount of qualified research expenses incurred. The adjustment shown on this schedule as a direct reduction of the currently payable federal income tax expense reflects the estimated R&D tax credit for EMM based largely on the amount claimed on the 2023 federal tax return with adjustments for estimated differences in costs for the test period.

Q: Please explain the solar production tax credit on Schedule MKH-1.

A: IRC Section 45 allows for a federal tax credit based on the amount of megawatts produced by the Hawthorn Solar facility multiplied by $30.00. The adjustment shown on this schedule as a direct reduction of the currently payable federal income tax expense reflects the estimated Solar production tax credit for EMM based on an annualized amount of power we produced from January 2025 through June 2025.

Q: Please explain the nuclear production tax credit on Schedule MKH-1.

A: IRC Section 45U allows for a federal tax credit based on the amount of megawatts produced by the Wolf Creek nuclear generation facility multiplied by $30.00. Additional information for this adjustment on Schedule MKH-1 is included in the Nuclear Production Tax Credit section of my testimony.

Q: Please explain the federal excise tax credit for fuel.

A: IRC Section 212 allows for a federal tax credit for excise taxes paid on fuel used for off-highway business use by a taxpayer in a trade or business or in an income producing activity. The adjustment shown on this schedule as a direct reduction of the income tax expense reflects the federal excise tax credit reported on EMM's 2024 federal tax return.

Q: Please explain the deferred income tax component of cost of service as calculated in Schedule MKH-1.

A: The deferred income tax component of cost of service is primarily the result of applying the composite income tax rate (23.844%) to the difference between projected accelerated tax depreciation used to compute current income tax, as discussed earlier in this testimony, and projected book depreciation.

The other main deferred tax items are the amortization of excess deferred income taxes, AFUDC Equity reversal, and other miscellaneous flow-through items.

Q: Please explain what the amortization of excess deferred income taxes represent?

A: Excess deferred income taxes primarily reduce the income tax component of cost of service. During the 1980's and up until 2017, the federal tax rate was higher than current federal tax rate of 21%. Since deferred taxes were provided at the rate in effect when the originating timing differences were generated, the deferred income taxes were provided at a rate higher than the tax rate that is expected to be in existence when the timing differences reverse, and the taxes are due to the government. This difference in the federal rates is being amortized into cost of service over the remaining book lives of the assets that generated the timing differences for protected plant related temporary differences, as agreed to in the 2018 general rate case. The amortization of the projected balances of the

federal excess deferred income taxes on all other unprotected timing differences on December 31, 2026, is being amortized over new 4-year period to ensure that customers receive the appropriate amount of tax benefits in rates. Similarly, the projected balances of the excess deferred income taxes on differences in the Missouri income tax rate for periods before 2020 are also amortized over a new 4-year period.

Q: Are there other amounts of excess deferred income taxes included in the adjustment for income taxes?

A: Yes. The Company has two other types of excess deferred income taxes included in this case.

(1) The Company was required to defer the amortization of federal excess deferred income taxes related to the Tax Cut and Jobs Act of 2017 prior to when rates were effective in EMM's 2018 rate case (not already given back as a bill credit), per the Stipulation and Agreement approved with the rate order in case ER-2018-0145; and

(2) The Company deferred the amortization of excess deferred income taxes that was directly related to the retirement of the Montrose generation station at the end of 2018 after rates were set in the 2018 rate case. The projected balance of these two types of excess deferred income taxes at December 31, 2026, are also being amortized over a new 4-year period to ensure that customers receive the appropriate amount of tax benefits in rates.

Q: Does the Company expect there to be another federal corporate tax rate change during the duration of this rate case?

A: It is uncertain whether another federal tax rate change could occur during this rate case. However, if Congress does enact new legislation that would increase or decrease the

federal corporate tax rate before the true-up period in this case, the Company requests that any impact of the rate change and any amortization of any new deficient or excess deferred taxes generated be included as an adjustment in this case.

Q: What does the AFUDC Equity reversal and other miscellaneous flow-through represent in the adjustment for income taxes?

The AFUDC Equity reversal adjustment represents the reversal of the book amortization of AFUDC Equity placed in service in prior years not allowed for tax purposes and the other miscellaneous flow-through items represent the reversal of book amortization of other small items placed in service and flowed through to ratepayers in prior years.

Q: Please explain the ITC amortization component in cost of service as calculated in Schedule MKH-1.

A: In prior years, the company generated investment tax credits ("ITC") under IRC Section 46 and IRC Section 48 on certain facilities. Under the IRS normalization rules, the ITC is amortized ratably back to customers over the remaining book lives of the underlying assets. The ITC amortization is a reduction to the income tax component of cost of service.

IV. NUCLEAR PRODUCTION TAX CREDIT

Q. Please explain the Nuclear PTC.

A. Beginning with the 2024 tax year, Internal Revenue Code Section 45U allows for a federal tax credit based on the amount of electricity generated and sold by a nuclear facility. The amount of the base credit is determined by multiplying the kilowatt hours generated by $0.003. The law also requires the base credit to be reduced by 16% of gross receipts received for the sale of electricity.

The amount of the credit is increased five times to $0.015 per kilowatt hour if prevailing wage requirements are met. To meet the requirements, all individuals (including contractors) who work on repairs or alterations of the facility must be paid a prevailing wage determined by the federal Department of Labor for the county in which it is located. The Company believes it will meet the prevailing wage requirements to be eligible for the five-time increase in the credit amount.

Q: Does EMM expect to generate nuclear PTCs?

A: It is still uncertain whether the Company will be able to claim any nuclear PTC for the Wolf Creek Generating Station. Internal Revenue Code Section 45U(b)(2)(A)(ii)(I) provides that the gross receipts to be considered in calculating the reduction amount are those derived "from any electricity produced by such facility (including any electricity services or products provided in conjunction with the electricity produced by such facility) and sold to an unrelated person during such taxable year." Therefore, the determination of gross receipts is critical to the calculation of the amount of credit available under Section 45U. EMM expects that the gross receipts from the facility will either be computed using the prices determined by the Southwest Power Pool when electricity is sold into the market or by the amount of revenue received from customers related to Wolf Creek as provided in EMM's general rate cases.

The amount of credit computed under these two methods is significantly different. In fact, the estimated amount of credit using SPP market pricing is between $60 million to $70 million (100% EMM) on an annual basis from 2024 to 2032 and no credit is generated if gross receipts (revenue) from customers are used. EMM believes that SPP market pricing is a reasonable method to determine gross receipts used to compute the credits and we

anticipate that we will use the SPP market pricing method to determine the nuclear PTC credit for its federal tax returns. This will preserve any tax benefits that may be available. However, the Company may need to change the computation of the credit if guidance is received from the IRS that requires the use of the revenue received from customers to compute the credits.

Q: What is the amount of the nuclear PTC included in the income tax calculation included in this case?

A: We have computed the nuclear PTC credits using SPP market pricing in this case. And, all nuclear PTC credits generated by the Company so far have been deferred into a regulatory liability to be returned to customers in the future. We believe it is fair to return the benefits of the credits to the customers after we have been able to use the credits to offset the tax liability of the Company or have been able to sell the credits to a third party. We expect to sell the 2025 nuclear PTC credits to a third party in the first six months of 2026. Therefore, we have included an amortization of the 2025 credits expected to be sold. The requested amortization of the 2025 nuclear PTC is over 5 years, or $12,433,730, and is included as a reduction to income tax expense in cost of service.

Q: Has the Internal Revenue Service ("IRS") provided any guidance on how to compute the gross receipts?

A: At the time of this filing, no guidance has been issued by the IRS regarding the computation of gross receipts for the provisions of Section 45U. However, it is possible that guidance will be issued before the true-up date for this case. If guidance is issued, the Company may adjust the amount of nuclear PTCs included in the income tax expense

component of cost of service to reflect any changes needed to determine the appropriate amount nuclear PTCs available to the Company,

Q: Why is it reasonable for the Commission to provide a tracker for nuclear PTC?

A: While the amount of nuclear PTC is still uncertain, the Company believes customers should receive the full benefit from any credits generated. A tracker will ensure that all benefits related to the nuclear PTCs, if any, are returned to customers.

Q: Are there any other benefits or expenses related to nuclear PTC that should be included in the tracker?

A: Yes. Nuclear PTCs may be used to offset income tax liabilities for up to 20 years before they expire. Due to the magnitude of the potential credits available, the Company may not be able to use all of the credits generated before their expiration date. Therefore, it may become necessary to sell a portion of the nuclear PTC before this happens. To ensure that customers do not lose any benefits or to accelerate the benefit, we may engage with an outside party to sell the credits at a discount. If sold at a discount, we believe it is appropriate to include an offset to the deferral of any nuclear PTC for the reduction in the benefit received and any other outside expenses directly associated with the transaction. This will ensure that any return of nuclear PTC's to EMM's retail customers matches the actual realized value from the PTCs.

Q: When should the return of tax benefits to customers in rates of any deferral of nuclear PTC begin?

A: Similar to the amortization of investment tax credits, we believe it is appropriate for the amortization of any deferred nuclear PTC to begin once the credits are used to offset the tax liability of EMM or once any funds are received upon the sale of these credits in the

future. To determine the appropriate amount to amortize, the amount of nuclear PTC asset in deferred income taxes should be netted against the nuclear PTC deferred in a regulatory liability. Once a vintage of nuclear PTC credit is used to offset the tax liability of the company or sold, it will no longer be in deferred income taxes and net remaining balance of the deferred tax asset with the regulatory liability will be available to begin amortization. As I noted earlier, we also believe that an amortization period over 5 years will return the tax benefits to ratepayers over a reasonable period without a large impact on rates once the amortization is complete. The unamortized deferred income tax asset and the regulatory liability account balance will be included in rate base and used to establish the revenue requirement in the rate case.

Q: Are there other uncertainties caused by the lack of IRS guidance?

A: Yes. Without clear IRS guidance on calculation gross receipts tax, the Company may sell nuclear PTCs based on its current interpretation. Under the approach described herein, the Company will begin the amortization of the credits and provide tax benefits to customers once the credits are utilized or sold in its next general rate proceedings. Subsequently, the IRS may determine that the Company misapplied the tax code, resulting in the Company earning fewer nuclear PTCs than were sold. In this case, the Company would unwind the sale by returning value to the purchaser. Some of that value may have already been passed on to customers. The tracker will enable the Company to recover any tax benefits that may have already been returned to customers.

V. RB-126 / CS-126 PROPERTY TAX

Q: Please explain adjustment RB-126 and CS-126.

A: The Company included in its revenue requirements the estimated property tax deferral balance at June 30, 2026 in adjustment RB-126 and the estimated 2025 real estate and personal property tax expense and payments-in-lieu-of-taxes ("PILOT") that will be paid based on the June 2025 budget as well as the amortization of the previous property tax deferral over four years in adjustment CS-126.

Q: Do the various components of the real estate and personal property tax adjustment discussed above take into effect tax amounts allocated to vehicles and charged to accounts other than property tax expense and amounts allocated to non-utility plant?

A: Yes, these components have been excluded from the total estimated property taxes.

Q: Please explain the PILOT adjustment.

A: The Company has placed in-service two generation facilities located in Ford County, Kansas. The first facility was placed in-service in 2006, and the second facility was placed in-service during 2010. Pursuant to K.S.A. 79-201, Eleventh, such property is exempt from real and personal property taxes. To ensure proper permitting, EMM entered into agreements to provide PILOT payments to the taxing authorities where these facilities are located.

Q: Does Kansas law provide for a PILOT on property that is exempt from property taxes?

A: Yes. Pursuant to K.S.A. 12-147, taxing subdivisions of the state of Kansas are authorized and empowered to enter into contracts for a PILOT with the owners of property that are exempt from ad valorem taxes.

Q: Please explain the PILOT agreements relating to the wind generating facility located in Ford County, Kansas.

A: Separate agreements exist with Ford County and USD #381 that provide for 30 annual payments for both facilities. The first wind farm, placed in-service in 2006, had the first PILOT payment due in 2007 with the payments escalating between 2.5% and 3% per year afterwards. The second wind farm, placed in service in 2010, had the first PILOT payment due in 2011 with the payments also escalating between 2.5% and 3% per year afterward. These payments were necessary to secure agreements with landowners and community leaders to site the wind facility.

Q: Is the Company requesting amortization of the Property Tax Tracker allowed by Missouri statute in this rate case?

A: Yes. The Company has deferred property tax expense incurred in excess of the amount that was allowed in base rates from the 2018 rate case for the period August 28, 2022, through January 8, 2023, and from the 2022 Rate Case for the period January 9, 2023, through June 30, 2026, in accordance with Missouri Revised Statute § 393.400. Staff's true-up EMS model and the Company's true-up model in the 2018 rate case had the same level of property tax expense (other than Staff removed plant related to EV charging stations from the calculation of property tax expense). We are requesting that we be allowed to amortize the balance of this tracker at June 30, 2026, back through cost of service over four years.

Q: Please explain how the Property Tax Tracker works.

A: The difference between the actual property tax expense incurred and the property tax expense amount used in setting rates in the most recently completed general rate case proceeding (base rates) has been deferred into a regulatory liability account. The regulatory

liability account balance will be included in the Company's subsequent general rate proceeding through an amortization over a period of time set by the Commission. The unamortized regulatory liability account balance will also be included in Rate Base and used to establish the revenue requirement in the rate case.

Q: Why is it reasonable for the Commission to provide a tracker for property taxes?

A: Historically, and projected going forward, the Company has experienced an under-recovery of property taxes paid. In some years, the under-recovery is significant. Property tax valuations are determined by the State of Missouri and Kansas, and mill levies are set by various Missouri and Kansas taxing jurisdictions. EMM assists the State assessors to ensure that it receives a fair valuation. However, the final valuations are set by the State, and the Company has no input on how mill levies are set. There should be no negative effect on the Company's ability to earn its authorized return due to taxes assessed by Missouri and Kansas that benefit its customers, especially given that the Company has little control over the assessments. Additionally, the tracker is structured to provide the value of any adjustments, including reductions, in property tax expense back through the tracker which could benefit ratepayers.

Q: How was the four-year amortization period determined for the property tax tracker?

A: The Company believes that a four-year period is a reasonable period to return these benefits as quickly as possible to ratepayers without a large impact on rates once the amortization is complete.

Q: Is Evergy able to continue to dispute valuations and mill levies if a property tax tracker is allowed?

A: A taxpayer may continue dispute valuations. However, it is difficult to achieve meaningful changes to valuations once they are determined by a state. Unfortunately, EMM may not dispute a mill levy once set by a taxing jurisdiction. This was also the case before property tax trackers were allowed. We continue to review property tax valuations and bills to ensure the Company is paying the proper amount of property taxes.

Q: Please explain how mill levy rates impact property taxes?

A: The property tax mill levy rates are set by each county and then applied to the assessments by the various taxing authorities. The mill levy rates are adjusted up or down annually depending on the revenue needed by the taxing jurisdictions. The mill levy rates will increase if the taxing jurisdictions need to increase tax revenues to offset other sources of revenue that may decrease due to the economy or other factors. Because EMM has no ability to affect this process, the Company should be able to recover or refund any changes that mill levies have on property tax expense as they occur to avoid regulatory lag.

Q: Does that conclude your testimony?

A: Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

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

AFFIDAVIT OF MELISSA K. HARDESTY

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

Melissa K. Hardesty, being first duly sworn on his oath, states:

1. My name is Melissa K. Hardesty. I work in Kansas City, Missouri, and I am employed by Evergy Metro, Inc. and serve as Senior Director of Taxes.

2. Attached hereto and made a part hereof for all purposes is my Surrebuttal Testimony on behalf of Evergy Missouri Metro consisting of eighteen (18) 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.

Melissa K. Hardesty

Subscribed and sworn before me this 6th day of February 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
2026 RATE CASE - MO METRO -Direct
TY 6/30/25; Cut-Off 12/31/25; True-Up 6/30/26

Income Tax Calculation

Line No.	Line Description	Total Company Balance	Juris Factor #	Juris Allocator	Tax Rate	(Jurisdictional) Adjusted with 7.655% Return
1	Net Income Before Taxes (Sch 9)	403,554,522				200,451,546
2	**Add to Net Income Before Taxes:**					
3	Depreciation Exp	536,012,909				282,773,925
4	Plant Amortization Exp	125,379,039				67,505,568
5	Amortization of Unrecovered Reserve-KS	836,504	100% KS	0.0000%		0
6	Book Nuclear Fuel Amortization	29,206,341				16,670,950
7	Transp & Unit Train Depr-Clearing	1,122,139				592,792
8	50% Meals & Entertainment	729,434	Sal&Wg	53.0936%		387,283
9	**Total**	693,286,367				367,930,518
10	**Subtract from Net Income Before Taxes:**					
11	Interest Expense	156,398,981				84,828,729
12	IRS Tax Return Depreciation	369,175,614	PTD	53.8732%		198,886,717
13	IRS Tax Return Plant Amortization	60,374,167	PTD	53.8732%		32,525,496
14	IRS Tax Return Nuclear Amortization	23,254,422	E1	57.0799%		13,273,601
15	Employee 401k ESOP Deduction	1,183,055	Sal&Wg	53.0936%		628,126
16	IRC Section 199 Domestic Production Activities	0	D1	51.9168%		0
17	**Total**	610,386,239				330,142,669
18	**Net Taxable Income**	486,454,649				238,239,395
19	**Provision for Federal Income Tax:**					
20	Net Taxable Income	486,454,649				238,239,395
21	Deduct State Income Tax @ 100.0%	17,814,082				8,750,769
22	Deduct City Income Tax	0				0
23	Federal Taxable Income	468,640,567				229,488,626

24	Federal Tax Before Tax Credits	98,414,519			21.00%	48,192,611
25	Less Tax Credits:					
26	Nuclear PTC	(12,433,730)	E1	57.0799%		(7,097,161)
27	Wind Tax Credit	0	E1	57.0799%		0
28	Research and Development Tax Credit	(3,405,600)	E1	57.0799%		(1,943,913)
29	Solar Tax Credit	(356,520)	E1	57.0799%		(203,501)
30	Fuels Tax Credit	(13,476)	E1	57.0799%		(7,692)
31	**Total Federal Tax**	82,205,193				38,940,344
32	**Provision for State Income Tax:**					
33	Net Taxable Income	486,454,649				238,239,395
34	Deduct Federal Income Tax @ 50.0%	41,102,597			10.50%	19,470,172
35	Deduct City Income Tax	0				0
36	State Jurisdictional Taxable Income	445,352,053				218,769,223
37	**Total State Tax**	17,814,082			4.00%	8,750,769
38	**Provision for City Income Tax:**					
39	Net Taxable Income	486,454,649				238,239,395
40	**Total City Tax**	0			0.00%	0
41	**Effective Tax rate before Tax Cr and Earnings Tax**	23.84%	Deferred			23.84%
42	**Summary of Provision for Current Income Tax:**					
43	Federal Income Tax	82,205,193				38,940,344
44	State Income Tax	17,814,082				8,750,769
45	City Income Tax	0				0
46	**Total Provision for Current Income Tax**	100,019,275				47,691,113

47	**Deferred Income Taxes:**				
48	Deferred Income Taxes - Excess IRS Tax over Book D&A	(53,038,532)	See Computation Below		(27,072,979)
49	Amortization of Deferred ITC	(2,838,419)	PTD	53.8732%	(1,529,147)
50	Amort of Excess Deferred Income Taxes - Protected - ARAM	(13,371,088)	PTD	53.8732%	(7,203,433)
51	Amort of Excess Deferred Income Taxes - UnProtected - 10yr	(3,506,519)	PTD	53.8732%	(1,889,074)
52	Amort of Excess Deferred Income Taxes - NOL - ARAM	1,306,264	PTD	53.8732%	703,726
53	Amort of Excess Deferred Income Taxes - Misc - 10 yr	(1,118,392)	PTD	53.8732%	(602,513)
54	Amort of Excess Deferred Income Taxes - 4 yr	(107,943)	PTD	53.8732%	(58,152)
55	Amortization of Cost of Removal-ER-2007-0291	354,438	100% MO	100.0000%	354,438
56	**Total Deferred Income Tax Expense**	(72,320,191)			(37,297,134)
57	**Total Income Tax**	27,699,084			10,393,979
58	(a) Percent of vehicle depr clearing to O&M			27.95%	
59	Effective Tax Rate excluding City Earnings Taxes - MO juris	23.84%	Current		23.84%

Interest Expense Proof:

Total Rate Base (Sch. 2)	3,879,303,485
X Wtd Cost of Debt	2.187%
Interest Exp	84,828,729
Less: Interest Expense from Line 7	84,828,729
Difference	0

Computation of Line 47 Above:

	Deferred Income Taxes - Excess IRS Tax over Book D&A:				
60	IRS Tax Return Depreciation	369,175,614			198,886,717
61	Less: Book Depreciation	536,849,413			282,773,925
62	Excess IRS Tax Depr over Book Depreciation	(167,673,799)			(83,887,208)
63	IRS Tax Return Plant Amortization	60,374,167			32,525,496
64	Less: Book Amortization	125,379,039	PTD	53.8732%	67,505,568
65	Excess IRS Tax Amort over Book Amortization	(65,004,872)			(34,980,072)
66	IRS Tax Return Nuclear Amortization	23,254,422			13,273,601
67	Less: Book Nuclear Amortization	29,206,341	E1	57.0799%	16,670,950
68	Excess IRS Tax Nuclear Amort over Book Nuclear Amort	(5,951,919)			(3,397,350)
69	Total Timing Differences	(238,630,590)			(122,264,630)
70	AFUDC Equity	12,986,516	PTD	53.8732%	6,996,252
71	MO ITC Coal Basis Adjustment	2,955,913	PTD	53.8732%	1,592,445
72	MO Miscellaneous Flow Through	248,421	PTD	53.8732%	133,832
73	Total Timing Differences after Flow Through	(222,439,740)			(113,542,101)
74	Effective Tax rate	23.84%			23.84%
75	**Deferred Income Taxes - Excess IRS Tax over Tax SL**	(53,038,532)			(27,072,979)