

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

In the Matter of the Application of Great Plains Energy, Incorporated, for Approval of its Merger with Westar Energy, Inc. ) ) ) **Case No. EM-2018-0012**

**NOTICE**

**COMES NOW** the Staff of the Missouri Public Service Commission, and for its *Notice*, states as follows:

1. Evergy, Inc., is a vertically-integrated, regulated public utility operating in Missouri and Kansas, created by the merger of Great Plains Energy, Inc., and Westar Corporation.

2. Elliott Management Corporation is a New York-based investment management fund that is one of the world’s largest activist funds.<sup>1</sup> Elliott specializes in distressed acquisitions and has been described as a vulture fund.<sup>2</sup>

3. On January 21, 2020, Elliott Management Corporation released its letter to Evergy, Inc., wherein Elliott asserted that Evergy has underperformed its peers by 25% since its creation.<sup>3</sup> Elliott owns 11.3 million Evergy shares.<sup>4</sup> Elliott outlined two paths that it claimed would create \$5 billion in additional shareholder value.<sup>5</sup>

4. On March 2, 2020, Evergy, Inc., announced that it had entered into an agreement with Elliott Management Corporation whereby two new directors nominated

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<sup>1</sup> *Wikipedia*, accessed online July 2, 2020.

<sup>2</sup> *Investopedia*, accessed online July 2, 2020.

<sup>3</sup> *PRNewswire*, January 21, 2020, accessed online July 2, 2020.

<sup>4</sup> *Id.*

<sup>5</sup> *Id.*

by Elliott would join Evergy's board and a Strategic Review and Operations Committee would be created to explore ways to enhance shareholder value.<sup>6</sup>

5. On June 12, 2020, the Staff of the Kansas Corporation Commission ("KCC"), Kansas' utility regulatory authority, moved to open an investigation of the Evergy-Elliott Management agreement in order to determine whether it is detrimental to ratepayers.<sup>7</sup> The KCC granted Staff's motion on June 18, 2020, and directed Evergy to file a report.<sup>8</sup>

6. Staff hereby notifies the Commission and all stakeholders that it is aware of the above, is monitoring the situation, and will move to open a case in Missouri when that action is appropriate and more is known about any proposed future initiatives to enhance Evergy's shareholder value to be considered by Evergy's board.

Respectfully submitted,

/s/ Kevin A. Thompson

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<sup>6</sup> *Business Wire*, March 2, 2020, accessed online July 2, 2020.

<sup>7</sup> *Reuters*, June 12, 2020, accessed online July 2, 2020.

<sup>8</sup> *The Hutchinson News*, June 18, 2020, accessed online on July 2, 2020.

## **CERTIFICATE OF SERVICE**

The undersigned certifies that a true and correct copy of the foregoing has been served electronically upon all parties pursuant to the Service List maintained by the Commission's Data Center on this **2<sup>nd</sup> day of July, 2020**.

/s/ Kevin A. Thompson