

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

In the Matter of the Application of Evergy Missouri)
West, Inc. d/b/a Evergy Missouri West for) File No. EF-2022-0103
Authority to Encumber Assets)

**EVERGY MISSOURI WEST’S APPLICATION TO ENCUMBER ASSETS, REQUEST
FOR WAIVER OF 60-DAY NOTICE, AND MOTION FOR EXPEDITED TREATMENT**

COMES NOW, Evergy Missouri West, Inc. d/b/a Evergy Missouri West (“EMW”, “Applicant” or “Company”), pursuant to Sections 393.180¹ and 393.190², RSMo.,³ 20 CSR 4240-2.060, and 20 CSR 4240-4.017(1)(D), respectfully requests authority from the Missouri Public Service Commission (the “Commission”) to encumber assets in connection with issuances of mortgage bonds in one or more series and from time to time. In support thereof, Applicant states as follows:

I. APPLICATION

1. EMW is a Delaware corporation with its principal office and place of business at 1200 Main Street, Kansas City, Missouri 64105. It is engaged in the generation, transmission, distribution and sale of electricity in western Missouri, including the suburban Kansas City metropolitan area, St. Joseph, and surrounding counties. Evergy Missouri West is an “electrical corporation” and a “public utility” subject to the jurisdiction, supervision and control of the Commission under Chapters 386 and 393.

¹ Right to issue stocks, bonds, notes subject to regulation — “The power of gas corporations, electrical corporations, water corporations, or sewer corporations to issue stocks, bonds, notes and other evidences of indebtedness and to create liens upon their property situated in this state is a special privilege, the right of supervision, regulation, restriction and control of which is and shall continue to be vested in the state, and such power shall be exercised as provided by law and under such rules and regulations as the commission may prescribe.”

² Transfer of franchise or property to be approved, procedure-impact of transfer on local tax revenues, information on to be furnished, to whom, procedure — Section 1 provides in pertinent part, “No gas corporation, electrical corporation, water corporation or sewer corporation shall hereafter sell, assign, lease, transfer, mortgage or otherwise dispose of or encumber the whole or any part of its franchise, works or system, necessary or useful in the performance of its duties to the public, . . . without having first secured from the commission an order authorizing it so to do.”

³ All subsequent statutory citations are to the Missouri Revised Statutes (2016), as amended.

2. A certificate of authority for a foreign corporation to do business in Missouri was filed with the Commission in Case No. EN-2020-0064 and is incorporated by reference pursuant to 20 CSR 4240-2.060(1)(G).

3. EMW is a wholly-owned subsidiary of Evergy, Inc. It has no annual reports or regulatory assessment fees that are overdue.

4. EMW has no pending actions or final unsatisfied judgments or decisions against it from any state or federal agency or court which involved customer services or rates, which action, judgment or decision has occurred within three years of the date of this application, except for: *Barbara Edwards v. Evergy Missouri West*, No. EC-2020-0252.

5. In addition to undersigned counsel, communications in regard to this matter should be addressed to:

Anthony R. Westenkirchner
Senior Paralegal – Regulatory Affairs
Evergy, Inc.
1200 Main Street, 16th Floor
Kansas City, Missouri 64105
Telephone: (816) 556-2668
Fax: (816) 556-2787
E-mail: Anthony.Westenkirchner@evergy.com

6. By this Application, EMW seeks an order from the Commission authorizing EMW to mortgage and encumber its existing property in Missouri and any such property acquired in the future (subject to certain exemptions) as collateral to support the Company's ongoing financing arrangements. To issue secured debt instruments in the future and thereby seek to obtain more favorable interest rates than it could obtain for issuing unsecured debt, EMW intends with Commission authorization to establish a new First Mortgage Indenture and Deed of Trust ("Mortgage Indenture") which will establish a first mortgage lien on all its existing and future assets subject to certain exemptions detailed in the Mortgage Indenture. EMW's Mortgage

Indenture will be generally modeled after Evergy Metro, Inc.'s mortgage indenture, which was established in 1986. The final terms of the secured debt instruments issued under EMW's Mortgage Indenture (the "First Mortgage Bonds") will be negotiated at or near the time of each issuance. A Confidential Indicative Summary of the Mortgage Indenture is attached as **CONFIDENTIAL Exhibit A** for illustrative purposes only.

7. In connection with upcoming and ongoing financing arrangements, EMW intends to establish the Mortgage Indenture creating a first mortgage lien on the existing and future properties of EMW and pursuant to which EMW will be able to issue one or more series, from time to time, of its First Mortgage Bonds. Consequently, EMW seeks Commission authority under Sections 393.180 and 393.190.1 to encumber the existing and future properties of EMW and create a lien on said properties.

8. The encumbrance of the existing and future properties will not be detrimental to the public interest, but will in fact promote the public interest. The encumbrance of EMW's existing and future property will not increase the risk to its customers, and should, to the contrary, cause EMW to experience lower debt costs by virtue of using mortgage financing.

9. The encumbrance of the properties will have no adverse impact on the tax revenues of the political subdivisions in which any of the structures, facilities or equipment of EMW are located. The encumbrance will not involve a change of ownership of the electric properties.

10. The First Mortgage Bonds will be senior and will be secured debt as provided under the Applicant's First Mortgage Indenture and Deed of Trust.

11. Applicant will late file its authority from its Board of Directors to enter into the Mortgage Indenture, subject to Commission authorization. A copy of such resolution will be late-filed as **Exhibit B**.

12. Applicant believes that this verified Application and exhibits will provide the Commission with sufficient facts and information to make a proper disposition of this Application without a hearing.

II. REQUEST FOR VARIANCE FROM 60-DAY NOTICE REQUIREMENT

13. Evergy Missouri West filed a 60-day notice on October 7, 2021. This Application has been filed before the 60-day notice period has elapsed so that, as explained in the Motion for Expedited Treatment below, the Commission has adequate time to review this Application and issue an order so that the Company can access the capital markets on or about March 1, 2022.

14. EMW requests a variance from the 60-day notice requirement of 20 CSR 4240-4.017(1), which states, in relevant part:

Any person that intends to file a case shall file a notice with the secretary of the commission a minimum of sixty (60) days prior to filing such case.

Pursuant to 20 CSR 4240-4.017(1)(D), waivers of the 60-day notice requirement may be granted for good cause shown. The Company has attached the verification of Jason Humphrey that Evergy has had no communication with the Office of the Commission within the prior 150 days regarding any substantive issue likely to arise in this case. No other public utility will be affected by granting the Company a waiver from this requirement.

III. MOTION FOR EXPEDITED TREATMENT

15. Pursuant to 20 CSR 4240-2.080(14), the Company requests that the Commission issue an Order granting expedited treatment of its this Application. The Company requests approval of this application by February 14, 2022 so that it can access the capital markets on or about March 1, 2022.

16. There will be no negative effect on the Company's customers or the general public if the Commission grants this Motion.

17. This Motion was filed as soon as it could have been under the circumstances.

WHEREFORE, Applicant requests the Commission enter an appropriate Order, with an effective date of February 14, 2022, authorizing Applicant:

- (a) to encumber its existing and future property as security for the issuance, in one or more series, from time to time, of First Mortgage Bonds, finding that said mortgage or encumbrance of such property of EMW is necessary or useful in the performance of its duties to the public in the State of Missouri, is not detrimental to the public interest, and should be authorized;
- (b) authorizing EMW to enter into any and all related agreements or documents and to take any and all actions which may be reasonably necessary and incidental to the mortgage or encumbrance of such property, all as described herein; and
- (c) finding that its approval of the Application is not binding for ratemaking purposes and reserving the right to examine the ratemaking implications of the proposed transaction in a future rate proceeding.

Respectfully submitted,

/s/ Roger W. Steiner

Roger W. Steiner MBN#39586
Evergy, Inc.
1200 Main Street, 16th Floor
Kansas City, Missouri 64105
Telephone: (816) 556-2314
Facsimile: (816) 556-2780
E-mail: Roger.Steiner@evergy.com

Karl Zobrist, MBN 28325
Dentons US LLP
4520 Main Street, Suite 1100
Kansas City, MO 64111
Phone: (816) 460-2400
Fax: (816) 531-7545
karl.zobrist@dentons.com

**ATTORNEYS FOR EVERGY MISSOURI
WEST**

VERIFICATION

COUNTY OF JACKSON)
)
STATE OF MISSOURI) SS

I, Jason O. Humphrey, state that I am Assistant Treasurer for Evergy Missouri West, that I have reviewed the foregoing pleading, that I am familiar with its contents, that the statements contained therein are true and correct to the best of my knowledge and belief, and that Evergy Missouri West has had no communication with the Office of the Commission within the prior 150 days regarding any substantive issues likely to arise in this case.

Under penalty of perjury, I declare that the foregoing is true and correct to the best of my knowledge and belief.⁴

Evergy Missouri West



Assistant Treasurer, Declarant

⁴ See Letter from the Commission, dated March 24, 2020: “[A]ny person may file an affidavit in any matter before the Commission without being notarized so long as the affidavit contains the following declaration: [‘]Under penalty of perjury, I declare that the foregoing is true and correct to the best of my knowledge and belief.[’] _____ Signature of Declarant[.] This guidance applies both to pleadings filed in cases before the Commission and to required annual reports and statements of income.”

CERTIFICATE OF SERVICE

I hereby certify that a true and copy of the foregoing application was emailed on this 22nd day of November 2021, to the Office of the General Counsel and the Office of the Public Counsel.

/s/ Roger W. Steiner

Roger W. Steiner

**EXHIBIT A
CONTAINS CONFIDENTIAL
INFORMATION
NOT AVAILABLE TO THE PUBLIC.**

ORIGINAL FILED UNDER SEAL.