

**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	)	<b><u>File No. HO-2025-0244</u></b>
For the Issuance of a Depreciation Authority	)	
Order Relating to its Steam/Heat Operations	)	

**STAFF RECOMMENDATION**

**COMES NOW** the Public Service Commission Staff ("Staff"), by and through counsel, and recommends that the Commission approve the Application for Depreciation Authority Order filed by Evergy Missouri West Inc., d/b/a Evergy Missouri West ("EMW") and waiver of the Commission's 60-day notice requirement under Commission Rule 20 CSR 4240 4.017.

1. On March 11, 2025, Evergy Missouri West ("EMW"), filed an *Application for a Depreciation Authority Order* ("DAO Application") to transfer an existing plant utility account to a new plant utility account due to the implementation of a Federal Energy Regulatory Commission ("FERC") order. It also requested a waiver of the Commission's 60-day notice requirement under Commission Rule 20 CSR 4240 4.017.

2. On March 12, 2025, the Commission issued its *Order Setting Intervention and Response Deadlines and Directing Staff Recommendation*. The Order directed Staff to file a recommendation regarding EMW's DOA Application or a request for additional time to do so no later than April 11, 2025.

3. No parties filed to intervene by the intervention deadline of March 27, 2025.

4. As more fully explained in the attached Memorandum, Staff has reviewed the proposed DOA Application filed by EMW and recommends its approval.

**WHEREFORE**, Staff respectfully submits this *Staff Recommendation to Approve EMW for the Issuance of a Depreciation Authority Order Relating to Its Steam/Heat Operations*, and respectfully requests the Commission approve the tariff filed by Evergy Missouri West and for any other such orders as the Commission deems just and reasonable under the circumstances.

Respectfully submitted,

**/s/ Carolyn H. Kerr**

Missouri Bar # 45718

Senior Staff Counsel

Missouri Public Service Commission

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Attorney for Staff of the

Missouri Public Service Commission

### **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served by electronic mail, or First Class United States Postal Mail, postage prepaid, on this 11th day of April, 2025, to all counsel of record.

**/s/ Carolyn H. Kerr**

## **MEMORANDUM**

**TO:** Missouri Public Service Commission Official Case File  
Case No. HO-2025-0244

**FROM:** Amanda Arandia, Associate Engineer, Engineering Analysis Department

/s/ Amanda Arandia    04/11/2025  
Staff Member            /    Date

**SUBJECT:** Staff Recommendation to Approve Evergy Missouri West, Inc. d/b/a Evergy Missouri West for the Issuance of a Depreciation Authority Order Relating to Its Steam/Heat Operations

**DATE:** April 11, 2025

### **INTRODUCTION**

On March 11, 2025, Evergy Missouri West (“EMW”), filed an *Application for a Depreciation Authority Order* (“DAO Application”). On March 12, 2025, the Commission filed an Order setting a deadline for Commission Staff to file either a recommendation regarding EMW’s DAO Application or a request for additional time to file a recommendation by April 11, 2025.

### **BACKGROUND AND DISCUSSION**

On February 9, 2024, the Federal Energy Regulatory Commission (“FERC”) issued its Order No. 898 to go into effect January 1, 2025. This order amends the Uniform System of Accounts (“USOA”) for public utilities and licensees to create new accounts for wind, solar, and other renewable generating assets; creates a new functional class for energy storage accounts; codifies the accounting treatment of environmental credits; and creates new accounts within existing functions for computer hardware, software, and communication equipment.<sup>1</sup>

EMW is requesting the following:

- A) Issue a DAO authorizing EMW Industrial Steam to utilize depreciation rates related to the FERC 898 plant account changes; and
- B) Provide EMW such other relief that the Commission believes is necessary and appropriate and that is not inconsistent with the DAO’s requested in this application.

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<sup>1</sup> [Order No. 898 | Federal Energy Regulatory Commission](#)

EMW further states that it presumes that the depreciation rates established in this case will be reviewed when it submits its next depreciation study.

### **STAFF REVIEW**

EMW is proposing to move assets from account 31209 to new account 315029 and continue to utilize the existing depreciation rate of 2.22%<sup>2</sup> in response to FERC Order No. 898, which went into effect on January 1, 2025. The continued use of the existing depreciation rate for the assets will ensure that there is no impact on customer rates as a result of a Commission order in this case.

Staff noted in its review that the existing depreciation rates were ordered in 2004. Staff also noted that in Case No. ER-2022-0130, EMW witness John Spanos presented EMW's 2021 depreciation study. Although it was not addressed in the electric case, Mr. Spanos' study included the Industrial Steam accounts. His proposed depreciation rate for account 312.09 in the 2021 depreciation study was 9.21%

### **STAFF RECOMMENDATION**

Staff has reviewed the application submitted by EMW. Staff recommends the Commission approve the use of the currently effective depreciation rate of 2.22% for the assets moved from account 31209 to new account 315029 in response to FERC Order 898. The continued use of this existing depreciation rate will ensure that there is no impact on customer rates as a result of a Commission Order in this case. Additionally, Staff recommends EMW come in for an Industrial Steam rate case and update its depreciation rates.

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<sup>2</sup> Case No. HR-2004-0024 consolidated in Case No. ER-2004-0034

**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 the Issuance of a Depreciation     )  
Authority Order Relating to its Steam/Heat     )  
Operations     )

File No. HO-2025-0244

STATE OF MISSOURI     )  
                                      )     ss.  
COUNTY OF COLE     )

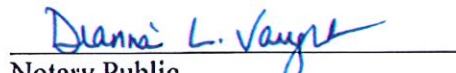
**COMES NOW AMANDA ARANDIA** and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation, in Memorandum form*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

  
**AMANDA ARANDIA**

**JURAT**

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 10<sup>th</sup> day of April 2025.

  
Notary Public

DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: July 18, 2027 Commission Number: 15207377
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