

Exhibit No. 8

Public Version

Exhibit No.:

Issue: Finance; Ownership Structure

Witness: John M. Grace

Type of Exhibit: Supplemental Direct Testimony

Sponsoring Party: Evergy Missouri West and Evergy Missouri
Metro

Case No.: EA-2025-0075

Date Testimony Prepared: February 19, 2025

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: EA-2025-0075

SUPPLEMENTAL DIRECT TESTIMONY

OF

JOHN M. GRACE

ON BEHALF OF

EVERGY MISSOURI WEST AND EVERGY MISSOURI METRO

Kansas City, Missouri

February 2025

SUPPLEMENTAL DIRECT TESTIMONY

OF

JOHN M. GRACE

CASE NO.: EA-2025-0075

I. INTRODUCTION AND EXECUTIVE SUMMARY

Q: Are you the same John M. Grace who filed direct testimony in this case on November 15, 2024?

A: Yes. I previously submitted direct testimony on behalf of Evergy Missouri West, Inc. d/b/a Evergy Missouri West (“Evergy Missouri West,” “EMW” or “West”) and Evergy Metro, Inc. d/b/a Evergy Missouri Metro (“Evergy Missouri Metro,” “EMM” or “Metro”). The Companies, along with Evergy Kansas Central, Inc. and Evergy Kansas South, Inc. (“Evergy Kansas Central” or “EKC”), are the operating utilities of Evergy, Inc. (“Evergy”).

Q: What is the purpose of your Supplemental Direct Testimony?

A: The purpose of my testimony is to confirm my direct testimony regarding Evergy Missouri West’s plan to finance the construction of the 50% share of the McNew Generating Station (“McNew”) that will be allocated to EMW, consistent with the analysis and results of Evergy’s “CCN Supplemental Direct” modeling analysis. This will include an affirmation of EMW’s current investment grade credit ratings, available liquidity, and access to capital markets during the construction, as well as on-going operations and maintenance of McNew. I will also provide updates to anticipated project costs and confirm the manner of how EMW will finance the construction of its 50% share of the Viola Generation Station (“Viola”), its 100%

1 interest in the Mullin Creek #1 generating unit (“Mullin Creek # 1”), and 50% share
2 of McNew.

3 **II. FINANCIAL ABILITY**

4 **Q: Please provide an update to the anticipated total project costs excluding**
5 **AFUDC.**

6 A: The Viola Generating Station which will be co-owned by EMW and EKC (each
7 with a 50% ownership share) has an updated anticipated total project cost excluding
8 allowance for funds used during construction (“AFUDC”) of **[REDACTED]**.
9 The McNew Generation Station to be located in Hutchison, Kansas and co-owned
10 by EMW and EKC (each with a 50% ownership share) has an updated anticipated
11 total project cost excluding AFUDC of **[REDACTED]**. The Mullin Creek #1
12 Generating Station, which will be owned 100% by EMW, has an updated total
13 project cost excluding AFUDC of **[REDACTED]**. Company witness, Kyle
14 Olson describes the updated cost estimates in more detail.

15 **Q: Does Evergy Missouri West have the financial ability to acquire, construct,**
16 **install, own, manage, maintain, and control the Viola, McNew, and Mullin**
17 **Creek generation facilities?**

18 A: Yes. As explained in my direct testimony, EMW has proven experience financing
19 the purchase, construction, and operation of generating assets that serve Missouri
20 customers. EMW currently owns or contracts for 2,587 MW of generating capacity.
21 This includes the recently acquired 143 MW of the natural gas combined-cycle
22 Dogwood Energy Facility.

1 **Q: Does EMW have the financial ability to construct, operate, and own its**
2 **allocated 50% share in McNew, its 50% share in Viola, its 100% share in**
3 **Mullin Creek # 1?**

4 A: Yes, as I discussed in my direct testimony on pages 3-6, EMW has adequate short-
5 term liquidity, access to the capital markets to raise long-term debt capital, and
6 access to the equity markets through Evergy, Inc., to raise additional equity to
7 finance these projects.

8 **Q: Has EMW's plan to finance Viola, Mullin Creek # 1, and its allocated 50%**
9 **share in McNew changed since filing your direct testimony?**

10 A: No. EMW's plan to finance its ownership share of each project remains the same
11 as I describe on page 6 of my direct testimony. EMW will finance its ownership
12 share of these projects in a responsible manner as it does with any other investment;
13 balancing liquidity, open windows in the capital markets, and maintaining a capital
14 structure indicative of its current credit ratings. In addition, as Evergy, Inc. has
15 publicly announced, the Company plans on issuing common equity to maintain
16 investment grade credit ratings at the operating utilities and at the consolidated
17 Evergy, Inc. level.

18 **Q: Has EMW's credit rating at Standard and Poor's ("S&P") and Moody's**
19 **changed since your November Direct Testimony?**

20 A: No.

21 **Q: Does this conclude your testimony?**

22 A: Yes.

**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 and Evergy Metro, Inc. d/b/a Evergy)
Missouri Metro for Permission and Approval)
of a Certificate of Public Convenience and)
Necessity For Natural Gas Electrical)
Production Facilities)

Case No. EA-2025-0075

AFFIDAVIT OF JOHN M. GRACE


STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

John M. Grace, being first duly sworn on his oath, states:

1. My name is John M. Grace and I am employed by Evergy Metro, Inc. as Senior Director, Corporate Planning and Financial Performance.

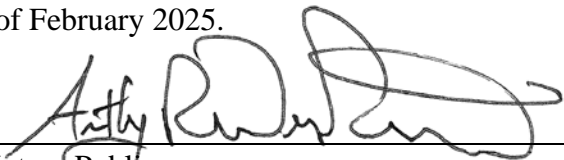
2. Attached hereto and made a part hereof for all purposes is my Supplemental Direct Testimony on behalf of Evergy Missouri Metro and Evergy Missouri West consisting of three (3) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.

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.



John M. Grace

Subscribed and sworn before me this 19th day of February 2025.



Notary Public

My commission expires: 4/26/2025



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

Docket No.: EA-2025-0075

Date: February 19, 2025

CONFIDENTIAL INFORMATION

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

Document/Page	Reason for Confidentiality from List Below
Supplemental Direct, p. 2, lns. 8, 11, and 13	3, 4, 5, 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;
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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.