

Exhibit No.:
Issue: Fuel Adjustment Clause
Witness: Linda J. Nunn
Type of Exhibit: Direct Testimony
Sponsoring Party: Evergy Missouri Metro
Case No.: ER-2026-0030
Date Testimony Prepared: July 31, 2025

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2026-0030

DIRECT TESTIMONY

OF

LINDA J. NUNN

ON BEHALF OF

EVERGY METRO, INC. d/b/a EVERGY MISSOURI METRO

**Kansas City, Missouri
July 2025**

In the Matter of the Application of Evergy)
Missouri Metro for Authority to) Case No. ER-2026-0030
Implement Rate Adjustments Required by)
20 CSR 4240-20.090(8) and the)
Company's Approved Fuel and Purchased)
Power Cost Recovery Mechanism)

[illegible]

1. My name is Linda J. Nunn. I work in Kansas City, Missouri, and I am employed by Evergy, Inc. as Senior Manager – Regulatory Affairs.

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.

Subscribed and sworn to before me this 31st day of July 2025.

My Commission expires: April 26, 2029



DIRECT TESTIMONY

OF

LINDA J. NUNN

Case No. ER-2026-0030

1 **Q: Please state your name and business address.**

2 A: My name is Linda J. Nunn. My business address is 1200 Main, Kansas City, Missouri
3 64105.

4 **Q: By whom and in what capacity are you employed?**

5 A: I am employed by Evergy Metro, Inc., as Senior Manager, Regulatory Affairs for
6 Evergy Metro, Inc. d/b/a Evergy Missouri Metro (“EMM”), Evergy Missouri West, Inc.
7 d/b/a Evergy Missouri West (“EMW”), Evergy Metro, Inc. d/b/a Evergy Kansas Metro
8 (“EKM”), and Evergy Kansas Central, Inc. and Evergy Kansas South, Inc., collectively
9 d/b/a Evergy Kansas Central (“EKC”). These are the operating utilities of Evergy, Inc.

10 **Q: On whose behalf are you testifying?**

11 A: I am testifying on behalf of EMM.

12 **Q: What are your responsibilities?**

13 A: My responsibilities include the coordination, preparation, and review of financial
14 information and schedules associated with fuel or transmission impacts on rate case
15 filings, and the coordination, preparation and review of financial information and
16 schedules associated with retail rider mechanism tariff filings for Evergy including:
17 EKC, EKM, EMM and EMW.

18 **Q: Please describe your education.**

19 A: I received a Bachelor of Science Degree in Business Administration with a
20 concentration in Accounting from Northwest Missouri State University.

1 **Q: Please provide your work experience.**

2 A: I became a Senior Regulatory Analyst with Kansas City Power & Light (“KCP&L”) in
3 2008, as a part of the acquisition of Aquila, Inc., by Great Plains Energy. In 2013, I was
4 promoted to Supervisor - Regulatory Affairs. In 2018 I became Manager, Regulatory
5 Affairs. In 2025 I became Senior Manager, Regulatory Affairs. Prior to my employment
6 with KCP&L, I was employed by Aquila, Inc. for a total of eleven years. In addition to
7 Regulatory, I have had experience in Accounting, Audit, and Business Services, where
8 I had responsibility for guiding restructuring within the delivery division. In addition to
9 my utility experience, I was the business manager and controller for two area churches.
10 Prior to that, I was an external auditor with Ernst & Whinney.

11 **Q: Have you previously testified in a proceeding before the Missouri Public Service**
12 **Commission (“MPSC” or “Commission”) or before any other utility regulatory**
13 **agency?**

14 A: Yes, I have testified before the MPSC, and I have provided written testimony in various
15 dockets before the MPSC. I have also worked closely with many MPSC Staff on
16 numerous filings as well as on rate case issues. Additionally, I have provided written
17 testimony in Kansas Corporation Commission dockets.

18 **Q: What is the purpose of your testimony?**

19 A: The purpose of my testimony is to support the Fuel Adjustment Clause (“FAC”) that
20 has been filed by Evergy Missouri Metro (“Company”). This FAC tariff filing consists
21 of a Fuel Adjustment Rate (“FAR”) calculated using actual fuel and purchased power
22 costs, net of off-system sales revenues incurred by the Company. My testimony supports
23 the rate schedule filed to adjust rates for the FAC includable costs experienced during

1 the six-month period of January 2025 through June 2025. This six-month period
2 represents the 20th accumulation period under EMM's FAC, which was originally
3 approved by the Commission in Case No. ER-2014-0370 ("2014 Case") and modified
4 in Case Nos. ER-2016-0285 ("2016 Case"), ER-2018-0145 ("2018 Case") and ER-
5 2022-0129 ("2022 Case"). The proposed FAC charge for Missouri residential
6 customers is a charge of \$0.00101 per kWh. Based on usage of 1,000 kWh per month,
7 the customer will see a monthly charge of \$1.01. This represents a decrease of \$0.31 to
8 an EMM residential customer's monthly bill compared to the current monthly FAC
9 charge of \$1.32.

10 **Q: Please explain why EMM filed the FAC adjustment rate schedules at this time.**

11 A: The Commission's rule governing fuel and purchased power cost recovery mechanisms
12 for electric utilities – specifically 20 CSR 4240-20.090(8)(A) – requires EMM to make
13 periodic filings to allow the Commission to review the actual net FAC includable costs
14 the Company has incurred and to allow rates to be adjusted, either up or down, to reflect
15 those actual costs. The Commission's rule requires at least one such review and
16 adjustment each year. EMM's approved FAC calls for two annual filings – one filing
17 covering the six-month accumulation period running from January through June and
18 another filing covering the accumulation period running from July through December.
19 Any increases or decreases in rates in these filings are then included in the customers'
20 bills over a subsequent 12-month recovery period.

21 For the 20th accumulation period covering the period of January 2025 through
22 June 2025, EMM's actual FAC includable costs were higher than the base energy costs
23 included in base rates by approximately \$5.5 million. In accordance with the

Commission’s rule and the Company’s approved FAC, EMM has calculated the FAC tariff that provides for a change in rates to recover 95% of those cost changes, or approximately \$5.2 million to be collected from customers. This amount is before true-up, interest or any other adjustments.

In addition, a true-up filing is being made concurrent with this filing covering the 17th accumulation period of July 2023 through December 2023 and its corresponding recovery period of April 2024 through March 2025. The proposed 17th recovery period results in a true-up amount of \$466,000 over-refunded to be collected from customers.

In summary, these amounts combined with interest amounting to \$404,954 result in a proposed Fuel and Purchased Power Adjustment (“FPA”) of approximately \$6.1 million. The tariff being submitted with this filing reflects rates effective October 1, 2025.

Q: What are some of the drivers impacting this accumulation period?

A: EMM’s Actual Net Energy Costs (“ANEC”) exceed the base energy costs included in base rates by approximately \$5.5 million. The current 20th accumulation period of January through June typically has lower retail load requirements leading to lower base energy costs compared to the previous 19th accumulation period of July through December. The ANEC for the 20th accumulation period are \$2.3 million lower than the 19th accumulation period. This is due to a \$8.2 million, or 7%, decrease in fuel costs, plus a \$17.2 million, or 20%, increase in off system sales revenue which are offset by a \$22.4 million, or 21%, increase in purchased power expense. Natural gas prices

1 averaged \$3.55 for the 20th accumulation period which is 43% higher than the \$2.47
2 average for the 19th accumulation period.

3 **Q: How did you develop the various values used to derive the proposed FARs that are**
4 **shown on Schedule LJN-1?**

5 A: The proposed tariff rates are shown in Schedule LJN-1. The filing made in conjunction
6 with this testimony contains all the information as set in 20 CSR 4240-20.090(8)(2)(A)
7 which supports these proposed rates. In addition, I am submitting a copy of the work
8 papers that support the determination of the current FAR.

9 **Q: Please describe the impact of the change in costs and how it will affect a typical**
10 **customer.**

11 A: The proposed current period FARs for EMM's customers by voltage level is shown
12 below:

Proposed Current Period FARs	
	\$ per kWh
Voltage	Rates
Transmission	\$0.00070
Substation	\$0.00071
Primary	\$0.00071
Secondary	\$0.00073

13
14
15 This is the difference between the base FAC includable costs and the actual costs
16 incurred by the Company including interest and any adjustments during the current 20th
17 accumulation period of January 2025 through June 2025 and will be included in billed
18 FAC rates over a recovery period running from October 2025 through September 2026.

The proposed FAR was calculated in the manner specified in the Company's FAC. Attached to my testimony, as Schedule LJN-1, is a copy of the proposed tariff sheet with the current FAR, the prior period FAR and the total FAR that will be billed to customers over the recovery period. The FAR calculated for the 18th accumulation period has been removed as its recovery period will cease in September 2025. The FAR for the prior 19th accumulation period is added to the FAR for the current 20th accumulation period to provide the annual FAR. Thus, given the proposed current FAR calculations, the annual FARs for EMM customers are shown in the table below:

	ER-2025-0217		
Service	Proposed 5th Revised Sheet No. 50.42	Current 4th Revised Sheet No. 50.42	Impact
Transmission	\$0.00097	\$0.00127	\$ (0.00030)
Substation	\$0.00098	\$0.00128	\$ (0.00030)
Primary	\$0.00098	\$0.00129	\$ (0.00031)
Secondary	\$0.00101	\$0.00132	\$ (0.00031)

These proposed rates will be billed to customers from October 2025 through March 2026. As stated earlier, based on usage of 1,000 kWh per month this will result in a monthly FAC charge of \$1.01, which is a decrease of \$0.31 to an EMM residential customer's monthly bill compared to the current monthly FAC charge of \$1.32.

Q: If the rate schedules filed by EMM are approved or allowed to go into effect, what safeguards exist to ensure that the revenues the Company bills to its customers do not exceed the fuel and purchased power costs that EMM actually incurred during the accumulation period?

A: EMM's FAC and the Commission's rules provide two mechanisms to ensure that amounts billed to customers do not exceed the Company's actual, prudently incurred

1 fuel and purchased power costs. First, at the end of each recovery period the Company
2 is required to true up the amounts billed to customers through the FAR with the excess
3 fuel and purchased power costs that were actually incurred during the accumulation
4 period to which the FAR applies. Second, the Company's fuel and purchased power
5 costs are subject to periodic prudence reviews to ensure that only prudently incurred
6 fuel and purchased power costs are billed to customers through EMM's FAC. These
7 two mechanisms serve as checks to ensure that the Company's customers pay only the
8 prudently incurred, actual costs of fuel and purchased power used to provide electric
9 service.

10 **Q: Have each of these mechanisms been in effect throughout the FAC process since**
11 **its inception in the 2014 Case?**

12 A: Yes, EMM recently completed its sixth prudence review, Case No. EO-2025-0073, for
13 the review period of January 2023 through June 2024, where MPSC Staff found no
14 evidence of imprudence.

15 In the previous fifth prudence review, Case No. EO-2023-0276, for the review
16 period of July 2021 through December 2022, parties resolved certain issues pertaining
17 to purchased power and subsequent FAC reporting through a Non-Unanimous
18 Stipulation and Agreement which the Commission approved on May 12, 2024.

19 On September 14, 2022, in the Company's fourth prudence review, Case No.
20 EO-2022-0064, the Commission approved the Non-Unanimous Stipulation and
21 Agreement filed on July 25, 2022 where the Company agreed, with no admission of
22 imprudence, to a one-time FAC adjustment for 2017 vintage expired RECs. The

1 Company refunded \$703,825 plus interest of \$28,134 in the 15th accumulation period
2 filing, Case No. ER-2023-0245.

3 On May 4, 2022, in the Company's third prudence review, Case No. EO-2020-
4 0263 later consolidated in Case No. EO-2020-0262, the Commission issued its Report
5 and Order finding Evergy was imprudent by not utilizing demand response programs
6 to reduce energy costs for its customers during the review period of July 2018 through
7 December 2019. Therefore, the Company refunded the amount of \$152,165 plus
8 interest of \$7,947 in the 14th accumulation period, Case No. ER-2023-0030. Also in the
9 third prudence review, on January 20, 2021 an ordered adjustment for Montrose was
10 stipulated by parties amounting to \$199,104. Based on the agreement by parties, rather
11 than recovering this amount through the FAC, the Company recorded this to the Cost
12 of Removal FERC account for consideration in the 2022 general rate case, Case No.
13 ER-2022-0129, and refunded the amount of \$199,104 plus interest of \$10,281 in the
14 11th accumulation period FAR filing, Case No. ER-2021-0244.

15 In the first and second prudence reviews, the MPSC Staff indicated in each of
16 their reports that there were no areas of imprudence identified within the audits.

17 In addition, the Company has made 16 true-up filings, all of which were
18 approved by the MPSC. The 17th true-up filing is being made concurrent with this
19 semi-annual filing covering the 17th accumulation period of July 2023 through
20 December 2023 and its corresponding recovery period of April 2024 through March
21 2025. The Company's calculation of the proposed true-up resulting in a true-up amount
22 of \$466,000 over-refunded to be collected from EMM customers has been included in
23 the calculation of the current proposed tariff change.

1 **Q: What action is EMM requesting from the Commission with respect to the rate**
2 **schedules that the Company has filed?**

3 A: The Company requests the Commission approve the proposed rate schedules to be
4 effective as of October 1, 2025.

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

6 A: Yes, it does.

EVERGY METRO, INC. d/b/a EVERGY MISSOURI METRO

P.S.C. MO. No. 7 5th Revised Sheet No. 50.42
 Canceling P.S.C. MO. No. 7 4th Revised Sheet No. 50.42

For Missouri Retail Service Area

FUEL ADJUSTMENT CLAUSE – Rider FAC
FUEL AND PURCHASE POWER ADJUSTMENT ELECTRIC
 (Applicable to Service Provided January 9, 2023 and Thereafter)
 Effective for the Customer Usage Beginning October 2025 through March 2025

Accumulation Period Ending: June 2025			
1	Actual Net Energy Cost (ANEC) = (FC+E+PP+TC-OSSR-R)		\$151,261,244
2	Net Base Energy Cost (B)	-	\$141,509,401
	2.1 Base Factor (BF)		\$0.01829
	2.2 Accumulation Period NSI (S _{AP})		7,736,982,002
3	(ANEC-B)		\$9,751,843
4	Jurisdictional Factor (J)	x	56.35744%
5	(ANEC-B)*J		\$5,495,889
6	Customer Responsibility	x	95%
7	95% *((ANEC-B)*J)		\$5,221,095
8	True-Up Amount (T)	+	\$466,000
9	Interest (I)	+	\$404,954
10	Prudence Adjustment Amount (P)	+	\$0
11	Fuel and Purchased Power Adjustment (FPA)	=	\$6,092,049
12	Estimated Recovery Period Retail NSI (S _{RP})	÷	8,912,073,277
13	Current Period Fuel Adjustment Rate (FAR)	=	\$0.00068
14			
15	Current Period FAR _{Trans} = FAR x VAF _{Trans}		\$0.00070
16	Prior Period FAR _{Trans}	+	\$0.00027
17	Current Annual FAR _{Trans}	=	\$0.00097
18			
19	Current Period FAR _{Sub} = FAR x VAF _{Sub}		\$0.00071
20	Prior Period FAR _{Sub}	+	\$0.00027
21	Current Annual FAR _{Sub}	=	\$0.00098
22			
23	Current Period FAR _{Prim} = FAR x VAF _{Prim}		\$0.00071
24	Prior Period FAR _{Prim}	+	\$0.00027
25	Current Annual FAR _{Prim}	=	\$0.00098
26			
27	Current Period FAR _{Sec} = FAR x VAF _{Sec}		\$0.00073
28	Prior Period FAR _{Sec}	+	\$0.00028
29	Current Annual FAR _{Sec}	=	\$0.00101
30	VAF _{Trans} = 1.0300		
31	VAF _{Sub} = 1.0378		
32	VAF _{Prim} = 1.0497		
33	VAF _{Sec} = 1.0690		