

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

In the Matter of Evergy Missouri West, Inc. d/b/a)
Evergy Missouri West’s Request for Authority to) Case No. HR-2026-0109
Implement A General Rate Increase for Steam/Heat)
Service)

EVERGY MISSOURI WEST’S REPLY TO STAFF AND OPC

COMES NOW, Evergy Missouri West, Inc. d/b/a Evergy Missouri West (“Evergy Missouri West,” “Evergy,” or the “Company”), by and through counsel and, pursuant to the Missouri Public Service Commission’s (“Commission”) *Order Shortening Time for Responses to Staff Response to Filing* (“Order”) issued on December 17, 2025, states as follows:

RESPONSE TO STAFF

1. On October 20, 2025, the Company opened this docket with a *Notice of Intended Case Filing*. Prior to this filing, the Company had several meetings with its five steam customers¹ and was negotiating a potential increase in rates. The Company’s steam rates were last increased in 2020.

2. On October 30, 2025, Evergy contacted Staff and provided them with information regarding a steam customer rate increase, including the revenue requirement model and cost allocation model.

¹ On August 8, 2025, Evergy met with representatives from the five steam customers and presented information to them about the plant, the service, reliability, the cost, etc. On August 11, 2025, the Company shared the steam allocation factors calculation, the revenue requirement model, and a copy of the approved electric steam allocations manual.

On August 12, 2025, the Company provided the proposed pricing schedules (i.e. what the tariff would look like with the proposed increase).

On September 15, 2025, the Company provided responses to customer detailed questions about Evergy’s proposal, a model with allocator comparisons, a revenue requirement support package from the 2020 case, and a copy of the depreciation study from the electric case.

3. On December 8, 2025, the Company filed both a *Notice of Stipulation and Agreement and Request for Variance* (“Notice of Settlement”) and *Stipulation and Agreement* (“Agreement”). The Notice of Settlement included copies of executed letter agreements from all of the Company’s five steam/heat customers (collectively, the “Executed Settlement Letters”) indicating that they had reviewed the attached Agreement designated as Exhibit 1 to the letters and agreed to and approved of its terms.²

4. The Agreement included exemplar tariffs and requested that the rate increase take effect January 1, 2026.

5. On December 16, 2025, Staff (“Staff”) for the Commission filed its *Response to Filing* (“Staff Response”) that requested the Commission reject the Company’s Agreement³ citing that:

Staff objects on the grounds that Staff has not had the chance to review anything the Company might submit in the course of a rate case and has not had the chance to issue any discovery requests. While Staff was made aware of the potential filing of an agreement between Evergy Missouri West and its customers, it was Staff’s understanding that this would be part of its requested rate increase.⁴

6. Staff’s assertion that it did not have a chance to review anything that the Company might submit in the course of this rate case is disingenuous. As mentioned above, the Company provided information and details, including a revenue requirement model and cost allocation model, regarding a proposed steam rate increase to various members of Staff via email on October 30, 2025, following a meeting in Jefferson City to discuss same. A copy of this email is attached as confidential Exhibit A. Moreover, Staff was offered the opportunity to ask follow-up questions

² See AGP, Albaugh, Nestle, Omnium, and Triumph Executed Settlement Letters included with the filing of the *Notice of Settlement*, dated December 8, 2025, “Execution of this letter agreement by an authorized representative [...] evidences the agreement of [...] to the terms of the attached Stipulation.”

³ See *Staff Response*, p. 3.

⁴ See *Staff Response*, ¶8, p. 2.

of the Company and could have submitted data requests in this filed case or requested follow-up discussions had it chosen to do so.

7. Instead, Staff did nothing until expressing its concerns one day before the case was to appear on the Commission's agenda. Staff's inaction will negatively impact Evergy as the Company and its five steam customers concurred in their Agreement that the new rates should be effective January 1, 2026. The expected effective date was certainly a key term of the value consideration in the negotiation.

8. Moreover, the method of settlement in this docket is similar to the stipulation that was filed⁵ (and ultimately approved by the Commission⁶) in File No. HR-2018-0231. In that case none of the steam customers were "parties" to the case as they had not retained counsel to represent them at the Commission. Instead, the steam customers requested that the Company submit the stipulation on their behalf and indicated as much in letters filed with the Commission. The same process was used in this case, with the exception of the filing of Company testimony which included similar financial information that was provided to Staff in this case on October 30, 2025.

9. Staff argues that no request for a rate increase has been filed by Evergy. The Company disagrees. The Company filed an agreement with its steam customers for a rate increase to be effective January 1, 2026. Section 393.140(11)⁷ states that a public utility, including heating and steam companies,⁸ is required to file changes "in any rate or charge, or in any form of contract or agreement" with the Commission which will go into effect after "thirty days' notice" unless the Commission "for good cause shown may allow changes without requiring the thirty days' notice

⁵ See Schedule LJN-4, *Direct Testimony of Linda J. Nunn and Stipulation and Agreement*, both filed October 3, 2019, File No. HR-2018-0231.

⁶ See, *Order Approving Stipulation and Agreement and Directing Filing of Compliance Tariffs*, issued December 3, 2019; and *Order Approving Compliance Tariff Sheets with Expedited Effective Date*, issued December 16, 2019.

⁷ All statutory citations are to the Missouri Revised Statutes (2016), as amended.

⁸ § 393.290

....” Similarly, Section 393.150 provides that whenever there shall be filed with the Commission “any new form of contract or agreement,” the Commission shall have the authority “to enter upon a hearing concerning the propriety of such rate, charge, the form of contract or agreement” and may suspend such contract or agreement for a period of time. The Agreement with the steam customers is a new form of contract or agreement, and it clearly is a request for a rate increase under Chapter 393.

10. While Everygy does not agree with the statements made in Staff’s December 16 filing, the Company has had recent discussions with Staff on next steps in this case. Staff requested that the Company file a letter in this docket requesting a rate increase for its steam customers under the Staff assisted rate case procedure rule (20 CSR 4240-10.075) While the Company does not believe that it must use this rule to effectuate a steam rate case, a letter requesting a rate increase has been filed simultaneously with this pleading. The Staff also indicated that a case could be initiated by the filing of tariffs. To that end, the Company has filed tariffs with an issue date of today and an effective date of January 1, 2026.

RESPONSE TO OPC

11. Similar to Staff, OPC waited until the last minute to voice its “concerns” with the Stipulation even though the Company made OPC aware of its approach on November 14, 2025. Attached as Exhibit B is a copy of the email to OPC which provided notice of the approach the Company was going to use, how it was very much like what was done in the last steam rate case, and that the Commission approved allocation factors would be used. The email also indicated that all steam customers supported the settlement agreement. OPC did not provide any input regarding the Company’s approach regarding new rates for its steam customers.

12. Over a month later, OPC now says that the Commission should reject the Company's filing as it didn't use the file and suspend method to begin a rate case. As stated above, Evergy's filed Agreement is the method that it chose to initiate this rate increase. OPC ignores the fact that all five steam customers impacted by the rate increase have agreed to the amount of the rate increase set forth in the chart on page two of the Agreement after discovery and review of financial support of the revenue deficiency provided by the Company and through completion of good faith negotiations between all five steam customers and the Company. The Company's filing of exemplar tariffs was based on Staff's guidance which was finally provided to the Company in an email. See Exhibit C.

13. OPC next says that an agreement between a utility and its customers for a rate increase is not a sufficient basis for the Commission to adopt the rates. OPC ignores the fact that the Commission approved a similar rate increase settlement agreement between the steam customers and the Company the last time rates were increased in 2020. In addition, the Company provided the revenue requirement and allocation models to Staff so that it could review the underlying information concerning the rate increase before the settlement agreement was filed. Evergy would have provided the same revenue requirement and allocation information to OPC had it requested.

14. It is unclear why OPC is attempting to derail a rate increase for five large steam customers who have already agreed to the increase. Under these circumstances, OPC is simply second-guessing the decisions of sophisticated customers, rather than protecting the public under Section 386.710.

15. OPC's legal argument appears to only have its basis in an unpublished appellate opinion. It fails to note that because the Missouri Supreme Court granted transfer of the Court of

Appeals' decision, that opinion is "a nullity as though it had never been written" and the case "had not been previously heard and submitted."⁹ OPC concedes that the Commission is not bound to follow that case.

CONCLUSION

16. None of the reasons cited by Staff or OPC prevent the Commission from ordering its Staff to review the exemplar tariffs so that compliance tariffs may be filed by the Company. Back in September, the Company negotiated a rate increase with the five steam customers that will pay the increased rate and as part of the negotiations settled upon January 1, 2026, for the effective date. Evergy then presented settlement information at an October meeting with Staff so that it could review the financial and allocation models and investigate any potential impact on the Company's other customers. Staff now wants the Company to "say the magic word" by filing a letter, or an application or tariffs so that it can officially begin its review of financial information that Staff has been sitting on since the end of October. Staff's inaction, as well as Staff and OPC's attempts to prolong the tariff review have put the Agreement's effective date of January 1, 2026, in jeopardy. The Commission should disregard these delay tactics as they are harmful to the Company and do not provide any protections for the steam customers.

17. This Commission has made it clear that it wants the affected parties to work together to find just and reasonable outcomes. In this case, the Company did just that. It engaged its customers early, provided Staff with data and models justifying the increase, and came to a reasonable settlement with its customers. The Company and the steam customers should not be punished for collaborating and negotiating a mutually agreeable outcome to address a revenue

⁹ In re Thomasson's Estate, 192 S.W.2d 867, 870 (Mo. 1946). See Smith v. St. Louis Public Serv. Co., 259 S.W.2d 692, 694 (Mo. en banc 1953).

deficiency in a professional and administratively efficient manner due to the inaction of Staff and OPC.

WHEREFORE, Evergy Missouri West requests that the Commission issue an order directing Staff to respond in a filing in five days and review the exemplar tariffs submitted with the Stipulation so that the tariffs can go into effect January 1, 2026, and such other relief as is appropriate.

Respectfully submitted,

/s/ Roger W. Steiner

Roger W. Steiner, MBN 39586

Cole Bailey, MBN 77628

Evergy, Inc.

1200 Main – 17th Floor

Kansas City, Missouri 64105

Phone: (816) 556-2314

roger.steiner@evergy.com

cole.bailey@evergy.com

Attorneys for Evergy Missouri West

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was served upon counsel for all parties this 19th day of December 2025, by either e-mail or U.S. Mail, postage prepaid.

/s/ Roger W. Steiner

Roger W. Steiner

**EXHIBIT A (Parts 1 and 2)
IS CONFIDENTIAL IN ITS ENTIRETY**

**IT CONTAINS INFORMATION
NOT AVAILABLE TO THE PUBLIC.**

ORIGINAL FILED UNDER SEAL

From: Poston, Marc <Marc.Poston@opc.mo.gov>
Sent: Friday, November 14, 2025 4:32 PM
To: Roger W Steiner <roger.steiner@evergy.com>; Clizer, John <John.Clizer@opc.mo.gov>
Cc: Ron A Klote <ronald.klote@evergy.com>; Linda Nunn <linda.nunn@evergy.com>; Williams, Nathan <Nathan.Williams@opc.mo.gov>
Subject: RE: HR-2026-0109- EMW steam rate case

This Message Is From an External Sender

This message came from outside your organization.

[Report Suspicious](#)



Roger,

Thanks for the heads up. Nathan is the OPC attorney on this case, so I've copied him.

Marc

Marc Poston
Missouri Office of Public Counsel
573-751-5318

From: Roger W Steiner <roger.steiner@evergy.com>
Sent: Friday, November 14, 2025 11:59 AM
To: Poston, Marc <Marc.Poston@opc.mo.gov>; Clizer, John <John.Clizer@opc.mo.gov>
Cc: Ron A Klote <ronald.klote@evergy.com>; Linda Nunn <linda.nunn@evergy.com>
Subject: HR-2026-0109- EMW steam rate case

Internal Use Only

Marc and John,

You may have noticed that the Company filed a 60-day notice for a steam rate case. I wanted to give you a heads up that we are planning on handling this case like we did the last steam rate case (HR-2018-0231) where we had agreement from the five steam customers for a rate increase. We have worked with the steam customers on a rate resolution consistent with our

prior case. Customer letters indicating the customers agreement will be filed with the stipulation and we hope to file the letters soon. The Lake Road electric/steam allocation factors that were established in the last EMW rate case will be used in this settlement.

We would be happy to discuss further with you if you desire. Thanks.

From: Bolin, Kim <kim.bolin@psc.mo.gov>
Sent: Saturday, November 22, 2025 3:19 PM
To: Linda Nunn <linda.nunn@evergy.com>
Subject: RE: Steam Rate Case

This Message Is From an External Sender

This message came from outside your organization.

[Report Suspicious](#)



Sorry Linda it has been a busy 2 weeks. Mark thought you should file exemplar tariffs.

From: Linda Nunn <linda.nunn@evergy.com>
Sent: Monday, November 10, 2025 3:21 PM
To: Bolin, Kim <kim.bolin@psc.mo.gov>
Subject: Steam Rate Case

Internal Use Only

Hi Kim,

Checking in to see if you were able to discuss the Steam case filing with Mark.

Please let me know your thoughts.

Thanks,

Linda

Linda Nunn
Sr. Manager - Regulatory Affairs
Evergy
linda.nunn@evergy.com
(O) 1-816-652-1292 (C) 816-718-6430
evergy.com