

Exhibit No.:
Issue: Transource; Retail v. Wholesale ROE
Witness: Buck Reuter
Type of Exhibit: Direct Testimony
Sponsoring Party: Evergy Missouri Metro
Case No.: ER-2026-0143
Date Testimony Prepared: February 6, 2026

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2026-0143

DIRECT TESTIMONY

OF

BUCK REUTER

ON BEHALF OF

EVERGY MISSOURI METRO

**Kansas City, Missouri
February 2026**

DIRECT TESTIMONY

OF

BUCK REUTER

Case No. ER-2026-0143

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

2 A: My name is Buck Reuter. My business address is 818 S. Kansas Avenue, Topeka,
3 Kansas.

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

5 A: I am employed by Evergy Kansas Central, Inc. and serve as Manager Regulatory
6 for Evergy Kansas Central, Inc. d/b/a as Evergy Missouri Metro (“Evergy Missouri
7 Metro,” “EMM,” or the “Company”), Evergy Missouri West, Inc. d/b/a Evergy
8 Missouri West (“Evergy Missouri West”), Evergy Metro, Inc. d/b/a Evergy Kansas
9 Metro (“Evergy Kansas Metro”), and Evergy Kansas Central, Inc. and Evergy
10 South, Inc., collectively d/b/a as Evergy Kansas Central (“Evergy Kansas Central”)
11 the operating utilities of Evergy, Inc. (“Evergy”).

12 **Q: Who are you testifying for?**

13 A: I am testifying on behalf of Evergy Missouri Metro.

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

15 A: My current responsibilities include the application of the transmission formula rates
16 for all Evergy operating companies.

1 **Q: Please describe your education, experience, and employment history.**

2 A: In 2000, I received a Bachelor of Science Degree in Accounting from Washburn
3 University. In 2002, I completed my Master of Business Administration Degree
4 from Washburn University. I am a Certified Public Accountant holding a certificate
5 in the State of Kansas. In 2000, I started as an intern at Western Resources (which
6 later became Westar Energy and in 2018 merged with Great Plains Energy to form
7 Energys). Throughout my 20 plus years of utility experience, I have held varying
8 positions of increasing responsibilities in Accounting, Marketing, Transmission
9 Operations and Regulatory Affairs. In October 2021, I joined the Regulatory
10 Affairs department responsible for the coordination, preparation and filing of all of
11 Energys's Transmission Formula Rate templates.

12 **Q: Have you previously testified in a proceeding at the Missouri Public Service**
13 **Commission ("PSC" or "Commission") or before any other utility regulatory**
14 **agency?**

15 A: Yes, I testified before the PSC in No. ER-2024-0189, Energys Missouri West's most
16 recent rate case.

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

18 A: The purpose of my testimony is to provide support on accounting adjustments R-
19 80 and CS-108.

20 **I. R-80 TRANSMISSION REVENUE – RETURN ON EQUITY**

21 **Q: Please explain adjustment R-80.**

22 A: This adjustment provides for Energys Missouri Metro's retail customers to bear
23 responsibility for the return on transmission rate base at the Commission.

1 Essentially, the adjustment reduces the amount of transmission revenue that is
2 credited against the gross transmission revenue requirement so that the adjusted
3 revenue credit is consistent with the Company's allowed return on equity ("ROE")
4 rather than the ROE allowed by the Federal Energy Regulatory Commission
5 ("FERC").

6 **Q: Please describe the calculation of this adjustment.**

7 A: The Company has a transmission formula rate ("Formula Rate") on file with FERC
8 that is updated each year to determine the revenue requirement and rate level for
9 transmission service provided through the Southwest Power Pool, Inc. ("SPP")
10 Open Access Transmission Tariff ("OATT"). The ROE allowed by FERC in the
11 Formula Rate is 11.1 percent. However, the ROE requested by the Company in this
12 case is 10.5 percent. The first step in calculating the adjustment is to determine the
13 difference between the annual revenue requirement in the Formula Rate when the
14 ROE is set at 11.1 percent and the annual revenue requirement when the ROE is set
15 at 10.5 percent. This difference is divided by the annual revenue requirement at
16 11.1 percent to derive an adjustment percentage. This should be adjusted for the
17 final ROE determined by the Commission in this case.

18 **Q: Please continue with the further steps required.**

19 A: The next step is to determine the amount of transmission revenue received by
20 Evergy Missouri Metro that is derived through application of the Formula Rate in
21 charging wholesale customers for transmission service. The preponderance of this
22 revenue is collected as a result of service provided under the SPP OATT. A further
23 calculation is made to exclude the portion of the revenue attributable to service that

1 Evergy Missouri Metro paid for as a transmission customer. Because those service
2 charges are included in the retail cost-of-service not only as revenue credits but also
3 as expenses under Account 565, those amounts are removed from the revenue
4 adjustment so that the costs borne by retail customers reflect the overall ROE level
5 of 10.5 percent. The remaining revenue, after the above-described adjustments,
6 essentially represents the portion based on the Formula Rate that is derived from
7 sources other than Evergy Missouri Metro. This revenue is then multiplied by the
8 ROE adjustment percentage described above to arrive at the final adjustment
9 amount. This adjustment applies transmission revenues related to both Evergy
10 Missouri Metro's base plan projects, which were built under the direction of SPP,
11 and to the Company's legacy zonal projects, which were built under the Company's
12 own initiative. The result is a reduction in the revenue credits for Evergy Missouri
13 Metro.

14 **Q: Please explain why adjustment R-80 is necessary.**

15 A: Absent this adjustment, the effective ROE included in retail rates for transmission
16 assets would be less than that authorized by the PSC. This effect is exacerbated as
17 the spread widens between the FERC-authorized ROE of 11.1% and the PSC-
18 authorized ROE.

19 **II. CS-108 TRANSOURCE CWIP/FERC INCENTIVES**

20 **Q: Please explain why Evergy Missouri Metro is making this adjustment.**

21 A: Evergy Missouri Metro is making this adjustment to comply with conditions of the
22 PSC Report and Order in Case No. EA-2013-0098. The Commission's Report and
23 Order stated in Appendix 4: Consent Order, page 28:

1 With respect to transmission facilities located in KCP&L [Evergy
2 Missouri Metro (EMM)] certificated territory that are constructed
3 by Transource Missouri that are part of the Iatan-Nashua and Sibley-
4 Nebraska City Projects, KCP&L [EMM] agrees that for ratemaking
5 purposes in Missouri the costs allocated to EMM by SPP will be
6 adjusted by an amount equal to the difference between: (a) the SPP
7 load ratio share of the annual revenue requirement for such facilities
8 that would have resulted if KCP&L [EMM]'s authorized ROE and
9 capital structure had been applied and there had been no CWIP (if
10 applicable) or other FERC Transmission Rate Incentives, including
11 but not limited to Abandoned Plant Recovery, recovery on a current
12 basis instead of capitalizing pre-commercial operations expenses
13 and accelerated depreciation, applied to such facilities; and (b) the
14 SPP load ratio share of the annual FERC-authorized revenue
15 requirement for such facilities. KCP&L [EMM] will make this
16 adjustment in all rate cases so long as these transmission facilities
17 are in service.

18 **Q: Please explain adjustment CS-108.**

19 A: Adjustment CS-108 reflects a change to Account 565 -Transmission of Electricity
20 by Others that represents the difference between Evergy Missouri Metro's SPP load
21 ratio share allocation of Transource Missouri's annual transmission revenue
22 requirement ("ATRR") for the Iatan-Nashua and Sibley-Nebraska City Projects and
23 Evergy Missouri Metro's SPP load ratio share allocation of the ATRR for the Iatan-
24 Nashua and Sibley-Nebraska City Projects if it had been calculated utilizing Evergy
25 Missouri Metro's PSC-authorized ROE and capital structure and did not include
26 the FERC-authorized rate treatments and incentives listed above.

27 **Q: Is adjustment CS-108 still necessary?**

28 A: When the agreement was reached, this adjustment reduced retail revenue
29 requirement. Now, adjustment CS-108 provides an immaterial increase to the
30 revenue requirement and going forward will continue to decrease in amount as the
31 projects decrease in value. This is demonstrated in the adjustment in this case for
32 Evergy Missouri Metro amounting to \$115,010. Since this adjustment will continue

1 to decline in the future Evergy Missouri Metro proposes that this adjustment be
2 eliminated going forward.

3 **Q: Please summarize your testimony.**

4 A: The testimony supports two adjustments, R-80 and CS-108, to align Evergy
5 Missouri Metro's retail transmission rates with the Commission-authorized ROE.
6 Evergy Missouri Metro proposes to continue adjustment R-80 and to eliminate
7 adjustment CS-108, as its impact is now immaterial and burdensome to calculate.

8 **Q: Does that conclude your testimony?**

9 A: Yes, it does.

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


In the Matter of Evergy Metro, Inc. d/b/a Evergy)
Missouri Metro's Request for Authority to) Case No. ER-2026-0143
Implement A General Rate Increase for Electric)
Service)

AFFIDAVIT OF BUCK REUTER

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

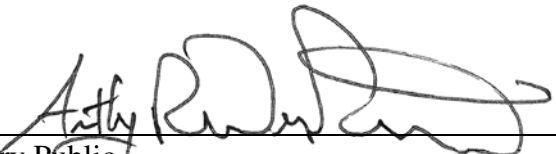
Buck Reuter, being first duly sworn on his oath, states:

1. My name is Buck Reuter. I work in Topeka, Kansas and I am employed by Evergy Kansas Central, Inc. as Manager Regulatory.
2. Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of Evergy Missouri Metro consisting of six (6) 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.



Buck Reuter

Subscribed and sworn before me this 6th day of February 2026.



Notary Public

My commission expires: April 26, 2029

