

**BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS**

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**DIRECT TESTIMONY OF**

**LINDA J. NUNN**

**ON BEHALF OF EVERGY KANSAS  
CENTRAL, INC. AND EVERGY KANSAS SOUTH, INC.**

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**IN THE MATTER OF THE APPLICATION OF  
EVERGY KANSAS CENTRAL, INC. AND  
EVERGY KANSAS SOUTH, INC. FOR APPROVAL TO MAKE  
CERTAIN CHANGES IN THEIR CHARGES FOR ELECTRIC SERVICE  
PURSUANT TO K.S.A. 66-117.**

**Docket No. 25-EKCE-294-RTS**

**January 31, 2025**

1 I. INTRODUCTION

2 **Q. Please state your name and business address.**

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

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

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

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

11 A. I am testifying on behalf of Evergy Kansas Central (“EKC” or “Company”).

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 filings  
15 and the coordination, preparation and review of financial information and schedules  
16 associated with retail rider mechanism tariff filings for the above-mentioned operating  
17 utilities of Evergy, Inc.

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

19 A. I received a Bachelor of Science Degree in Business Administration with a concentration in  
20 Accounting from Northwest Missouri State University. I became a Senior Regulatory  
21 Analyst with Kansas City Power & Light Company (“KCP&L”) in 2008 as part of the  
22 acquisition of Aquila, Inc., by Great Plains Energy. In 2013, I was promoted to Supervisor  
23 – Regulatory Affairs. In 2018, I became Manager, Regulatory Affairs, which is the position  
24 I currently hold in Evergy, Inc. Before joining KCP&L, I was employed by Aquila, Inc. for a

1 total of eleven years. In addition to Regulatory Affairs, I have had experience in Accounting,  
2 Audit and Business Services, where I had responsibility for guiding restructuring within the  
3 delivery division. In addition to my utility experience, I was the business manager and  
4 controller for two area churches. Prior to that, I was an external auditor with Ernst & Whinney.

5 **Q. Have you previously testified in a proceeding before the Kansas Corporation Commission**  
6 **(“Commission” or “KCC”) or before any other utility regulatory agency?**

7 A. Yes. I have provided written testimony in Kansas Docket Nos. 17-KCPE-201-RTS, 18-  
8 KCPE-480-RTS, and 23-EKCE-775-RTS. I have also provided written and oral testimony  
9 in various dockets before the Missouri Public Service Commission.

10 **Q. What is the purpose of your testimony?**

11 A. The purpose of my testimony is to explain and quantify certain accounting adjustments made  
12 to the test year for EKC and describe and quantify adjustments for certain riders or  
13 surcharges including the Transmission Delivery Charge (“TDC”) and the Retail Energy Cost  
14 Adjustment (“RECA”).

15 **RB-82/R-82/CS-82 Transmission Elimination**

16 **Q. Please explain why it is necessary to make these adjustments to eliminate certain**  
17 **transmission items.**

18 A. The Commission-approved TDC Rider tracks the annual revenue requirement determined  
19 from the application of the Company’s transmission formula rate (“TFR”) which has been  
20 approved by the Federal Energy Regulatory Commission (“FERC”). Principally,  
21 transmission costs reflected in the TFR are unbundled from EKC base rates and set out  
22 separately in the TDC Rider that is adjusted at least annually to reflect changes in the  
23 application of the TFR. Therefore, RB-82, R-82 and CS-82 remove from EKC’s cost of

1 service the test-year transmission cost and revenue components that are recovered outside  
2 of base rates.

3 **Q. What elements from the Company's base rates were removed from cost of service in**  
4 **this rate case?**

5 A. On the whole, any cost element that will be recovered through the application of the TFRs  
6 and picked up by the TDC rider was removed from cost of service using the same direct  
7 assignment and allocation percentages as reflected in the TFR. Particularly, all operations  
8 and maintenance ("O&M") expenses, depreciation and amortization expenses, revenue  
9 credits, plant in service, and accumulated depreciation directly identified as transmission  
10 costs in the Company's accounting records were removed using the same direct assignment  
11 and allocation as reflected in the TFR. In addition, joint costs such as administrative and  
12 general expenses, depreciation of general plant, taxes other than income taxes, general plant,  
13 general plant accumulated depreciation, accumulated deferred income taxes, and working  
14 capital (including materials and supplies and prepayments) were removed using the same  
15 direct assignment or allocation percentages as used in the application of the TFR. Because  
16 the Company's rate base has been adjusted to remove all excluded transmission-related  
17 costs, the operating income and associated income taxes shown in EKC's cost of service  
18 does not include a return on TDC Rider related rate base and associated income taxes.

1 **Q. What are the amounts for each adjustment removed from the general rate case?**

2 A. The amounts are as follows:<sup>1</sup>

<hr/>	
<b>EKC</b>	
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RB-82 (Rate Base):	
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Plant	(\$4,359,830,651)
Reserve	(\$966,865,557)
ADIT	(\$521,561,439)
Working Capital	(\$6,204,526)
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R-82 (Revenues):	
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Accts 454 & 456	(\$381,154,546)
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CS-82 (Expenses):	
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NFOM	(\$329,282,882)
A&G	(\$3,318,217)
Amortization	(\$2,265,502)
TOTIT	(\$48,997,672)

3  
4  
5 **Q. Does the Company intend to update these adjustments to the March 31, 2025 true-up**  
6 **date?**

7 A. Yes.

8 **R-84 Remove Miscellaneous Over/Under Amounts**

9 **Q. Please explain adjustment R-84.**

10 A. Adjustment R-84 eliminates the over/under impact of miscellaneous entries to accounts  
11 449101, 449109, 449440, 449441, 449442, 449150 and 449151 (Provision for Rate Refunds)  
12 that have not already been removed in another adjustment. These amounts are revenue  
13 activity that is not ongoing. The types of amounts removed were the under recovery  
14 recorded for the MKEC contract, the liability owed due to the phase in of the Kansas Income

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<sup>1</sup> “ADIT” is Accumulated Deferred Income Tax; “NFOM” is Non-fuel Operating and Maintenance expense; “A&G” is Administrative and General expense; “TOTIT” is Taxes Other Than Income Taxes.

1 Tax elimination and Kansas bill credits. The total amount of this adjustment is a decrease in  
2 revenues of \$46,194,333 for EKC.

3 **Q: Does the Company anticipate updating this adjustment to March 31, 2025?**

4 A: As these are test year amounts, no true-up will be needed.

5 **CS-23 Remove RECA/Under Collection**

6 **Q. Please explain adjustment CS-23.**

7 A. This adjustment reversed the amount of under recovery relating to the RECA recorded in  
8 accounts 449101, 449440, 449441, 449442, 501600 and 501610 for EKC. This adjustment  
9 is necessary to remove the under-recovered amounts of net RECA costs. Since these  
10 revenues and expenses are not ongoing and are related to riders which are recovered outside  
11 of base rates, the identified revenues and expenses need to be eliminated from the base rates  
12 cost of service. The amount of the adjustment for EKC is a \$4,288,995 decrease to revenue  
13 and a \$19,990,756 decrease to expense.

14 **Q: Does the Company anticipate updating this adjustment to March 31, 2025?**

15 A: As these are test year amounts, no true-up will be needed.

16 **CS-26/R-26 RECA Costs**

17 **Q. Please explain adjustments CS-26 and R-26.**

A. Certain cost and revenues are captured and the net recovered through the RECA rider.  
Therefore, the associated costs and revenues must be removed from base rates cost of  
service. These two adjustments remove the test year levels associated with the RECA rider.  
The amount of adjustment CS-26 is a reduction to expense of \$559,382,814 and a reduction  
in revenue of \$175,491,215.

18 **Q: Does the Company anticipate updating this adjustment to March 31, 2025?**

19 A: As these are test year amounts, no true-up will be needed.

1 **R-83/CS-31 Capacity Revenues/Charges**

2 **Q. Please describe adjustment R-83 and CS-31.**

3 A: As an outcome of EKC's last rate case in Docket No. 23-EKCE-775-RTS, short term  
4 capacity revenues and costs were to flow through the RECA once rates became effective in  
5 December 2023. The test year includes short term capacity revenues and costs that will no  
6 longer be included in base rates. Therefore, these adjustments remove the test year amounts  
7 associated with short-term capacity revenues and costs.

8 The value of adjustment R-83 is a reduction to revenue of \$2,867,510, and for  
9 adjustment CS-31 a decrease to expense of \$5,058,740.

10 **Q: Does the Company anticipate updating this adjustment to March 31, 2025?**

11 A: As these are test year amounts, no true-up will be needed.

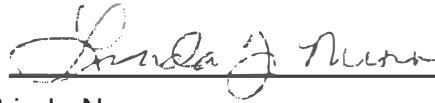
12 **Q. Does this conclude your testimony?**

13 A. Yes, it does.

STATE OF KANSAS                    )  
  ) ss:  
COUNTY OF SHAWNEE            )

**VERIFICATION**

Linda Nunn, being duly sworn upon her oath deposes and states that she is the Manager Regulatory Affairs, for Evergy, Inc., that she has read and is familiar with the foregoing Testimony, and attests that the statements contained therein are true and correct to the best of her knowledge, information and belief.



Linda Nunn

Subscribed and sworn to before me this 31<sup>st</sup> day of January 2025.

  
Notary Public

My Appointment Expires May 30, 2026



NOTARY PUBLIC - State of Kansas  
LESLIE R. WINES  
MY APPT. EXPIRES 5/30/2026