

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

In the Matter of the Application of Evergy's)
Tariff Requesting Credit Card Fees and) Docket No. 26-EKCE-028-TAR
Limitations Filing by Third Party Processor.)

NOTICE OF FILING OF STAFF'S REPORT AND RECOMMENDATION

COMES NOW, the Staff of the State Corporation Commission of the State of Kansas ("Staff" and "Commission", respectively), and files its Report and Recommendation ("R&R") regarding Evergy Kansas Central, Inc. and Evergy Kansas South, Inc. ("Evergy Central") and Evergy Metro, Inc. ("Evergy Metro") (together, "Evergy")'s application requesting Commission approval of updates to their tariffs regarding credit card fees and transaction limits for Commercial and Industrial ("C&I") customers.

Staff has analyzed Evergy's application in light of the relevant portions of the Commission's Payment Standards and ultimately recommends that:

- (1) The proposed changes with respect to ATM cards be approved;
- (2) The proposed changes with respect to transaction limits be denied, or if the Commission approves the changes to transaction limits, then Section 12 of the GTC be modified to reflect that transaction limits are set by the third party processor; and
- (3) The Commission grant Evergy a waiver for paragraphs (D)(2) and (J)(4) of the Payment Standards and approve Evergy's proposed changes regarding transaction fees.

WHEREFORE, Staff submits its Report and Recommendation for Commission review and consideration and or such other relief as the Commission deems just and reasonable.

Respectfully submitted,

/s/ Madisen K. Hane

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**REPORT AND RECOMMENDATION
UTILITIES DIVISION
PUBLIC VERSION**

TO: Andrew J. French, Chairperson
Dwight D. Keen, Commissioner
Annie Kuether, Commissioner

FROM: Douglas Hall, Senior Rate Analyst
Janet Buchanan, Deputy Director of Utilities
Justin Grady, Director of Utilities

DATE: September 19, 2025

SUBJECT: Docket No. 26-EKCE-028-TAR
In the Matter of Evergy's Tariff Requesting Credit Card Fees and Limitations Filing
by Third Party Processor.

EXECUTIVE SUMMARY

On July 28, 2025, Evergy Kansas Central, Inc. and Evergy Kansas South, Inc. (“Evergy Central”) and Evergy Metro, Inc. (“Evergy Metro”) (together, “Evergy”), filed a request (“Application”) for expedited processing of updates to their tariffs regarding credit card fees and transaction limits for Commercial and Industrial (“C&I”) customers. The proposed tariff revisions remove a \$5,000 limit for credit card transactions, instead specifying that both the transaction fee and the transaction limit are determined by the third-party processor. Additionally, for all customers, ATM cards are removed from the allowable payment types. Staff has reviewed the requested revisions to Evergy’s tariffs and recommends that the Commission approve the proposed changes regarding ATM cards and transaction fees and deny the changes regarding transaction limits.

BACKGROUND

On July 28, 2025, Evergy filed a request for expedited processing of updates to its tariffs regarding credit card fees and transaction limits for C&I customers. Evergy states that the proposed changes would avoid any inaccuracies in its tariffs, as the transaction limits and fees are specified by the third-party processor.

The current language in both Evergy Central’s and Evergy Metro’s tariffs specify for C&I customers a \$5,000 limit per transaction, as well as a 2.7% transaction fee. The proposed tariff revisions remove the \$5,000 limit for credit card transactions, instead specifying that both the transaction fee and the transaction limit are determined by the third-party processor. The changes would also remove ATM cards as a payment option. These revisions would affect Sections 4.03.D

and 12.15 of Evergy Central's General Terms and Conditions ("GTC") and would affect Section 4.03 of Evergy Metro's General Rules and Regulations ("GRR").

ANALYSIS

The Commission has set forth standards for bill paying methods in the Minimum Standards for Payment Methods for Utility Bills and Allowing the Acceptance of Credit Cards by Kansas Jurisdictional Electric, Natural Gas, and Water Utilities ("Payment Standards"). In the Payment Standards, credit, debit, and ATM cards are classified as "nonzero fee" payment methods. Nonzero fee payments are not required to be offered, but should a utility make them available as a payment method, are still subject to the principles and standards specified by the Payment Standards.

Relevant portions of the Payment Standards include paragraph (D), which reads as follows:

(D) The following general principles shall govern the use of nonzero fee payment alternatives such as credit, debit and ATM card payments (hereinafter "credit cards"):

(1) the utility shall fully disclose: (i) all payment methods; and (ii) the fees to the customer associated with each payment method; and

(2) the costs to the utility associated with accepting nonzero fee payment alternatives should be exclusively borne by the users of such payment methods.

Paragraph (G) states that nonzero payment methods are optional and not required:

(G) Utilities have the option to offer electronic payment methods such as credit cards according to the desires of its customers and the ability of the utility to accommodate them. Utilities are not required to offer customers the opportunity to pay their bills with such payment methods.

Finally, Paragraph (J)(4) provides standards on how fees for all types of payment methods must be presented to customers, and reads as follows:

(J) The level of customer service must be preserved.

...

(4) The utility shall provide a complete list of all available payment options and the amount of any associated fees payable by customers for all types of payment methods (mail, walk-in, ACH, credit card, debit card, ATM, etc.) on the utility's web site, at local offices and authorized pay stations, in tariffs, and through customer service.

ATM Cards

The removal of ATM cards as a payment method is straightforward. Paragraph (G) of the Payment Standards clearly indicate that a nonzero payment method is not required to be accepted by a

utility. As ATM cards are a nonzero payment method, it stands to reason that Evergy is not required to accept them as a payment method.

Transaction Limits

The removal of language from Evergy's GTC and GRR stating that C&I customer transactions have a limit of \$5,000 is not directly addressed by the Payment Standards. Section 12 of the GTC currently states that "Transaction amounts are limited to \$5,000 or less". The proposed change would remove that sentence. However, Section 4.03.C of the GRR would be revised from

Non-residential Customers will be limited to \$5,000 per transaction and will pay to authorized agent a fee of 2.7%.

to

Non-residential Customers paying by approved credit or debit card are subject to transaction limits and fees by third party processor.

While the exact amount is not specified, the new language still makes reference to transaction limits. However, Staff recommends that transparency be maximized, and that the transaction limit remain in the GTC and GRR. **

*¹ Therefore, Staff recommends that the transaction limit remain in the GTC and GRR. If the Commission authorizes Evergy to remove the transaction limits from the GTC and GRR, then Staff recommends that Section 12 of the GTC be revised to read, "Subject to transaction limits by third party processor."

Transaction Fees

Evergy's proposed changes to its GTC and GRR would remove the specific transaction fee of 2.7%. However, paragraphs (D)(2) and (J)(4) of the Payment Standards state that a utility must present the amount of any fees when a nonzero payment method is used. Evergy has noted to Staff that customers are presented with the transaction fee before approving a payment, whether the payment is made online or on the phone through the IVR.²

In Staff's view, the primary reason for removing transaction fees from the GTC and GRR is the potential conflict created if the fees change and the language in the tariff is not immediately updated, rendering the information in the GTC and GRR substantially incorrect. *

¹ Evergy Response to Data Request 1, p. 3.

² Evergy Response to Data Request 2.

RECOMMENDATION

Based on a review of the Payment Standards and the information provided by Evergy, Staff recommends that:

- 1) the proposed changes with respect to ATM cards be approved;
- 2) the proposed changes with respect to transaction limits be denied, or if the Commission approves the changes to transactions limits, then Section 12 of the GTC be modified to reflect that transaction limits are set by the third party processor; and,
- 3) the Commission grant Evergy a waiver for paragraphs (D)(2) and (J)(4) of the Payment Standards, and approve Evergy's proposed changes regarding transaction fees.

³ Evergy response to Data Request 1, p. 3.

CERTIFICATE OF SERVICE

26-EKCE-028-TAR

I, the undersigned, certify that a true and correct copy of the above and foregoing Notice of Filing was served via electronic service this 22nd day of September, 2025, to the following:

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