



Regionally Competitive Rates and Reasonable Capital Investment

January 2023





Each capital plan is focused on balancing affordability, reliability, and sustainability for the benefit of customers

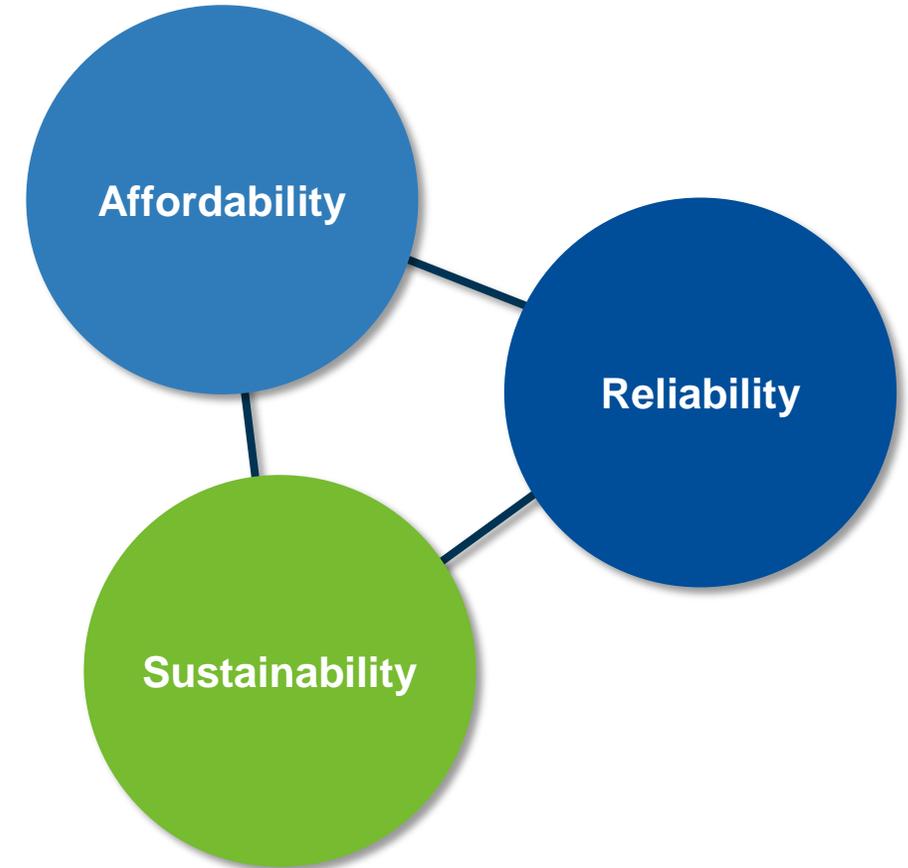
- Reducing operating costs by more than 20% since the merger creating Energy
- Mitigating fuel and purchased power volatility by investing in a diverse generation fleet



- Targeting transmission and distribution infrastructure investment to support reliability, flexibility, public safety, and resiliency
- Deploying new technology to improve preventive maintenance and customer restoration times



- Investing at sustainable capital expenditure levels to maintain reliability and customer affordability for the long-term
- Balancing clean energy investment to continue fuel diversification and while enabling reliable generation to fuel the Kansas economy



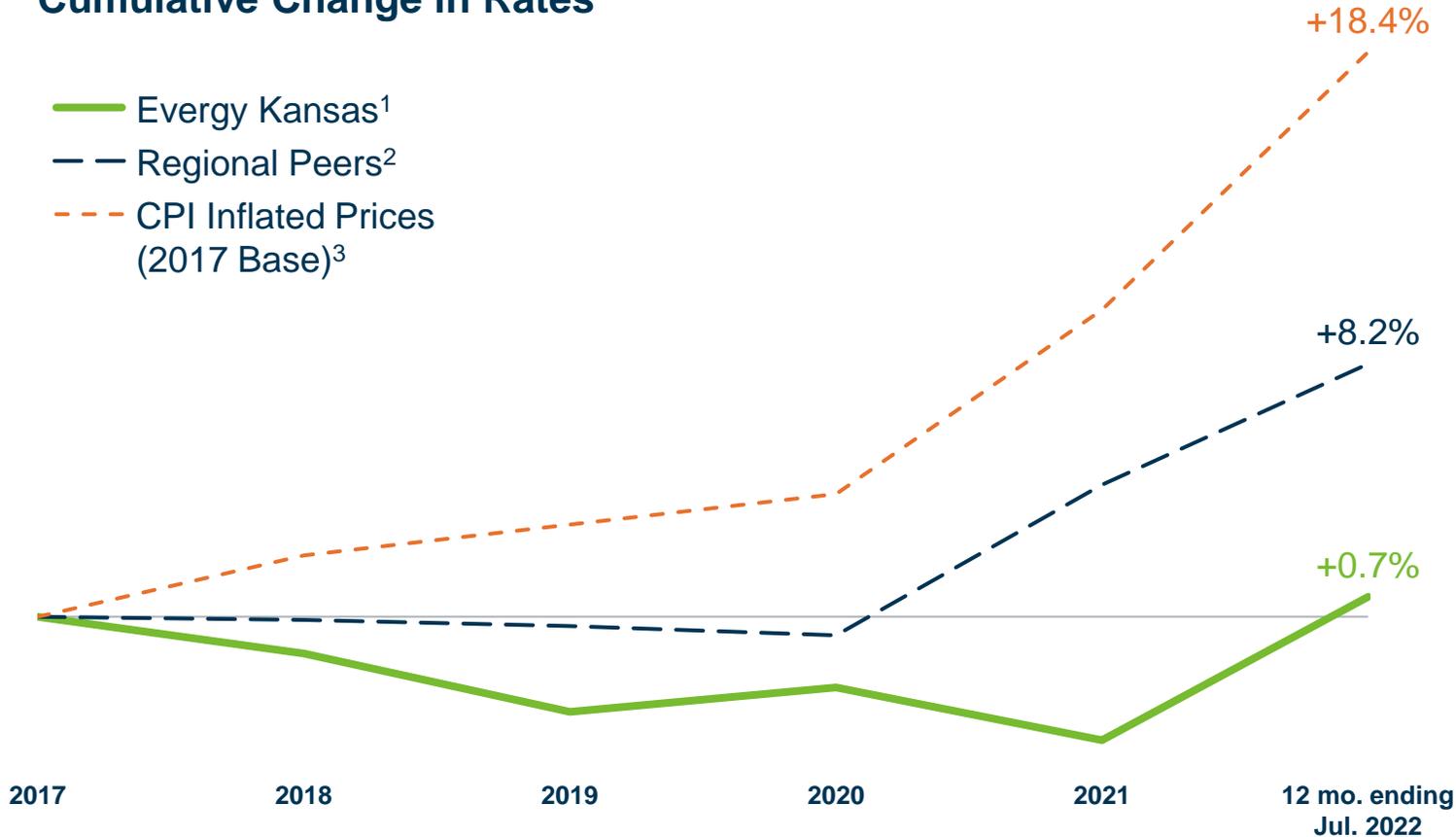
Regional Electric Rate Comparisons





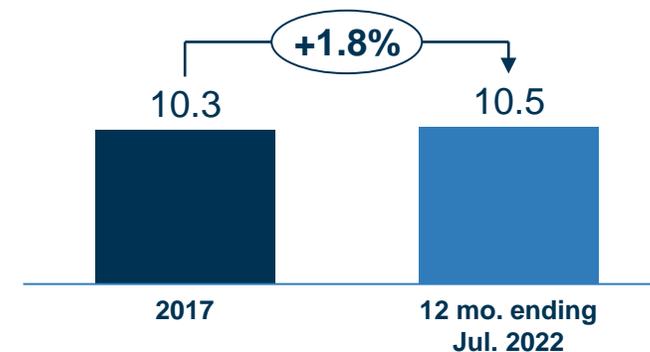
Since 2017, Evergy rates have been flat while regional rates rose 8% and inflation was 18%

Cumulative Change in Rates



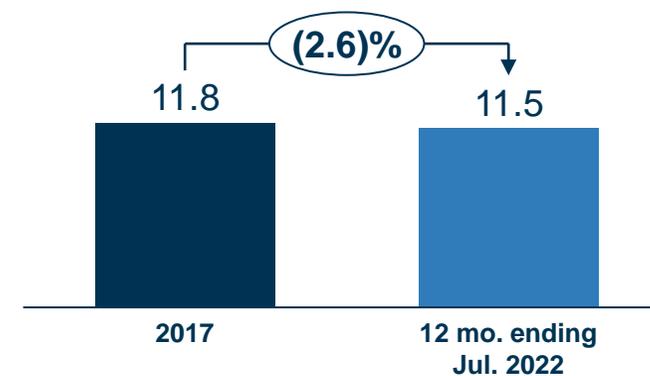
Evergy Kansas Central¹

¢/kWh



Evergy Kansas Metro¹

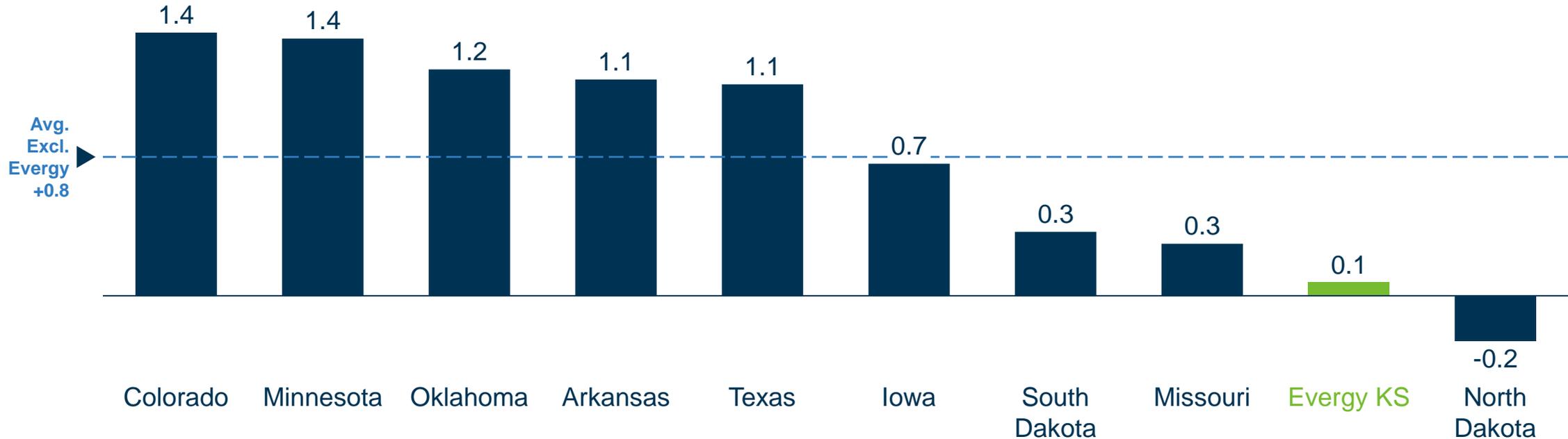
¢/kWh





On an absolute basis, regional state average rates have increased by ~8x relative to Evergy Kansas' change

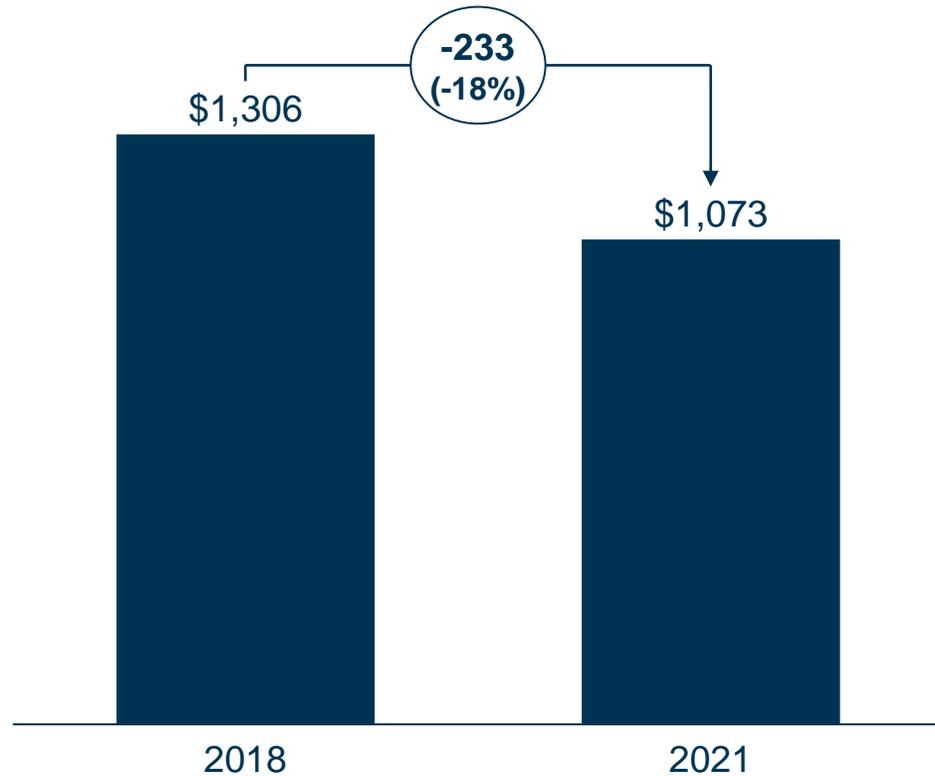
Total Rate Change From 2017 Through 12 mo. Ending July 2022 ^{1,2}
(¢ per kWh)





This progress was driven by a **~20% reduction in operating costs**, exceeding expected merger savings

Adjusted O&M¹
(\$ in millions)



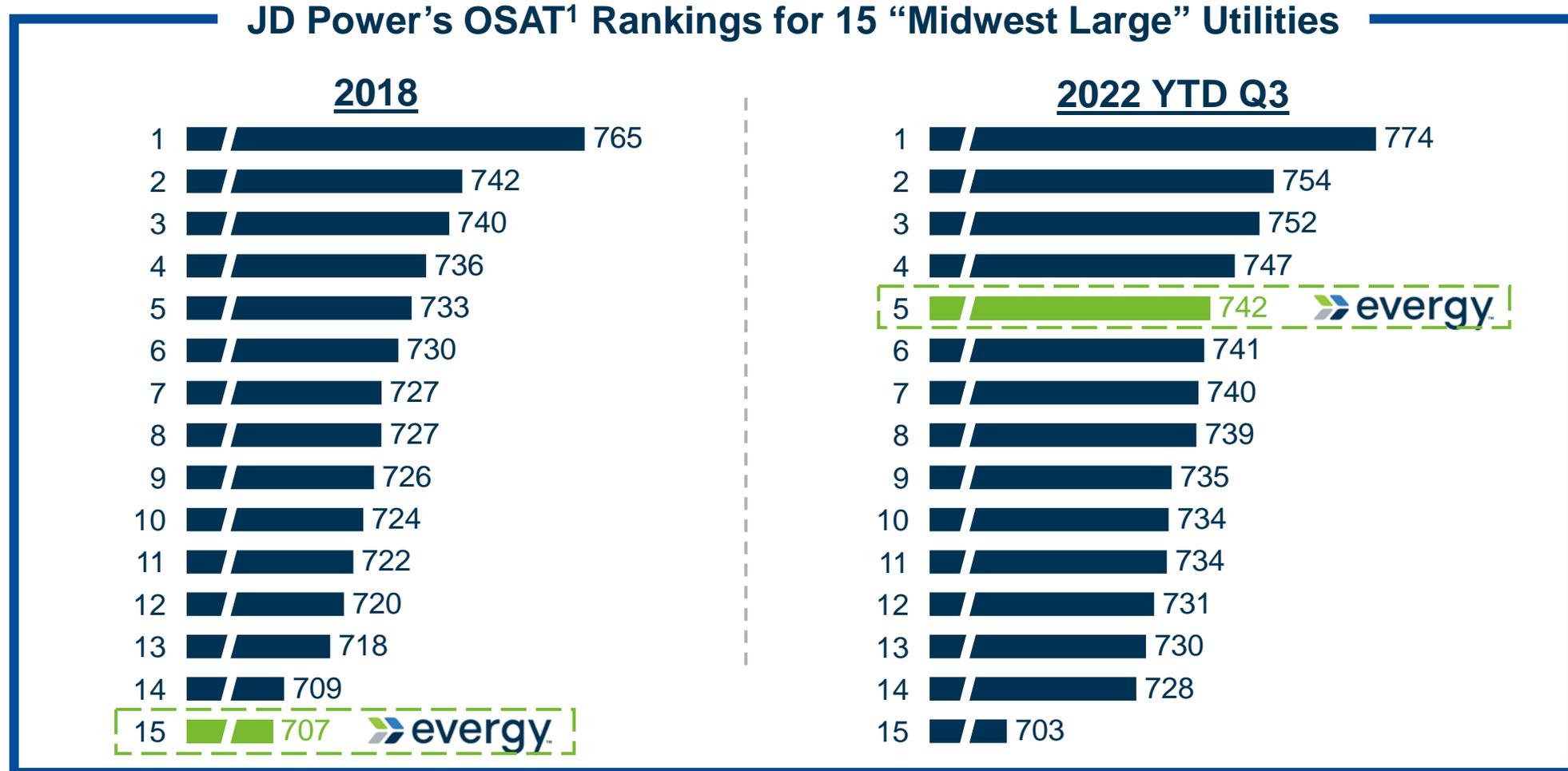
Operating Efficiency Sources...

- Process standardization and organizational streamlining
- Information technology software consolidation
- Predictive maintenance and vegetation management optimization
- Customer operations and billing consolidation
- Technology investment enabling automation and process improvements

...allowed Evergy to deliver to our customers over \$225M of Kansas merger savings and bill credits 2019-2023

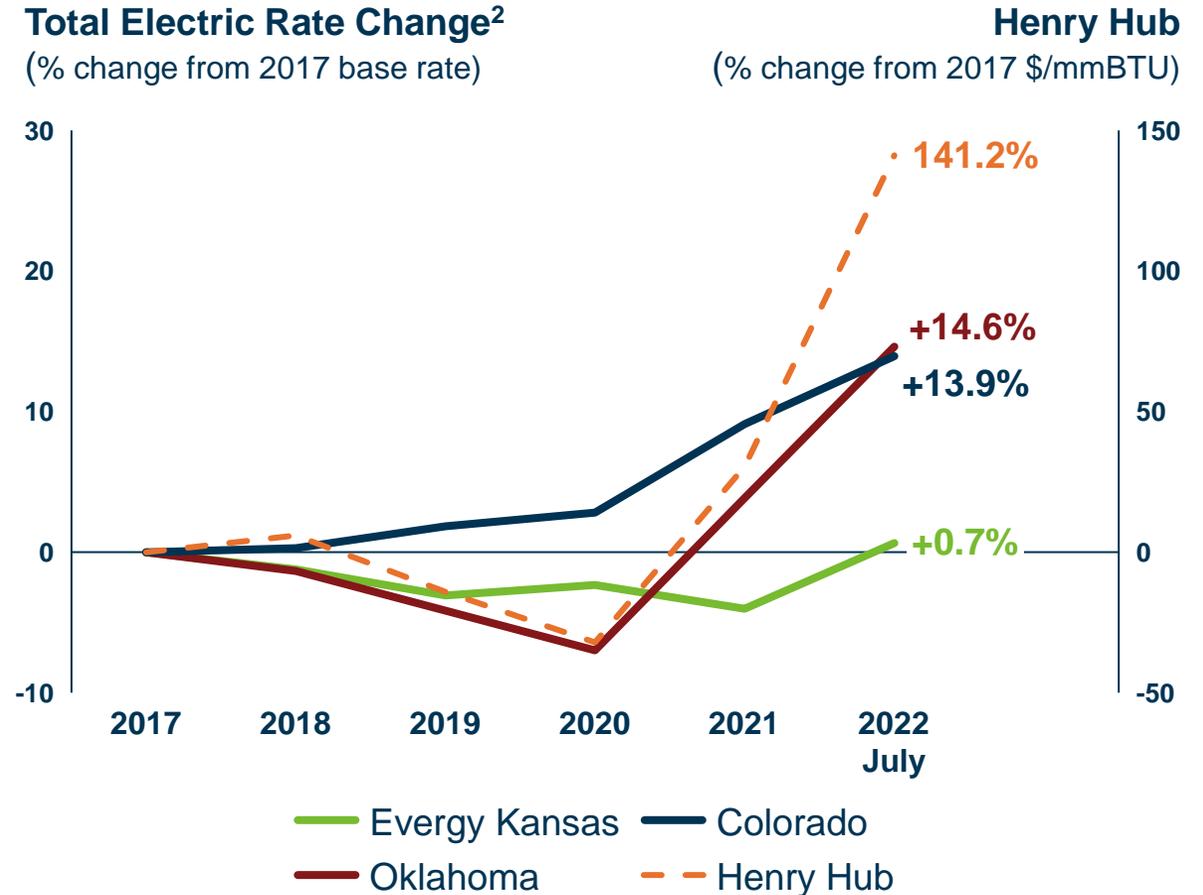
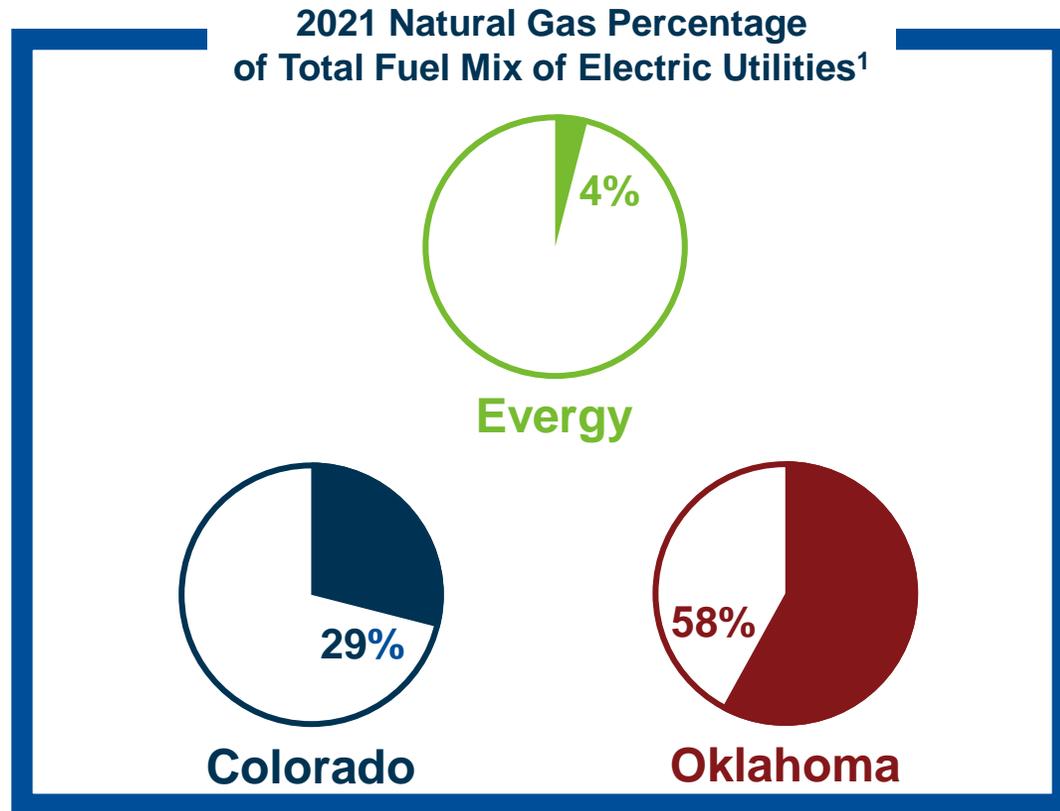


Evergy has made significant improvement in JD Power customer satisfaction scores, increasing 10 out of 15 spots





Evergy's diverse fleet has softened the impact of high gas prices when compared to neighboring states



Reasonable Capital
Investment Driving
Further Regional
Competitiveness

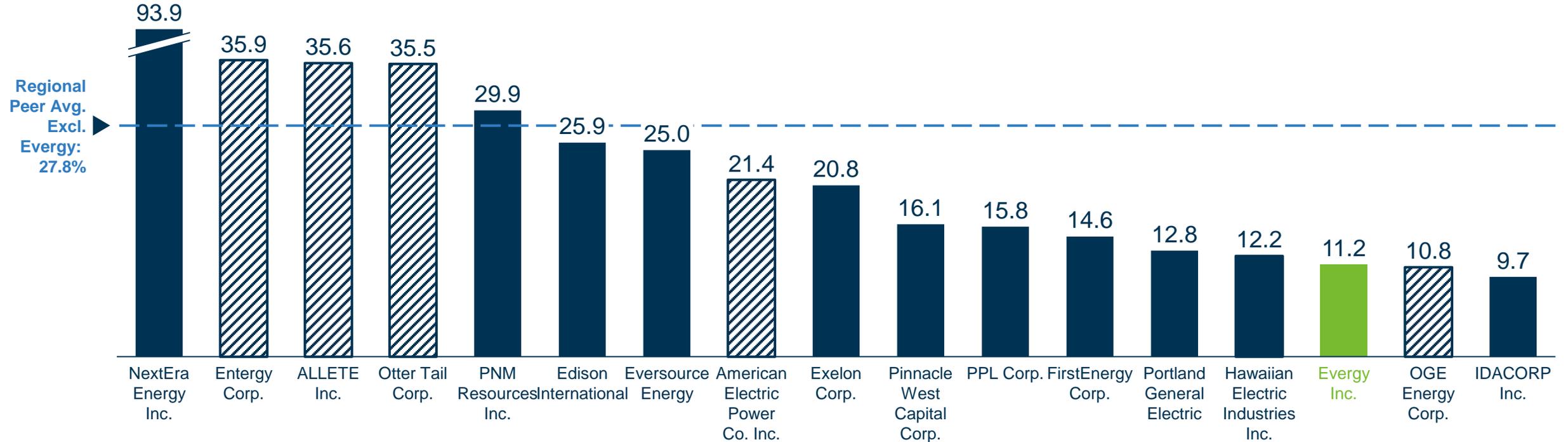




Evergy has recently had one of the lowest investment levels

2019A-2021A Capital Expenditures Relative To 2018A Property, Plant & Equipment^{1,2}
(%)

 Indicates a Regional Peer Holding Company included in KCC Staff's Rate Study





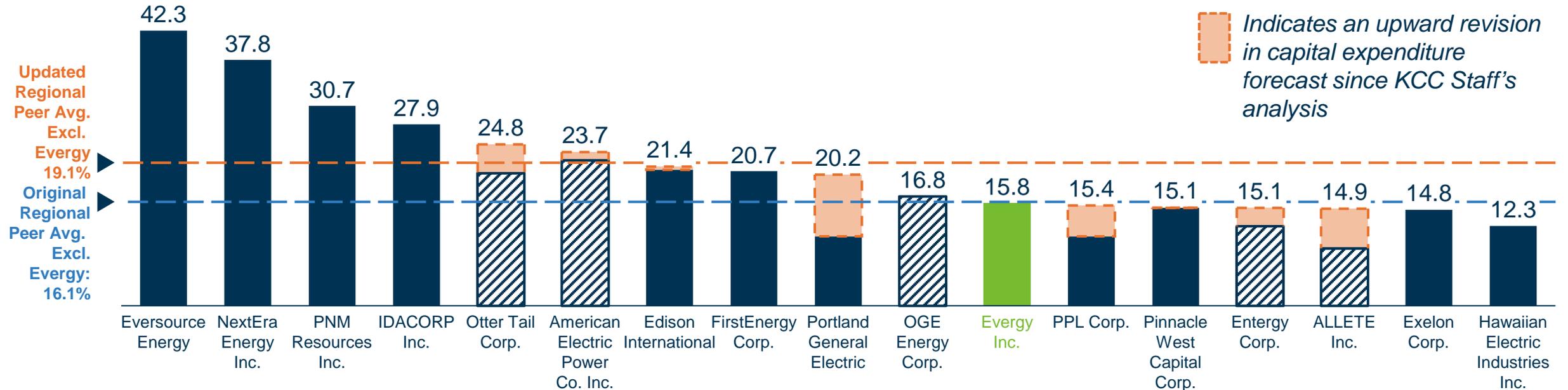
Evergy's capital investments plans continue to be below the peer group average

Electric Only Holding Company Capital Expenditure Analysis

2022E-2024E Capital Expenditures Relative To 2021A Property, Plant & Equipment^{1,2}
(%)

 Indicates a Regional Peer Holding Company included in KCC Staff's Rate Study

 Indicates an upward revision in capital expenditure forecast since KCC Staff's analysis



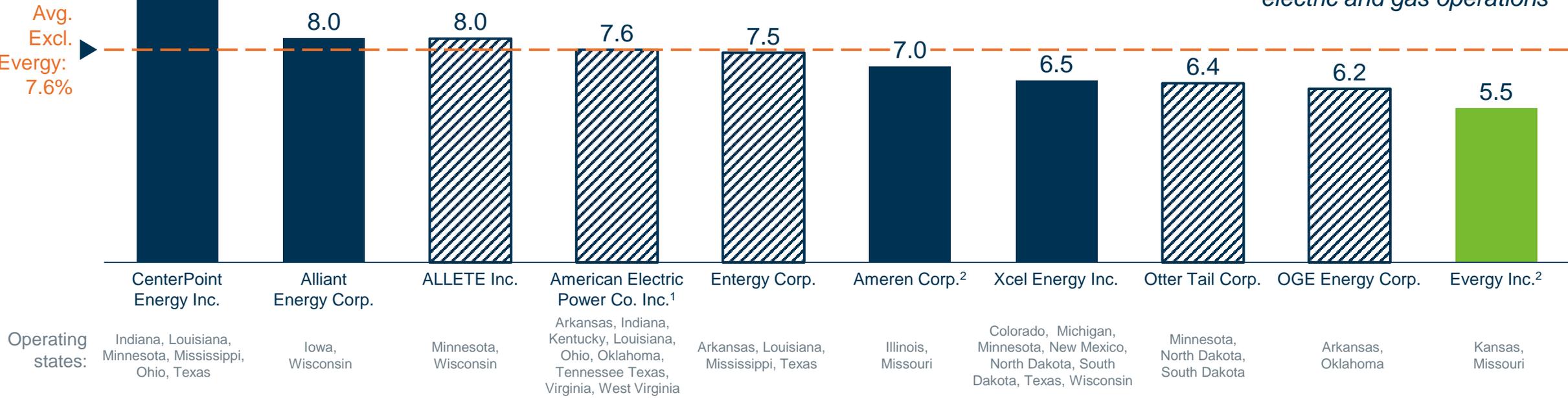


When comparing projected rate base growth versus regional utility peers, Evergy is the lowest

2022E+ Annualized Rate Base Growth Based On Investor Materials/Public Comments (%)

 Indicates a Regional Peer Holding Company included in KCC Staff's Rate Study

 Indicates regional peers operating in states in KCC Staff's Rate Study with electric and gas operations



Key Takeaways

-  Enabled by a nearly **20% reduction in operating costs**, Evergy has improved its regional rate competitiveness. **Since 2017, Evergy Kansas' rates are virtually flat while regional peers are up more than 8x**
-  Our diverse generation mix has **insulated customers from the significant increase in natural gas prices**, which are having a more dramatic and ongoing impact on regional peers
-  While all regional peers are investing significantly to improve infrastructure, we are improving rate competitiveness by doing so at an **investment rate well below average, and among the lowest in the entire peer group**

Current Rate Projections





Evergy's current plan enables additional investment while keeping rate increases below prior forecasts and inflation

Average Retail Rates Excluding Fuel (RECA/ECA); ¢ per kWh

	2020E	2024E	4-yr CAGR
Previous (STP Workshop – Dec 2020) ⁽¹⁾			
Kansas Central	8.03	9.08	3.1%
Kansas Metro	9.73	10.08	0.9%
Kansas Total	8.47	9.34	2.5%

	2022E	2026E	4-yr CAGR
Current 2022 Capital Plan (Feb 2022)			
Kansas Central	8.95	9.84 – 10.03	2.4 – 2.9%
Kansas Metro	9.98	10.26 – 10.36	0.7 – 0.9%
Kansas Total	9.09	9.95 – 10.11	1.9 – 2.4%