



# MPSC Integration Success Update

*6/10/2020 - Public*



# Integration and Merger Commitments Update





# Major Merger Commitments Update

- Completed voluntary severance programs consistent with no-layoffs
  - Evergy Non-Union Voluntary Exit Program (VEP)
    - Participants exiting service 2Q 2019 – 2Q 2020
  - Evergy Missouri West and Evergy Metro Generation VEP (KGVPEP)
    - Participants exited service 4Q 2019
- Opened additional voluntary severance programs consistent with no-layoffs
  - Local Union 412 Voluntary Exit Program
    - Participants exiting service 2Q 2020 – 4Q 2020
  - Wolf Creek Voluntary Exit Program
    - Participants exiting service 2Q 2020 – 4Q 2020
- Merger Integration:
  - Conducted six update meetings with Staff & OPC
  - Submitted eight quarterly staffing and contingent labor reports
  - Submitted six board presentations related to merger



# Major Merger Commitments Update – Cont.

- Major IT system integrations continue to progress well
  - Cornerstone (Financial/HR) went live in May 2020
  - Customer Forward (Customer System) go-live planned for 1Q 2021
- Met with Staff to review contact center and other service quality performance
- Met with Staff, OPC, and Community Action Agencies to discuss progress to date for assisting low-income population
- Adopted Evergy brand and renamed legacy Utilities
  - Evergy Missouri West
  - Evergy Missouri Metro
  - Evergy Kansas Metro
  - Evergy Kansas Central
  - Customer surveys now show that over 80% of customers know we are Evergy, and recall seeing the message in their Bill, TV & Direct Mail



# Major Merger Commitments Update – Cont.

- Submitted customer service and operational level reports to Staff
- Submitted detailed journal entries related to the merger
- Submitted Goodwill impairment analysis
- Submitted customer survey results

# Merger Efficiencies



# Merger Savings Highlights

- Currently tracking ahead of merger to date planned gross savings
  - 1Q 2020 savings ahead of plan which includes a large step-up in savings throughout the year
  - Working in 2Q 2020 to evaluate charters that may not yield savings for “retirement”
  - New charters continue to be identified to improve overall plan
- Savings highlights:
  - ~66% of filed efficiency charters producing savings,
  - Administering voluntary employee exit programs consistent with plans including no merger related layoffs
  - Insurance procurements continue yielding better than plan results
  - Continuing to realize additional size and scope benefits of Evergy
  - Reducing redundant support services contracts in line with plan
  - Added charters for Wolf Creek support centralization and VEP