



Jaime H. McCoy
Site Vice President

May 07, 2021
WO 21-0020

U. S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555

Subject: Docket No. 50-482: Guarantee of Payment of Deferred Premiums

Commissioners and Staff:

Pursuant to the requirements of 10 CFR 140.21, each operating reactor licensee is required to maintain financial protection through guarantees of payment of deferred premiums. The owners of Wolf Creek Generating Station (WCGS) are providing the enclosed documentation of their ability to pay deferred premiums in the amount of twenty million four hundred ninety-six thousand dollars, as determined by 10 CFR 140.11(a)(4).

Wolf Creek Nuclear Operating Corporation (WCNOC) holds the operating license for WCGS, which is jointly owned by Evergy Metro, Inc (formerly Kansas City Power & Light Company), Evergy Kansas South, Inc. (formerly Kansas Gas & Electric Company), and Kansas Electric Power Cooperative, Inc. (KEPCo). Entities Evergy Metro, Evergy Kansas South, and KEPCo have provided audited Consolidated Statements of Cash Flows in order to demonstrate sufficient funds are available to meet their share of the deferred premiums.

This letter contains no commitments. If you have any questions concerning this matter, please contact me at (620) 364-4156, or Ron-Benham at (620) 364-4204.

Sincerely,

A handwritten signature in black ink that reads "Jaime H McCoy". The signature is written in a cursive, slightly slanted style.

Jaime H. McCoy

JHM/rlt

Enclosures: I Evergy Metro, Inc. and Evergy Kansas South, Inc. Statements of Cash Flows
II Kansas Electric Power Cooperative, Inc. Statement of Cash Flows

cc: S. S. Lee (NRC), w/e
S. A. Morris (NRC), w/e
N. O'Keefe (NRC), w/e
Senior Resident Inspector (NRC), w/e

Enclosure I to WO 21-0020

**Evergy Metro, Inc. and Evergy Kansas South, Inc. Statements of Cash Flows
(3 pages)**

May 9, 2021

Wolf Creek Nuclear Operating Corporation
PO Box 411
Burlington, KS 66839

Dear Todd:

Pursuant to the requirements of 10 CFR 140.21(e), Evergy Metro, Inc. and Evergy Kansas South, Inc. are each providing their attached audited Consolidated Statements of Cash Flows as evidence of their ability to make payment of each company's share of deferred premiums in the amount of \$9.633 million per company.

The undersigned certifies that the foregoing memorandum with respect to Evergy Metro, Inc.'s and Evergy Kansas South, Inc.'s cash flows for the year 2020 is true and correct to the best of their knowledge and belief.

Sincerely,

DocuSigned by:

6901BAAB52364C4...

Steven P. Busser
Vice President – Risk Management and Controller

attachment

EVERGY METRO, INC.
Consolidated Statements of Cash Flows

Year Ended December 31	2020	2019	2018
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:			
	(millions)		
Net income	\$ 298.7	\$ 255.2	\$ 162.9
Adjustments to reconcile income to net cash from operating activities:			
Depreciation and amortization	326.1	318.4	281.3
Amortization of nuclear fuel	29.5	25.9	26.2
Amortization of deferred refueling outage	12.7	12.8	13.5
Net deferred income taxes and credits	(3.5)	(30.6)	48.6
Allowance for equity funds used during construction	(8.0)	(2.2)	(1.4)
Payments for asset retirement obligations	(7.5)	(2.5)	(13.1)
Other	(0.4)	0.3	3.9
Changes in working capital items:			
Accounts receivable	(13.2)	37.0	36.5
Accounts receivable pledged as collateral	(12.0)	12.0	—
Fuel inventory and supplies	(7.4)	14.6	19.4
Prepaid expenses and other current assets	(7.9)	28.0	7.2
Accounts payable	24.6	9.1	(34.6)
Accrued taxes	1.6	(9.6)	16.1
Other current liabilities	2.4	(53.2)	10.4
Changes in other assets	59.1	33.7	42.9
Changes in other liabilities	(47.3)	(34.7)	37.9
Cash Flows from Operating Activities	<u>647.5</u>	<u>614.2</u>	<u>657.7</u>
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:			
Additions to property, plant and equipment	(565.4)	(445.0)	(430.7)
Purchase of securities - trusts	(45.4)	(34.0)	(35.1)
Sale of securities - trusts	37.9	25.7	27.1
Net money pool lending	(100.0)	—	—
Other investing activities	4.6	9.0	4.8
Cash Flows used in Investing Activities	<u>(668.3)</u>	<u>(444.3)</u>	<u>(433.9)</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES:			
Short-term debt, net	(199.3)	22.4	8.0
Collateralized short-term debt, net	12.0	(12.0)	—
Proceeds from long-term debt	396.2	393.2	465.6
Retirements of long-term debt	—	(400.0)	(519.9)
Cash dividends paid	(120.0)	(175.0)	(180.0)
Other financing activities	1.5	0.9	2.9
Cash Flows from (used in) Financing Activities	<u>90.4</u>	<u>(170.5)</u>	<u>(223.4)</u>
NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	69.6	(0.6)	0.4
CASH, CASH EQUIVALENTS AND RESTRICTED CASH:			
Beginning of period	2.0	2.6	2.2
End of period	<u>\$ 71.6</u>	<u>\$ 2.0</u>	<u>\$ 2.6</u>

The disclosures regarding Evergy Metro included in the accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

EVERGY KANSAS SOUTH, INC.
Consolidated Statements of Cash Flows

Year Ended December 31	2020	2019
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	(millions)	
Net income	\$ 105.8	\$ 151.9
Adjustments to reconcile income to net cash provided by operating activities		
Depreciation and amortization	203.2	198.9
Amortization of nuclear fuel	28.8	25.6
Amortization of deferred refueling outage	12.7	12.8
Amortization of deferred regulatory gain from sale-leaseback	(5.5)	(5.5)
Amortization of corporate-owned life insurance	17.4	17.7
Net deferred income taxes and credits	15.1	(11.9)
Allowance for equity funds used during construction	(4.7)	—
Payments for asset retirement obligations	(0.1)	(4.2)
Income from corporate-owned life insurance	(7.3)	(28.4)
Changes in working capital items:		
Accounts receivable	(38.9)	(4.5)
Fuel inventory and supplies	(4.3)	6.5
Prepaid expenses and other current assets	1.3	(2.0)
Accounts payable	69.4	(16.2)
Accrued taxes	28.8	7.3
Other current liabilities	(55.8)	(31.3)
Changes in other assets	(1.6)	7.7
Changes in other liabilities	(1.7)	(18.1)
Cash Flows from Operating Activities	362.6	306.3
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:		
Additions to property, plant and equipment	(308.7)	(280.3)
Purchase of securities - trusts	(19.0)	(21.8)
Sale of securities - trusts	15.5	19.2
Investment in corporate-owned life insurance	(14.2)	(15.1)
Proceeds from investment in corporate-owned life insurance	62.3	158.0
Advance to parent	0.7	76.1
Other investing activities	(2.2)	(3.2)
Cash Flows used in Investing Activities	(265.6)	(67.1)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Retirements of long-term debt	—	(300.0)
Retirements of long-term debt of variable interest entity	(32.3)	(30.3)
Borrowings against cash surrender value of corporate-owned life insurance	52.7	56.5
Repayment of borrowings against cash surrender value of corporate-owned life insurance	(53.7)	(125.4)
Borrowings from affiliates, net	(60.4)	160.0
Cash Flows used in Financing Activities	(93.7)	(239.2)
NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	3.3	—
CASH, CASH EQUIVALENTS AND RESTRICTED CASH:		
Beginning of period	—	—
End of period	\$ 3.3	\$ —

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

Enclosure II to WO 21-0020

**Kansas Electric Power Cooperative, Inc. Statement of Cash Flows
(2 pages)**



**Kansas Electric
Power Cooperative, Inc.**

P.O. Box 4877, Topeka, KS 66604-0877
600 Corporate View, Topeka, KS 66615
Phone (785) 273-7010 Fax (785) 271-4888
www.kepco.org

April 20, 2021

Mr. Todd N. Laffin
Wolf Creek Nuclear Operating Corporation
P.O. Box 411
Burlington, KS 66839

Dear Todd:

Pursuant to the requirements of 10 CFR 140.21(e), Kansas Electric Power Cooperative, Inc. is providing the attached audited Statements of Cash Flows as evidence of the ability to make payment of its share of deferred premiums in an amount of \$1.230 million.

The undersigned certifies that the foregoing memorandum with respect to Kansas Electric Power Cooperative, Inc.'s cash flow for the year 2020 is true and correct to the best of their knowledge and belief.

Sincerely yours,

Coleen M. Wells
Sr. VP and CFO
Enclosure (1)

Kansas Electric Power Cooperative, Inc. and Subsidiary
Consolidated Statements of Cash Flows
Years Ended December 31, 2020 and 2019

	2020	2019
Operating Activities		
Net margin	\$ (27,671)	\$ 2,796,459
Adjustments to reconcile net margin to net cash provided by operating activities		
Depreciation	9,408,389	9,131,591
Amortization of nuclear fuel	3,679,316	3,219,404
Amortization of deferred charges	619,925	619,924
Amortization of deferred incremental outage costs	1,619,583	1,623,886
Net periodic benefit costs	1,630,862	1,617,453
Patronage capital credits allocated	(518,389)	(525,298)
Loss on sale of property and equipment	54,003	54,666
Changes in		
Member accounts receivable	(3,157,306)	1,372,186
Materials and supplies	(317,141)	304,937
Other long-term assets and prepaid expenses	1,304,804	(1,286,835)
Accounts payable	3,165,387	(890,768)
Payroll and payroll-related liabilities	15,161	54,707
Accrued property taxes	(123,407)	(86,910)
Accrued interest payable	(23,038)	(22,316)
Other long-term liabilities	(1,253,612)	(2,199,037)
	<u>16,076,866</u>	<u>15,784,049</u>
Investing Activities		
Additions to electrical plant	(3,962,186)	(5,065,919)
Additions to nuclear fuel	(5,444,350)	(2,941,349)
Purchases of investments	(13,000,000)	-
Proceeds from investments in decommissioning fund assets	1,399,479	103,332
Purchases of investments in decommissioning fund assets	(2,825,512)	(1,380,174)
Investments in associated organizations	756,788	779,720
	<u>(23,075,781)</u>	<u>(8,504,390)</u>
Financing Activities		
Principal payments on long-term debt	(10,577,675)	(9,033,456)
Proceeds from issuance of long-term debt	10,183,249	4,110,126
Principal payments on NRUCFC line of credit	-	(1,205,000)
Proceeds from draw downs on NRUCFC line of credit	-	1,205,000
Retirement of capital credits	(699,114)	-
Change in cushion of credit	158,196	4,087,395
Change in member investments	4,163,024	1,968,243
	<u>3,227,680</u>	<u>1,132,308</u>

See Notes to Consolidated Financial Statements