

THE CURRENT



SUNFLOWER ELECTRIC POWER CORPORATION

A Touchstone Energy® Cooperative

... energy done right



Mid-Kansas ELECTRIC COMPANY, INC

neighbors serving neighbors

For Our Member Systems, Employees and Friends

Summer-peaking system

Preparing for hottest days of year requires planning, maintenance during off-seasons

As spring nears, we usually find ourselves anticipating days with hot temperatures, a time to shed heavy winter clothing and enjoy more outside activities. Summer is also the time in Kansas when people use the greatest amount of electricity, mainly due to the increased use of air conditioners and agricultural irrigation.

The responsibility of generation and transmission electric utilities, such as Sunflower Electric Power Corporation and Mid-Kansas Electric Company, is to be prepared for electricity demands on the days when temperatures are near or above the century mark.

Well before cooler temperatures succumb to the heat of summer, Sunflower and Mid-Kansas conduct work to ensure the system is ready to serve their member-owners during times of peak energy demand.

“Sunflower prepares for summer peak demand by scheduling and coordinating planned maintenance on the system’s generating resources during off-peak months so that these resources are available for service, if needed, during the summer period,” said Kyle Nelson, Sunflower’s chief operations officer and senior vice president.

Planned outages usually include repairs, inspections and preventative maintenance that can only be completed when the generating unit is offline.

Ensuring an adequate fuel supply is another way Sunflower and Mid-Kansas prepare for the summer peak. For example, at Sunflower’s coal-based power facility, more coal inventory is held on site to ensure an adequate fuel supply throughout the summer.

“The fuel inventory at Holcomb Station can fluctuate throughout the year for many reasons,” Nelson said, “but a general rule-of-thumb is that we strive to have a large coal inventory going into the summer season to ensure an adequate fuel supply through the summer period.”

Fuel contracts for the system’s natural gas units are also managed in a way that enable the utilities to meet the summer peak.

All year long, Sunflower staff continuously monitor the bulk electric system in the region to maintain system reliability and affordability. The reliability assessments help ensure that bulk electric system voltages are maintained at normal operating values and transmission facilities are not operated with power flows above their facility ratings. This monitoring is especially important during the peak summer months when transmission facilities that primarily serve local electricity demand typically have higher flows than they do during non-summer months.

Minimizing planned transmission outages during the peak summer months helps maintain system reliability, and keeping generation resources available during those months also helps mitigate reliability issues that can arise.

“Few things are certain in the electric industry,” said Corey Linville, vice president of power supply and delivery at Sunflower, “and that especially pertains to energy demand and prices. Studying the system’s historical data helps us plan for the trends of each season so we can best serve our Members.”

Voltage issues resulting from unplanned transmission outages are often more pronounced during peak-load periods, so Sunflower staff ensure that faster-starting generators are available during these periods in case the generators are needed to help mitigate a voltage problem.

Since energy prices in the Southwest Power Pool’s Integrated Marketplace are usually higher during the summer peak months, having the Sunflower’s generators available to operate during these times also helps mitigate higher market energy prices.

“Few things are certain in the electric industry,” said Corey Linville, vice president of power supply at Sunflower, “and that especially pertains to energy demand and prices. Studying the system’s historical data and monitoring real-time operating conditions helps us plan for the trends of each season so we can best serve our members.”



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THE COOPERATIVE DIFFERENCE

Co-ops advocate for members during legislative session

The Kansas Legislature is currently considering several pieces of legislation that impact Kansas electric utilities. Advocates from Sunflower, our members, and Kansas Electric Cooperatives are actively following all the legislation that could affect consumer-members' electric bills.

The Energy Information Administration (EIA) regularly reports comparative energy-related statistics, and recent reports show that Kansas' electric rates are higher than rates in Nebraska, Missouri, Oklahoma and Colorado.

A year ago, legislation was introduced that called for the Kansas Corporation Commission (KCC) to investigate why Kansas' commercial and industrial electric rates are higher than electric rates in surrounding states. Although that legislation did not pass, the settlement agreement in the Westar Energy/Kansas City Power & Light merger called for both the KCC and Westar/KCP&L (Eversource) to conduct studies identifying rate cost drivers for the utilities. In January, the KCC released its study, which is available on the KCC website, and Eversource completed a study of rate increases. A copy of this study is available on the Westar website.

The results of the studies, although completed independently, are the same: the most significant cause of increased rates are the investments in new generation and transmission construction.

During the last ten years, utilities in Kansas either constructed or purchased wind energy to



Leslie Kaufman, director of government relations and legal counsel for the Kansas Electric Cooperatives, Inc., discusses energy issues at the Statehouse.

comply with the renewable portfolio standard, which became law in 2009. In 2015 the renewable portfolio standard was repealed, but utilities have continued to add wind to generation portfolios. In addition, the U.S. tax policy has incentivized the development of renewable energy, prompting investors to develop many wind projects, especially in western Kansas.

Transmission construction also increased during that time to replace or upgrade existing lines and build new lines to move renewable energy to other markets. As part of the Southwest Power Pool, Kansas utilities participate in cost-sharing agreements to finance transmission construction.

While commercial electric rates charged by

investor-owned utilities have increased, the commercial rates charged by Sunflower's six members-owners have remained stable.

Because industrial customers use a lot of electricity—often around the clock—this stable usage allows Sunflower and our members to provide special rates to our largest commercial customers. Having large industrial customers located in our service territory benefits all customer classes (e.g., residential) as large industrial energy loads help stabilize the system for all electric users and create jobs in the communities where our members serve.

Both studies identified the problem, but now the work begins to develop solutions. Advocates for large industrial customers and renewable energy have again introduced several pieces of legislation aimed at electric rates. SB 69 asks that a third study on electric rates be conducted by an independent consultant. Unfortunately, if this happens, ratepayers of Kansas' investor-owned utilities, electric cooperatives, and three municipalities will bear the cost of the study.

Cooperative utility advocates understand that the cost of electricity is vital to individual and business success and support efforts to understand the problems and solutions to lower electric rates. While we support a compromise version of the study, we will continue to advocate for solutions that help all ratepayers—large and small—keep their electric rates as low as possible.

Blinks not always caused by problems on line

Helpful hints to reduce blinks

Electric cooperatives work hard to make sure that homes and businesses are supplied with reliable electricity. Sometimes, however, unexpected events, can cause short-lived lapses of power.

Blinks can result from some type of disturbance on the co-op's electric system. Tree limbs or animals are the most common causes of blinks. When such a disturbance occurs, a device designed to protect the electrical system—a recloser—acts like a circuit breaker in a home, with one major difference: it resets itself after “breaking” the circuit. The recloser, in coordination with other equipment, improves service continuity by automatically restoring power to the line after a momentary fault.

Whole-house surge protection has been developed for major appliances, computers or other electronic devices whose “memory” would be lost with a power interruption. Consumer-members can also lessen the effects and inconvenience of “blinks” by purchasing small appliances and digital clocks with battery backup.

Some blinks originate in the home or business.

Loose bulb—Check to see if the bulb has worked loose from the light socket. If it has, unplug the light, allow the bulb to cool and tighten the bulb.

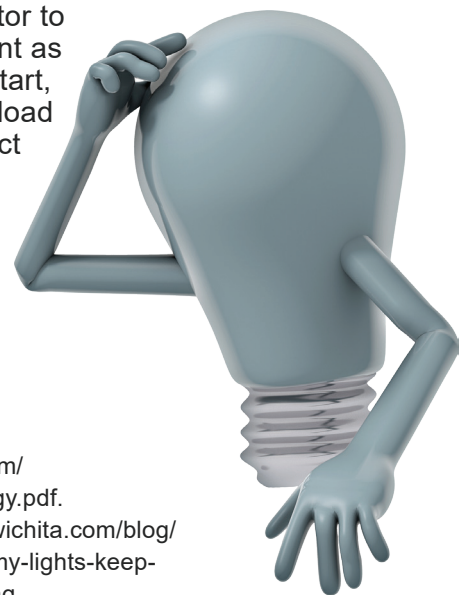
Dimmer switches—Smart bulbs and some LEDs do not work with dimmer switches. Read a bulb's label to make sure it is compatible with the dimmer switch.

Loose light plug—Check to see if the light's plug is firmly in the wall socket.

Faulty switch—When it takes a moment for a light to go on, a switch lever loses its snap, a large spark with an audible sound comes from inside the switch, scorch marks appear on a cover plate, or the switch makes a clicking, sizzling, or buzzing sound, these are warning signs of a defective switch. Replace it.

Loose wiring connections—Under the cycles of heating and cooling, expansion and contraction, wire connections can loosen over time. Fortunately, circuit breakers and GFCI protection provide safeguards. However, there is still a danger from arcing, which could lead to fire. If loose wiring connection is suspected, contact an electrician to check it out.


Overloaded circuit—Flickering, blinking or dimming lights when a major electrical appliance comes on may indicate an overloaded circuit. The appliance may be faulty. A bearing failure, for example, can cause an appliance's motor to pull more current as it struggles to start, which can overload a circuit. Contact a certified electrician or appliance specialist to determine the problem.



Sources:
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**SUNFLOWER ELECTRIC
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A Touchstone Energy Cooperative 

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Sunflower employees Anna Van Wy, Erin Stillwagon and Tracy Davis help fill stockings with donated items during the Travis Bachman Memorial Stocking Drive in Garden City.



Giving back It's part of who we are

Cooperatives are different, and we pride ourselves in those differences. All seven of the cooperative principles help define what makes co-ops unique, but none more so than the concern we have for our neighbors and for the places we work and live.

Sunflower staff continue to make their communities better by donating time and money to good causes. Now that can happen even more often as a result of Sunflower's new Community Service Leave (CSL). Each year, Sunflower may grant a maximum of 12 hours of CSL for an employee to volunteer for eligible community service organizations and events during regularly scheduled work hours.

Employees have already begun to utilize the new policy. CSL requests granted so far include volunteering for an elementary school party to 12 hours at a community blood drive.

Sunflower employees hold different causes close to their heart, and the CSL will enable staff to participate in more opportunities that show concern for community.

Sunflower Employees collect 40-50 lbs. of travel toiletries per year and distribute them several times a year to the **Family Crisis Center**.



Travis Bachman Memorial Stocking Drive

In 2018, Sunflower staff donated 143 filled stockings and \$1,400 to send overseas to deployed soldiers. The drive is a way to honor Travis Bachman, a Garden

City resident who was killed in Iraq on Aug. 1, 2007, during his second deployment.



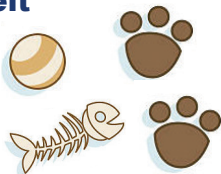
Jeans for Charity

Casual Fridays. Sunflower employees at the Hays office can pay \$2.00 to wear jeans to work.

The money collected is donated to a charitable cause. Recent recipients were the NRECA International Foundation, Quilts for Valor and Jana's Campaign.

Great Bend employees collected pet supplies during the Christmas season and donated them to the **Golden Belt Humane Society**.

Items included food, toys, blankets, treats and even a Thunder shirt.



SYSTEM UPDATES

Johnson Corner Solar Project

Lightsource BP, the independent power producer contracted to build, own and operate the 20 MW solar project planned by Mid-Kansas Electric Company, has requested a 12-month extension on the project. The extension request resulted from financial pressures, such as tax reform and tariffs on solar panels and steel, and will likely result in lower O&M costs for Lightsource BP. The extension may also result in advanced panel technology for the solar project. The project, located near Johnson City, Kan., is now expected to come online in mid-2020.

Merger of Sunflower and Mid-Kansas

Sunflower and Mid-Kansas submitted regulatory filings to the Kansas Corporation Commission (KCC) in the summer of 2018 for the merger of the two wholesale utilities. Having jointly operated Sunflower and Mid-Kansas since 2007, the boards of directors of each utility determined that now is the opportune time to pursue a merger of the companies. An integrated company will bring benefits, both operationally and financially.

Additional steps will include filing a merger application with the Federal Energy Regulatory Commission (FERC) and a merger notification with the Kansas Secretary of State. At each juncture, the Sunflower and Mid-Kansas boards will evaluate the benefits of the merger to their members; if the merger moves forward, it is anticipated to be finalized by January 2020.

System Backbone Transmission Project

Work continues on Sunflower's System Backbone Project, a multi-phase project that will include three substations and 25 miles of 115 kV radial transmission line in Gray and Finney counties.

Sunflower contracted with Cornerstone Building and Design, based in Plainville, Kan., to pour the pole foundations in January. Capital Electric Construction Company, based in Kansas City, Mo., was contracted to build the transmission line and is currently organizing materials on site and framing poles on the ground prior to erecting them. In good weather, approximately four poles can be set per day.

Completion of the transmission line is scheduled for mid-July, and completion of the three substations is scheduled for early to mid-fall. However, Kansas' unpredictable weather—including ice, snow and excess moisture—could affect the project's schedule. Although Sunflower is committed to completing the project on time, the safety of our employees, contractors, and public is the priority.

Project support is key to a successful project, and Sunflower appreciates the support received from the surrounding communities and affected landowners. Please contact Sunflower directly with questions or concerns regarding the project or our contractors.



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ELECTRIC COMPANY, INC

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THECURRENT

The Current is published three times per year for the member systems, friends and employees of Sunflower Electric Power Corporation and Mid-Kansas Electric Company.

If you have a story idea or would like to subscribe, please send an email to chertel@sunflower.net or write to The Current News, PO Box 1020, Hays, KS 67601; (785) 259-4822.

Western houses fire department vehicles



Chad Mann, Trego County rural fire chief



Western Cooperative Electric is temporarily housing four fire response vehicles for Trego County Rural Fire Department after a fire destroyed Fire Station One in WaKeeney, Kan., on Feb. 8.

“No. 7 of the cooperative principles is concern for community. This was an opportunity to give back. This is who we are: we are the community, and everyone is our neighbor,” said Dennis Deines, Western’s manager of member services and compliance.

Chad Mann, Trego County rural fire chief, said other offers were extended to house the vehicles, but Western was the only heated facility that could house all the vehicles.

Trego County Rural Fire Department consists of nine stations with more than 60 volunteer firefighters.

“People can make suggestions how to help others, but actions speak for themselves,” said Tom Ruth, Western’s general manager. “We had an opportunity we couldn’t pass up.”

Western’s support of fire department goes beyond this assistance. In 2002, six fleet fire engines were secured through Western’s participation in USDA’s Rural Economic Development Loan and Grant Program.

PREPARE WHEN THE SUN IS SHINING TORNADO SAFETY TIPS:

Practice and Prepare

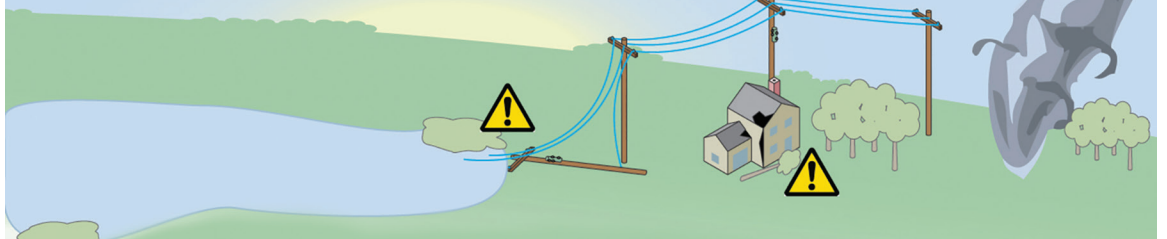
Know where you’ll meet your family during the tornado (and after). Practice a tornado drill annually. Keep a weather radio in your storm shelter, along with safety supplies.

Seek Shelter

Go to your basement, a small interior room, or under stairs on the lowest floor of the house. If you live in a mobile home, get out and look for a stable building. If outside, find low ground—away from trees and cars—and lie face down with your arms protecting your head.

After the Storm

Stay away from downed power lines, and avoid flooded areas—power lines could be submerged and still live with electricity. Don’t enter seriously damaged buildings and avoid using matches and lighters in case of gas leaks.



Source: National Oceanic and Atmospheric Administration and Funnel, Inc.

Emergency Kit:

- Water: three-day supply, one gallon per person per day
- Food: three-day supply, non-perishable, high-energy
- Supplies: Clothing, bedding, sanitation supplies, can opener, plates, utensils, flashlight, batteries, bleach, hand sanitizer,
- Other: First aid supplies, medicine, cash, important documents

Visit redcross.org/domore to learn more about disaster kits.

For more information, visit: www.electric.coop | @NRECANews

OUR MEMBER-OWNERS

