

# CURRENT

Summer 2021

*For Our Member Systems, Employees and Friends*

## Kansas Dept. of Commerce, Sunflower partner up

We knew the Sunflower Certified Site Program could benefit the communities where our member-owners serve, and recently the program got even better.

In July, Gov. Laura Kelly announced a new partnership between the Kansas Department of Commerce's Certified Sites Program and Sunflower, which will increase the number of shovel-ready development sites Kansas can showcase to developers nationwide.

A Sunflower certified site is a parcel of land that meets specific criteria and is ready for industrial development. The site attributes have been thoroughly researched and verified so a potential buyer has access to all information about the site.

Commerce's Certified Sites Program, originally created and administered by the Kansas Economic Development Alliance (KEDA), also informs developers about potential sites the state has deemed ideal and primed for investment and development.

As the result of this new partnership, when a site has been certified through the Sunflower Certified Site Program, Commerce will automatically certify the site, as well.

"Showing developers the surplus of shovel-ready sites in Kansas is another strategic tool we can use to attract new businesses, new investments, and new jobs to our state," Gov. Kelly said.

Certified Site designations are appealing to investors and site selectors for several reasons, all of which foster economic development growth:

- Provides important background information on a site's availability, utilities, site access, environmental records and site development costs;
- Encourages faster site selection decisions; and
- Can help advance undeveloped ("greenfield") or expansion projects.

"This agreement with Sunflower is a great way to get more sites certified in Kansas," Lt. Gov. and Commerce Secretary David Toland said. "Sunflower's certification process is thorough and detailed, and I'm pleased to join them in letting developers know where the state's best economic development sites are located."

The Kansas Certified Site designation is valid for three years, unless the property is sold or leased within that time. Successful recipients of the Kansas Certified Site designation receive many benefits, including

marketing and investment attraction support. The Kansas Certified Sites Program is incorporated into a variety of marketing campaigns and strategies that attract investors.

In addition, Commerce and Sunflower partner with LocationOne, a respected sites and buildings database service that allows communities in Kansas to post sites and buildings to a national website to be viewed by developers across the U.S.

"We are excited to enhance job growth and economic activity in Kansas," Stuart Lowry, president and CEO of Sunflower, said. "The dual certification with the Department of Commerce will enhance marketing opportunities for this site and others."

**"Sunflower's certification process is thorough and detailed..."** *said Lt. Gov. and Commerce Secretary David Toland.*



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# We're Ready for Storm Season. Are You?

By Abby Berry, National Rural Electric Cooperative Association

Now that summer is in full swing, we have more opportunities to be outdoors and enjoy the warmer weather. Summertime brings many activities like cooking out with family and friends, afternoons on the water, and simply slowing down a bit to enjoy life.

But summer months also make conditions right for dangerous storms. These potential weather events can cause destruction to our electrical system, but Sunflower's and our members' crews are ready to respond should power outages occur in our area.

If a major storm knocks out power, our line crews take all necessary precautions before they begin work on any downed lines. You are also encouraged to practice safety and preparedness to protect your family during major storms and outages.

The Federal Emergency Management Agency recommends the items below as a starting point for storm and disaster preparedness, but you can visit [www.ready.gov](http://www.ready.gov) for additional resources.

- Stock your pantry with a three-day supply of non-perishable food, such as canned goods, energy bars, peanut butter, powdered milk, instant coffee, water and other essentials (i.e., diapers and toilet-ries).
- Confirm that you have adequate sanitation and hygiene supplies including towelettes, soap and hand sanitizer.
- Ensure your First Aid kit is stocked with pain relievers, bandages and other medical essentials, and make sure your prescriptions are current.

- Set aside basic household items you will need, including flashlights, batteries, a manual can opener and portable, battery-powered radio or TV.
- Organize emergency supplies so they are easily accessible in one location.

In the event of a prolonged power outage, turn off major appliances, TVs, computers and other sensitive electronics. This will help avert damage from a power surge and will also help prevent overloading the circuits during power restoration. That said, do leave one light on so you will know when power is restored. If you plan to use a small generator, make sure it's rated to handle the amount of power you will need and always review the manufacturer's instructions to operate it safely.



A summer thunderstorm sweeps across Rush County, Kan.

Sign up for the National Oceanic and Atmospheric Administration (NOAA) emergency alerts, as well as other

relevant news and weather apps to stay abreast of changing conditions before, during and after storms. Listen to local news or a NOAA Weather Radio for storm and emergency information and check your distribution utility's website and/or social media for power restoration updates.

After the storm, avoid downed power lines and walking through flooded areas where power lines could be submerged. Allow ample room for utility crews to safely perform their jobs, including on your property.

We can never predict Mother Nature's plans, but advance planning for severe storms or other emergencies is something we can control. From our co-op family to yours, we hope you have a safe and wonderful summer.



## 12 WAYS TO PREPARE

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Sign up for Alerts and Warnings</b>	<b>Make a Plan</b>	<b>Save for a Rainy Day</b>	<b>Practice Emergency Drills</b>	<b>Test Family Communication Plan</b>	<b>Safeguard Documents</b>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Plan with Neighbors</b>	<b>Make Your Home Safer</b>	<b>Know Evacuation Routes</b>	<b>Assemble or Update Supplies</b>	<b>Get Involved in Your Community</b>	<b>Document and Insure Property</b>

### Our Mission:

To provide reliable, long-term power supply and transmission services to our members and the people they serve at the lowest possible cost consistent with sound business and cooperative principles.

# Power supply strategy balances minimizing energy costs, managing risks for Sunflower’s members



Manager of generation engineering Andy Tewell, left, and Ken Saborin, senior generation engineer, discuss operating strategies at Holcomb Station.

100+ degree days have arrived, sweltering days that make Winter Storm Uri seem like a distant ice age.

The prolonged frigid weather pattern in February caused high electric demand, high natural gas demand, a reduced natural gas supply (wells and pipelines experienced freezing issues); increased generator outages on fossil-fuel units (also due to freezing problems), and increased wind generator outages (due to icing and low temperature cut-offs).

Low wind output and transmission outages also contributed to a widespread strain on the electric system across the Midwest, sometimes to the point that there was not enough energy in the region to supply the demand. As a result, electric utilities were directed by the Southwest Power Pool (SPP), the regional transmission organization that dispatches and balances electricity supply across a 14-state region 24-7, to interrupt electricity service for a specified time.

In the sweltering heat of summer, you might be wondering why Storm Uri is still a topic of conversation. For electric utilities, meeting electricity demand is always at the forefront of our operational strategies but can be especially challenging during the winter and summer months when weather patterns can bring extreme temperatures. While Storm Uri was a unique weather event—one that we are hoping not to see again soon—electric utilities across the nation continue to debrief the event to shore up contingency plans.

Electric utilities are designed, built and operated to support a range of demands in a cost-effective manner. These estimated demand ranges include predicted peak demands, but sometimes, like in February, events can occur beyond predicted peaks, and generation resources don’t always perform as planned.

Sunflower takes strategic steps to meet not only the typical energy demand of electricity consumers served by our seven member distribution utilities but also the energy demand in energy-peaking situations, such as very hot summer days or cold winter conditions. Balancing cost and reliability for typical energy demand and predicted peaks is challenging, and doing it for situations beyond predicted peaks, such as Storm Uri, is even more challenging.

So what does Sunflower do to prepare for energy-demand challenges?

- Conducts regular testing on all electric generating units to assess their operating status.
- Holds maintenance outages in the spring or fall when energy-peaking days are less likely to occur.
- Manages a fuel-diverse generation fleet comprising natural gas, coal, wind, solar and hydro to capitalize on fuel resources that are in the best interest of our members at a given time.
- Maintains and operates a fuel-diverse generation fleet that serves as a hedge against rising prices of a particular fuel resource. The price of coal is very stable compared to the volatility of natural gas pricing and is an effective hedge against the price of market energy, which is usually correlated to the price of natural gas. Sunflower’s coal-based unit helped offset astronomically high natural gas prices during Storm Uri.
- Maintains and operates a technology-diverse, owned-generation fleet—comprising a steam coal unit, steam natural gas units, internal combustion

natural gas units, and reciprocating internal combustion engine (RICE) units—allows for an operating strategy that can react to changing weather patterns, energy demand, and price fluctuation. For example, Sunflower’s quick-start RICE units are often used to back up fluctuating intermittent, non-dispatchable renewable resources (wind and solar), and our natural gas steam units are designed to operate in a more consistent, stable manner.

- Strategically enters contracts for coal and natural gas to obtain fuel at optimal prices. This involves constant evaluation of our current contracts and forecasting how much will be needed to meet consumer demand. Both overestimating and underestimating fuel needs have inherent risks, such as cost impacts and fuel accessibility.

While coal is stored on site, ample natural gas storage facilities are expensive alternatives that Sunflower has explored but, to this point, have proven to be cost-prohibitive. Fixed-price gas contracts that could be used to protect against price volatility are also problematic due to the low utilization and fluctuating dispatch of Sunflower’s gas-fired generation assets.

- Holds Power Purchase Agreements that allow access to wind and solar resources without the burden of ownership and maintenance.
- Constantly communicates with SPP regarding the dispatch of our generation units, the market price of energy, transmission availability, and calls for public conservation when necessary. Every day, 24-7, the SPP oversees, manages, and balances the dispatch of the energy in its service territory.

“Meeting our members’ power supply needs is a continuous balance between minimizing energy costs and managing risks,” said Corey Linville, vice president of power supply and delivery at Sunflower. “Yes, we could build a system that is virtually indestructible, but doing so would increase prices every day in anticipation for a catastrophic event that may never occur. Our board has chosen to employ various strategies to manage energy-demand risks while keeping costs as affordable as possible.”



Victory Electric will be adding another electric cooperative member when Hilmar Cheese Company Inc. comes to town, a success story supported by Victory and many other area entities.

Dodge City was tapped for the new state-of-the-art cheese and whey protein processing plant due to the city's central location, critical existing infrastructure, proximity to the growing local dairy industry, and business-friendly climate.

Hilmar is scheduled to break ground on the facility in the fall of 2021 and be fully operational in 2024. The new facility is expected to create 247 new jobs and represents \$460 million in capital investment. The project is estimated to bring an additional \$550 million in capital investment and 750 new jobs within a fifty-mile radius of Dodge City by late 2023.

In addition to job creation, the plant will create opportunities for the Dodge City community and promote growth for Kansas dairy producers.

"As a fellow cooperative, we share Victory's concern for communities and want to see them prosper," said Nikki Pfannenstiel, manager of members services at Sunflower. "Congrats to Victory and Dodge City for landing a strong company that will benefit southwest Kansas and capitalize on the great agribusiness opportunities available in our state."



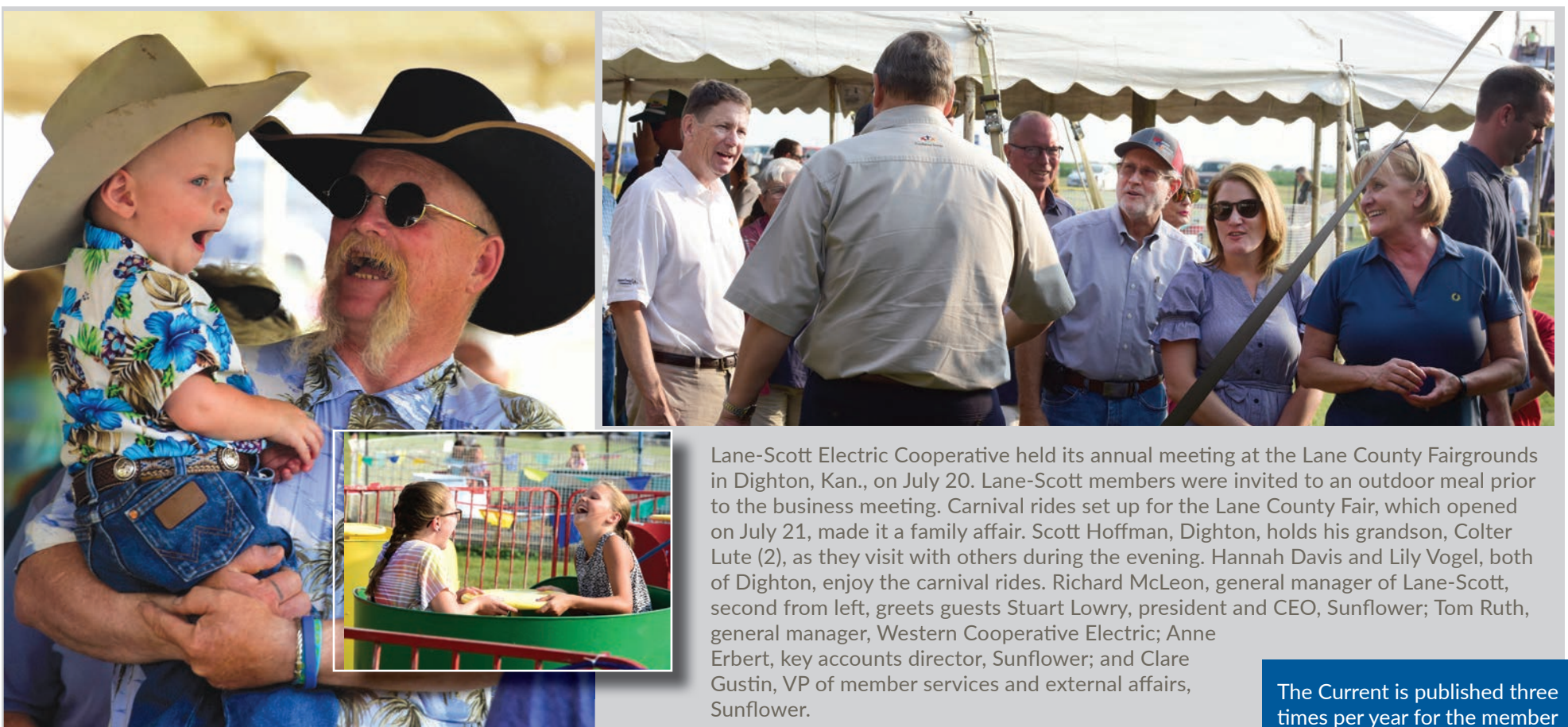
## Transmission Geotechnician



Transmission Geotechnicians support Sunflower's engineering, operations, and member systems. In addition to assisting with land acquisition activities, surveying for transmission routing, and gathering data on distribution and transmission systems, geotechs also assist with review of geotechnical designs. Primarily, Sunflower geotechnicians utilize geographical information systems (GIS), Civil 3D development, transmission line modeling, land surveying, and project staking.

*"The Transmission Geo-Tech work provides challenging projects that require focus and commitment to timelines. I also appreciate that Sunflower is family-orientated in regard to personal schedules."*

Chad Olmstead, Transmission Geotechnician II



Lane-Scott Electric Cooperative held its annual meeting at the Lane County Fairgrounds in Dighton, Kan., on July 20. Lane-Scott members were invited to an outdoor meal prior to the business meeting. Carnival rides set up for the Lane County Fair, which opened on July 21, made it a family affair. Scott Hoffman, Dighton, holds his grandson, Colter Lute (2), as they visit with others during the evening. Hannah Davis and Lily Vogel, both of Dighton, enjoy the carnival rides. Richard McLeon, general manager of Lane-Scott, second from left, greets guests Stuart Lowry, president and CEO, Sunflower; Tom Ruth, general manager, Western Cooperative Electric; Anne Erbert, key accounts director, Sunflower; and Clare Gustin, VP of member services and external affairs, Sunflower.

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The Current News  
 corporatecommunications  
 @sunflower.net  
 PO Box 1020  
 Hays, KS 67601



## Our Members

