

CURRENT

Summer 2023

For Our Member Systems, Employees and Friends

Sunflower, DEPCOM, NRCO partner on new solar facility



Tom Ruth, general manager of Western Cooperative Electric and a member of the Sunflower Electric Board of Directors, speaks to the value of cooperatives during the press conference for the Sunflower Electric Solar @ Russell project on June 22 in Russell, Kan.

The sun was shining as bright as the enthusiasm in the room when Sunflower officially announced the 20-megawatt Sunflower Electric Solar @ Russell project on June 22. Forty-five people attended the press conference at the Dole-Specter Conference Center in Russell to hear about Sunflower’s second solar facility, which will be developed, owned and operated by Sunflower.

Solar energy is desirable because it is available during times of peak energy use, which aids in ensuring affordability and reliability. The project will also reduce or eliminate the cost of expensive transmission upgrades, due to its interconnection location on the bulk electric grid and offer an affordable solution for electric cooperative members who want solar energy without the hassle of owning and maintaining their own solar panels.

Sunflower—which provides wholesale energy from natural gas, coal, solar and wind resources—supports an all-of-the-above approach to its electric generating mix.

“Each energy generation resource type has benefits,” said Corey Linville, Sunflower vice president, power supply and delivery. “Solar resources produce energy during the hottest days of the year when our system experiences its highest demand. The declining cost of utility-scale solar energy, combined with available tax credits and the opportunity to mitigate transmission costs, will further benefit Sunflower’s members and those they serve.”

Sunflower’s first solar project, the Johnson Corner Solar Project (JCSP) in southwest Kansas, was co-developed with the National Renewables

Cooperative Organization (NRCO), an organization formed by electric cooperatives across the country to develop and deploy renewable energy resources. Sunflower is the sole energy recipient of the JCSP, which came online in April 2020. The JCSP is currently the largest commercial solar facility in Kansas, and it will be matched in size in January 2025 with the expected commercial operation of the Russell solar facility.

“While we are proud of the Johnson Corner Solar Project, we didn’t decide to build a second solar project just so we can be more proud,” said Wes Campbell, chairman of the Sunflower board and representative for Wheatland Electric Cooperative. “As with the Johnson Corner Solar Project, we chose to develop a 20-megawatt solar project near Russell because of the value it brings to our members.”

Sunflower is partnering with DEPCOM Power to design and construct the Russell project, which will produce approximately 53,000 megawatt hours annually, a total constituting 1% of the Sunflower system’s total energy needs. The facility, which will be located on 140 acres three miles east of Russell, will have approximately 45,000 bi-facial solar panels on a single-axis solar tracking system.

“As a member-owned cooperative, we make every decision with the best interest of our members in mind,” said Tom Ruth, general manager of Western Cooperative Electric, which serves parts of Russell County. “We analyze and consider new technologies to determine if and when they add value to our system and, ultimately, to those we serve. This is definitely the right time and place for the Sunflower Electric Solar at Russell project.”

“As with the Johnson Corner Solar Project, we chose to develop a 20-megawatt solar facility near Russell because of the value it brings to our members.”

— Corey Linville, Sunflower vice president, power supply & delivery

THIS ISSUE

- Sunflower Announces Solar Project.....1
- Pioneer Launches Community Solar2
- Summer Capacity Predictions3
- Sunflower BOD Seats New Director.....4
- Co-op Careers4

New Community Solar Program Goes Live at Pioneer



Anita Wendt, vice president of energy services, chats with Bene Garcia and Galen Pelton during Pioneer's public launch of its new solar program for residential members. Approximately 46 people attended.

Going solar has never been easier! Pioneer Electric Cooperative created a bright burst of excitement with its consumer-members at a June 2 launch event to become the first of Sunflower's member-utilities to implement the Community Solar subscription program.

In March 2023, the Sunflower Board of Directors approved amendments to the Renewable Energy Rider to incorporate the Community Solar Program. The new program allows consumers the opportunity to share the benefits of solar power without the long-term commitment, risks, costs, and maintenance associated with the installation of rooftop panels. The Community Solar program is administered at the retail level by Sunflower's seven member-owners and utilizes Sunflower's 20megawatt Johnson Corner Solar facility located near Johnson City in Stanton County, Kan.

Participation in Community Solar is limited to residential members, and subscriptions are available on a first-come, first-served basis at a cost of \$5 per share per month. One share is equivalent to 125 kWh or two solar panels. In return, a subscriber's monthly electric bill and energy costs will reflect the economic market performance of the subscribed number of solar shares.

"Pioneer launched the Community Solar program with a public event that was highly attended, created buzz in the community, and resulted in a good number of members subscribing to Community Solar shares," said Anita Wendt, vice president of energy services at Pioneer. "With more than 270 shares sold in the first month, we predict interest and participation in the program will continue to grow."

The program is available to both renters and homeowners who may have inadequate solar irradiance on their roof (too much shade) and gives those members uncertain about solar power a flexible option for exploring its benefits.

"It is important to Pioneer that we offer our members an easy way to make their energy consumption more economically sustainable by buying from a local, renewable resource," said Steve Epperson, former Pioneer CEO and current interim president and CEO of Sunflower. "Pioneer remains committed to making sure all forms of affordable, reliable energy solutions are available to those we serve."

In addition to Pioneer, several other Sunflower member-cooperatives are planning to launch their own Community Solar programs starting this fall and into early 2024.

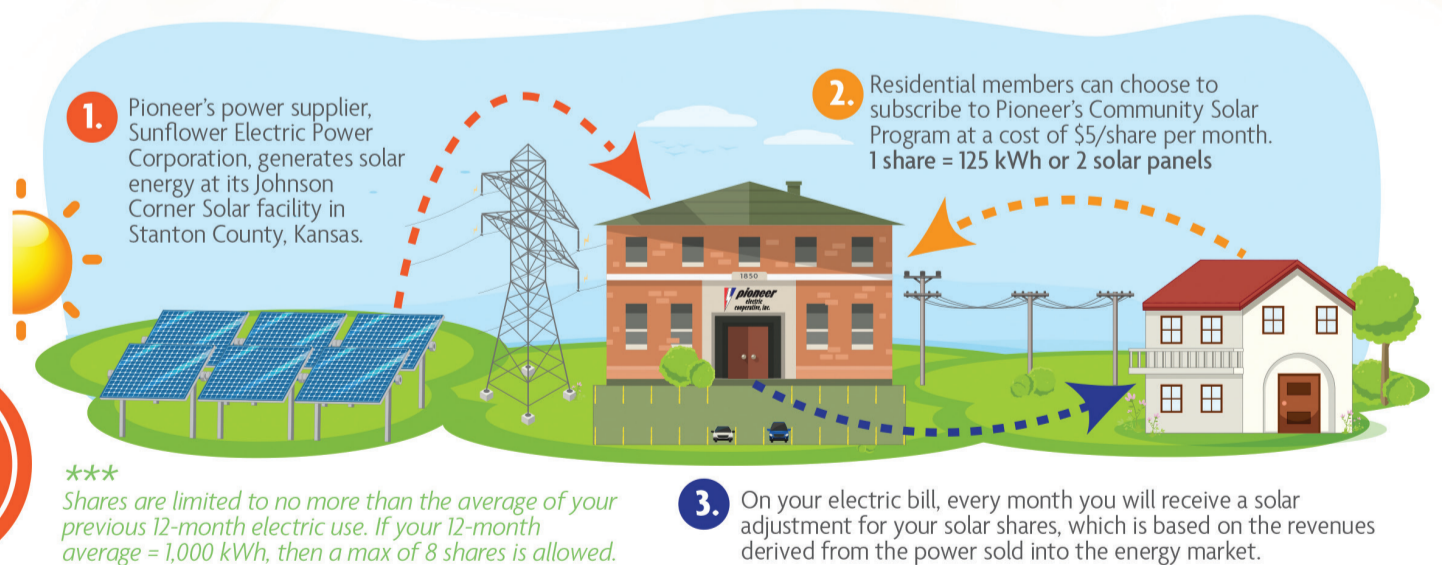
SHARE IN THE ECONOMIC BENEFITS OF SOLAR POWER WITHOUT THE COST OF INSTALLING ROOFTOP PANELS

- ☀️ AN AFFORDABLE ALTERNATIVE TO OWNING AND MAINTAINING A SOLAR ENERGY SYSTEM
- ☀️ NO ROOF DAMAGE
- ☀️ NO LARGE, UPFRONT INVESTMENT
- ☀️ NO CREDIT CHECK OR FEES
- ☀️ SIMPLE SIGN-UP AND BILLING
- ☀️ AVAILABLE TO OWNERS AND RENTERS
- ☀️ EASY WAY TO SUPPORT RENEWABLE ENERGY

We're removing barriers to solar energy

Solar Made Easy!

Pioneer Electric Cooperative, Inc. **COMMUNITY SOLAR**



CONTACT US TO LEARN MORE:



PIONEERELECTRIC.COOP



620.356.1211 or 800.794.9302



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.

2023 Summer Grid Reliability: adequate resources on normal peaking days, concern on above-normal days

The weekend's coming. That could mean picnics, pool time, or lake time, which also means constantly monitoring the weather forecast to verify your plans will hold up.

The electric industry knows your drill, albeit on a much bigger scale. Those who are tasked with providing reliable electricity across the nation don't just plan for tomorrow or the weekend; they must plan farther ahead. Prior to summer and winter—both seasons of high energy demand—studies are conducted to identify and mitigate threats to reliability. The studies consider not only long-term weather forecasts, but also historical and predicted energy use, generation and transmission outages, and variability of renewable energy resources.

The Roles of FERC, NERC, and SPP

As a wholesale generation and transmission provider, Sunflower coordinates with three important entities to assess the electric grid's regional and national seasonal readiness: the Federal Energy Regulatory Commission (FERC), North American Electric Reliability Corporation (NERC), and the Southwest Power Pool (SPP).

FERC is an independent agency of the United States government that oversees the power industry and gives NERC, an international regulatory authority, responsibility for developing and enforcing standards to ensure the reliability and security of the bulk power system. SPP, which coordinates electric reliability for a 15-state region in the central U.S., is a regional transmission organization (RTO) to which Sunflower belongs. FERC mandates SPP ensures the reliable supply of power, adequate transmission infrastructure, and competitive wholesale electricity prices.

2023 Summer Assessments

Each year, NERC's Summer Reliability Assessment (SRA) identifies, assesses, and reports on areas of concern regarding the reliability of the entire North American (across the U.S. and Canada) Bulk Power System (BPS) for the upcoming season. The assessment provides an evaluation of generation resource and transmission system adequacy, as well as energy sufficiency to meet projected summer peak demands and operating reserves. NERC also performs an annual winter reliability assessment.

NERC's 2023 SRA shows all areas are predicted to have adequate energy resources during normal peak-load conditions from June through September. However, the SRA also indicated the SPP region has an elevated risk for insufficient operating reserves in above-normal peak conditions. The output of wind generation in SPP's territory will be a key factor in determining whether there is sufficient electricity supply during extreme weather conditions.

While the FERC 2023 Summer Energy Market and Electric Reliability Assessment predicts higher-than-average temperatures nationwide will

increase electricity demand for the upcoming summer, the report also shows a slight decrease in risks to reliability in normal peak-load weather conditions compared to last summer. Other bright spots during the last 12 months are the increased supply and higher inventories of natural gas, as well as a 71.3% decrease in the cost of natural gas.

As the RTO for the central U.S. from the Canadian border to the southern edge of Texas, SPP is responsible for real-time monitoring of power flow and voltage across more than 70,000 miles of high-voltage transmission lines. SPP's Summer Seasonal Assessment focuses on predicting summer energy reliability in its footprint, including the territory served by Sunflower and our member-owners. SPP's 2023 report shows a 99.5% probability of having sufficient resources to serve the region during peak hours throughout the summer.

If extreme weather, unexpected outages, or other circumstances do affect the region, SPP and its members (like Sunflower) have systems, tools and procedures ready to mitigate risks and maintain electric reliability. Under different scenarios, SPP may call on its members' generating units to run

earlier or more often than usual, delay planned outages, import energy from neighboring systems, or tap into available reserves depending on the severity and duration of a reliability event.

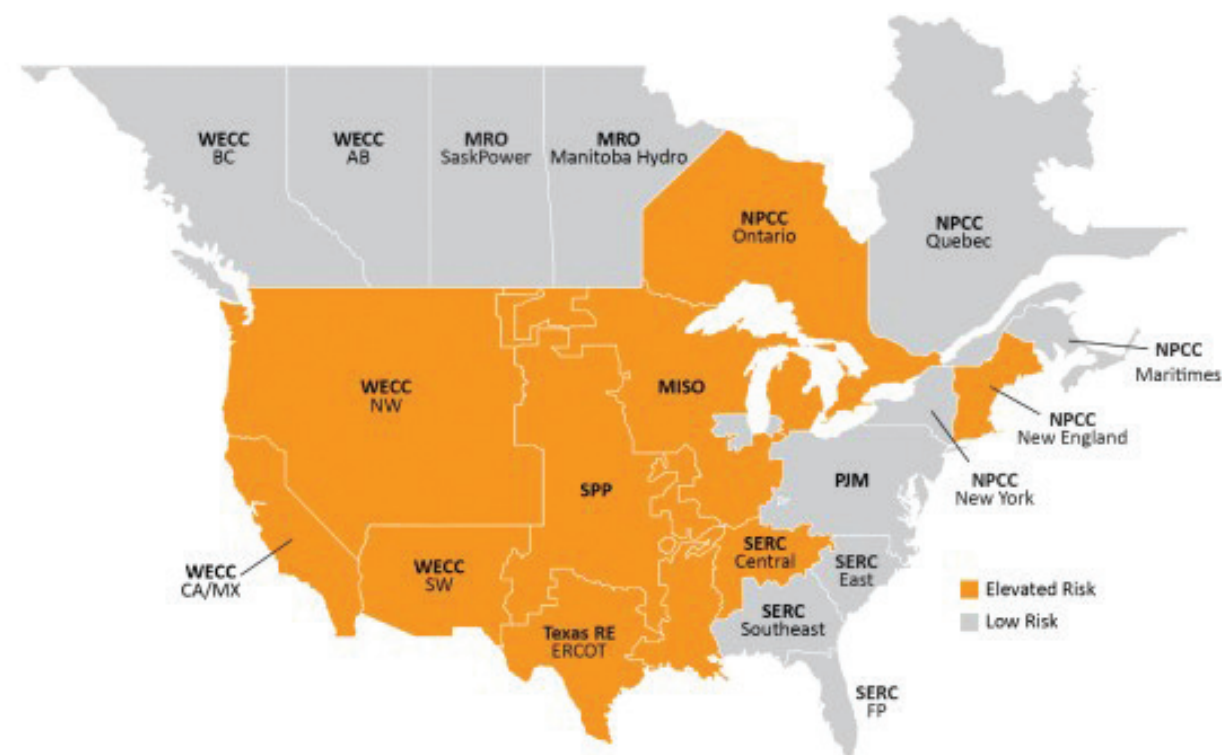
Grid Reliability Becomes More Challenging

The good news is all three entities (FERC, NERC, and SPP) predict adequate generation and transmission to ensure electric reliability during normal peak weather patterns this summer. The concerning news is NERC's report indicates two thirds of the U.S., including the SPP region, has an elevated risk for

insufficient operating reserves in above-normal peak conditions.

The concern regarding grid reliability, both for the near term and future, received heightened awareness after extreme weather conditions like Storm Uri and Storm Elliott exposed the grid's vulnerabilities. Closing power plants that operate using fuels such as coal and natural gas and replacing them with renewable (weather-dependent) resources; inadequacies in natural gas pipelines; changing policy and regulations; and complications to construct transmission are affecting the reliability of the electric grid. These issues are complex and usually require years, if not decades, to resolve.

"Supplying reliable and affordable energy will always be our mission," said Steve Epperson, Sunflower's interim president and CEO. "However, it becomes more challenging with unpredictable weather events, emerging policies and regulations, and more weather-dependent generation resources. Be assured our Sunflower team and board of directors will continue to proactively prepare the system for current seasonal operations, as well as other challenges in our industry."



Seasonal Risk Assessment Summary	
High	Potential for insufficient operating reserves in normal peak conditions
Elevated	Potential for insufficient operating reserves in above-normal conditions
Low	Sufficient operating reserves expected

Summer Reliability Risk Area Summary

Sandra Benoit seated as director on Sunflower Board of Directors

Sunflower Electric Power Corporation seated Sandra Benoit as one of its 12 directors on April 21, 2023. The first female board member since Sunflower's formation, Benoit succeeds Jerry Gallagher as a Sunflower board representative for Prairie Land Electric Cooperative, headquartered in Norton, Kan.

Each of Sunflower's six member cooperatives—Lane-Scott Electric Cooperative, Pioneer Electric Cooperative, Victory Electric Cooperative, Western Cooperative Electric, Wheatland Electric Cooperative, and Prairie Land Electric Cooperative—has two representatives elected by local distribution cooperative members. Sunflower's board meets monthly to strategize on the current and future operation of Sunflower and the best approaches to continue providing its members with reliable wholesale energy at the lowest possible cost.

In April 2017, Benoit was appointed to finish the term of a previous director on the Prairie Land Board of Directors and subsequently selected by fellow board members to succeed Gallagher upon his retirement.

"It is an honor to be appointed to serve on Sunflower's Board of Directors," Benoit said. "I look forward to supporting Sunflower's mission and serving western Kansas in this role."

A graduate of Fort Hays State University, Benoit is currently employed as the office manager of Rooks County Road Water District #3 and accounts receivable clerk for Pfeifer Dozer & Well Service.



"I look forward to supporting Sunflower's mission and serving western Kansas in this role."

— Sandra Benoit, Sunflower board member and representative for Prairie Land president

Sandra Benoit visits with fellow Sunflower board member, Wes Campbell from Wheatland Electric Cooperative. Benoit and Campbell joined 43 others in celebrating the June 22 announcement of the Sunflower Electric Solar @ Russell Project.

SPOTLIGHT ON COOPERATIVE CAREERS
 Building a Better Future: powering the lives and economy of our local communities
www.sunflower.net/careers



HEAVY EQUIPMENT OPERATOR

Sunflower's heavy equipment operators operate commercial and heavy equipment, such as bucket trucks, digger derricks, cranes, skid steers, backhoes, forklifts, dozers, man-lifts, and telehandlers. They also assist with maintenance on trucks, equipment, and hydraulic systems and work with line crews to construct, reconstruct, maintain, and inspect transmission lines and substations across central and western Kansas.

"I like working at Sunflower because of the flexibility of a work/life balance."

- BJ Simon, coal and material handler

Our Members



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

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