

**April 2024**

## Augusta Awarded Platinum RP3

The American Public Power Association (APPA) recently held the 2024 Engineering & Operations Conference in New Orleans, Louisiana, where new Reliable Public Power Provider (RP3) awards were announced. This three-year APPA designation recognizes public power utilities that demonstrate proficiency in four key disciplines: reliability, safety, workforce development, and system improvement.

Only 254 out of the 2000 public power utilities nationwide possess this prestigious designation, with ninety-one entities designated this year. KPP Energy congratulates the City of Augusta, for achieving the Platinum-Level RP3 designation. This accomplishment reflects the dedication of their team, who invested significant time and effort in collaboration, data gathering, and policy formulation during the application process. Augusta joins the KPP member cities of Wellington and Winfield in receiving RP3 designation.



**Left to Right:** Paul Zummo (APPA), Tim Johnson (Augusta), Marc Cain (Augusta), & Jeremy Ash (Kansas City BPU and RP3 Review Panel Chair.)

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## Winfield Cuts Ribbon on New Tie Switchyard

### KPP ENERGY MEMBER SPOTLIGHT

The City of Winfield recently held a ribbon cutting to celebrate the successful completion of a new Tie Switchyard. Numerous local and state officials and attended the event held on April 11<sup>th</sup>, which included a tour of the new facility.

The new Tie Switchyard was developed in conjunction with GridLiance, a NextEra Energy Transmission Company. Recognizing the age and importance of the city's existing Tie Substation, the City of Winfield and GridLiance made the decision to build the new Tie Switchyard in 2022. The decision was driven by the need to ensure the continued reliability of electric service for the community. The project was completed last October and represents a significant step forward in enhancing the city's electrical infrastructure.

The Tie Substation serves as the crucial interconnection point between the City of Winfield and the Southwest Power Pool (SPP) transmission network. It facilitates

the connection of 69-kV transmission lines from the Everage Oak, Everage Timber Junction and Strothers Field substations with the transmission lines serving Winfield's substations and power plant.

Key features of the Tie Switchyard include:

- **Ring Bus Configuration:** The new Tie Switchyard features a ring bus configuration, designed to segregate transmission lines and eliminate a single point of failure.
- **138-kV Standards:** Built to 138-kilovolt (kV) standards, the switchyard is equipped to support future upgrades and accommodate additional transmission lines, generation interconnection and distribution facilities for load service.

The ribbon cutting included a welcome from Winfield Mayor Brenda Butters and opening remarks from Holly Carias of GridLiance. Winfield City Manager Taggart Wall

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**Above:** Winfield Tie Switchyard ribbon cutting included dignitaries from the Kansas Legislature, Winfield City Commission, Winfield City Staff and GridLiance.



**Above:** Winfield Mayor Brenda Butters welcomes attendees to the Tie Switchyard Ribbon Cutting Ceremony.





## Winfield Cuts Ribbon on New Tie Switchyard

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provided an overview of the project and its benefits to the affordability and reliability of electricity to Winfield citizens.

“The reliability and resiliency of the electric grid are paramount to the city’s operations. The

inauguration of the new Tie Switchyard signifies a proactive approach to addressing future growth and mitigating power outages,” noted Wall.

KPP Energy congratulates the City of Winfield on this important and proactive achievement.



**Above:** 138-kilovolt (kV) breaker inside the new Tie Switchyard. The breaker is currently operating at 69 kV.



**Above:** Winfield City Manager Taggart Wall and Winfield Director of Utilities Gus Collins.



**Above:** New Tie Switchyard constructed by the City of Winfield and GridLiance.



**Above:** Winfield City Manager Taggart Wall welcomes participants to the ribbon cutting ceremony and discusses its impact on the city’s reliability and affordability.



## KPP Energy's PACE Solar Project Moves Forward

BROOKE CARROLL, DIRECTOR OF MEMBER SERVICES




We are pleased to share the latest developments on the KPP Energy PACE Solar Project. KPP Energy previously announced plans to engage with the USDA Powering Affordable Clean Energy (PACE) program. A Letter of Interest was submitted with the Rural Utilities Services and the USDA,

proposing the installation of roughly 20 megawatts (MW) of solar power across nine cities within the KPP Energy footprint. The response was encouraging from USDA, and KPP Energy moved to finalize a detailed application. The submission was made on January 19<sup>th</sup>, well ahead of the due date of January 26<sup>th</sup>. Progress is on course for USDA underwriting approval by the end of June, preparing for the subsequent development stage.

In anticipation of project approval, KPP Energy conducted a thorough system analysis across all twenty-four communities it serves to assess the feasibility of integrating additional solar resources behind the meter. Twelve cities were deemed suitable for the project. Of these, Clay Center, Ellinwood, Greensburg, Hillsboro, Marion, Wellington, and Winfield have not only identified locations for the solar arrays but also secured the necessary local approvals.

To facilitate these developments, KPP Energy has partnered with Priority Power. Upon USDA's 'Notice to Proceed,' the project will move into the Design and Engineering phase, with commercial operations expected to commence between the last quarter of 2024 and the first quarter of 2025. This initiative is poised to significantly enhance KPP Energy's renewable portfolio by offering a sustainable energy solution to its

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### KPP Wellington 5 MW Solar Tracker

KPP Wellington Solar  
Sumner County, KS

- ✓ 5 MW<sub>AC</sub> Nominal Capacity
- ✓ 6.4 MW<sub>DC</sub> Nominal Capacity
- ✓ 1.28 DC : AC Ratio
- ✓ 21 ft. Row Spacing
- ✓ 35.9% Ground Coverage Ratio
- ✓ ~28-acre Site
- ✓ Interconnection Volt.: 13.2 kV
- ✓ 1,903 MWh/MW<sub>DC</sub>/Year
- ✓ 12,178 MWh in Year 1





## KPP Energy's PACE Solar Project Moves Forward

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community members. As a benefit to all KPP Energy members, the solar energy resources will serve as a financial safeguard against the volatility of natural gas prices for KPP Energy members. Additionally, the seven sites hosting these facilities will gain additional capacity in their local distribution systems.

On April 19<sup>th</sup>, Priority Power opened the Fredonia Solar Facility, which resembles the installations KPP Energy plans to construct. KPP Energy representatives attended to observe operational methods and solar technologies relevant to our future projects. The event included guided tours, a luncheon, and a ribbon-cutting

ceremony with significant community participation and support.

As we move forward, KPP Energy remains committed to transparency and engagement with our members about the progress of the PACE Solar Project. We appreciate the continued support from our members and are excited about the positive impacts this project will have on all of our member communities. We look forward to more updates as we reach key milestones in bringing sustainable and affordable energy solutions to the KPP Energy portfolio.



**Left to Right:** KPP Board Member Chris Komarek (Ellinwood) and KPP staff members Brooke Carroll, James Ging & Colin Hansen.



**Above:** KPP Board Member Chris Komarek (Ellinwood) inspects the bifacial solar panels at the new Fredonia Solar Farm.



**Above:** A bank of inverters at the Fredonia Solar Farm.



**Above:** Fredonia Solar Farm Grand Opening & Ribbon Cutting Ceremony.



## April Board Meeting Review

COLIN HANSEN, CEO / GENERAL MANAGER



The KPP Energy Board of Directors held their regular monthly meeting at KPP's office in Wichita on April 18, 2024. A summary of meeting highlights is provided here:

### March 2024 ECA

James Ging presented the monthly update relating

to the March 2024 ECA calculation. Total costs were over budget \$213,215. Energy costs were above budget \$89,624; transmission costs were above budget \$107,134, and capacity costs were above budget \$19,844. Demand consumption was down by 11%, and energy consumption was down by 14%. Due largely to less-than-expected sales, the actual March 2024 ECA was \$0.01570 vs. budgeted of \$0.00095.

### March 2024 Financial Statements

Written financial statements for the period ending February 29, 2024, were presented, showing a net position before DAI of \$1,178,745 and a \$283,970 change in net position since last month. Chris Komarek moved and Tim Johnson seconded to approve the financials as presented. The motion passed unanimously.

### PACE Project

The PACE project continues to move forward with several notable items of progress:

- The Board approved the "Project Approval Notice and Development Services Terms" document with Developer, POW Solar, LLC following a presentation by James Ging.
- Zoning determination letters have been sent out to all project communities.

- With approval of the Clay Center easement, all easements have been signed and provided to legal counsel.
- Environmental studies are complete.
- Hydrological studies are next and are estimated to take thirty days to complete.

Since the last Board meeting, the Kingman and Mulvane sites have withdrawn from the project, which will require modification of the project application. In the reworking of the application, staff have considered investigating battery storage. To date, no feasibility studies have been done on the economics of adding battery storage to the solar project.

### Tenaska Contract Amendment to Change ARR Sharing Mechanism

Larry Holloway guided the Board of Directors through a seven-slide presentation on a proposed Tenaska Contract Amendment to Change the ARR Sharing Mechanism. He noted that under the current proposal, for 2023, KPP's net was \$738,828. Under the new mechanism, KPP's 2023 net would have been \$1,097,316. Larry Holloway recommended the Board approve the second amendment to the Tenaska contract. Board members asked questions about potential increased risk with the new contractual arrangement. After further discussion, the Board voted unanimously to approve the amendment.

### 2023 Financial Audit Review

FORVIS accountant and auditor, Chad Moore, presented the 2023 financials for the Board's review. Moore said the audit went very well and expressed appreciation for the work of Vickie Matney and Ivan Seward. In his report to

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## April Board Meeting Review

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the Board of Directors and Management, Moore indicated the following:

- No concerns were noted as to the management team’s application of the accounting principles.
- No new financial policies were implemented for 2023.
- No auditor-initiated adjustments were necessary.
- No material weaknesses or significant deficiencies were found.

Next, Moore provided a detailed overview of the 35-page Financial Statements, noting total cash is up from \$32 million in 2022 to \$35 million in 2023. KPP’s net position for 2023 is \$38 million compared to \$33 million in 2022. Moore also pointed out that all of the cash KPP Energy has or controls is collateralized.

On behalf of the Board, Gus Collins thanked Vickie Matney, Controller, and Ivan Seward, Senior Accountant, for their work, and the Board approved the 2023 Financial Audit and Financial Statements as presented.

### Update on Walnut Energy Center

Larry Holloway updated the Board on progress with Walnut Energy Center. After a meeting with Burns & McDonnell, KDHE and EPA, it appears that changes in PM 2.5 regulations will cause a delay in our air permit until at least Quarter 1 of 2025. The ongoing backlog in the Southwest Power Pool (SPP) generation interconnection queue may also continue to delay bringing Walnut Energy Center into service.

### Office Space

Members were provided with a Purchase Agreement for a property at 2229 S. West in Wichita which was executed by CEO & General Manager Colin Hansen in March. The Board authorized Hansen to execute such a contract in order to conduct due diligence at no cost at their last meeting. On the advice of counsel, the Board ratified the agreement.

Next, Hansen guided the Board through a 33-slide presentation entitled “KPP Office Space Analysis.” Much of the presentation focused on 2229 S. West, which was formerly the headquarters of Hutton Construction. The property features a 15,600 SF building in an area of Limited Industrial Zoning. Due diligence on the property includes an independent appraisal, roof inspection, review of utility and maintenance costs, architectural schematic design, and a property and title review (to occur at closing). With estimated updates, moving expenses, and renovations, the estimated total cost of the project is \$2.5 million. This equals approximately twenty days of working capital.

Hansen recommended that the Board to consider the following proposal for action at the May Board meeting:

- Approve \$2.1 million purchase of 2229 S. West.
- Set aside \$400,000 for renovations, additions (fencing), etc.
- Utilize \$2.5 million from Money Market Account.

Hansen invited Board members to tour the building

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## April Board Meeting Review

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following the meeting. J.T. Klaus, counsel, recommended KPP pursue a Phase 1 Environmental Study as part of due diligence as well. KPP staff and Board discussed the advantages and disadvantages of the purchase.

### KPP Resource Adequacy

Larry Holloway provided a presentation on KPP Resource Adequacy with Updated Resource and Margin Forecast. After giving a detailed overview of the proposals being considered by SPP as well as KPP's current and forecasted load and capacity, Holloway concluded the following:

- KPP Energy appears to have adequate generation resources for the expected winter obligations.
- Even if Walnut and PACE solar projects are in service by 2026, KPP will have very little excess summer generation capacity.
- A single extended outage for the bigger KPP units would cause KPP to be deficient.
- Slight increases in the load forecast could have

large effects on resource needs.

- Walnut is unlikely to be done by the Summer of 2026, creating a large deficit.

Considering these conclusions, he recommended the following:

- KPP Energy Staff should pursue some short-term capacity purchases, beginning the summer of 2026 both to cover expected shortfalls and to hedge its position.
- Even with Walnut and PACE, KPP should explore future generation projects or resource participation in the 2030 timeframe. This could coincide with retiring Dogwood debt.
- Current capacity markets appear to be focused on 2024 summer, and there will likely be more opportunities after June.

KPP staff will continue to apprise the Board of this important topic due to the implications these SPP proposals could have on KPP Energy.

## Winfield Earns APPA Safety Award of Excellence

The City of Winfield was one of 146 utilities honored with the American Public Power Association's Safety Award of Excellence for its commitment to safe operating practices throughout the year 2023.

Utilities were categorized according to their total worker-hours and subsequently ranked based on the most incident-free records and the overall efficacy of their safety programs and culture during 2023. Winfield fell into Category C with 30,000 – 59,000 worker-hours of exposure and earned the top, diamond-level safety award.







# CYBERSECURITY SUMMIT SERIES

A thorough and detailed series aimed at empowering your municipality with the essential strategies and practices for complete cybersecurity readiness.

## 4-Part Series Include:

- Basic Cyber Hygiene - 3/12/24
- Electric Utility Security & SCADA Hacking Lab - 5/14/24
- Financial Crimes - 8/13/24
- Preparing for Cyber Disasters - 10/15/24

**All KPP Energy Members & Guests are Invited**  
**KMU Training Center, McPherson, KS**  
**9AM to 3:30PM**  
**Lunch Will Be Provided**

Register at  
**[www.kpp.agency](http://www.kpp.agency)**  
or by contacting Brooke Carroll  
at [bcarroll@kpp.agency](mailto:bcarroll@kpp.agency).



## KPP Energy Member Appreciation Night

KPP Energy held its annual membership appreciation event on Wednesday, April 24th in conjunction with the KMU 2024 Conference. Thanks to all the members that

came out to participate in an evening of fun networking at Nortons Brewing Company in downtown Wichita. We greatly appreciate all our KPP Energy members!



**Left to Right:** KPP Director of Engineering Services James Ging visits with Winfield City Commission members and staff.



**Above:** Matt Stiles, City of Hillsboro



**Above:** Alan Schneider, City of Burlington and KPP Senior Accountant Ivan Seward.



**Above:** Scott Glaves (Clay Center), Colin Hansen (KPP Energy) and Tim Johnson (City of Augusta) sit for a caricature.



**Above:** City of Augusta power plant staff creating a "Mount Rushmore" caricature.



**Above:** Attendees received a KPP Energy pint glass.





## KPP Energy Participates in KMU 2024 Conference

The Kansas Municipal Utilities (KMU) 2024 Conference was held April 24-26 in Wichita. KPP Energy was proud to once again sponsor and participate in this year's important event. KPP was a Silver Sponsor for the conference as well as an exhibitor in the trade show.

### Distributed Generation Preconference

KPP Energy Director of Engineering Services James Ging and Director of Member Services Brooke Carroll were invited to join the panel of speakers for the Distributed Generation Preconference session at the KMU 2024 Conference on April 24th. James provided a comprehensive overview of the technical aspects included in the newly updated KMU DG Toolkit. Brooke discussed how KPP staff have engaged with KPP Energy members, focusing on the implementation of distributed generation policies and procedures at the city level.



**Above:** Kent Pottorf (Garden City) and James Ging (KPP) present during the preconference session on the new KPP Distributed Generation Toolkit.



**Above:** KPP staff manning the exhibit booth.



**Above:** City of Augusta power plant staff visit the KPP booth.



**Above:** KMU Administrative Manager Leslie Atherton.



## Clay Center's Ben Willroth, Brian Tholstrup Honored at KMU Conference

KPP Energy congratulates two employees of Clay Center Public Utilities who were honored at the KMU Conference awards ceremony last week.

Ben Willroth, Lead Shift Operator at Clay Center, received the Kansas Municipal Utilities Power Plant Operator Award of Excellence. This award recognizes power plant operators who have demonstrated exceptional skill, efficiency and dedication. It is part of KMU's initiative to promote excellence in utility operations across Kansas, emphasizing high standards of service and commitment. Winners of this award are celebrated for their significant contributions to the industry and their communities, often going above and beyond in their daily responsibilities to ensure reliable and effective power services.

Brian Tholstrup, Metering & Substation Superintendent, received the Kansas Municipal Utilities Line Worker Award of Excellence. This award is presented to line workers who exhibit exemplary skills and dedication in their field. It focuses on those who have excelled in technical skills, safety practices, and service reliability, not only honoring individual achievements but also promoting best practices and high standards within the line worker profession.

KPP Energy is extremely proud of Ben Willroth and Brian Tholstrup for their well-deserved recognition at the KMU Conference. Their achievements reflect their commitment to excellence and dedication to their work. We celebrate their success and thank them for their exceptional contributions to the utility industry and their community.



**Above:** Clay Center Metering & Substation Superintendent Brian Tholstrup receives the KMU Line Worker Award of Excellence from KMU Job Training & Safety Director John Littleton.



**Above:** KMU Executive Director Brad Mears opens the conference banquet at the KMU 2024 Conference.





## City of Greensburg, Barnes Host Senator Roger Marshall for Energy Roundtable

The City of Greensburg and Greensburg City Administrator Stacy Barnes welcomed U.S. Senator Roger Marshall to the city for a tour and energy roundtable on Friday, April 26<sup>th</sup>. KPP Energy CEO and General Manager Colin Hansen joined the group of seven energy representatives visiting with Senator Marshall about utility industry challenges and opportunities. Barnes and Hansen represented municipal utilities at the energy roundtable. Other utility representatives included Steve Epperson and Al Tamimi (Sunflower Electric Corp.), Shane Laws (Victory Electric Cooperative), Kirk Thompson (CMS Electric Cooperative), Bill Dowling (Midwest Energy), and Reagan McCloud (Kansas Electric

Cooperatives). The Senator discussed his concerns about the current regulatory environment that is impeding investment in the utility industry. Barnes talked about the City of Greensburg's commitment to sustainable energy while Hansen noted KPP Energy's Walnut Energy Center project and Powering Affordable Clean Energy (PACE) loan application with the U.S. Department of Agriculture. Our thanks to Senator Marshall and the City of Greensburg for hosting this important conversation.



**Above:** Steve Epperson (Sunflower Electric Corp.), Shane Laws (Victory Electric) and Al Tamimi (Sunflower Electric Corp.) discuss rural electric cooperative issues with Senator Roger Marshall.



**Left to Right:** Senator Roger Marshall, Reagan McCloud (KEC), Colin Hansen (KPP Energy), Stacy Barnes (City of Greensburg) and Bill Dowling (Midwest Energy).



**Above:** Energy roundtable with Senator Roger Marshall.



## Event Calender

### 2024 DATES TO REMEMBER

**MAY 1, 2024**

KPP RP3 Working Group

**MAY 14, 2024**

KPP Cyber Summit -  
SCADA Hacking Lab

**MAY 16, 2024**

KPP Board Meeting

**MAY 18, 2024**

KPP Generation Task Force  
Meeting

**JUNE 3, 2024**

KPP RP3 Working Group

**JUNE 7-12, 2024**

APPA National Conference  
San Diego, California

**JUNE 20, 2024**

KPP Board Meeting

**JULY 18, 2024**

KPP Board Meeting

**AUGUST 15, 2024**

KPP Board Meeting

**NOVEMBER 1, 2024**

KPP Rate Forum

**DECEMBER 11, 2024**

KPP Annual Members  
Meeting

## KPP Resources by Fuel Source

MARCH 2024

