

August 2018

LIGHTNING ROUND

*Member City
Monthly Newsletter*



SOLAR ENGINEERING SERVICES CONTRACT GETS APPROVAL

Full construction details coming in the KPP Fall Planning Retreat

Approval was given last week to enter into a services contract with Missouri-based ZeMac, LLC for construction training on the small scale solar projects announced by KPP early this year. (See April 2018 of the Lightning Round). The services contract will set the stage for construction in KPP cities who have chosen, or will choose, for individual projects in their city. Contract approval was given during the August meeting of the KPP Board of Directors.

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KPP ANNUAL FALL PLANING RETREAT

There is still time to sign up! All lodging, parking and meal costs are covered. The venue for our Retreat this year is the Drury Plaza Broadview Hotel located next to the Arkansas River in downtown Wichita. There will be discussion on future power supplies, the issuance of more tax exempt debt financing, the management of municipal fund balances and the financial and operational management of your electric distribution systems. As always, a fun activity is scheduled for the spouses. There will be speakers, gifts, games, good food and great company!



General Manager Message

Continuing our Power Supply Plans By Mark Chesney, KPP CEO/GM

My article last month, "A Farewell to Coal", may have been a good jump start to an update on our power supply planning. For many months we have reminded KPP Members that our Westar contract for 59 MWs, out of the Jeffrey Energy Center, comes to a close in a little more than 4 years. Someone has said that this is really only a few heartbeats in time.

Exaggerations aside, we have time on our side in planning the next phase of our power supplies. And it's a good thing, too, because the expiration of our GRDA contract (16 MW) happens only 3 years later.

In the August meeting of the KPP Board of Directors, Staff announced its intention to prepare a Request for Proposals (RFP) document to seek expert professional consultation assistance in helping to guide our steps. Staff reminded the Board that the full KPP Membership approved such a study during an April power supply committee meeting in McPherson. That RFP will hopefully be ready for distribution in very late September. In fact, we will have our Fall Planning Retreat immediately before then and so all Members will get the most up-to-date report possible on this topic.

We believe the study can be a very focused undertaking. This is possible because of our advance work in evaluating technologies.

On the assumption that another coal resource can be eliminated, we have also eliminated the idea of adding more Dogwood resource to our portfolio.

Although we have been very satisfied with Dogwood's performance, the preliminary decision not to add more of it to the mix is really intended to be a risk management measure.

Most people associated with KPP are very proud of the fact that we have achieved 20% renewables in our energy portfolio.

However, the operating characteristics of wind generation throughout the Southwest Power Pool (SPP), and our desire to control costs over the long term by owning assets, have created an excellent opportunity to carefully study quick-start generation resources. That is the intention on which we want expert evaluation and validation.

Increasingly, utilities are concluding that being able to very quickly sync generation into the grid has not only complemented wind resource but also presents other benefits in the power generation value chain.

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Members may recall that a preliminary study by Tenaska revealed two or three acceptable geographical locations where new generation could be sited. We intend to make those inputs available to our consultant. Numerically predicting the total needs for power supply could be difficult at present. Obviously, there is the expiration of the Jeffrey contract. However, the status of local generation will also be an input for the study at some reasonable measure.

We hope to see you at the Retreat in September. I believe we just might surprise you with an update on this report. Here's why: I said in a recent City Council meeting that my belief is KPP can accomplish all of this without a rate increase due to power supply impact. Join us in September for a deeper explanation.



LIGHTNING ROUND GETS A NEW LOOK

Have you checked out the Lightning Round's new look? Hopefully this rearrangement of articles and announcements will be more engaging and informative.

(ZEMAC SERVICE CONTRACT CONT'D)

KPP CEO/General Manager explained to the Board the contract counterparty principals are deeply experienced in solar technology and their specialty is advising on construction projects to be ultimately owned by the entities doing the construction. Chesney also explained that some cities have wondered about project costs, liability, technical details and the billing mechanisms by which energy output is accounted for and credited. Those questions and more are the topic of a breakout session to be conducted during the Fall Planning Retreat on September 14th.

The contract focuses on technical services pertaining to options for ground mount racking of panels, single or three-phase design, component procurement assistance and installation training.

Chesney remarked that projects could commence as soon as cities desired although it was assumed most had plans for implementation during their 2019 budgets.

You may notice we're making space for more local flavor. Actions of the Board and Membership will always front and center.

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*A new look for
friendlier and
more
informative
viewing*

But there is so much more we could talk about. So please, let us know of stories and images that you think are suitable. We'll include them in the Lightning Round.

It is one more way that our family is kept up to speed on events and happenings.





AN UPDATE ON KPP TRANSMISSION FILING

KPP Board members were given an update in the August Board meeting on KPP's plans for a transmission project. Although the discussion has been ongoing among KPP members for literally years, official discussions now occurring at the KCC are fairly closely following a Commission procedural schedule.

KPP members will recall that our plans have long been to construct a 34.5 kV line segment to both better serve the City of Kingman and also reduce transmission charges incurred by all Pool members. KPP pays a hefty local access charge to utilize a line owned by Southern Pioneer Electric (SPEC). The construction plans aroused a complaint by that rural electric cooperative whose line is currently being accessed. Although that complaint was eventually dismissed by the Commission, the same REC has presented a challenge to KPP's obligatory KCC application for a certificate of transmission rights only.

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ENERGY EFFICIENCY REBATES

KPP will provide reimbursement to full Member Cities providing **energy efficiency rebates** to retail customers for the purchase of energy efficient appliances such as: electric water heaters, air conditioners, refrigerators and heat pumps.



7 WAYS YOU CAN LOWER YOUR ENERGY BILLS IN 2018

by Danielle Dean

Author for Greater Cincinnati Energy Alliance

1. Replace your furnace filter.

A filthy or clogged furnace filter will cause your HVAC system to work harder to produce and move conditioned air throughout your home, which can drive your energy bill up unnecessarily.

2. Install a programmable thermostat.

Programmable thermostats allow you to put your home temperature control on autopilot, which can shave quite a bit of money off your monthly energy bill.

3. Replace or upgrade inefficient appliances.

Household appliances such as washing machines, refrigerators, and dishwashers account for roughly 13% of the energy used in your home. If these appliances are outdated or inefficient, they'll act as "energy hogs" that boost your monthly utility expenses.

4. Ensure that your home is adequately insulated and air sealed.

One of the most effective ways to reduce your energy bill is to ensure that your home has been adequately insulated and sealed.

5. Low-flow is the way to go.

Installing low-flow shower heads is a great way to conserve water while reducing your monthly energy bill.

6. Energy efficient lighting is a bright idea.

Instead of standard incandescent light bulbs, consider using ENERGY STAR, which use 70-90% less energy and can last nearly 15 times longer than their traditional counterparts.

7. Get a free online home energy assessment!

It's always a good thing when you can save money while reducing energy consumption! If you're ready to lower your energy bill in 2018 and beyond, the best place to start is to visit Get Efficient and complete our easy online energy assessment.

(TRANSMISSION FILING CONT'D)

In May 2018 KPP filed testimony supporting the public interest of the project. In July, five witnesses for SPEC, four witnesses by Mid-Kansas Electric Company (MKEC, in whom SPEC has membership) and two witnesses for the KCC Staff filed response testimony. On July 30, KPP's James Ging filed rebuttal testimony.

A hearing is set for August 28 and 29. KPP has always held a very confident feeling concerning the prospect of a favorable outcome, as we did during the original complaint. A KCC order is expected in November.

In other KCC business, MKEC and Sunflower filed a request for merger on August 3rd. KPP has filed a motion to intervene as have other utilities in Kansas.



UPCOMING EVENTS

SEPT

13TH
3:00 PM

Board Meeting
100 N Broadway, Ste L100
Wichita, Kansas

SEPT

14-15TH

Annual Fall Planning Retreat
Drury Plaza Hotel
Wichita, Kansas

OCT

18TH
10:00 AM

Board Meeting
100 N Broadway, Ste L100
Wichita, Kansas

NOV

1ST
10:00 AM

Board Meeting
2090 E A Ave
McPherson, Kansas

NOV

1ST
11:00 AM

Rate Forum
2090 E A Ave
McPherson, Kansas

DEC

14TH
10:00 AM

Board Meeting
2090 E A Ave
McPherson, Kansas

DEC

14TH
11:00 AM

Annual Membership Meeting
2090 E A Ave
McPherson, Kansas

COMMUNITY EVENTS



LUCAS

The 45th Annual Adam's Apple Festival is taking place in Lucas on August 25.

<https://www.facebook.com/adamsapplefestival/>



MULVANE

Mulvane Old Settlers is the longest running celebration in Kansas. This year they celebrated the 143rd MOS. It took place the 3rd weekend in August.

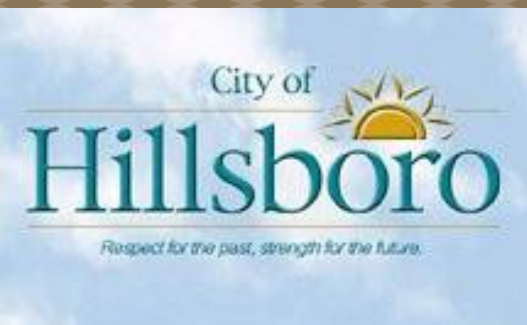
<https://www.facebook.com/events/645503292501279/>



LURAY

Come join us for the 53rd annual Luray Friendship Day celebration on Sunday, September 2nd!

<https://www.facebook.com/events/189191235283949/>



HILLSBORO

Hillsboro Elementary School is having their annual carnival on Aug 24th, 5:30 - 7:30 pm at the Joel H. Wiens Football Stadium.

http://starj.com/direct/carnival_to_benefit_elementary+4948benefit+4361726e6976616c20746f2062656e6566697420656c656d656e74617279



AUGUSTA

The city of Augusta will be celebrating its 150th birthday from Sept 28th - Oct 6th.

<http://www.chamberofaugusta.org/>



KINGMAN

Kingman County Museum's 2nd Annual ALL WHEELS SHOW will be held on Saturday, Sept 29th at 400 N Main, Kingman KS.

<https://keyn.radio.com/events/2nd-annual-all-wheels-show>

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