

LIGHTNING ROUND

December 2019

2020 Rates Approved by KPP Members

Rates Lowest Since Those Approved in 2013

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A rate reduction from 2019 of a little more than \$3 per mWh (\$0.003 per kWh) was formally approved when KPP Members met in McPherson on December 13th at the Pool's Annual Membership Meeting. In other business, Members re-elected Rex Reynolds to another 4-year term on the KPP Board of Directors.

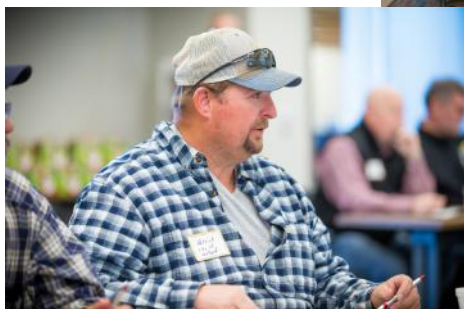
Larry Holloway, KPP Assistant General Manager, gave members a detailed update on calculation changes needed following the Rate Forum on November 1st. Among other changes was an updated projection on the capacity factor of the Jeffrey Energy Center.



Larry Holloway, KPP

This update, along with slight increases due to a Dogwood budget update, as well as an administrative & general budget category update, made for an overall energy cost of \$66.66 per mWh. Comparing to \$69.96 for 2019, Larry also noted that 2020 rates are the lowest since the Member-approved rates in December 2013.

Each November, following the Rate Forum, rate projections are posted to the Pool's website, www.kpp.agency, Members are urged to review and comment in preparation for the Annual Membership Meeting each December.



Patrick Kopfer, Oxford

Also at the Annual Meeting, KPP Members received a Nominating Committee report from Alan Schneider of Burlington. Speaking on behalf of others, he recommended the re-election of Rex Reynolds to a second 4-year term on the KPP Board of Director. That nomination was unanimously approved. According to the Agreement Creating the Kansas Power Pool, to which all cities are a party, Board members may serve 2 consecutive 4-year terms. Earlier in the month, KPP CEO/General Manager Mark Chesney noted to numerous KPP Members that 2 Board seats become vacant at the end of 2020.



Alan Schneider, Burlington

Winfield Inaugurates City Solar Project

First of KPP Cities Conducts Ribbon Cutting

The City of Winfield recently constructed and cut the ribbon on its first solar project. The project was funded in partnership with KPP. At the ribbon cutting ceremony on December 12th, Gus Collins, Director of Utilities and KPP Board member, reported that the project is designed to be both an educational tool for area students and customers as well as a first step into the solar voltaic electric sector of the energy industry for the City.

“We wanted to take this opportunity to make a strategic decision to learn more about this renewable resource as we move into the future,” added City Manager Taggart Wall.

Of the twenty-four members in KPP, seven members agreed to move forward with the installation of a solar project. The City of Winfield is proud to be the first community in the KPP to have completed the installation of the system. The entire system was completely constructed by the skill and teamwork of City of Winfield employees with engineering completed by Zmac, LLC, of Missouri.

The project, located on the grounds of the E. 12th St. Power Plant, produces equivalent energy to power four homes.

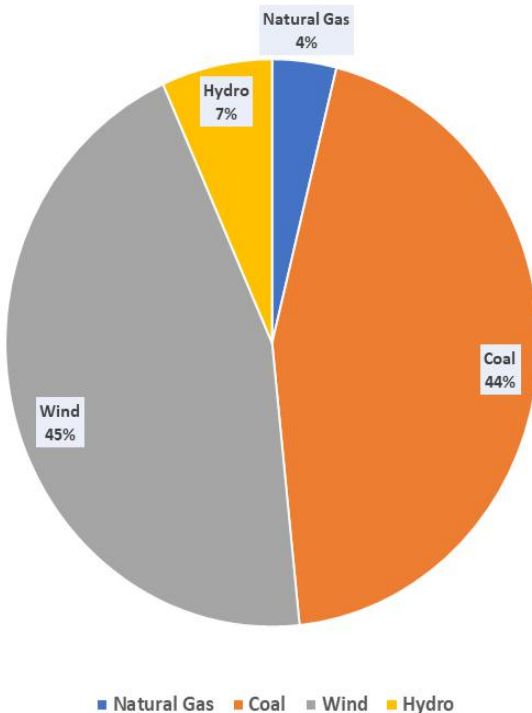
In a statement made available to the *Lightning Round*, the City is very excited to be able to have this added system up and running and to begin to evaluate the system with respect to the future of this technology in electric production. KPP Staff and Board join in that excitement and look forward to reporting on progress on similar projects in other KPP Cities.

In 2018, approximately 25% of the aggregate energy resources in the KPP portfolio were renewable. “Not only is this project a thoughtful and calculated strategic step forward for the City of Winfield, this is just another step of working for our customers to ensure that we continue to provide a diversified energy portfolio that is reliable and affordable,” said Gus Collins, director of Utilities.



November 2019 Distribution of Energy Resources

Fuel Source of KPP Resources in November, 2019



2019: The Year in Review

Many accomplishments noted in looking back

The year 2019 could be remembered for both exhilarating and breakthrough moments. Here is a list of events, achievements and milestones worthy of remembrance:

January: final litigation victory involving the 34.5 transmission line project of KPP in Kingman County long litigated in futility by Southern Pioneer, a member of Mid-Kansas Electric Company

February: formal engagement of the Brattle Group to study KPP's plans for adding capacity to its portfolio

March: the conclusion of KPP's first-ever comprehensive Cyber Academy where 15 Member Cities participated in training



April: generation testing policy approved with clarifications given on operability testing

May: launch of a new financial scorecard using basic metrics in uniting the strength of all KPP Members



June: Larry Paine honored with APPA 'Seven Hats' award

July: KPP advances next stages of power supply addition engaging Burns & McDonnell



August: KPP purchases an electric vehicle and the Board approves plans to initiate an electric vehicle charging station infrastructure



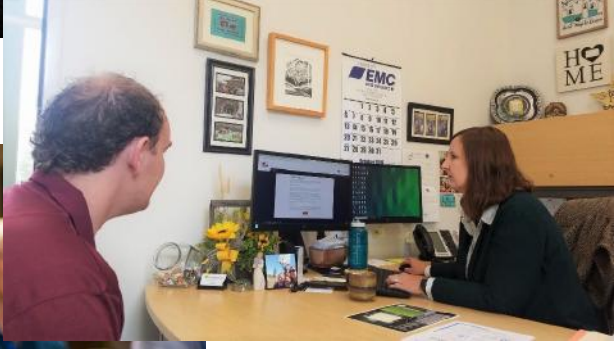
September: KPP conducts 6th annual Fall Planning Retreat

October: KPP bond ratings renewed; ratings from both agencies confirmed with "stable" outlooks

November: announcement made for 2020 focus on Public Power benefits to retail customers



December: rates approved by Members for 2020 representing notable reductions from previous years



A Special Visit
WITH MIKE WECH
OF SWPA





KPP and KMBA are jointly hosting Mike Wech, Administrator of the Southwestern Power Administration. You are invited to attend and have lunch with us afterward. Here is an opportunity to listen to and ask about updates on SWPA infrastructure, reallocation calculations, contract renewals, President Trump's budget initiatives and much more.

Location: KMU Training Center, McPherson, KS

Date: August 6, 2019

Time: 11:00 AM followed by lunch

RSVP to Linda Joplin joplin@kmpa.agency or 316-295-2212 by July 28


Merry Christmas
and Happy New Year
from
Kansas Power Pool

