



# LIGHTNING ROUND

June 2018

## CALENDAR OF EVENTS

**July 19**

KPP Board Meeting  
Wichita, KS

**August 16**

KPP Board Meeting  
Wichita, KS

**September 13**

KPP Board Meeting  
Wichita, KS

**September 14 & 15**

Annual Planning Retreat  
Wichita, KS

**October 18**

KPP Board Meeting  
Wichita, KS

**November 1**

Rate Forum  
Wichita, KS

**November 15**

KPP Board Meeting  
Wichita, KS

**December 14**

Annual Meeting  
McPherson, KS

## **GridLiance Project in Winfield Gets Approval**

The Winfield City Commission acted favorably last Monday to authorize a non-binding agreement to advance steps on a long-discussed transmission project. The project becomes the first of what is hoped to be among numerous others benefitting all KPP members.

Details of the plan call for a purchase of a majority ownership of Winfield's transmission assets by GridLiance. The purchase discussion arose from intentions and goals mutual to GridLiance and KPP. Included among those goals was the preparation by GridLiance to obtain the needed certifications to operate in Kansas. The purchase of a transmission asset is an expedited precursor. Equally important among mutual goals are the addressing of local transmission needs within Winfield and, subsequently, other KPP members.

See **GRIDLIANCE PROJECT** on page 3

## **Good Practices for Coping with an Active Shooter Situation**

*By the U.S. Department of Homeland Security*

- Be aware of your environment and any possible dangers.
- Take note of the two nearest exits in any facility you visit.
- If you are in an office, stay there and secure the door.
- If you are in a hallway, get into a room and secure the door.
- As a last resort, attempt to take the active shooter down. When the shooter is at close range and you cannot flee, your chance of survival is much greater if you try to incapacitate him/her.

**CALL 911 WHEN IT IS SAFE TO DO SO!**

For more information, please visit [www.dhs.gov](http://www.dhs.gov). ■

# General Manager Message

## A Farewell to Coal

By Mark Chesney, KPP CEO/GM



If it matters to you, coal is (soon-to-be) history. Well, that’s my view. And, of course, I am speaking of coal as a fuel to generate electricity. As an industry, we’ve moved on. All of us, whether we like it or not and whether we know it or not, are bidding coal farewell. Some of us, including me, are doing it with some fondness.

In the most recent Presidential election cycle, much noise was made about “saving” the coal industry and its jobs. And in fact, much has been done to prop up that industry what with the obvious demise of the Clean Power Plan and all. It doesn’t matter. We’re moving on.

Those who are neck-deep in the task of generation resource planning know that, very many days out of each year, wind technology sets the market price. The trouble is, that technology still is very intermittent – coal isn’t. Allowing for needed maintenance and repairs, coal plants were typically built to run around the clock for 50 years. It is very expensive to do otherwise. Of course, they *don’t* run around the clock for years. There is inevitably a steam tube leak in the boiler or some other transient difficulty requiring repair or maintenance. But they were absolutely *not* built to ramp up and down throughout the day with the use profile of electricity. Other technologies are – affordably. And so, coal plants are going away.

When many industry representatives bemoaned the conceptual advent of the Clean Power Plan, we often heard and said that the proposed carbon dioxide emission requirements for coal were simply beyond the capabilities of current technology – and that was true for the most part. We also heard that coal represented more than 40% of our nation’s installed power supply – also true. I would invite you to take a good look at the Fuel Source chart appearing at the end of this newsletter. You’ll see that approximately 35% of our resources for the previous month were fueled by coal. Do you realize that in less than 5 years that number will be darn near zero? It’s true. It is going to be replaced by resources that are clearly more efficient and happily more affordable.

Five years! In our terminology that’s like saying 6 months! We’re working on it. And we are bringing plans together that will capitalize on the advent of renewable energy technology and also overcome the unyielding economic and operational aggravation of its intermittency.

Earlier in this writing, I used the word “fondness”. Let me tell you why. Just about 3 decades ago I was brand-spanking new to the electric industry. Almost immediately I was thrust into learning situations centered on both the cost of coal and its transportation cost. I became acquainted with representatives from my various counterparties – the likes of Exxon, Peabody and Burlington Northern. The longer I listened I really did become convinced that the reserves for coal in the Powder River Basin alone could supply our country’s electric energy needs for upwards of 200 years. I gulped impressively.

It doesn’t matter. We’re moving on. ■

**GRIDLIANCE PROJECT** (continued from page 1)

A formal agreement among the three parties is contemplated to be eventually followed by the construction of a 69 kV line from a Winfield substation to a Westar substation. The proposed construction of that line was formally approved by the Southwest Power Pool (SPP) earlier this year with a Notice to Construct (NTC) having been issued to KPP. It is intended that the NTC will be assigned to GridLiance.

In the June 21, 2018 edition of the *Cowley Courier Traveler*, it was accurately reported that the arrangement “between the City of Winfield, the Kansas Power Pool and transmission operator GridLiance of Irving, Texas, will help the city finance upcoming projects and manage the risks that come with owning its electric transmission facilities.” This project, done primarily for the benefit of Winfield, sets the stage to undertake future projects for the financial and operational benefit of all KPP members.

Following careful review, KPP entered into a co-development agreement with GridLiance in June 2016. ■



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## ***KPP Dereg Clears Way for PURPA Filing***

In what became a long-awaited action by the Kansas Corporation Commission (KCC), final approval was given on June 21, 2018 recognizing the unanimous deregulation vote by KPP Members on April 19th. The item was shown as a Consent Agenda matter in a meeting of the KCC Commissioners. There were no intervenors among other Kansas utilities. KPP Members recall that the opportunity to deregulate by affirmative vote of the members was the intent of a SB 323 in the most recent session of the Kansas Legislature.

KPP was particularly hopeful that the Senate bill would pass as KPP wanted to clear the way for its anticipated filing at the Federal Energy Regulatory Commission (FERC). Many months ago, after Cities adopted Ordinances relative to the Public Utilities Regulatory Policies Act (PURPA), KPP had intended to complete the process with a filing at FERC. We paused on the suspicion that doing so may contradict the KCC’s belief that KPP is not free to do so without its approval. The deregulation order should now clear the way to proceed. ■

## ***Heads Up! An Info Request for Solar is Coming to Cities***

With several Cities indicating interest in the most recently explored solar project proposal, KPP Staff has asked Cities to give feedback. Before now, only an expression of interest in discussing the project has been sought. Now, as Staff has continued to work with its consultant in devising a project design, a preliminary information request has emerged.

In the coming days a more formal request will be sent to Cities. But we wanted to give you an advance alert. By the end of July, Staff is hoping each of you can provide answers to the following:

Are you interested?

Would the City be financially ready in 2018? In 2019?

Do you have a site available that is clear of shading or obstructions?

Is 3-phase available?

Do you have staff and equipment to supply labor for the installation (you will need to be able to set and level posts, trench conduit and pull wire)

What is your main goal for solar installation (public education? customer request? community solar? etc)

See **SOLAR** on page 5

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## ***KPP Line Worker Survey Reveals Difficulties***

Responses to a recent KPP survey inquiry have revealed persistent and common areas of concern for KPP Member utilities. Pay scales, retirements and worker age all appear to be factors affecting the extent to which deep skills and disciplines are found among workers.

KPP Staff has expressed curiosity for a few years concerning the difficulties of its membership in their abilities to attract, train and retain qualified line workers. Safety and systematic capital replacement programs have been principal a strong prospect of utility viability. To better understand the turnover situation among KPP member cities, KPP staff requested a person from each member city with historical knowledge of factors regarding candidate attraction and line worker turnover in the past five years to complete a six-question survey on the subject. Of the twenty-four KPP Member cities, seventeen completed the survey.

Seventy two percent of utility workers must work in a variety of municipal services including water, wastewater and streets besides electric. Other survey findings pertained to frequency of hiring, factors attracting candidates for hire and motives underlying attrition. Responses generally indicated that pay scales were not supported by certificated training and that worker resignations were overwhelmingly motivated on the basis of bread and butter issues.

A more detailed description of survey results is available to all upon inquiry to KPP's Member Services. ■

Past discussions with Members have produced a basic proposition whereby KPP covers the cost of the installation of a 25 kW facility and the Member covers the cost of communications, metering, land and maintenance. Although these individual projects are strictly considered Pool projects, the energy produced monthly will be shown as a credit on the monthly KPP bill to the respective City where a facility is located.



Excluding land, the KPP Member City cost is conservatively estimated to be approximately \$22,000. Land use required is believed to be approximately 160' by 12'. Recent discussions with our consultant have produced a few early findings. First, the cost of maintenance is expected to be quite negligible (mowing, etc). Same with replacement due to breakage. However, the useful life of the project is expected to be 30 years with the inverter replacement needed after 15. There is more to come on expected costs.

James Ging, KPP Director of Engineering Services, will be the project manager. It is believed that an initial construction will occur in one of the KPP Cities as a pilot. Other Member City representatives will be invited for on-site training and construction will be carefully documented by video. Follow up training and assistance will be provided as needed.

Look for a formal request soon. Although a firm commitment is not sought at present, we plan to have a very good idea on the number of projects by this Fall. ■

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## ***Save the Dates! The Fall Planning Retreat is Sept 14 & 15***

KPP's 5<sup>th</sup> Annual Planning Retreat happens on Sep 14 and 15 this year. Our location of choice is once again Wichita but we are mixing it up this year with the Drury Broadview Hotel as our chosen venue. Technologies and strategies will heavily influence our program this year with invited industry experts joining us from Arkansas, Nebraska, Texas and Utah.

See **FALL PLANNING RETREAT** on page 6

**FALL PLANNING RETREAT** (continued from page 5)

Although our program format has not significantly changed this year, an intensified effort to reach out to city administrators and elected officials is in the making. Spouses will again be pampered and treated to fun and fulfilling activities while attendees tackle the business of positioning their utilities to adapt to customer expectations and preferences.

Customer preferences are obviously changing. So are technologies. These changes clearly have ramifications to utilities' budgets and strategies. KPP is determined to lead the way in helping a utility to transition where needed. Dynamic discussions and policy resolutions are planned that will definitely draw upon the best thinking of local leaders. As the Pool is the creation of the Member Cities, actions to gather and expend resources impact each and every City.

In past years we have taken care to limit the number of attendees. This is being suspended this year. So, local leaders should have no concern about burdening the City budget for needed lodging and meals.

Soon you'll see a banner on the KPP website offering free registration. We are hoping to be joined by city administrators, mayors, governing body members and clerks as well as by Membership Committee delegates and their alternates.

Please plan to join us. In the meantime, save the dates! ■

A vertical graphic on a dark blue background with a pattern of small white dots. At the top left, the year '2018' is written in white inside a small white circle. Below it is a large circular frame containing a photograph of a field of golden-brown wheat under a bright sun with rays breaking through a blue sky with light clouds. The text 'Fall Planning Retreat' is written in a large, bold, white sans-serif font. Below it, 'September 14-15, 2018' and 'Wichita KS' are written in a smaller white sans-serif font. At the bottom right is the logo for the Kansas Power Pool, which consists of a stylized 'K' and 'P' intertwined in blue and yellow, with the text 'KANSAS POWER POOL' and 'COMMUNITY ENHANCED POWER' below it, all enclosed in a thin white circular border with a yellow dot at the bottom.

## Wear Your Own Crummy Hats, Carl Myers!

In fairness to those very nice people who have submitted to my silly profile questions, I am self-obliged to put myself through the same exercise. Because this is my last profile before I retire from the lofty position of KPP Profiler, I feel my inner child being loosed upon you, Unsuspecting Reader. For this, I am profoundly indifferent.



Let's start with the hat thing. I like hats, but my spouse informed me that I don't look good in hats. I chose a photo that will allow you to decide.

I started out as a human baby in a long-demolished hospital in Stafford, Kansas. All physical evidence of my first few days are thus erased from history, giving rise to the popular theory that I was hatched on a rock and left to bake in the sun until subsequently raised by wolves in Sylvania, Kansas (pop. fewer than your hometown). After that, it was on to Wichita, Lincoln NE, Farmington NM, Hoisington, Wellington, Hutchinson and back to Wichita. I have survived in my current position with KPP since March 2011 having had my start in local government in 1976. Please move along, folks, there's nothing to see here.

Although when growing up I had a brother and a sister, I really operated as an only child since my siblings were nine and six years older. I got away with more stuff than they did. When I graduated from Sylvania Rural High School (Go – Went – Gone, Mustangs!), I was ranked fourth in my class.....of nine students. NOT THAT THERE IS ANYTHING WRONG WITH THAT!

When I have free time, I enjoy time with family and friends, driving the back roads, hunting for stone artifacts, watching Shocker basketball games, reading about the origins of things, and thinking about what condition my condition is in. Call me an existential absurdist, but don't call me late for dinner.

*What is a one-word description of myself that begins with the first letter of my first name?* If we can quietly sneak by the c-r words, such as crabby, cranky, creepy, crazy, cryptic, crass, and crude, I would choose "curious" because I know what I don't know and I want to keep learning. Uh-oh, cranky woke up and insisted on being included. I am forced to abandon the high ground on this one.

Okay, on to the "favorite" questions, which sound simple enough but can be very complex, such as shopping for cool socks.

➤ Favorite Movie: *Best in Show*, a hilarious movie about neurotic dog owners at a dog show, beats out *Cool Hand Luke* by a shih tzu's eyelash.



➤ Favorite Cereal: I have always been a Cheerios fan. But, don't mess with the original O's by making them all sugary just to get kids to eat them. Kids don't need sugar. Special K Red Berries makes for a nice midnight snack.



➤ Favorite Musical Group or Performer: This is one of the most unfair questions I have ever been asked by me. The answer depends entirely on my mood at the time of the asking. Over my lifetime of music enjoyment, I have to say James Taylor wins the endurance contest for me.

➤ Favorite Food: Yet another unfair question. Now that prime rib is off the table for me, I say it is the biscuits and gravy at the Doo-Dah Diner in Wichita, which is also off the table. So, I will settle for the potato encrusted salmon at Georges French Bistro in Wichita. Il s'agit de manger sainement maintenant.

See **PROFILE** on page 8

➤ Favorite Book: Any book of *Far Side* cartoons by Gary Larson.



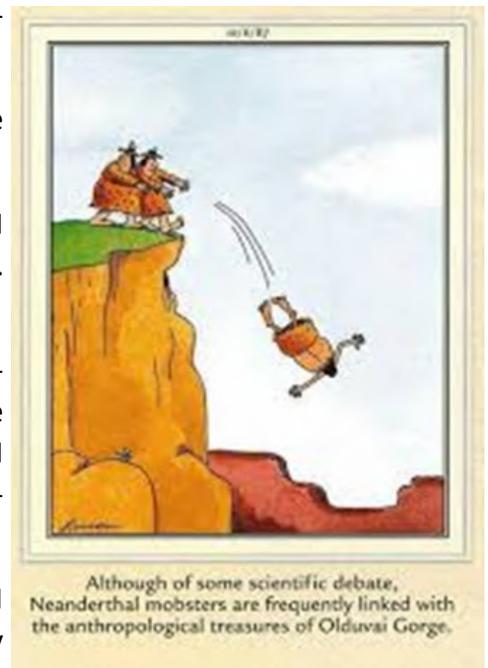
Carl was a favorite foil for Larson.



Next are the questions of what this 'n that I would like the most.

- I would most like to have a conversation with the grandfather and grandmother I never had the opportunity to meet, but it would be fascinating to listen in on a conversation between Jesus and Donald Trump.
- I would most like to have a concert skill level on any musical instrument, other than a Kazoo.
- I would most like to visit Olduvai Gorge in Tanzania. There are some really old bones of my ancestors there, Thak and Grog.
- I would most like to ride in an orbiting space station as long as I could have a seat by the widow – an aisle seat would be pointless. Australopithecines rule!
- Regarding time travel, I would most like to see where we Earthlings are headed, say 500 or 1,000 years from this moment in time and space. Technology will surely have changed exponentially. I wonder, however, if we Homo sapiens will ever outgrow our selfishness.

Am I allowed to have good health as the #1 item on my bucket list? If I don't have good health, nothing else that I would like to do really matters.



See PROFILE on page 9

PROFILE (continued from page 8)

Most subjects I profile hit a wall when I ask which celebrity they most resemble. Not so for me. It has to be Jabba the Hutt.



See how easy that is? I wish I had the money Jabba made in Star Wars.

I am probably most famous for being a maven of finding good, out-of-the-way, hole-in-the-wall, nonfranchised, locally-owned and operated eating establishments. Fast food restaurants are my enemy. Larger chain restaurants are mostly gimmicky, noisy, and boring to me.

There! That's it. I'm going back under my rock now. The questions are answered, mostly honestly.

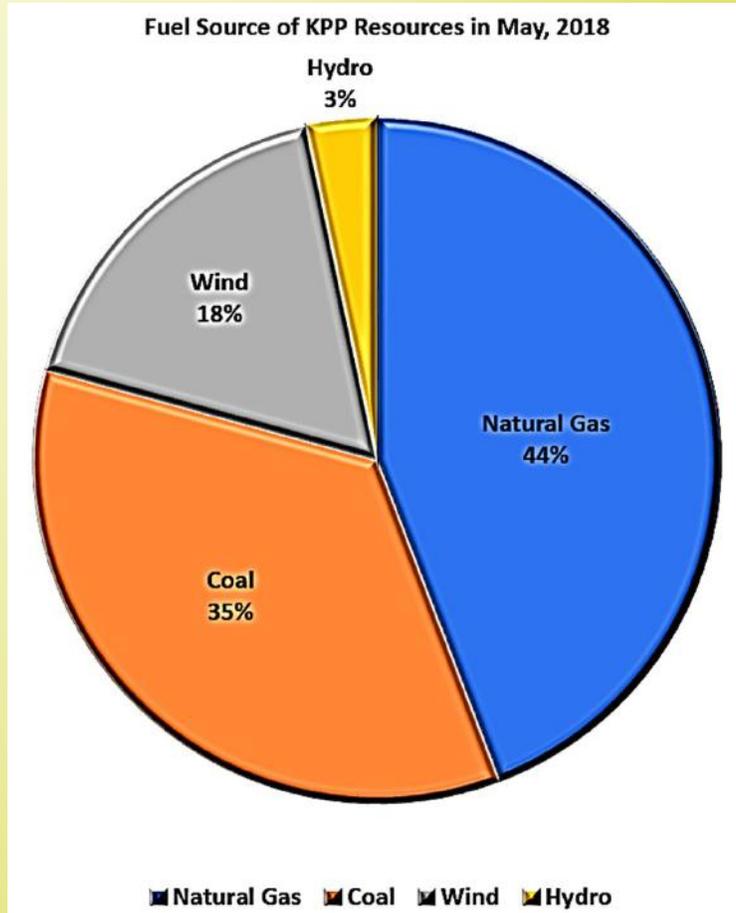
I have immensely enjoyed my relationship with each of you. I am honored to have had the opportunity to help the Kansas Power Pool serve you and your communities.

Please remember me as suave, chic, and debonair, not someone who thinks the floor needs to be held in place at a moment's notice.



Carl Myers, Signing Off! ■

## Things You Might Like to Know:



- ◆ For those Member Cities who have new Governing Body Members and for those who just want a refresher, KPP Staff is currently scheduling orientations. This is a terrific opportunity to learn the values of being a municipal utility.
- ◆ Kyler Ludwig's, Greensburg City Administrator, last day with us is July 13th.
- ◆ Carl Myers', KPP Director of Member Services, last day with us is June 29th.

## KANSAS POWER POOL STAFF

### MARK CHESNEY

*CEO/General Manager*

### LARRY HOLLOWAY

*Assistant General Manager*

### VICKIE MATNEY

*Controller*

### AHMAD KHAN

*Senior Director of Wholesale  
Electric Origination  
and Resource Planning*

### CARL MYERS

*Director of Member Services*

### ANGELA HOTTLE

*Executive Assistant*

### IVAN SEWARD

*Senior Accountant*

### JAMES GING

*Director of Engineering Services*



## KANSAS POWER POOL

100 N Broadway, Suite L110  
Wichita, KS 67202  
316.264.3166

Email: [info@kpp.agency](mailto:info@kpp.agency)  
Website: [www.kpp.agency](http://www.kpp.agency)