



LIGHTNING ROUND

May 2018

CALENDAR OF EVENTS

JUNE 15 - 20

APPA Conference
New Orleans, LA

JUNE 18

KPP Board Meeting
Wichita, KS

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

A Refresh on Potential Solar Projects

For a refresh on March and April discussions, various KPP members joined the May Board of Directors meeting by telephone to hear details of preliminary proposals on installing one or more solar projects in KPP Member Cities. KPP General Manager, Mark Chesney, urged Members to now take the proposition into the meetings of their respective governing bodies and then to provide feedback to KPP.

With an eye on maintaining the integrity of the “pool” concept, Chesney also urged members to understand that even if a city chooses not to install a facility in their city, they will nevertheless participate proportionally in the cost of the installation elsewhere. Part of the discussion last Thursday centered on using a certain KPP project fund to cover costs in such a way that future budgets and rates are not impacted.

See **SOLAR** on page 3

KMU to Roll Out DG New Toolkit

A toolkit being designed especially for municipal electric utilities is soon to be rolled out by the Kansas Municipal Utilities (KMU). Looking forward to a workshop in June, members have a first-hand opportunity to take a giant step toward establishing policies to accommodate distributed generation in their cities.

Quoting largely from KMU toolkit materials, the toolkit development responds to “requests from (members)... regarding the installation of distributed generation (such as roof-top solar) within their electric systems.”



See **TOOLKIT** on page 4

Date - Time Change for June Board of Directors Meeting

The June Board Meeting date and time has been changed to June 18 at 12:45 PM in Wichita. ■

General Manager Message



Cybersecurity Bills Advancing Through Congress

By Mark Chesney, KPP CEO/GM

As utility managers, employees and utility governing body members, you should be updated on what is happening nationally on the cybersecurity front. I wanted to provide an update, but, as is the case with me typically in this section of our newsletter, I am unable to resist giving my personal view about what is going on in our industry. I am always hopeful that doing so is helpful.

So, before I give a quick rundown on cybersecurity bills that are apparently working their way through Congress, please indulge a comment or two about cybersecurity generally.

I am only distantly acquainted with Neil Lunderville. He is the general manager of the Burlington Electric Utility in Burlington, VT. Just before New Year's Day, 2017, he was shockingly surprised and suddenly besieged and inundated with media inquiries over what infamously went into the Twitter-sphere as a Russian hack into his electric utility. Thoughts of cascading outages, and a brutal Russian interference to our peaceful existence, swirled and swirled at lightning speed. The media literally tripped over itself in its haste to publish speculative reports of an event that never happened.

There was no such thing. There was not even a hack – at all. As it was described later on January 7, 2017 by Fortune.com, “an employee checking email – triggered an alert, which the utility reported to the federal authorities. Someone there apparently leaked it to the press, then reporters ran the news based on incomplete information.”

Did they ever! Today's general manager message is not about the press. Nor is it about leaks from those within the federal government. It is about the pressure our industry feels to continually up its game in our cyber diligence. “Cyber hygiene” is becoming a new term you will repeatedly hear.

Actually, cyber threats are quite real. And the potential for extensive damage is self-evident. Misunderstandings are also quite real. And even though our industry can rightfully claim we are doing more to ensure safety than any other industry, that has not stopped Congress, so far, from (over)reacting. Week before last, four bills came out of the U.S. House and Energy Committee. One pertains to gas pipelines; one specifies who in the U.S. Department of Energy is responsible for energy cybersecurity and two specify that advanced technologies are to be developed for voluntary use. However one of those has language to promote public-private efforts to advance physical and cybersecurity for electric utilities. On that score, be reminded KPP is well into discussions with APPA for development of a curriculum that will hopefully be about 80% paid for by U.S. Department of Energy grant money.

The urgency to train utility personnel in cyber security best practices will continue unrelenting. If you are not ready for that, I humbly suggest you think again. After all, what if through some very insignificant misunderstanding a member of the press, without forewarning, sticks a microphone in your face? ■

SOLAR (continued from page 1)

Earlier discussion on the topic revealed months ago that some utilities have concerns over the potential of reading many meters and bearing recurring administrative burdens associated with rooftop solar. The project design as currently under discussion should clearly help to reduce those concerns. To that end, the proposal allows for cities to sell subscriptions to citizens and keep those funds as an offset to the city’s upfront investment. The dollar amount for those subscriptions may be determined by the city and KPP has no claim on that subscription income.

The graphic shown below was part of the solar discussion. With emphasis on a project design that nearly achieves a 50/50 cost share, Members are encouraged to make this solar proposal part of an upcoming governing body meeting agenda.

“Even if Members have no interest whatsoever, we want to know that as well”, Chesney reminded. “And if cities want a KPP Staff member to attend and participate in a Council or Commission meeting we are happy to do that.”

<p>**For any City wishing to:</p> <ul style="list-style-type: none">• Prove the solar concept locally• Provide educational opportunity• Respond to local interest• Reduce the administrative and technical burdens of rooftop installations <p>KPP will, at KPP’s cost:</p> <ul style="list-style-type: none">• Install 1 community solar unit (25 kw) est. \$25,000 <p>The City will, at the City’s cost:</p> <ul style="list-style-type: none">• Provide the needed land• Provide the needed metering and communications est. \$20,000 - \$22,000• Provide routine maintenance		 <p>KANSAS POWER POOL COMMUNITY OWNED POWER</p>
<ul style="list-style-type: none">• The unit will be a pooled resource• The unit will not be registered and will not be included in bid offers• Energy generated is monthly credited to offset the energy charge• No demand charge offsets• Cities are free to sell subscriptions at terms suitable to the City• No additional capacity will be installed in a city until the membership determines• Cities are invited to consider and give a non-binding indication of their interest to have further discussion• It should be understood that any and every installation cost, as explained, will be borne by the Pool and therefore proportionally by all KPP members		

As Cities give thought to selling subscriptions, the forecasted operating characteristics of the unit are important considerations. The state of the technology directs that a unit will achieve no more than a 20% capacity factor. Accordingly, a 25 kW unit may be expected to produce kilowatt hours as reflected in the graphic at the bottom left of this page:

Unit size:	25 kW
Forecasted capacity factor:	20%
Hours per month (30 days):	720
Forecasted kilowatt hours per month at 20% capacity factor:	3,600
<small>(25 X 720 X .2)</small>	

The analysis shown to the left is suitable for preliminary planning. It should be understood that actual performance of the unit is affected by the seasons, cloud cover and other elements. Fixed tilt panels are generally situated to optimize generation output seasonally. Rotating tilt panels are used in the industry but, of course, entirely change and diminish the commercial output of the units per kW. ■

TOOLKIT (continued from page 1)

In recent years, the entire electric industry has become more focused, and sometimes distracted, by individual and utility-scale renewable energy resources. As installations and customer preferences become established, there is justifiable concern over the possibility of unfair cost shifting within a utility's customer base. The possibility of degradation or compromise within the electric system has also emerged as a complication for utilities. Although these potential eventualities are not on the front of customers' minds, utilities need to be alert in their effort to maintain smooth operations. The toolkit is devoted to assisting with that.

Fortunately, much of the country is now moving away from net metering policies and programs. It has been recognized that these practices clearly punish customers who do not, or cannot, take advantage of renewable resource adoption. This is especially true where customer charges have not been adjusted in order to avoid unintended consequences within a local system. However, even within the parallel generation requirement, a renewed look at local rate setting and rate structures are soon to be more vital than ever. This was a topic at KPP's Fall Planning Retreat last September. More discussion is planned by KPP on this topic. Those discussions are likely to be separate from the DG Toolkit rollout.

Careful consideration for parallel generation, interconnection standards and other technical requirements will be amply covered at the initial toolkit workshop to be held at the KMU Training Center in McPherson on June 27th. ■

You Can Wear My Hat, Angela Hottle



KPP's newest addition to its staff is Angela Hottle. Angela will be responsible for, among other things, the KPP website and this newsletter. It is altogether fitting and proper that Angela is the subject of this month's profile --- as a sort of introduction.

Angela's position with KPP is that of Executive Assistant. Angela was born near Fort Worth and moved to Douglass, Kansas at an early age where she lived until after high school graduation from Douglass High School. Her next stop was Wichita, where she has lived since 1991.

Angela is an only child, so she was not introduced as a child to the wonders of sibling rivalry. Angela enjoys being outdoors, whether it is fishing, hiking in Colorado, or riding a motorcycle with her husband. Of course, these activities are instructive in her choice of the word "adventurous" as a one-word description of herself that begins with the first letter of her first name and her desire to own and ride a black Harley-Davidson motorcycle.



If Angela could have any skill at a high level, she would choose to have a photographic memory. Like a lot of us, she would like to be able to remember everything she has read so that she can use it at a time when she needs it. As for her favorite cereal and favorite food, she chose Frosted Mini Wheats and Chicken Alfredo, both solid choices in my mind.

Other Angela favorites include *The Book of Life* as her favorite movie in which good wins out over evil, *The Adventures of Max the Minnow* by William Boniface, which she read to her children when they were small, and the country singer/song writer Don Williams. Um, Max is on the left and Don is on the right. Don sang *I Believe in You*, a very pretty song. I don't know if Max sings.



See **PROFILE** on page 5

PROFILE (continued from page 4)

Angela would love to travel to the Yucatan Peninsula to see the Mayan Indian ruins, which is also at the top of her bucket list. That would be a great trip to see the remains of an amazing civilization.

If Angela could time-travel into the past or future, she would travel to the 70's, a time when there were fewer rules to keep people from having fun. I suspect she would want to take her black Harley with her.

The person in history with whom Angela would most like to have a conversation is Jesus. It would be interesting if Jesus could meet her in the 70's, but I digress.

Angela said she is most famous for her quick wit, which may well be true, but because she could not think of a celebrity she most resembles, I was tasked with finding one and I was ready with Nicolle Wallace who worked in the Bush 43 White House and is currently a political analyst on television as well as an author.

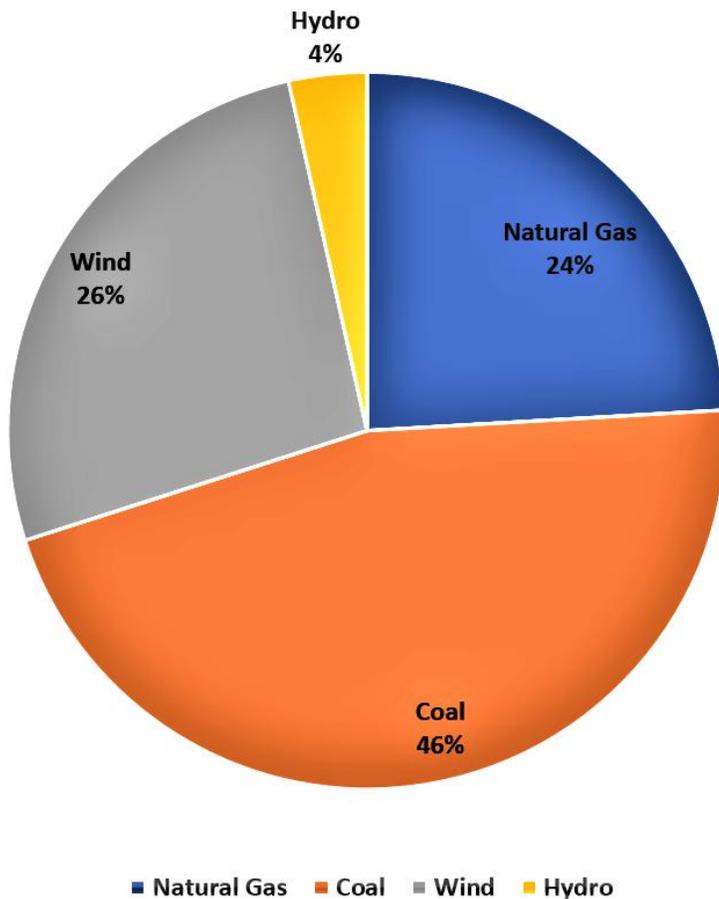
Pretty good comparison.

Welcome to KPP, Angela!



Things You Might Like to Know:

Fuel Source of KPP Resources in April, 2018



- ◆ KPP staff will begin new governing body member orientation this month for member cities. Current governing body members and staff are also invited to attend.
- ◆ Derek Stoll is the newly-appointed Electric Distribution Superintendent for the City of Haven.
- ◆ Suzann Norris has left the City of Attica for a position with the City of Douglass.

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