

Sunflower Forms Alliance for Sound Energy Policy

Efforts are underway to communicate with consumers and stakeholders about the growing demand for energy, the resources available to meet that demand, and the importance of regulator certainty in Kansas. One of these initiatives includes the creation of the Alliance for Sound Energy Policy (ASEP).

ASEP is a non-partisan, grassroots organization committed to balancing the state's growing energy needs with environmental stewardship while encouraging an affordable, reliable, and diverse energy portfolio in Kansas.

Under the alliance, a coalition of businesses, consumers, agriculture producers, labor interests and civic leaders will promote the understanding that economic development and environmental stewardship require the fair and uniform application of Kansas statutes, regulations and rules. ASEP will promote a predictable regulatory climate in which business and industry can make environmentally responsible investment decisions.

For more information about the Alliance for Sound Energy Policy or to become a member, please watch for the January issue of *Kansas Country Living* or visit www.sound-energypolicy.net.

NRECA, G&T Managers Prepare to Form Renewables Cooperative

The National G&T Managers' Association in conjunction with the National Rural Electric Cooperative Association has funded the development of a business plan to create a National Renewables Cooperative (NRCO).

"The purpose of the NRCO is to facilitate joint participation in renewable resource development and to help cooperatives meet any applicable renewable mandates," said Glenn English, NRECA's chief executive officer.

The NRCO will also demonstrate cooperatives' commitment nationwide to the responsible development of cost effective renewable resources, thereby helping to forestall new legislative mandates.

"Formation of the NRCO should provide an effective vehicle for cooperatives to work together to meet both their common legislative goals and their collective need for renewable resources," English continued.

The NRCO will be a cooperative-owned entity with membership open to G&T cooperatives and unaffiliated and partial requirements distribution cooperatives that have the legal ability to participate in the wholesale electricity markets.

The NRCO will identify and package renewable resource opportunities as

individual projects and present them to its members who will then have the opportunity to participate on a project-by-project basis, through a purchased power agreement or a special purpose entity.

The NRCO will not own or operate any projects initially, but instead will act as a developer and facilitator of numerous projects for its members. However, the NRCO is being established in a manner that allows it to own assets if that becomes a preferred alternative in the future.

The G&T Managers and NRECA intend to

present the business plan to all cooperatives nationwide and will offer a process to begin accepting membership into the NRCO early in 2008.

In pursuing this initiative, the G&T Managers formed a renewables development committee, chaired by Ron Harper, CEO of Basin Electric. Subsequently the committee formed the business and legal working group, chaired by Jeff Nelson, General Manager of East River Electric Cooperative, to guide the development of the NRCO business plan.

Any questions regarding the business plan can be directed toward Ron Harper at 701-223-0441, Jeff Nelson at 605-256-4536, or Glenn English at 703-907-5540.

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**– Glenn English
NRECA**

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Kansas Cooperatives Face Another Ice Storm

For many of the Kansas electric cooperatives, the year ended much as it had begun – with a devastating ice storm.

More than 58,000 cooperative members were without electricity after a massive ice storm downed

power lines and snapped poles from Dec. 8-12, 2007.

The winter storm that stretched across the midwest caused a substantial amount of damage to 23 distribution cooperatives. As much as two-inches of ice coated power lines and trees, causing the lines to snap under the weight of the ice and falling branches. More than 10,200 poles were damaged.

Outages occurred within the service areas of Ark Valley, Bluestem, Brown-Atchison, Butler, CMS, Doniphan, DS&O, Flint Hills, Heartland, Kaw Valley, Lane-Scott, Leavenworth-Jefferson, Lyon-Coffey, Midwest Energy, Nemaha-Marshall, Ninnescah, Prairie Land, Rolling Hills, Sedgwick County, Twin Valley, Victory, Western and Wheatland electric cooperatives.

Electric cooperatives' crews worked tirelessly to both identify the damage to their systems and to restore service to their members. Line crews from co-ops which were less affected by the storm, as well as private contractors, arrived to assist in the repair efforts.

Private contractors and electric cooperatives from nine states sent more than 1,000



Layers of ice coated tree limbs and Brown-Atchison's power lines in the December storm, causing a complete system outage for the co-op.

linemen and equipment to the worst-hit areas.

This storm system set outage records in both Kansas and Oklahoma. President Bush approved disaster declarations for all 105 counties in Kansas and all 77 counties in Oklahoma.

As of Dec. 19, 12 of the

Kansas electric cooperatives had virtually restored all of their outages, and the remaining 11 cooperatives still had more than 7,600 outages. The majority of the repairs were expected to be completed by Christmas, but some of the most remote areas were predicted to be without power for another week.

Outage information and photos are posted on KEC's website at www.kec.org.



Jerry Cochran, Heartland, works on the ice-coated lines.

In Brief

Biodiesel Plant Picks Greensburg

A biodiesel plant is the latest economic development project announced for Greensburg after a tornado destroyed the town in May. Torsten Energy LLC, based in Wright, KS, and state officials have announced the firm will construct a new plant in Kiowa County. The firm said construction would begin after state regulatory permits were obtained, and the plant will employ 20 to 25 people.

Hays Daily News – 12/4/07

Nebraska Ethanol Plant Filing Bankruptcy

E3 BioFuels LLC, an innovative “closed loop” ethanol plant at Mead, NE, in debt because of mechanical failures and financial losses, will close while the company seeks to reorganize under bankruptcy protection.

During its grand opening in June, the plant was hailed as a model for improving the environment and for fighting global warming. It is the first plant to have what is known as a “closed-loop” system. Manure from 28,000 head of cattle in a nearby feedlot was used to make methane that fueled the plant. Distillers grain, a byproduct of ethanol production, was then fed to the cattle. As a result, almost no fossil fuels were used to produce energy. Carbon emissions from the manure were minimized.

World-Herald Bureau – 11/29/07

Great Plains Energy Faces Opposition To Aquila Acquisition

Great Plains Energy’s top executive, after privately meeting with Missouri regulators in January about acquiring Aquila Inc., thought there would be few “significant” objections to shifting more costs to Aquila customers. But after a recent regulatory hearing, he may be reconsidering that view. Several parties — including the Missouri Public Service Commission’s staff, the Missouri Office of Public Counsel and several industrial users — oppose the deal. They argue that it would be bad for Missouri and could cost Aquila’s customers in the state up to \$80 million each year in higher rates.

Kansas City Star – 12/3/07

Cooperative Calendar

December	19-20	KEPCo Board of Trustees Meeting, KEPCo Headquarters, Topeka.
	24-25	Christmas Holiday - KEC Office Closed.
January	1	New Year’s Holiday - KEC Office Closed.
	17-18	KEPCo Board of Trustees Meeting, KEPCo Headquarters, Topeka.
	18	Sunflower Board of Directors Meeting, Sunflower Headquarters, Hays.
	26-29	KEC Annual Meeting, Capitol Plaza Hotel, Topeka.
February	15	Sunflower Board of Directors Meeting, Sunflower Headquarters, Hays.
	24-27	NRECA Annual Meeting, Anaheim, CA.
March	5-6	KEC Board of Trustees Meeting, Holiday Inn, Salina.

Board Leadership Courses Offered at KEC Annual Meeting

The KEC Annual Meeting will be held at the Capitol Plaza Hotel, Topeka, on Jan. 28 - 29, 2008. Two Board Leadership courses will be offered prior to the meeting.

Scheduled for Sat., Jan. 26 is **969.1 Advanced Energy Risk Management for Directors Making Power-Supply Decisions**. This course focuses on the importance of energy risk management policy. After completing the course, directors will understand why such a policy is critical to the success of a cooperative with wholesale power supplier responsibilities.

bilities.

Scheduled for Sun., Jan. 27 is **966.1 Understanding the New World of Power Supply**. Directors face a new world in which power supply decisions are more complex, involve greater risks and have greater cost consequences for consumers. This course, designed for all directors, explains why this new environment developed, why decision making is more complex, and how utilities can implement prudent risk assessment tools to limit their exposure to the inherent volatility in power supply.

Annual Meetings

KEPCo

Kansas Electric Power Cooperative, Inc. (KEPCo) held its 33rd Annual Meeting at the Hotel at Old Town in Wichita on Nov. 14.

Following a reception, dinner was served to approximately 200 trustees, managers and guests. Board President Ken Maginley welcomed the group and made introductions. CEO Steve Parr reported on the highlights of 2007 and the challenges for the coming years. Following the program, attendees were entertained with several rounds of “KEPCo”, a version of Bingo.

Re-elected at the Nov. 15 meeting were Maginley as president; Kirk Thompson, CMS, as vice president; Gordon Coulter, Ninnescah, as secretary; and Bryan Coover, Twin Valley, as treasurer. Also re-elected to the Executive Committee were Robert Reece, Flint Hills and Harlow Haney, DS&O. Elected to the

Executive Committee was Scott Whittington, Lyon-Coffey.

Midwest Energy

Midwest Energy held its annual meeting at the Sternberg Museum in Hays on Nov. 19.

The 80 members in attendance heard reports from the Board of Directors and the Earnie Lehman, Midwest Energy’s general manager.

Midwest Energy’s five Youth Tour representatives showed a video presentation to the members that highlighted their trip to Washington, D.C., this summer.

Questions from the members included an inquiry into whether the Holcomb Station will ultimately be constructed and exactly how FEMA reimburses Midwest Energy for the ice storms and tornado damage suffered last year.

Re-elected to the board were Keith Miller, John Blackwell and Lon Frahm.

HB Canida Retires from Leavenworth-Jefferson, Steve Foss Hired

HB Canida, manager of Leavenworth-Jefferson, will retire on Dec. 31.

Canida has served the electric cooperative industry for 27 years. Before coming to LJEC in November 2000, Canida worked as general manager of both Moreau Grand Electric in South Dakota and Lamar Electric Cooperative in Texas. He also served as office manager to

Oklahoma Electric in Norman.

Canida was honored recently at KEC's December Board Meeting in Wichita.

He was also honored at



Stuart Lowry (left) presents HB Canida with a plaque of appreciation at the December Board Meeting.

an LJEC employee gathering where he received an engraved watch. He and his wife, Gayle, will retire to his home state of Oklahoma to be near their family.

The LJEC Board of Trustees thanks Canida for his service and wishes him luck in his retirement. The Board also welcomes Steve Foss who becomes the LJEC manager on Jan. 2.

For more than 18 years, Foss has

served as the business accounts manager at Dakota Electric Association, located in Minneapolis/St. Paul. Before joining DEA, Foss

worked for James Valley Electric Cooperative in his home state of North Dakota.

Foss holds two associate degrees from North Dakota State College of Science and a Bachelor of Arts degree from Bethel University.

"I am honored and excited to be part of the Leavenworth-Jefferson Electric Cooperative and look forward to working with its Board of Trustees, employees and member-owners," Foss said.

He has been married more than 26 years to his wife, Lori. They have two grown children. Kory, their 24-year-old son, and his wife, Dani, teach in North Dakota. Teri, their 21-year-old daughter, is a senior attending the University of North Dakota.



Steve Foss takes over as LJEC manager on Jan. 2.

Line Crews Recover Stolen Tools, Materials

Crew leaders met at the South Hutchinson police department at 6 a.m. on Dec. 18 to identify stolen tools and materials.

Linemen from Sioux Valley Energy, SD, and C&L, AR, recovered items that were stolen from a dozen utility trucks while providing assistance to Ark Valley following the Dec. ice storm. The theft took place while the trucks were parked overnight at a local motel.

Arrested on suspicion of burglary and theft of the copper wire and tools, as well as a vehicle and numerous other items stolen in Reno and Rice counties, was Clifford Duane Gustus Jr., 29, of Geneseo.

On Dec. 17, the tools and wire were returned to South Hutchinson, along with other items that were reportedly stolen.

"They've been working long hours without those tools," Bob Hall, manager of Ark Valley, said. "It's disappointing at the least."

Hall said that some of the recovered copper wire was unusable.

"We recovered maybe 15 good spools of soft-drawn copper, but the rest had been taken off the spools and ruined," Hall said. "We haven't had time to estimate the losses, but the damage to waiting consumers can't be measured."



Officer Scott Jones, left, met with the crew leaders from Sioux Valley Energy, SD, and C&L, AR, after recovering the items that were stolen from their line trucks while they were providing assistance to Ark Valley.

In Sympathy

Wesley Nelson

Wesley Nelson, the father of KEC's Charlotte Provo-Blenden, passed away on Dec. 5. He resided at his home and had celebrated his 96th birthday on Nov. 1, 2007.

Funeral services were held on Dec. 8 at Trinity Lutheran Church, 731 SW Buchanan, Topeka, KS 66606. Memorials may be made to Trinity Lutheran Church.

Dwayne Reusser

Dwayne Reusser, Flint Hills Trustee, died on Nov. 15.

He served on Flint Hills Board of Directors from 2000 to 2007, and he served as the representative to the KEC Board from 2001 to 2007.

Funeral services were held Nov. 17 at the First Mennonite Church in Hillsboro. Memorials may be made to the church, to the McPherson Hospice, or to the Hillsboro Community Medical Center.