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Kansas co-ops invest in Smart Grid technology

Representatives from Midwest Energy and Victory shared their outlook for Smart Grid and Smart Metering technology with members of the House Energy and Utilities Committee on January 20 in Topeka.

The meeting was requested to provide committee members with information on Smart Grid and how it is being implemented in Kansas.

Both Midwest Energy and Victory are currently in the process of installing Smart Grid components at their cooperatives.

"Smart Grid is about giving customers timely, accurate, and reliable information," stated Earnie Lehman, president and general manager of Midwest Energy.

Benefits of the system for cooperatives include reduced labor costs, greater management control, and the ability to track customer usage at timed intervals.

"Smart Grid provides great flexibility for the cooperative and members," added Victory manager Terry Janson.

When Smart Grid systems are in place, members will have the ability to track their



Earnie Lehman explains Midwest Energy's Smart Grid technology investments to the House Energy and Utilities Committee.

individual usage via the cooperative's Web site, helping them to make decisions in controlling their energy costs.

Members can also purchase in-house displays, which show usage information and provide the cooperative with a new avenue for communications. These units can be set to give the member warnings about load control or disconnection.

Victory has already begun installing the advanced metering infrastructure (AMI) in Dodge City.

"Right now we are working to put the Smart Grid system in place, work out the bugs, and begin informing the public," said Harold Flax, Victory's systems analyst. "We expect that it will be the third or fourth quarter of 2010 before members have access to the information."

Midwest will begin its AMI pilot program in 2011.

"The AMI pilot program will cost \$250,000 in 2011," Lehman said. "By 2012, 10 percent of the Midwest members will be using the system at a cost of \$10.5 million. Despite the costs, there are a lot of real benefits to the Smart Grid system. It makes possible many interesting and exciting innovations."



Victory's Terry Janson reviews the cooperative's advanced metering infrastructure project with the members of the House Energy and Utilities Committee on January 20 in Topeka.

Mid-Kansas to partner with first commercial-scale hybrid cellulosic ethanol and power plant

Abengoa Bioenergy and Mid-Kansas Electric Company LLC announced plans concerning the development of the nation's first commercial-scale hybrid cellulosic ethanol and power plant, Abengoa Bioenergy Hybrid of Kansas, LLC (ABHK). ABHK is a sustainable solution that will diversify electric generation in Kansas and help power the state's growing demand for energy using ABHK's state-of-the-art, integrated bio-refinery technology and Mid-Kansas' service capabilities.

An agreement between Abengoa Bioenergy and Mid-Kansas has been signed identifying the terms of a power purchase agreement for 75 megawatts of base load electricity. The electricity will be generated at the electric generation and cellulosic ethanol plant to be constructed in Stevens County, KS., and will use biomass from crop residue as a fuel source.

"As an international energy company, we believe this project is an important part of our continual growth in bioenergy," said Javier Salgado Leirado, president and CEO of Abengoa Bioenergy. "Advancing this project required the perfect match of agricultural resources, technology, and a utility partner—all present in our partnership with Mid-Kansas."

NEWS RELEASE – 1/19/10

Butler named co-op month winner

The Kansas Cooperative Council announced that Butler REC is the winner of this year's annual "Co-op Month" contest in the utility division. The contest is sponsored by the Cooperative Council and recognizes outstanding efforts to promote cooperative education and philosophy during the yearly "October is Co-op Month" celebration.

FEBRUARY

- 14-17 **NRECA Annual Meeting**, Atlanta, Georgia.
- 16 **Safety Accreditation Workshop**, Victory, Dodge City.
- 19 **Safety Accreditation Workshop**, KEC Office, Topeka.
- 19 **Sunflower Board of Directors Meeting**, Sunflower Headquarters, Hays.
- 25 **MDM Meeting**, KEC Office, Topeka, 10 a.m.

MARCH

- 3 **KEC Loss Control, Safety and Compliance Meeting**, Ramada Inn, Salina, 10 a.m.
- 3 **KEC Communications Meeting**, Ramada Inn, Salina, 2 p.m.
- 3 **KEC Legislative Meeting**, Ramada Inn, Salina, 3:30 p.m.
- 4 **KEC Executive Committee Meeting**, Ramada Inn conference room, Salina, 7 a.m.
- 4 **KEC Board of Trustees Meeting**, Ramada Inn, Salina, 8:30 a.m.
- 17-18 **KEPCo Board of Trustees Meeting**, KEPCo Headquarters, Topeka.
- 19 **Sunflower Board of Directors Meeting**, Sunflower Headquarters, Hays.

NRECA annual meeting set for Atlanta

Thousands of cooperative leaders are expected to converge in Atlanta, February 15-17, to set NRECA's policy agenda for the year at NRECA's Annual Meeting.

Trustees will set the course for electric co-ops in the year ahead by delving into resolutions from the membership and participating in the business meeting. They will listen to world-class speakers and cooperative leaders share their valuable insights about our industry, and they will learn more about critical issues.



Morgan Taylor

Representing Kansas on the NRECA Youth Leadership Council (YLC) is Morgan Taylor. Sponsored by Pioneer and KEC, Taylor will join high school students from 44 other states in assisting with NRECA's annual meeting. She will work at the NRECA Congressional Action Center to encourage cooperative members to contact their Senators and U.S. Representatives on key co-op issues, and she will provide assistance to NRECA staff and participate in educational forums.

The YLC is a central part of the

opening general session ceremony, which will showcase Taylor carrying the Kansas state flag to the stage during the Parade of States.

The Youth Leadership Council is an extension of the "Government in Action" Electric Cooperative Youth Tour, a group of nearly 1,500 high school students who are sponsored jointly by NRECA, local electric cooperatives and statewide associations in 45 states.

The theme of the 2010 NRECA Annual Meeting, "Tough Choices Call for Strong Voices," is taken from the cooperatives' campaign to ask their elected officials what they are doing to ensure that consumers have access to reliable and affordable electricity.

The political landscape will be the focus of the meeting's opening session, as NRECA CEO Glenn English outlines the many challenges facing co-ops. The political environment will also be discussed at the ACRE breakfast meeting.

Additionally, a series of forums will present participants an opportunity to delve into several critical areas. The annual meeting will be preceded by the TechAdvantage Expo, Feb. 11-15.

The Expo will allow participants to hear insights from industry experts, take home strategies to help co-ops reduce costs and improve efficiencies, and network with exhibitors who are helping to transform the energy industry.

Highlights from Kansas Electric Cooperatives 68th annual meeting

More than 220 electric cooperative trustees, managers and key staff attended the Kansas Electric Cooperatives, Inc., 68th Annual Meeting on January 25-26, 2010, at the Maner Conference Centre in Topeka.

Two board leadership courses were offered to the Trustees prior to convening the annual meeting. Bob Patton facilitated both Board Leadership Courses: 929.1 Current Issues in Policy Development and 933.1 The Fiduciary Duty of Director and Employee Officers.

Guest speakers for the meeting included Second District Congresswoman Lynn Jenkins, who visited Cap and Trade and Health Care legislation pending before Congress. Sen. Pat Apple discussed the challenges with the state budget and the issues before the Senate Utilities Committee, and State Treasurer Dennis McKinney discussed issues facing the state's economy.

Mike Williams, president and CEO of Texas Electric Cooperatives, gave an overview of the lessons learned from the Perdenales experience. He focused on governance and transparency, and the importance of communication.

Stuart Lowry discussed this issue of board governance and the deregulated electric cooperative and reviewed recent changes to the Kansas deregulation law.

Gordon Hibbard, president and CEO of the Kansas 4-H Foundation, gave an update on the renovation of the Co-op Cottage project and thanked the cooperatives for their donations which total more than \$56,000. Chris Roach, project development manager of Abengoa Bioenergy Hybrid of Kansas, reviewed the details of the cellulosic ethanol/electricity project to be located in Hugoton that they are undertaking in partnership with MKEC.

Dave Holthaus, KEC, conducted a legislative briefing in which he discussed issues being followed by the cooperatives in the state legislature.

Doug Shepherd, KEC, gave an overview of net metering and parallel generation riders proposed for electric cooperatives. He compared the differences between net metering and net billing (parallel generation), and he encouraged the board to



Mike Williams, president and CEO of Texas Electric Cooperatives, spoke to KEC's membership about the lessons learned from the Perdenales experience.

view the Small Wind Cash Flow Model on the KEC Web site.

Rep. Joe Seiwert, who is also an Ark Valley and KEPCo Trustee, spoke about possible carbon sequestration in Kansas. The Ozark Plateau Aquifer system, which includes the depleted oil fields in south-central Kansas, is being evaluated for the geologic sequestration of these emissions.

Phil Irwin, Federated Rural Electric Insurance Exchange's President and CEO, reported on the company's activities of 2009 and presented a check to KEC for \$105,013 for the 2009 Loss Control Contribution.

The KEC Loss Control, Safety and Compliance Department recognized cooperatives that earned No Lost Time Accident Awards, and those who received National Safety Accreditation for 2009.

Leslie Kaufman, Kansas Cooperative Council, presented the Cooperative Month Award to Butler. Reports were also heard from NRECA and the KEC Auxiliary.

Federated Rural Electric Insurance Exchange and all Kansas electric cooperatives hosted a legislative reception for Kansas elected officials, KEC trustees, managers and special guests. Over 400 people were in attendance.

The KCRE silent auction raised \$3,645. The KEC Auxiliary raffle and silent auction raised \$1,197 for KEC's youth programs.

Agnes Metzen, Sedgwick County, won the raffle for the love seat which was donated by John Roniger, former president of Flint Hills. Harriet Riley, Wheatland, won the quilt raffle which was donated by Carolyn McNickle, Twin Valley.

As an addition to the Annual Meeting, KEC hosted an Expo that featured 45 vendors. Attendees were encouraged to visit these vendors throughout the first day of the annual meeting.

Available at the Expo this year were two, 20-minute breakout sessions. The winner of the \$500 grand prize was Dean Hillman, Sedgwick County.

More photos and the presentations shown during the KEC Annual Meeting are now available on the KEC Web site's Members Only section at: <http://www.kec.org/membersonly/>.

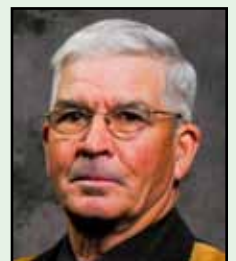
2010 KEC officers



**President
Keith Ross
Prairie Land**



**Vice President
John Blackwell
Midwest Energy**



**Secretary
Ralph Phillips
LJEC**



**Treasurer
Kathy Brinker
Nemaha-Marshall**

\$12 million hazard mitigation grant awarded to HREC

Heartland will be the recipient of a federal grant from FEMA's Hazard Mitigation Grant Program to fund a \$16 million project to rebuild 374 miles of the electric utility's backbone distribution system.

The three-year project will include work in eight counties in southeast Kansas, and is the single biggest construction project in Heartland's history.

The entire project will cost \$16,142,000. The federal share of the project cost is \$12,106,373, with Heartland providing the remaining funding.

The upgrade will result in improved reliability of the cooperative's system. The rebuilt 374 miles of overhead distribution line will be built to a stronger

construction standard, and be better able to withstand severe weather-related events as a result.

The awarding of this federal grant will enable Heartland to make significant system improvements in three years with minimal impact on electric rates. Without this grant, improvements of this scope would typically take 20 years.

The HMGP provides grants to States and local governments to implement long-term hazard mitigation measures. Authorized under Section 404 of the Stafford Act and administered by FEMA, HMGP was created to reduce the loss of life and property due to natural disasters.

KEC welcomes Shelly Jones as Spring communications intern

Shelly Jones was recently hired by KEC to fill the position of Communications Intern. Jones started on February 3 and will intern for the duration of the spring semester.



Shelly Jones

Originally from Doniphan County, Jones grew up on a farm just south of Denton. "Growing up in a rural community has had a positive effect on me and it is something that I take pride in," Jones said.

She recently moved to Ozawkie

where she resides with her husband, Derek.

Jones is currently in her senior year at Washburn University where she will be graduating from this May with a bachelor's degree in Communications.

As an intern, she will be assisting the communications staff with the magazine, youth programs and various communication activities for KEC.

"I am very grateful that I have been given this opportunity to get some hands-on experience. This internship will give me the edge that I need when entering the job market after graduation," she said.

In her spare time, Jones enjoys outdoor activities.

ccdtraining

KEC offers CCD Fast Track

KEC has scheduled all five NRECA Credentialed Cooperative Director (CCD) courses to be offered Monday, April 12, through Friday, April 16, in Wichita.

The CCD program is designed for Trustees to acquire the minimum knowledge necessary to fulfill responsibilities within the cooperative context. To earn the CCD certificate, Trustees must have taken all five courses and successfully completed the learning assessment for each course.

On April 12, Pat Mangan will facilitate the 2600.1 at Hotel at Old Town (830 East First, Wichita).

The rest of the courses will be held at the Wichita Marriott (9100 Corporate Hills Dr, Wichita). On April 13, Pat Mangan will facilitate the 2620.1. On April 14, Rod Crile will teach the 2640.1. Scott Luecal will facilitate the 2610.1 on April 15 and the 2630.1 on April 16.

Space is limited, so register before Feb. 26 by email at sholsteen@kec.org or FAX at 785-478-4852.

A block of rooms are available at the Wichita Marriott. Room rate is \$91 per night. For room reservations call 316-651-0333 and ask for the KEC block.

This workshop is \$450 per registrant per course, or \$2,150 for all five CCD courses, and includes lunch and a workbook for each course.

RuralPower

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