

Rural Power

Electronic Edition

A newsletter for and about Kansas Electric Cooperatives

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Midwest Energy to Build 76 MW Gas Power Plant

Midwest Energy and Wärtsilä Corporation, a global provider of power plants, signed an equipment supply contract for a 76 MW gas-fired power plant. The contract is valued at over \$30 million.

The power plant, to be called "Goodman Energy Center", will be located in Hays, and will supply power to the cooperative's 48,000 electric members. The plant is expected to begin producing power in time for the summer 2008 peaking season and to be in full commercial operation by September 2008.

The plant is named for Jack Goodman who served as the General Manager of Midwest Energy and its predecessor company, Central Kansas Electric Cooperative, from 1951 to 1992. He also served as President of KEC's Board of Trustees from 1973 to 1977.

"Our Board and employees could think of no more fitting honor for Mr. Goodman, who created Midwest Energy, than to give his

name to our first power plant constructed in 37 years," Earnie Lehman, Midwest Energy's President and General Manager, said.

Lehman stated that the plant will provide a clean, cost-effective way to meet their peak energy needs, and will also improve service reliability. "This project will provide an efficient resource with extremely low emissions and negligible water consumption," he said.

Wärtsilä will furnish nine natural gas-fired engines for the Goodman Energy Center. The engines will be equipped with Selective Catalytic Reduction (SCR) technology to reduce flue gas emissions, thereby meeting today's increasingly stringent air quality requirements. The plant will provide capacity, energy and black start capabilities to help support Midwest Energy's 325 megawatt total system demand. Burns & McDonnell, Inc., Kansas City, will serve as the project's engineering, procurement and construction contractor.

Have an idea
or
a story
for
Rural Power?

Call
(785) 478-4554

Fax
(785) 478-4852

or Email ruralpower@kec.org



Western Cooperatives Experience More Severe Weather

Less than two months after the most significant winter storm to hit Kansas, western Kansas cooperatives were again plagued with winter weather. With electrical systems that are still being repaired from the Dec. 28th ice storm, many of the same areas were hit with winds and muddy conditions on Feb. 24th.

"A large part of our system is still band-aided together from the ice storm," said Dennis Deines, Member Services Director for Western. "With conductors stretched and lines stressed, the winds caused burn downs, poles breaking over, and lines in the middle of the road."

Over the weekend, Western had almost all of its eastern system down because of wind damage to transmission lines. CMS also experienced transmission-related outages for several hours.

Winds blowing stronger than 60 miles per hour toppled poles in Pioneer's territory, causing approximately 1,200 outages. Victory lost seven



Snow drifted and then melted across the roads, making them nearly impassable for line crews.

Photo courtesy of Midwest Energy

poles to a tornado near Ensign that was on the ground for nearly five minutes.

Wheatland's Manager, Neil Norman, reported flood conditions in their service area, caused by snow and ice melt. "Many county roads and some highways were and are still covered in water," Norman said. "We also had quite a bit of blowing and drifting snow around and blocking roads so that we couldn't get to the trouble areas to make repairs."

Other cooperatives experienced similar conditions. "Many of the roads are so muddy," explained Midwest Energy's Manager of Corporate Communications, Bob Helm. "If they are open, we have to use tractors or bulldozers to pull our crews to the locations."

Midwest Energy had damage to approximately 100 poles, and had as many as 4,000 members without electricity. However, the power was completely restored by Monday.

In Brief

House Committee Rejects Coal Plant Moratorium

A legislative committee rejected a proposed moratorium on coal-burning power plants. House Bill 2219 was tabled on a voice vote by the House Energy and Utilities Committee.

The bill was filed as state officials consider a \$5 billion project by Sunflower to build three 700-megawatt coal-fired plants in western Kansas.

The legislation would have imposed a two-year moratorium on construction of coal-burning plants. During that time, the state would have conducted a study on the health effects of emissions from coal-fired plants.

Lawrence Journal-World - 2/2/07

TXU Agrees to \$32 Billion Sale

TXU Corp., the largest power provider in Texas, announced on Feb. 26 that it has agreed to a \$32 billion sale. The investors, a group led by Kohlberg Kravis Roberts & Co. and Texas Pacific Group, have made promises to consumers and environmentalists to win support. They have agreed to cut rates by 10% and to freeze rates until Sept. 2008.

The buyout firms also reached a separate agreement with two environmental groups to cut eight of the 11 proposed new coal-fired plants, to support mandatory limits on greenhouse gas emissions, and to invest in renewable energy sources and energy efficiency programs. TXU serves 2.2 million retail customers.

Buried Treasure in Western Kansas

Eying the daily fluctuations in crop prices is nothing new to farmers. But, farmers in western Kansas will now have one more price to track, that of tons of carbon trapped in the same soil that produces those crops.

In a voluntary program long popular in Europe, Kansas farmers will soon be able to register the greenhouse gas carbon dioxide absorbed by crop residue in their fields and trade it to companies seeking to emit more of the toxic gas.

Great Bend Tribune - 2/8/07

Cooperative Calendar

March	7-8	KEC Committee and Board of Trustees Meeting, Holiday Inn Hotel, Salina.
	14	Sunflower Board of Directors Meeting, Sunflower Headquarters, Hays.
	14-20	TechAdvantage Conference & Expo, Las Vegas, NV.
	20-22	NRECA Annual Meeting, General Sessions, Las Vegas, NV.
	29	MDM Meeting, KEC Headquarters, 10 a.m., Topeka.
April	11-13	New Chief Executive Officers Orientation Session, Arlington, VA.
	23-25	Accountant's Club Meeting, Hotel Old Town, Wichita.
	25	Touchstone Energy Brand Managers Workshop, Hotel Old Town, Wichita.
	26	MDM Meeting, KEC Headquarters, 10 a.m., Topeka.
	26-27	Kansas Member Services Directors Association, Hotel Old Town, Wichita.
May	2-3	KEC Committee and Board of Trustees Meeting, Boot Hill, Dodge City.
	3-5	Supervisors Conference, Harrah's Prairie Band Conference Center, Mayetta.
	6-9	NRECA Legislative Conference, Washington, DC.
	15-18	Connect 2007 Conference & Expo, Miami, FL.
	16-17	KEPCo Board of Trustees Meeting, Grand Prairie, Hutchinson.
18	Sunflower Annual and Board of Directors Meeting, Dodge City.	

KEC Members' Annual Meetings

March	6	Prairie Land - Lunch at noon, Meeting at 1 p.m., co-op headquarters, Norton.
	6	Nemaha-Marshall - Lunch at 11:30 a.m., Meeting at 1 p.m., Axtell American Legion.
	12	Bluestem - Meeting at 7:30 p.m., Riley County High School.
	15	Flint Hills - Dinner at 6 p.m., Meeting at 7 p.m., Centre High School, Lost Springs.
	22	Doniphan - Dinner at 6 p.m., Meeting at 7 p.m., Midway High School, Denton.
	22	Butler - Dinner at 6 p.m., Meeting at 7 p.m., Andover Central High School.
	24	Pioneer - Lunch at noon, Health Fair 7 a.m. til noon, Meeting at 10 a.m., Grant County Civic Center, Ulysses.
	27	Heartland - Dinner at 6:30 p.m., Meeting at 7:15 p.m., Allen County College, Iola.

Executive and Administrative Assistants Conference

The NRECA Executive and Administrative Assistants (E+AA) Conference is scheduled for Oct. 7-10, 2007, in Indianapolis.

This conference is designed for cooperative office professionals, including executive assistants, department secretaries, administrative professionals and support staff. The conference provides job resources, an update on utility industry changes, and exposure to new technologies and business practices.

Pioneer's Judy Parsons has been appointed to a three-year term of the E+AA Advisory Council. If you have any questions or suggestions, contact her at (620) 3356-1211 or jparsons@pld.com.

For room reservations, contact the Westin Indianapolis at (317) 262-8100 before Sept. 5. Ask for the NRECA rate of \$149.

Accountants Club Annual Meeting

The Accountants Club annual meeting is scheduled for April 23-25 at Hotel at Old Town in Wichita.

For room reservations, call (877) 265-3869 before April 2. Ask for the REC Accountant's Club block rate of \$102 per night.

KMSDA Spring Meeting

The Kansas Member Services Directors Association (KMSDA) has scheduled its spring meeting for April 25-27 in Wichita.

Prior to the meeting, the Touchstone Energy Brand Managers Workshop is scheduled on April 25 from 12-5 p.m. All Touchstone Energy cooperatives, or those considering joining Touchstone Energy, should send a representative.

For room reservations, contact the Hotel at Old Town, www.hotelatoldtown.com, before April 4 at (877) 265-3869. Ask for the Kansas Electric Cooperatives group rate of \$102 per night.

Nebraska Grain Company Plans Ethanol Plant at Sunflower's Integrated Bioenergy Center

A subsidiary of a Nebraska-based grain trading company is planning to construct a 100-million-gallon-per-year ethanol plant.

The new plant by Scoular Company's subsidiary, Gardenview BioEnergy, will be part of the Sunflower Integrated Bioenergy Center.

The ethanol plant is to be built over an 18-month period, starting sometime this fall. The facility would create 45-50 new jobs once it is complete.

As part of the Sunflower Integrated Bioenergy Center, the ethanol plant will

be constructed near the existing Holcomb coal-fired generation plant. It will join an algae reactor, a biodiesel plant, an anaerobic digester, and three new 700-megawatt coal-fired power plants.

The Integrated Bioenergy Center is designed to attract businesses that can interchange byproducts to reduce waste streams.

The Center is an alliance between the Kansas Bioscience Authority, the National Institute for Strategic Technology Acquisition and Commercialization (NISTAC) and Sunflower.

Iatan 2 Plant Construction Ruling Reversed

The Iatan 2 project in which KEPCo is participating received a setback from the courts this week.

The Missouri Court of Appeals reversed a Missouri Public Service Commission decision granting KCPL authority to construct the power plant near Weston, MO.

The February 27, 2007, decision of the Missouri court ruled that the law for the plant hearings was not followed and that the PSC exceeded their jurisdiction. Also in question are certain ratemaking

decisions made by the PSC as a result of the plant.

The next step for KCPL is unclear. The company indicated that it may appeal the decision to the Missouri Supreme Court, and is uncertain whether construction on the 850 MW coal plant will continue at the current schedule.

KEPCo is among the utilities with a participation interest in the Iatan 2 project. KEPCo has contracted for a 30 MW interest in the plant, which was scheduled to be placed in service in 2010.

Bush to Halt RUS Baseload Power Loans

A plan announced in President Bush's 2008 budget to eliminate Rural Utilities Service loans for new baseload generation unfairly singles out co-ops for cuts while disregarding the law and the intent of Congress, NRECA officials said.

At a time when G&Ts are determining how to ensure reliable service in the face of growing demand for electricity, the administration announced that commercial markets, rather than RUS, should underwrite that generation.

The change, effective immediately, could have a major impact on future loans for much-needed construction, as well as on about \$2.7 billion in generation loans for 2007 contained in the appropriations bill now moving through Congress.

"This action by the administration is not in keeping with the intent of Congress, and we expect House and Senate mem-

bers from both political parties will not let this stand," NRECA CEO Glenn English warned.

Although the plan is in Bush's 2008 budget proposal, it is an immediate modification to the way RUS handles loan applications and is worded in a way that circumvents congressional approval.

The Bush budget does not contain similar cuts or language for generation built by munis or IOUs, which raises the possibility that co-ops are bearing the brunt of the budgetary maneuverings.

"Unlike other loans, RUS loans can only be used to build enough generation to meet the needs of co-op members," said English. "We will be making our case to members of Congress on this important issue in the days and weeks ahead."

*Steven Johnson
Electric Co-op Today - 2/16/07*

Brown-Atchison Annual Meeting

Brown-Atchison held its Annual Meeting on Feb. 22 in Horton. Over 150 members attended the meeting, and approximately 275 people were served a roast beef lunch.

Re-elected to three-year terms were Kevin Gigstad, Harrison Idol, Jr. and Glenn Oxandale.

The membership voted and approved a bylaw amendment which provides for the removal of a trustee from the board in the event that said trustee was absent from six consecutive regular board meetings. The membership also heard from the cooperative's 2006 youth tour winner, Jay Gaskell, who spoke on his experiences in Washington, D.C.

Rolling Hills Elects Trustees

Rolling Hills held its mail ballot election for Trustee positions ending Dec. 31, 2006. Re-elected to the board were Gene Meitler, Jay Overmiller, and Melroy Kopsa.

In the reorganization meeting on Jan. 30, the following officers were re-elected: Gene Meitler, President; Jay Overmiller, Vice President; Kevin Cromwell, Secretary; and Bernard Bohnen, Treasurer.

Roberts to be Honored at NRECA Annual Meeting

U.S. Senator Pat Roberts has been invited to receive the Distinguished Service Award from NRECA at its 65th Annual Meeting, March 20-22, 2007, in Las Vegas, NV. Sen. Roberts is unable to attend, but he will accept his award via video during the conference.

In Sympathy

Ira L. Ott

After a battle with Leukemia, Ira L. Ott, father of Alfalfa's Max Ott, died on Feb. 22 in Enid, OK, at the age of 88.

Services were held on Feb. 25 at Ladusau-Evans Funeral Home, 2800 North Van Buren, Enid, OK 73703. Memorials can be made to the Puritan United Church of Christ, Drummond, OK, through the funeral home.

USDA Honors Kansas Co-ops

Three electric cooperatives were recently recognized for outstanding service by USDA Rural Development. Of the nine companies spotlighted during its recognition tour, Bluestem, Victory, and Wheatland electric cooperatives were honored as Outstanding Community Development Partners for their participation in business and community development programs.

USDA State Director Chuck Banks highlighted the co-ops' outstanding service in supporting the record level of funding – nearly \$260 million – delivered to Kansas last year.

Banks stated that they will continue their work to bring new business to rural Kansas. "We compliment Kansans for utilizing these successful agency programs, resulting in over \$1 billion of USDA investments in Kansas during the past five years alone."

Trustees Attend Credentialed Cooperative Director Training

Electric cooperative board members are responsible for directing the affairs of the corporation. To learn how to best fulfill their responsibilities, 34 Kansas electric cooperative trustees and managers attended at least one of the five Credentialed Cooperative Director (CCD) courses that were held Feb. 19-23.

The CCD program courses are designed specifically for cooperative Trust-



Bob Patton, NRECA's Senior Principal for Education Programs, explains the role of the board members to the CCD Fast Track attendees.

ees. These courses focus on the board's duties, liabilities, strategic planning, and decision making.

To earn the CCD Certificate, Trustees must attend all five courses and successfully complete the

learning assessment for each course. The Kansas Trustees who have completed all five courses will be recognized at the NRECA Region 7 Meeting, October 2-4, in Overland Park.

Job Opportunities

High Line Services Seeks Journeyman and Crew Foreman

High Line Services, LLC – a contractor owned by Lane-Scott Electric Cooperative of Dighton – seeks a journeyman lineman and a crew foreman. Wages from \$25-\$29/hr. depending on experience and qualifications. Family medical insurance, including vision and dental. Many other benefits, including an incentive bonus program.

To apply, email resume to earl@st-tel.net or call (800) 407-2217.

KEC to Hire Summer Intern

KEC will be hiring a communications intern for the summer. Any junior or senior in college with a marketing, communication, journalism or related degree may apply. The intern will assist with the layout and design for print materials, *Kansas Country Living*, the KEC Directory, and the youth tour programs.

Deadline to apply is March 16. Interviews will take place the week of March 26. Contact Shana at sholsteen@kec.org, or (785) 478-4554 for more information.

Nebraska PPD Seeks Journeyman

Southwest Public Power District has an opening for a Journeyman Lineman at its Palisade, NE, headquarters.

For a complete position description, or to apply, contact Russell McCorkle at Southwest Public Power District, 221 N. Main Palisade, Box 298, Palisade, NE 69040, email russellm@swppd.com, or call (308) 285-3295.

Applications will be accepted until the position is filled. You can also visit their web site at www.swppd.com.

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Kansas Electric Cooperatives, Inc.
PO Box 4267
Topeka, KS 66604-0267

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