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Sunflower Electric Power Corp. and Mid-Kansas Electric Company merge

Hays, Kan.—Jan. 2, 2020—Sunflower Electric Power Corporation announces its merger with Mid-Kansas Electric Company Inc. effective Jan. 1, 2020. The merger of the two cooperatively operated, wholesale electric utilities incorporates Mid-Kansas into Sunflower.

Regulatory filings for the merger were submitted in August 2018 to the Kansas Corporation Commission, which approved the merger in March 2019. Sunflower and Mid-Kansas also filed with the Federal Energy Regulatory Commission to obtain approval to combine transmission zones and rates.

Sunflower is owned by six distribution cooperatives that serve in western Kansas. In 2005, Sunflower's members formed Mid-Kansas to bid on the sale of Aquila's Kansas Electric Network properties. Member-owners of Mid-Kansas include five distribution cooperatives and one wholly owned subsidiary of a distribution cooperative that serve in central and western Kansas. Mid-Kansas began operation on April 1, 2007.

"The formation of Mid-Kansas by the Sunflower members gave more Kansans the opportunity to be served by the cooperative business model," said Stuart Lowry, president and CEO of Sunflower and Mid-Kansas. "The success of Mid-Kansas has benefitted everyone—the members of Sunflower and Mid-Kansas and the thousands of Kansans they serve."

Since 2007, the intent of Sunflower's and Mid-Kansas' member-owners has been to merge the two generation and transmission providers to capitalize on synergies and offer added value to their members.

"Merging Sunflower and Mid-Kansas results in a single wholesale rate that can better sustain our recent rate decreases for our end-users," said Steve Epperson, Mid-Kansas' board chairman.

Savings will result from operational efficiencies and access to lower financial lending rates due greater financial stability of the merged entities.

"In addition to simplifying the two companies into one, there are multiple ways we will save costs," said Davis Rooney, vice president and CFO of the two utilities. "The merged entity will be both operationally and financially stronger."

About Mid-Kansas—Mid-Kansas Electric Company Inc is a coalition of five rural electric cooperatives and one wholly owned subsidiary of a distribution cooperative. Mid-Kansas' members include Lane-Scott Electric Cooperative Inc., Dighton; Prairie Land Electric Cooperative Inc., Norton; Southern Pioneer Electric Company, Ulysses; The Victory Electric

Cooperative Association Inc., Dodge City; Western Cooperative Electric Association Inc., WaKeeney; and Wheatland Electric Cooperative Inc., Scott City, Kan.

About Sunflower— Sunflower's member cooperatives include Lane-Scott Electric Cooperative Inc., Dighton; Pioneer Electric Cooperative Inc., Ulysses; Prairie Land Electric Cooperative Inc., Norton; The Victory Electric Cooperative Association Inc., Dodge City; Western Cooperative Electric Association Inc., WaKeeney; and Wheatland Electric Cooperative Inc., Scott City, Kan. For more information, please visit Sunflower's website at <http://www.sunflower.net>. Sunflower is an equal opportunity provider and employer.

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