

Rural Power

Electronic Edition

A newsletter for and about Kansas Electric Cooperatives

Vol. LVI, No. 13 • September 1, 2006

What's Inside?

Calendarp. 2

KCRE Golf Tournament Raises \$7,200p. 3

Two Kansas Communicators Serve on CCC Board 4

Have an idea or a story for Rural Power?

Call
(785) 478-4554

Fax
(785) 478-4852

or Email ruralpower@kec.org



Integrated Bioenergy Center Proposed at Sunflower Site

Sunflower Electric Power Corporation has plans to develop an Integrated Bioenergy Center at its 10,000 acre Holcomb Station. Sunflower announced on August 23 the formation of an alliance with the National Institute for Strategic Technology Acquisition and Commercialization (NISTAC), and the Kansas Bioscience Authority to develop the center.

The primary goal for this project is to develop bioenergy facilities that will integrate several commercial, or near commercial, renewable energy technologies with the coal-based power plant located in Holcomb.

The announcement was made in conjunction with a visit by U.S. Department of Agriculture Under Secretary Tom Dorr, Congressman Jerry Moran, the State Director for Rural Development Chuck Banks, the Chairman of the Kansas Bioscience Authority Clay Blair, and NISTAC's President and CEO Kent Glasscock.

"A mission of the U.S. Department of Agriculture is to promote economic development in rural communities," Moran said. "I am pleased to bring Under Secretary Dorr to southwest Kansas to see first hand the jobs that will be created through Sunflower's power plant expansion and their work to develop a bioenergy center that will be unique to Kansas and possibly the world. This is an example of how innovative Kansans are, not only expanding local economies, but also answering the national call for more renewable energy."

When completed, the center will involve several subsystems which may include livestock facilities, an anaerobic digester, an algae reactor, and an ethanol and a biodiesel plant which are integrated to utilize corresponding waste streams.

Sunflower's President and CEO, Earl Watkins recently reported that this opportunity

to work with NISTAC to create the Center is unprecedented.

"Even though we are vigorously working to complete our Holcomb Expansion Project, this Integrated Bioenergy Center could dramatically improve our ability to help serve agricultural producers and add another level of value to the products they raise in central and western Kansas."

NISTAC's Glasscock said that he sees this project as the first of its kind.

"This project is based on the cutting edge of integra-

tion," Glasscock said. "I know of no other place in the world where renewable energy technologies will be efficiently utilized like our goal is for this project."

The Integrated Bioenergy Center will consist of subsystems that all work together. Waste from the livestock facilities will be processed through an anaerobic digester to extract methane, which will then be used to power the ethanol plant. An algae system will recover carbon dioxide from the power plant and nutrients from the livestock waste to create an oil source for the biodiesel facility.

There are a number of other waste streams which are used which will make the subsystems become more efficient when compared to stand-alone facilities. Another benefit is a reduction of water and air emissions through an integrated system.

Trevor McKeeman, NISTAC's, Business Development Manager, explained that the primary benefit expected from the Center is the efficiency of integration.

McKeeman said, "The improved economies over stand-alone systems, the re-use of water, utilization of waste streams and removal of the carbon dioxide from power plant flue gas will benefit all the partners involved in this project."

"This is an example of how innovative Kansans are, not only expanding local economies, but also answering the national call for more renewable energy."

— Congressman Jerry Moran

Cooperative Calendar

September	7-8	Kansas Managers Fall Meeting, Regency Court Inn, Arkansas City.
	8	Kansas State Fair Grand Opening Ceremony with Oscar the Robot, 11 a.m.
	12-14	KEC Hotline School, Pratt Vo-Tech School.
	13	Leavenworth-Jefferson Annual Meeting. Dinner at 6 p.m., Meeting at 7 p.m., McLouth High School.
	15	Sunflower Board of Directors Meeting, Sunflower Headquarters, Hays.
	20-21	KEPCo Board of Trustees Meeting, KEPCo Headquarters, Topeka.
	20-22	Kansas REC Accountants Club annual meeting, Best Western, Wichita.
	21-22	Kansas Line Superintendent's Fall Meeting, Wichita.
	27	KEC Committee Meetings, Marriott Hotel, Wichita.
	28	KEC Board of Trustees Meeting, Marriott Hotel, Wichita.
October	4-6	NRECA Region VII Meeting, Omni Interlocken Resort, Broomfield, CO.
	12-13	Kansas Member Services Directors Association Meeting, Wichita.
	18	Youth Tour Coordinators Web Conference, 10 a.m.
	18-19	KEPCo Board of Trustees Meeting, KEPCo Headquarters, Topeka.
	20	Sunflower Board of Directors Meeting, Sunflower Headquarters, Hays.
	25	KEC District 1 Meeting, Hyatt Regency, 400 West Waterman, Wichita.
	26	MDM Meeting, KEC Headquarters, Topeka, 10 a.m.
27	KEC District 2 Meeting, KEPCo Headquarters, Topeka.	
November	2	KEC District 3 Meeting, KSU Agricultural Center, Hays.
	3	KEC District 4 Meeting, Knights of Columbus, Dodge City.
	14-15	KEC Transformer Workshop, Topeka.

Accountants Club Annual Meeting

The Accountants Club annual meeting is scheduled for Sept. 20-22 in Wichita.

For room reservations, call the Best Western before Aug. 31 at (866) 503-5700 and ask for the Kansas Rural Electric Accountants Club block rate of \$69 per night.

KMSDA Fall Meeting

The Kansas Member Services Directors Association (KMSDA) has scheduled its fall meeting for Oct. 12-13 in Wichita, KS. There will be pre-meeting activities on Oct. 11.

For room reservations, contact the Hotel at Old Town (www.hotelatoldtown.com) before Sept. 20 at (877) 265-3869. Ask for the Kansas Electric Cooperatives group rate of \$99 per night.

Midwest Energy And Sunflower Sign Power Agreement

Midwest Energy recently signed a Letter of Intent (LOI) to purchase 75 megawatts from the new Holcomb East unit that will be built at Sunflower Electric's Holcomb Station.

Earnie Lehman, Midwest's President and General Manager, said, "We are pleased to partner with Sunflower in this project for the benefits it will bring to our customer-owners and to western Kansas. Our commitment to Holcomb East reflects our confidence that it will be a long-term reliable source of competitively priced electricity."

Sunflower's President and CEO, Earl Watkins, added, "I am very happy that the Midwest Board and management chose to participate with Sunflower in the expansion of the Holcomb plant."

Watkins and Lehman both agree that this project reflects an historic collaboration among several electric cooperatives. The LOI will result in a power purchase agreement providing Midwest Energy capacity in the new plant, scheduled for construction in 2007, for a period of 30 years. The Holcomb East unit is expected to be in commercial service in 2011.

Job Opportunities

Arkansas Cooperative Seeks General Manager

Clay County Electric seeks qualified candidates for General Manager. Cooperative has 61 employees, 13,000 meters and 2,600 miles of distribution line.

Candidates must have a four-year college degree and at least five years experience in electric utility management. Candidates must have broad utility management experience including finance, operations, member relations, strategic planning, budgeting and board relations.

Send an electronic resume, three professional references, and salary history by Sept. 6th to ExecutiveSearch@nreca.coop. See complete position description on cooperative.com.

Wyoming Cooperative Seeks General Manager / EVP

Wyrulec Company in Lingle, WY, is searching for its next General Manager / Executive Vice President.

A four-year college degree and three to five years of utility management experience is desirable. Candidates must possess a broad understanding of the

business, emphasizing financials, operations and member service. A staff of 20 employees serves 4,500 meters over 1,900 miles of energized line.

Send an electronic resume, a minimum of three professional references and salary expectations by Sept. 1st to ExecutiveSearch@nreca.coop. See complete position description on cooperative.com.

Nebraska PPD Seeks Operations Manager

A progressive electric utility with 6,500 meters in Southwest Nebraska seeks an Operations Superintendent.

This position is based in Palisade, NE, and is responsible for the daily performance of line crews, enforcement of safety rules, inspection of completed work, meeting with customers to resolve complaints, and troubleshooting problems on the distribution system.

For complete job description or to apply, contact Don Suda, Southwest PPD, PO Box 289, Palisade, NE 69040, dons@swppd.com, or FAX (308) 285-3811. Submit a cover letter and resume by Sept. 1st, 2006. EOE.

In Brief

Aquila Sale to Proceed for Less

The amount Aquila Inc. will receive for the sale of its Kansas electric utility has been reduced by \$5.5 million after the company failed to receive a waiver from Westar and was forced to negotiate a new transaction. In September, Aquila reached a deal to sell its Kansas utility property to Mid-Kansas Electric Co. LLC, (MKEC) for \$255.2 million.

The company has been unable to close the transaction nearly 11 months later. In a filing with Securities and Exchange Commission, Aquila detailed a renegotiated transaction that will have it getting \$249.7 million from the sale. The company still is seeking approval from the KCC to complete its sale to MKEC.

Kansas City Business Journal – 8/18/06

Westar to Build Peaking Plant

Westar Energy said last week that it would build a \$330 million, natural gas-fired peaking station at a site northeast of Emporia. Westar said that the capacity would be needed to help the utility keep pace with load growth on its system.

Construction of the station's 300-MW first phase is planned for the spring of 2007, with commercial operation to start in the summer of 2008. The remaining 300 MW would come online in 2009.

Megawatt Daily – 8/23/06

Reliance on Renewables the Goal

Congressman Jerry Moran joined Kansas agricultural leaders on Aug. 22 in calling for America to turn to renewable fuels for more of its energy needs within the next two decades.

"It's not an easy goal to attain, but one that is certainly possible if we take the necessary steps," Moran said.

Promoting the national movement known as 25 X '25, Moran said the goal is to have 25 percent of the nation's energy demand supplied by renewable sources such as bio-fuels, solar, wind, geo-thermal and other alternatives by the year 2025.

Harris News Service - 8/22/06

KCRE Golf Open Raises \$7,200

120 golfers raised approximately \$7,200 for the Kansas Committee for Rural Electrification (KCRE). The golfers formed 30 electric cooperative teams at KCRE's 10th Annual Golf tournament on August 25, 2006, at the Salina Municipal Golf Course.

First Flight winners were the Kriz-Davis team of Steve Chambers, Bryan Mason, Sam Herzog, and Ron Valigura. Second Flight winners were the Lyon-Coffey team of Ken Bazil, Stan Bray, and Rod Kenagy. Third Flight winners were the Sedgwick County team of Alan Hen-



KCRE President Doug Jackson (left) and Secretary/Treasurer Kirk Thompson at the 10th Annual KCRE Golf Open.

ning, Wayne Voss, Gene Scheer, and Fritz Henning. Fourth Flight winners were the Butler team of Mark Brown, Alan Harper, Jeff Leckliter, and Richard Pearson. Fifth Flight winners were the Butler team of Jeff Martin, Kai Fowler, Jackie Brown, and Ben Whiteside. Mike Clark, Victory, won the early bird drawing.

"Thank you to all the cooperatives that sponsor this event and to the participants," said Kirk Thompson, KCRE Secretary / Treasurer. "The golf tournament has become the premier fund raising event for KCRE."

KEC's Stuart Lowry praised event organizer Kirk Thompson and his committee for their contribution to the success of KCRE's mission.

"The funds raised in this event equate to over 280 memberships, effectively doubling the size of KCRE funds," Lowry said. "This translates to added support for legislative candidates. Kirk and the other managers that organize this event deserve all of our thanks"

Thompson encouraged everyone to make plans for the eleventh annual event scheduled for August 24, 2007.

Oakley Residents Vote on Electric System Sale

Midwest Energy may acquire the City of Oakley's electric system. Ballots asking the residents to either approve or disapprove the sale of the City's electric system to the electric cooperative were mailed to registered voters on August 25th. The County Clerk will count the ballots on September 14th.

Prior to the mailing, Midwest Energy hosted a community coffee event. The cooperative allowed customers to compare their current electric bills to what they would pay if Midwest Energy acquired the system.

Midwest Energy placed newspaper ads to explain the benefits of the sale. Informational flyers were also distributed around the city, and letters were sent to encourage customers to vote in favor of the acquisition.

Leavenworth-Jefferson Board Member Robert Smith Retires

Robert Smith, Jr., Leavenworth-Jefferson's Vice President, has decided not to seek another term on the Board effective September 13, 2006.



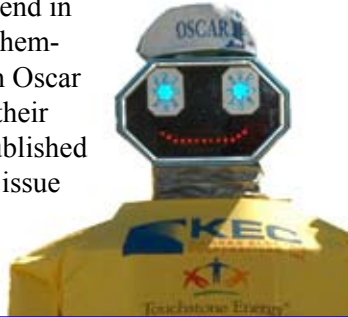
Smith served 19 years on the Leavenworth-Jefferson's board. He also served 12 years as his cooperative's representative to the KEPCo Board of Trustees.

Smith was recognized by his cooperative's board at a regular meeting with a presentation of a clock. He was also recognized during KEPCo's August Board of Trustees meeting with an appreciation award.

Electric Cooperatives at the 2006 Kansas State Fair

Kansas Electric Cooperatives and the Touchstone Energy Cooperatives of Kansas are sponsoring "Oscar the Robot" at the Kansas State Fair, Sept. 8 - 17th. Cooperative representatives will attend the Fair's opening ceremony with Oscar at 11 a.m. on Sept. 8th.

Cooperative members have been encouraged through *Kansas Country Living* and member-systems' center spreads to find Oscar at the fair. Members who send in photos of themselves with Oscar may have their pictures published in a future issue of *Kansas Country Living*.



First Annual Barnalogue

The Kansas Barn Alliance will host the first annual Barnalogue on Sept. 22 - 23 in Beloit.

The Barnalogue is a forum to discuss the preservation of barns and the agricultural lifestyle. The event will help direct and solidify future projects for the Kansas Barn Alliance.

Registration is \$65 for Kansas Barn Alliance members; \$90 for non-members. For more information contact Kyle Peterson at (785) 738-5335 or mchistorical@yahoo.com.

Kansas Cooperative Communicators Serve on National Board

Two Kansas electric cooperative communicators have been elected to serve on the Certified Cooperative Communicator (CCC) Program Board.

Shana Holsteen, KEC, earned her designation in 2000 and currently serves as the CCC Election Chair. Tom Spurgeon, Heartland, earned his designation in 2004 and serves on the CCC Board's Communications and Marketing committee.

CCC is a voluntary professional certification program offered through NRECA for communication and marketing professionals in the electric cooperative network. Founded in 1985 by the Council of Rural Electric Communicators, there are currently 195 cooperative communicators, six of whom work for Kansas cooperatives.



Starting at front row, from left: Joe Ticheli, South Louisiana Electric; Patsy Whitehead, Nolin RECC (KY); Keith Crabtree, Ohio Rural Electric Cooperatives; Jimmy Autry, CREC, Flint Energies (GA); Chellie Phillips, South Alabama Electric Cooperative; Andrea Christoffer, Federated REA (MN); Shana Holsteen, KEC; Lydia Walters, South Mississippi Electric; Rodney Christopher, Central Georgia EMC; Kristin Kelly, Powder River (WY); Lisa Hooker, South Central Power (OH); Susan Johnson, NRECA; Kathy Morrow, Choctawhatchee Electric (FL); Mary Ann Harden, CFC; Tom Spurgeon, Heartland; and Basil Lefchick, NRECA.

KEC Hosts NRECA Residential Energy Audit Course

24 cooperative employees from Arkansas, Arizona, Iowa, Kansas, and South Dakota attended the NRECA Residential Energy Auditing Course, Aug. 29-31, at KEC's headquarters.

The 2½-day course was facilitated by Jim Heritage, CEM®, ICC Certified Mechanical Inspector. He taught the attendees the appropriate protocol in

performing residential audits.

The course taught an understanding of insulation and water heating, energy terms and formulas, and how to dissect a residential member's bill into base and weather-related load. The attendees also learned to complete both an energy audit report and an energy savings calculations for HVAC.

RuralPower

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

Electronic Edition

Rural Power is published every three weeks on Fridays. This electronic version is provided to you as a service of KEC. If you would like to receive personal e-mail notice of this publication in electronic format or discontinue such notice, please e-mail sholsteen@kec.org.