

40
YEARS



30
YEARS

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MISSION

KMEA provides solutions for reliable and cost effective energy for its members.

VISION

KMEA is committed to adding value and helping our members navigate the rapidly evolving and complex energy industry. Our agency will be engaged and responsive to our members’ needs with innovative solutions. KMEA will be at the forefront of emerging technology and industry developments that could impact our members and their customers.

KMEA is a member driven agency where every employee’s goal is to provide each member with the information, solutions, and services they need. We will maintain a member-centric approach; one of continuous improvement, so that we remain the energy solution provider of choice.



A MESSAGE FROM KMEA'S PRESIDENT AND GENERAL MANAGER

GREG DUMARS AND PAUL MAHLBERG



2020 marks the 40th anniversary of Kansas Municipal Energy Agency. In 1980, twenty-one cities pooled together in order to acquire reliable and economical power supplies. Our core mission of reliable and cost-effective energy still exists today for over 80 members. We have seen many successes over the past 40 years, but 2020 might be one of the most exciting years to date.

"Flatten the curve" - "social distancing" - "zoom meeting" - "you're on mute" are phrases that we all learned due to the COVID-19 pandemic that hit the world in 2020. The pandemic challenged each and every one of us in our professional lives as well as our personal lives. This was no different for our Agency but contrary to "flatten the curve", the Agency was able to "expand the curve" during 2020.

In response to a membership survey in 2019, the Agency acted on the message that its members were looking for new and expanded services in the areas of distribution system maintenance, substation maintenance, and engineering and project management.

On May 1, the Agency started up its first electric line crew in the City of Dighton to provide operation and maintenance services for the City's electric system. KMEA now employs two journeyman lineworkers to provide this service to the City of Dighton. In addition, six other cities in western Kansas have signed agreements to utilize the KMEA crew in times of need and assistance with their own systems. Lineworker services has been a growing need within the membership and KMEA is ready to step in and assist as needed and current talks are underway to expand this type of service into other parts of the State.

During 2020, KMEA purchased the assets of Mid-States Energy Works, Inc. - a small engineering company located in Salina that provides engineering, testing, troubleshooting, fabrication and installation of electrical equipment and control that has provided these services to many of members for decades. Months and months of planning, due diligence, analysis, and negotiations of the parties culminated in the proposed purchase being presented to the full membership for vote in April 2020. After a nearly unanimous vote of approval, the transaction was completed on July 1. The Agency now can provide engineering and construction services to the membership with a member-driven focus and the possibility of expansion into new areas.

2020 also brought further expansion of our EMP groups. On June 1, 2020, six cities (Arma, Blue Mound, Chetopa, La Harpe, Lindsborg and Moran) began taking power supply and energy management services from KMEA under the EMP3 group. The EMP groups have grown substantially over the past number of years and now 41 members are part of the three EMP groups. Two additional cities (Herington and Oberlin) will be added in 2022 as well.

We continue to face the challenges of the ever-changing dynamics of the pandemic as well as the February 2021 winter storm that financially impacted KMEA and a number of our members. But despite these challenges and the successes over the past year, we feel that the Agency is in a great position to continue to provide for the needs of our members for the next 40 years.


GREG DUMARS
KMEA PRESIDENT


PAUL MAHLBERG
KMEA GENERAL MANAGER

ALMA

1. Michael Slobodnik
2. Trent Viergever
- A.

ALTAMONT

1. Audree Aguilera
2. Brad Myers
- A.

ANTHONY

1. Larry Berry
2. Cyndra Kastens
- A.

ARCADIA

- 1.
- 2.
- A.

ARMA

1. Rob Lessen
2. Mary Lou Peace
- A. Dick Cleland

ASHLAND

1. Brandon Bates
2. Doug Roberts
- A. Rock Hill

AUGUSTA

1. Jim Sutton
2. Tim Johnson
- A. Josh Shaw

BALDWIN CITY

1. Brian Cramer
2. Glenn Rodden
- A. Rob Culley

BELLEVILLE

1. Adam Anderson
2. Russ Piroutek
- A. Brian Phillips

BELOIT

1. Jason Rabe
2. Manny Milbers
- A. Steven Krier

BLUE MOUND

1. Max Krull
2. Donnie Rhyneron
- A. Byron Coates

BURLINGAME

1. Wesley Colson
2. David PUNCHES
- A. Patty Atchison

BURLINGTON

1. Alan Schneider
2. R. Standley Luke
- A.

CAWKER CITY

1. Lisha Wiese
2. Drew Duskie
- A. Doug Bader

CENTRALIA

1. Jay Gibbs
2. Kelli Holthaus
- A. Dustin Walters

CHANUTE

1. Brandon Westerman
2. Mike Finley
- A. Todd Newman

CHAPMAN

1. John Dudte
- 2.
- A. Tim Jury

CHETOPA

1. Gary Bryant
2. Debra Darnell
- A. Toni Crumrine

CIMARRON

1. Jeff Acton
2. Shannon Hoskinson
- A.

COFFEYVILLE

1. Mark Hall
2. Mike Shook
- A. Tony Lawson

COLBY

1. Patt Mallory
2. Tyson McGreer
- A. Gary Adrian

DIGHTON

1. Craig Collins
2. Matthew McClure
- A. Austin Bretz

ENTERPRISE

1. Paul Froelich
2. Deana Payne
- A. Jeff Meahl

ERIE

1. Darrell Bauer
2. Jason Thompson
- A.

EUDORA

1. Branden Boyd
2. James Eldon Brown
- A. Mark Landry

FREDONIA

1. Carolyn Anderson
2. Jordan Lawrence
- A. Bill Jones

GARDEN CITY

1. Mike Muirhead
2. Jennifer Cunningham
- A. Kent Pottorf

GARDNER

1. Matt Ponzer
2. Gonzalo Garcia
- A. Bruce Baldwin

GARNETT

1. Christopher Weiner
2. Robert Mills
- A. Troy Hart

GIRARD

- 1.
2. Clifford Scales
- A. Johanna Winter

GLASCO

1. Edward Bellows
2. Mike Dove
- A.

GLEN ELDER

1. Jerri Senger
2. Eldon Behymer
- A. Ryan Duskie

GOODLAND

1. Dustin Bedore
2. Andrew Finzen
- A. Chris Douglass

HERINGTON

1. David Kahle
2. Branden Dross
- A. Curtis Hartman

HILL CITY

1. Scott Roberts
2. Dennis Mersch
- A. Greg Deines

HOISINGTON

1. Jonathan Mitchell
2. Cecelia Conrad
- A. Ray Byers

HOLTON

1. Kerwin McKee
2. Ira Harrison
- A. Scott Fredrickson

HORTON

1. Wade Edwards
2. Bryan Stirton
- A. Rex West

HUGOTON

1. Logan Frederick
2. Charlie Wagner
- A. Thomas Frederick

IOLA

1. Mike Phillips
2. Charles Heffern
- A. Corey Schinstock

JETMORE

1. Michael Ort
2. Derek Olson
- A. Brian Beil

JOHNSON CITY

1. Tyce McMillan
2. Seth Nelson
- A. Bret Kendrick

KANSAS CITY BPU

1. Dong Quach
2. Jerry Ohmes, Sr.
- A. Jerin Purtee

KIOWA

- 1.
2. John Duvall
- A. Bill Watson

LA CROSSE

1. Duane Moeder
2. Matt Mongeau
- A. Rollie Holopirek

LA HARPE

1. Sharlyn Thompson
2. Ron Knavel
- A.

LAKIN

1. Robbie McCombs
2. Kevin Fearn
- A. Amanda Riedl

LARNED

1. Bradley Eilts
2. Ralph Streit
- A. Harry Zielke

1. Director No. 1
2. Director No. 2
- A. Alternate

LINCOLN CENTER

1. Elijah Keever
 2. Jeff Ahring
- A. Melodee Larsen

LINDSBORG

1. Gregory DuMars
 2. Lucas Neece
- A. Becky Anderson

MANKATO

- 1.
 2. Barry Parsons
- A. Hunter Kohler

MEADE

1. Brian Kroth
 2. J.D. Hegwood
- A. Dean Cordes

MONTEZUMA

1. Dwight Watson
 2. DJ Koehn
- A. Chris Olsen

MORAN

1. William Bigelow
 2. Kristofor Smith
- A. Corliss Lynes

MORRILL

1. Roger Price
 2. Todd Gruber
- A. Kevin Wikle

MOUNDRIDGE

1. Kevin Schmidt
 2. Jeremy Moore
- A.

NEODESHA

1. Brandon Hearn
 2. Ed Truelove
- A. Stephanie Fyfe

NORTON

1. James Moreau
 2. Jerry Jones
- A. Dan Sisk

OBERLIN

1. Halley Roberson
 2. Garret McDougal
- A. David Sporn

OSAGE CITY

1. Rod Willis
 - 2.
- A. Eric Heiserman

OSAWATOMIE

1. Terry Upshaw
 2. Jason Folsom
- A. L. Mark Govea

OSBORNE

- 1.
 2. Ronald Lynn, Jr.
- A. Eric Standley

OTTAWA

1. Sara Caylor
 2. Dennis Sharp
- A. Jeff Oleson

POMONA

1. Dean Wineinger
 - 2.
- A.

PRATT

1. Bruce Pinkall
 2. Jamie Huber
- A. Evan Hance

PRESCOTT

1. Rolland Grigsby
 2. Kevin Wood
- A. Kathy Wood

ROBINSON

1. Mark Lieneman
 2. Steve Brown
- A. David Taylor

RUSSELL

1. Jon Quinday
 2. Duane Banks
- A. Jim Cross

ST. FRANCIS

1. Scott Schultz
 2. JR Landenberger
- A. Kale Dankenbring

ST. JOHN

1. Jeff Williamson
 2. Marshal Sanders
- A.

SENECA

1. Jim Mitchell
 2. Matt Rehder
- A. Bruce Deters

SHARON SPRINGS

1. Brad Hatfield
 2. Will Walker
- A. Patrick Gibbs

STAFFORD

- 1.
 - 2.
- A.

STERLING

1. John Wagerle
 2. Craig Crossette
- A. David Fankhauser

STOCKTON

1. Jeff Scott
 2. Courtney Flower
- A. Robert Becker

TROY

1. William Ruhnke
 2. Tim Hanlan
- A. Sarah Boeh-Cerra

WAMEGO

1. Stacie Eichem
 2. Casey Frisbie
- A.

WASHINGTON

1. Richard Applegarth
 2. Don Imhoff
- A. Carl Chalfant

WELLINGTON

1. Jason Newberry
 2. Roger Estes
- A. Shane Shields

WINFIELD

1. Gus Collins
 2. Taggart Wall
- A. Gregory Thompson



KMEA MEMBER CITIES SUMMARY

City	Population	kWhs Sold	Peak kW
Alma	895	12,035,662	3,197
Altamont	1,080	7,295,265	2,300
Anthony	2,200	34,188,955	7,617
Arcadia	310	1,200,000	300
Arma	1,487	8,743,512	3,100
Ashland	867	12,556,811	4,217
Augusta	9,400	60,312,447	20,660
Baldwin City	4,726	30,918,738	9,200
Belleville	1,991	20,071,051	5,725
Beloit	3,835	40,890,905	12,028
Blue Mound	270	1,818,590	400
Burlingame	950	7,652,758	2,400
Burlington	2,558	30,154,554	8,092
Cawker City	426	6,377,220	1,311
Centrallia	500	3,678,420	1,037
Chanute	9,018	279,855,708	53,200
Chapman	1,500	10,635,392	3,400
Chetopa	1,125	7,744,114	2,315
Cimarron	2,242	15,117,576	5,137
Coffeyville	9,366	768,171,175	109,149
Colby	5,464	57,989,256	15,800
Dighton	1,038	8,412,131	2,593
Enterprise	900	4,246,018	1,462
Erie	1,150	9,224,232	3,360
Eudora	6,600	39,153,283	11,540
Fredonia	2,163	25,807,013	7,630
Garden City	31,290	282,552,667	69,000
Gardner	23,500	147,685,890	37,800
Garnett	3,234	27,751,147	8,500
Girard	2,789	28,237,692	8,600
Glasco	459	3,079,842	1,009
Glen Elder	431	3,808,403	1,147
Goodland	4,315	51,659,659	12,600
Herington	2,526	20,024,003	5,760
Hill City	1,457	13,522,111	4,316
Hoisington	2,706	19,785,417	6,017
Holton	3,390	44,368,575	11,500
Horton	1,600	14,116,852	3,500
Hugoton	4,067	37,609,351	10,818
Iola	5,134	92,622,583	22,715

City	Population	kWhs Sold	Peak kW
Jetmore	830	7,821,618	3,100
Johnson City	1,328	15,916,546	4,108
KCBPU	153,000	2,021,885,699	443,000
Kiowa	965	10,349,463	3,159
La Crosse	1,300	11,427,644	3,700
La Harpe	528	2,837,819	800
Lakin	2,181	15,954,180	4,536
Larned	4,236	36,754,734	10,855
Lincoln Center	1,202	11,197,705	3,681
Lindsborg	3,309	26,359,378	8,100
Mankato	816	7,492,147	2,268
Meade	1,523	13,933,954	4,747
Montezuma	996	11,058,566	1,169
Moran	514	4,144,767	1,100
Morrill	225	1,022,152	326
Moundridge	1,850	29,701,354	7,430
Neodesha	2,400	35,442,750	11,000
Norton	2,722	22,702,138	7,274
Oberlin	1,850	14,360,568	4,691
Osage City	2,808	31,888,542	7,800
Osawatimie	4,483	28,277,049	8,000
Osborne	1,291	13,452,753	3,850
Ottawa	12,254	150,828,301	34,700
Pomona	850	6,949,268	2,000
Pratt	6,703	75,499,069	21,464
Prescott	262	1,143,124	400
Robinson	229	1,017,590	335
Russell	4,503	106,637,648	22,270
St. Francis	1,421	10,780,748	3,518
St. John	1,200	9,836,937	3,201
Seneca	2,000	32,951,105	8,700
Sharon Springs	764	7,357,417	2,323
Stafford	1,002	8,183,431	2,739
Sterling	2,528	19,596,168	6,280
Stockton	1,200	12,665,995	3,640
Troy	1,010	6,468,993	1,893
Wamego	4,930	45,910,330	12,500
Washington	1,087	11,252,049	3,277
Wellington	7,662	91,095,676	27,313
Winfield	12,057	285,344,000	59,800

Combined City Data	410,978	5,548,574,353	1,261,499
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KMEA FINANCIALS

CONDENSED STATEMENT OF NET POSITION (IN THOUSANDS)

DECEMBER 31	2020	2019	2018
Assets And Deferred Outflows			
Utility plant, net	\$1,204	\$805	\$816
Restricted funds	11,164	11,138	10,943
Current assets	16,445	14,283	14,603
Noncurrent assets	65,600	67,215	69,249
Deferred outflows of resources	613	295	361
Total Assets And Deferred Outflows	95,026	93,736	95,972
Liabilities And Deferred Inflows			
Long-term obligations, less current portion	72,499	73,977	76,051
Current liabilities	18,325	16,017	17,867
Deferred inflows of resources	66	79	81
Total Liabilities And Deferred Inflows	90,890	90,073	93,999
Ending Net Position	\$4,136	\$3,663	\$1,973

*Information taken from Table 1, page 7 of KMEA Audited Financial Statements December 31, 2020. You can find the complete Audit Report at www.kmea.com.

CONDENSED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (IN THOUSANDS)

DECEMBER 31	2020	2019	2018
Revenues			
Operating revenues	\$80,090	\$75,374	\$91,284
Interest on investments	3,610	3,706	3,384
Other revenues	-	-	626
Total Revenues	83,700	79,080	95,294
Expenses			
Purchased power	65,048	63,990	83,676
Other expenses	18,590	15,064	12,047
Total Expenses	83,638	79,054	95,723
Change In Net Position	62	26	(429)
Net Position - Beginning Of Year	1,999	1,973	2,402
Net Position- End Of Year	\$2,061	\$1,999	\$1,973

*Information taken from Table 2, page 8 of KMEA Audited Financial Statements December 31, 2020. You can find the complete Audit Report at www.kmea.com.

KMEA LINEMAN SERVICES PROGRAM

In 2020, KMEA partnered with a member municipal electric community – the City of Dighton – which was open to the joint action agency providing electric system maintenance. Under the two-year agreement, KMEA provides the labor for the operation and maintenance of the city's distribution system. The service includes preventative maintenance, repair, equipment testing and repair, connection and disconnection services, tree trimming, and streetlight maintenance.

The city had contracted for line maintenance service for over twenty years with the local rural electric cooperative and felt it was the right time to make a change. “We are excited about the new agreement with KMEA and believe this partnership with KMEA will provide us more control and involvement in maintenance and health of our electric system,” said Dighton's Mayor Doyle Capra.



KMEA had been exploring providing these services to its members over the last several years, and the City of Dighton was the first member to receive the new services.

KMEA began providing maintenance of the city's electric system May 1, 2020, but due to the ongoing COVID-19 outbreak, KMEA's ability to have its line crew in place was delayed until May 26th. In the meantime, the cities of Garden City and Russell stepped up and supported the City of Dighton with equipment and crews. The crew hired is available to assist other member systems along with the Mid-States staff.

“We are excited that the city was willing to step out and allow KMEA to help them with regard to their system,” stated KMEA President, Mike Muirhead. “One of the top needs identified through a 2019 survey of our membership was line maintenance services. This is the kick-start that was needed for us to begin providing these services to our membership and we hope to expand to other parts of the State in the future.”

“If the small municipal systems are to continue to provide their citizens with a reliable and competitively priced source of electric energy, they must continue to work together in search of common goals that will successfully perpetuate them into the 21st century.”

Max H. Embree, 1989

1977 Senate Bill 152 paves way for cities to create energy agency to secure economical, reliable energy. NWKMEA (Northwest Kansas Municipal Energy Agency) is formed.

1980

- Two groups join to form KMEA with 21 members; headquartered in Hays. Gil Hansen becomes first General Manager with a staff of 2 people.



1982

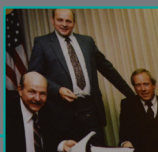
- KMEA negotiates Northwest Cities Project, a five-year agreement with Sunflower for 4 MW base load power.

KMEA and 6 cities sign on for Nearman Project.



1983

- The Agency moves to Mission, KS.
- Participating cities begin receiving power from Nearman and NW Cities Projects.
- KMEA negotiates with SWPA to create a power pool, bringing 11.2 MW of peak hydropower to 25 cities.



1984



- KMEA Officers:
Richard Talley, Vice-President
Max Embree, Secretary/Treasurer
John Elder, President
- KMEA begins offering rate studies, cost of service analysis and power plant and distribution evaluations.

1985

- Staff works with WAPA to bring federal hydro resources into Kansas. 46 eligible cities submit applications for allocations of power and energy.

1986

- Nearman Project: 6 Cities
- Northwest Cities Project: 3 Cities
- Interconnection Project No. 1: 5 Cities
- Interconnection Project No. 2: 1 City
- SWPA Hydro Power Pool: 24 Cities



MID-STATES

ACQUISITION AND ACCOMPLISHMENTS IN 2020

In response to the strategic planning effort in 2019, KMEA got the message that its members were looking for new and expanded services in the areas of distribution system maintenance, substation maintenance, and engineering and project management.

To deliver on that message, KMEA approached the engineering firm of Mid-States Energy Works about the acquisition of the company, and on July 1, 2020 KMEA officially purchased the assets of Mid-States Energy Works.

Since the acquisition, KMEA Mid-States has had a busy year. Mid-States completed a large project in Anthony late in the year and started two additional large projects during the year.

The Anthony project consisted of installing an additional 14MVA 138kV to 24.5kV transformer and expanding the substation. The additional equipment installed would allow Anthony to take another circuit out of their tie substation and serve a Magellan Pipeline pump station with two 5,000 horsepower motors. The project started after January and was completed in December.

The City of Moundridge project began in late 2019 with a projected completion date of May 2021. The project consisted of 3 ¼ miles of 115kV transmission line from an Everygy substation and tied to a new substation currently under construction. The substation consists of a 14MVA transformer and a plan to be able to take several circuits out to serve the city. The city has been served by McPherson BPU over a 12 mile 34.5kV line. The new service will not only reduce the city's power cost but will provide for greater reliability.

The City of Arma purchased their substation from Everygy and construction began on a new tie substation with three single phase transformers and greatly upgraded facilities and equipment. This project should be wrapped up in the fall of 2021.

KMEA Mid-States is also constructing a new substation for the City of Sterling. This will allow the city to divide up their system as their current transformer was up against its maximum capacity. This project is scheduled to be completed in the fall of 2021.



1987

KMEA signs 15-year contract with Western Area Power Administration (WAPA) and creates pool to allocate hydropower for 39 member cities.

1988

In response to KMEA's request, 1988 state legislature amends statutes authorizing municipal energy agencies. KMEA can now review and make changes in the Agency's organizational structure.

1990

• "When Congress passed the Clean Air Act in 1990, KMEA and KMU spent countless hours with Kansas Congressional delegation working to secure exemptions for small municipal systems that saved our cities millions of dollars; without them, many cities simply would not have been able to generate power" *Louis Stroup, KMU*

1992

- KMEA begins to provide more advocacy and advisory services. Utility mergers and acquisitions become more common. KMEA remains vigilant to protect city utilities from buyouts.
- Strategic Planning Committee is formed.

1993

- Infrared camera and load monitor loan program initiated.



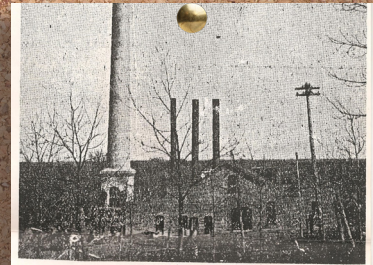
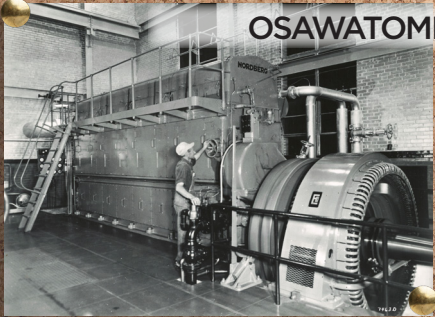
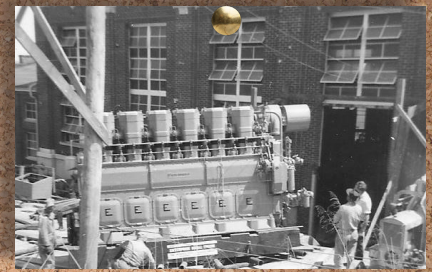
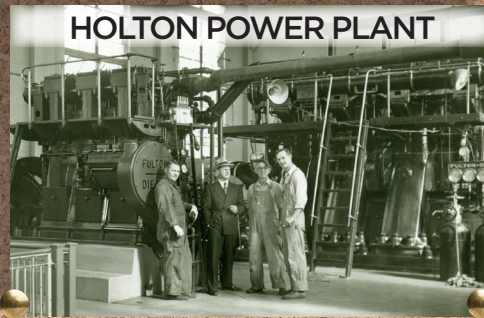
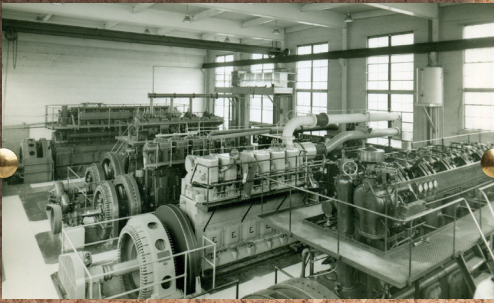
• "While we have seen dramatic changes in the generation markets and transmission access, electric-utility deregulation is just beginning. We still don't know what the industry will look like a decade from now" *Max Embree, KMEA President*

1994

- Nearman contract renegotiated- term extended to 2002 and price reduced.

1996

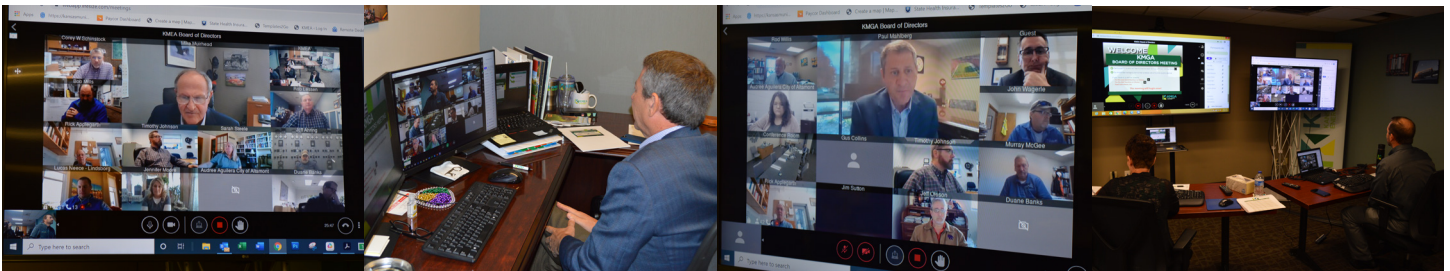
- Electric industry begins to experience changes, such as deregulation, restructuring, open access transmission, competitive generation markets and retail wheeling.



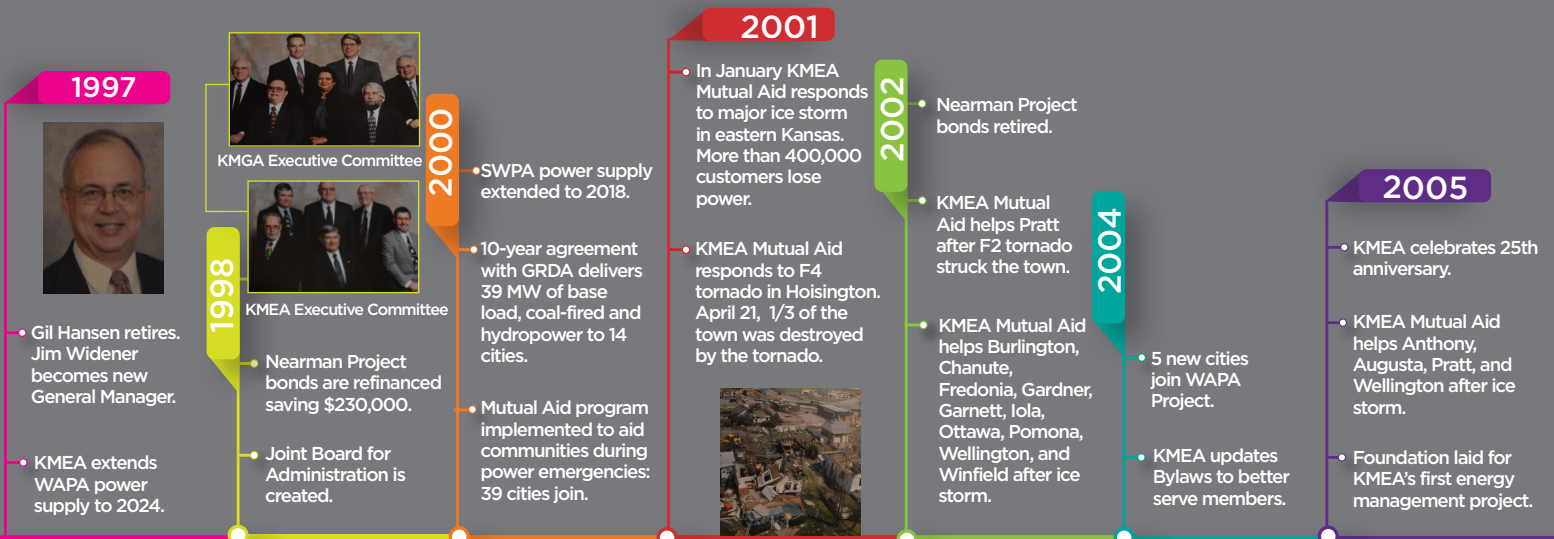
Light Plant Of 1901

This picture of the Holton electric plant was published in July 1901 in the Holton Tribune. The Holton Electric Company was organized in 1895 after a fire had destroyed the boilers and engine of an older company. The plant had a 150-horsepower and a 65-horsepower engine and three generators. The plant served 26 arc lights for street lighting and 1,800 incandescent bulbs in business and homes. Nearing completion when the picture was taken was a large smokestack erected by the Alphons Custodie Chimney Company of Chicago. Three men including plant superintendent Mr. Turner are shown standing at the top of the stack.

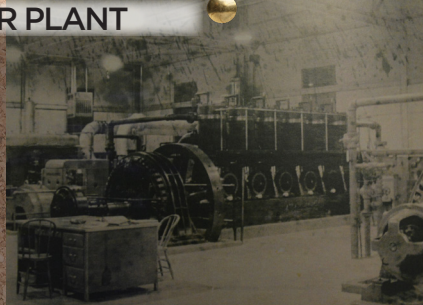
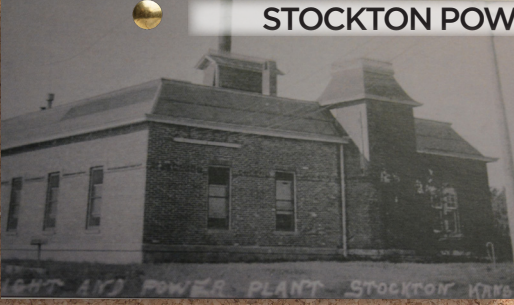
KMEA VIRTUAL BOARD OF DIRECTORS MEETING



The KMEA Board of Directors meeting was conducted virtually for the first time ever on October 29th due to the COVID-19 pandemic. The meeting was well attended by 41 member cities. The 2021 budget was approved and new officers, at-large members and joint board members were elected. Mike Muirhead was recognized for his dedication to KMEA. During his 8-year tenure on the KMEA Executive Committee, he served as an at-large member, secretary/treasurer, vice-president, and president.



STOCKTON POWER PLANT



OTTAWA POWER PLANT DURING FLOOD



NORTON POWER PLANT



COFFEYVILLE ORIGINAL POWER PLANT



RATE STUDIES

KMEA provides a broad range of services when it comes to assisting members with electric retail rates. These services include comprehensive financial reviews, fund balance forecasts, class cost-of-service analysis, retail rate design, special contract/economic development rate design, energy cost adjustment calculations, distributed generation tariffs, and other special tariffs. KMEA began providing these services the second half of 2019 and several members took advantage of these reviews early on. From 2019 through the end of 2020, KMEA has completed financial forecasts/rate studies for Pomona, Chetopa, Moran, LaHarpe, Girard, Robinson, and Altamont. Heading into 2021 we have five more on the calendar!



2006

- EMP1 goes live, giving 5 cities in KCP&L territory the ability to buy and sell power, real-time, on the grid.



2007

- EMP2 is activated for nine cities in Sunflower Electric/MKEC territory.
- Crews from 22 KMEA cities provide trucks, diggers, poles, crossarms, generators, wire and 4,300 man-hours to help Greensburg after massive F5 tornado sweeps through town.



2008

- KMEA purchases office building in Overland Park. Move-in anticipated early summer 2009.

2009

- KMEA secures three-year-load-following agreement with KCP&L for EMP1 cities.
- KMEA negotiates 5 additional MW for KMEA cities from WAPA.
- KMEA establishes G-Map to provide standardized platform for cities to map electric utilities.
- Agreement between KMEA and MKEC provides 30 MW of base load power to EMP2 cities.

2010



- Jim Widener retires. Bob Poehling becomes new General Manager.
- KMEA negotiates contract that adds nine new cities and 21 MW power to GRDA.
- KMEA creates RICE NESHAP program, including interactive web forum, to help cities comply with new EPA emission standards.

2011

- KMEA is awarded \$260,000 in FEMA funding for G-Map project.
- Fiscal Fitness Program launched.

2012

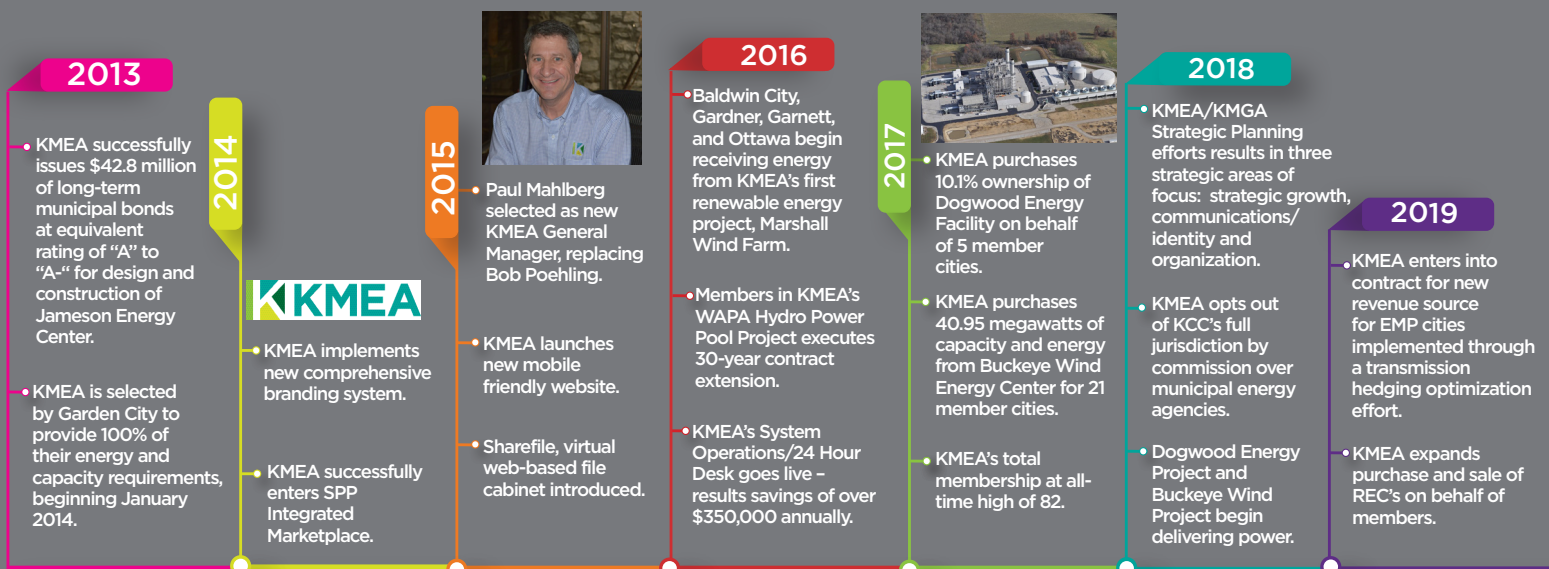
- KMEA officially enters SPP Energy Imbalance Service (EIS) Market
- EMP3 Project established.
- KMEA Mutual Aid Program joins KMU's KSMAP Program.
- Power Supply and Finance Committees established.

- ✓ 41= Number of cities KMEA represents in the SPP Integrated Marketplace
- ✓ \$34,604,311.50= Total cost of energy for load with ancillary services
- ✓ \$23.91= Average \$/MWh cost of energy for load with ancillary services
- ✓ \$1.517/MWh= Net benefit to cities from day-ahead congestion and congestion hedges
- ✓ 37,779= Miles travelled visiting member cities, attending meetings and conferences
- ✓ 51= Member cities KMEA/KMGA staff visited



Thank You 🙌

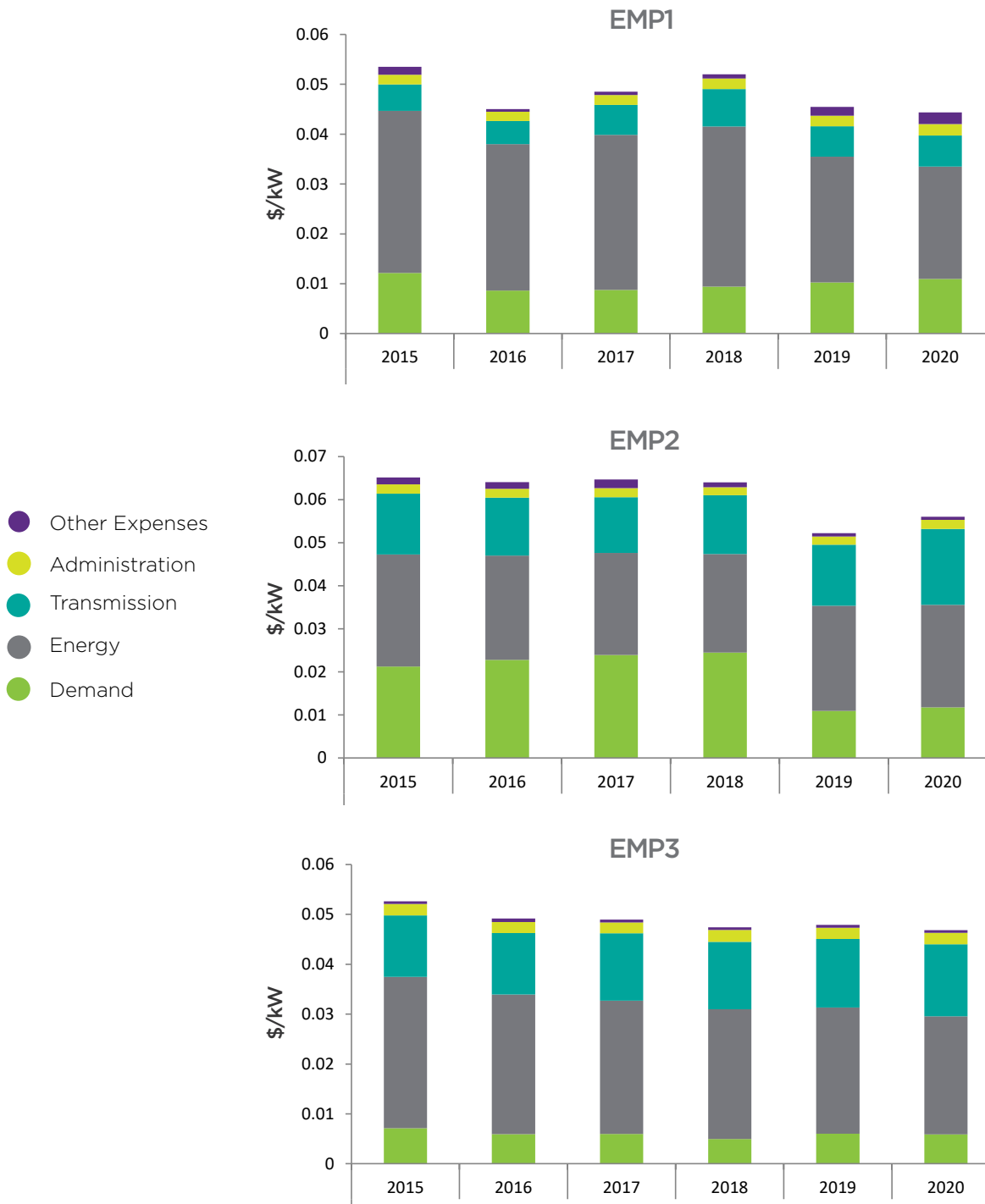
KMEA would like to express our sincere appreciation to **Harry Zielke**, former councilmember for the City of Larned and retired pharmacist, for his many years of dedication and support to our agency. Harry is the only person to have served on the KMEA Board of Directors since its inception. During his tenure, he served in various capacities on the KMEA Executive Committee. He served as an at-large member from 1988-1992 and 2005-2012, secretary/treasurer in 1993, vice-president from 1994-2001 and 2003-2004, and president in 2002. Throughout the years, Harry's behind-the-scenes work has been integral to the important advances KMEA has made to provide our member communities the information, solutions, and services they need to navigate today's rapidly evolving and complex energy industry.



KMEA MARKET REVIEW

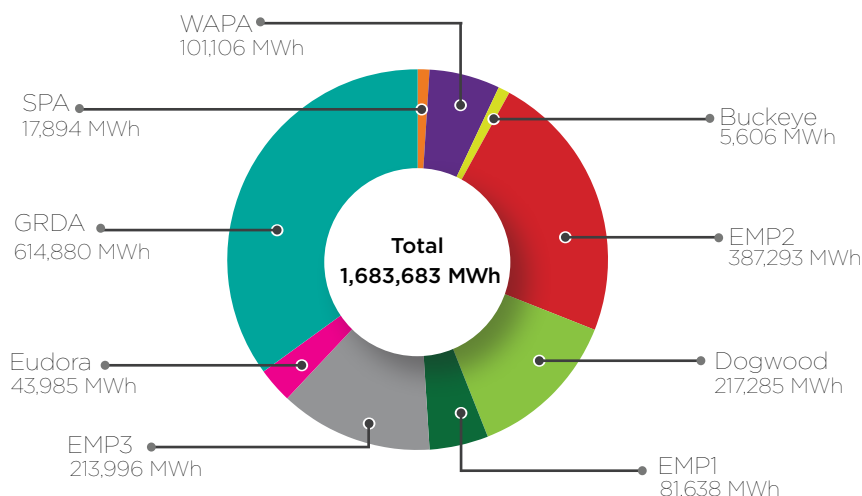
Energy Management Projects or EMPs are load and capacity aggregations of KMEA members. In 2020, EMP1, EMP2, and EMP3 had summer peaks of 100, 153 and 94 MW's respectively. Each city within the EMPs have their own unique portfolio of energy and capacity resources. However, many have similar resources that are contracted in aggregate due to timing and economic reasons. The EMPs all have overall costs that have been trending down. There are many factors that have contributed to the downward trend, including lower energy prices, greater leveraging of internal generation resources, and the building or acquisition of distribution access resources.

HISTORICAL POWER SUPPLY COST BREAKDOWN BY EMP



KMEA PROJECTS AND RESOURCES

2020 PROJECT MEGAWATT-HOURS



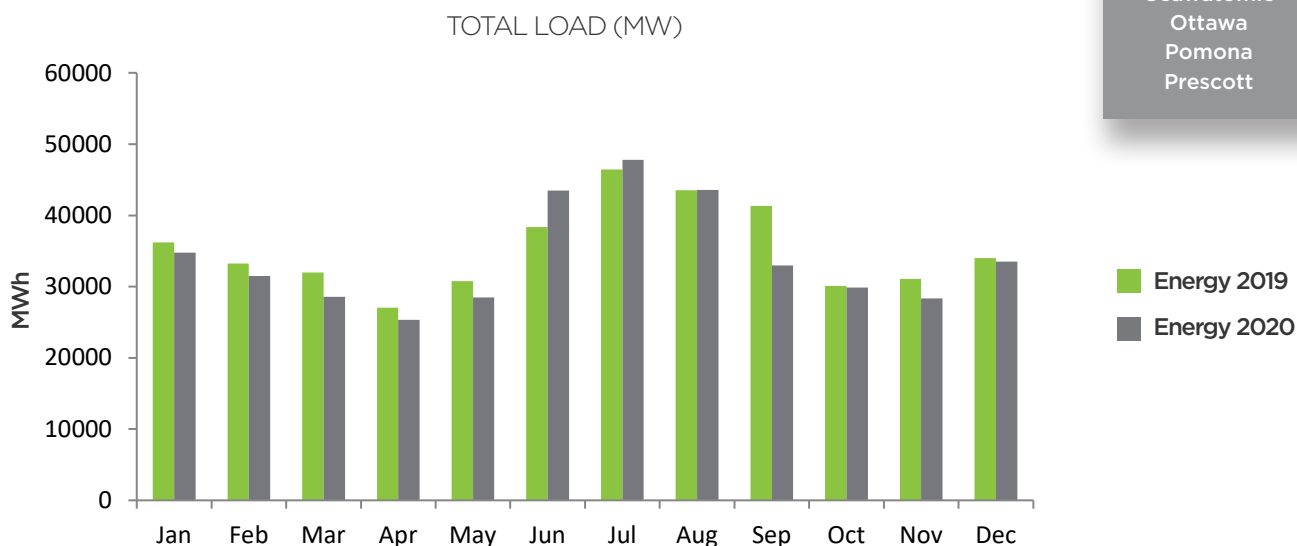
KMEA actively seeks power marketing arrangements that match member cities' short and long-term power supply and capacity needs with power supply alternatives. KMEA member cities benefit from a broad range of supply options and competitive supplier pricing because of the larger market presence that the joint action approach brings. KMEA has championed multiple energy and capacity sales between cities, providing them with opportunities to optimize their resources. Additionally, KMEA has enabling agreements in place with multiple suppliers allowing us to more quickly evaluate and act on proposals. KMEA, along with member cities, have developed strategies to best utilize transmission rights.

ENERGY MANAGEMENT PROJECTS

Energy Management Projects (EMPs) were created to build governance structures and establish common reliability with metering standards. They share capacity and exchange energy at agreed upon pricing, while jointly planning future electric power supplies. EMPs utilize KMEA operations central dispatch center. Under the EMP agreements, project cities' loads are forecasted and aggregated to a single load which is then submitted to the Southwest Power Pool (SPP) for clearing in the Integrated Marketplace (IM). Additionally, each city's resources, whether contracted or generation, are scheduled or offered in the IM. KMEA also manages transmission congestion hedges as specified by protocols developed by each EMP group.

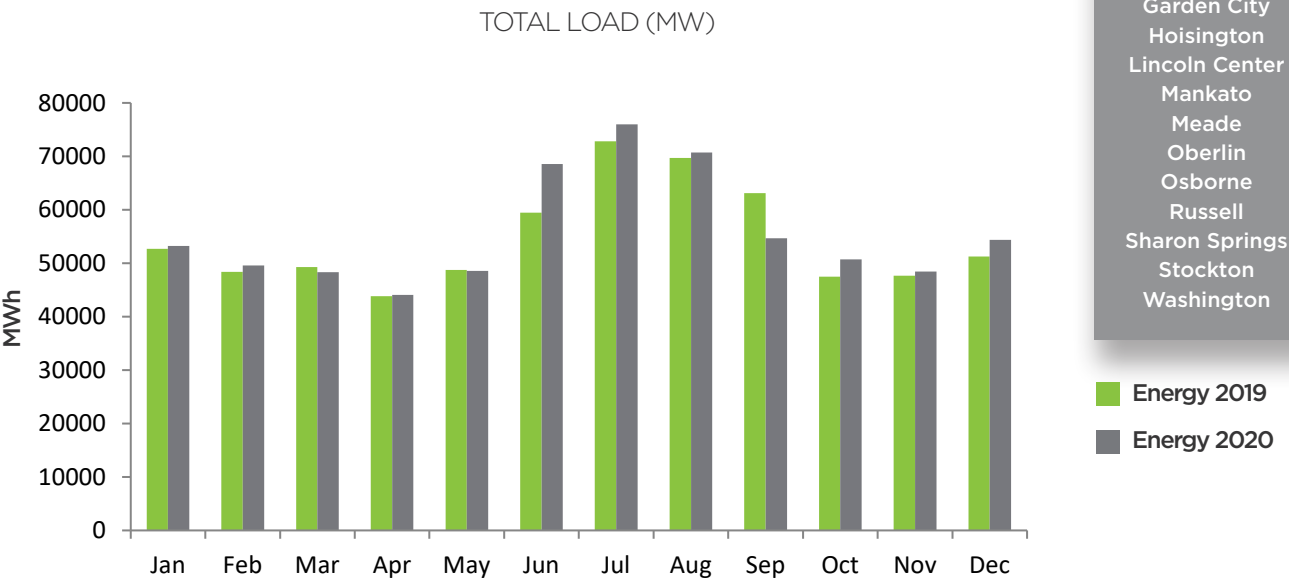
ENERGY MANAGEMENT PROJECT NO.1 (EMP1)

EMP1 began delivering electricity on June 1, 2006 to five cities. The City of Pomona joined in 2015 and the City of Prescott joined in 2017.



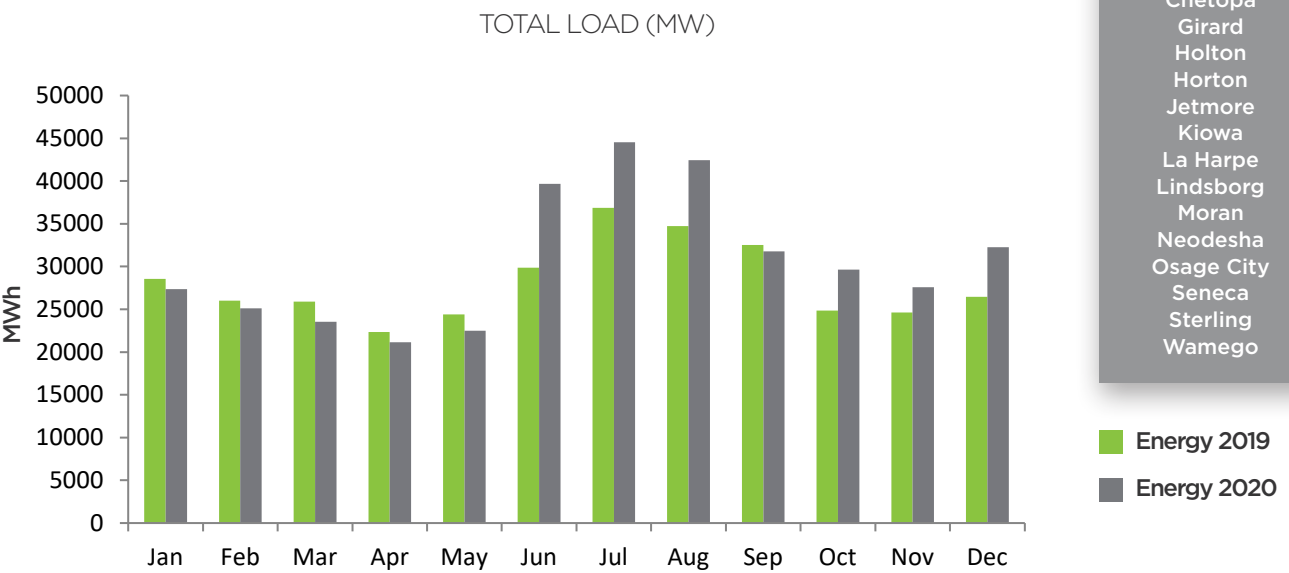
ENERGY MANAGEMENT PROJECT NO.2 (EMP2)

EMP2 began delivering electricity on November 1, 2007 to nine cities. Additionally, Anthony, Cimarron, Garden City, Mankato, Meade, and Oberlin have joined since EMP2's inception. The City of Oberlin will start to take power on January of 2022.



ENERGY MANAGEMENT PROJECT NO.3 (EMP3)

EMP3 began delivering electricity to its first ten participating cities in May 2013. Altamont, Arma, Blue Mound, Chetopa, Jetmore, Kiowa, La Harpe, Lindsborg, and Moran have since joined.

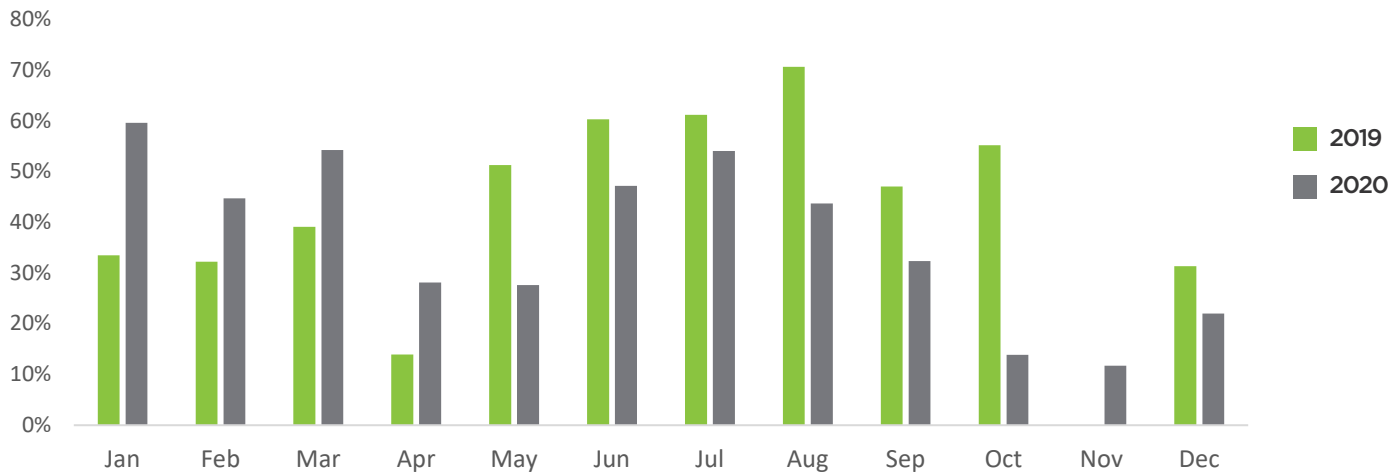


DOGWOOD PROJECT

On July 19, 2017, KMEA entered into an asset purchase agreement with Dogwood Energy LLC for the purchase of a 10.1% ownership interest (approximately 62 megawatts) in the Dogwood Energy facility on behalf of five member cities. Dogwood is a 650 MW, natural gas fired, combined-cycle facility located in Pleasant Hill, Missouri. Through this arrangement five cities were able to join forces to secure a life-of-unit, reliable and economic power supply resource for each of their communities. The project began providing energy to the five cities on March 30, 2018.

- Garden City
- Gardner
- Lindsborg
- Ottawa
- Russell

CAPACITY FACTOR BY MONTH

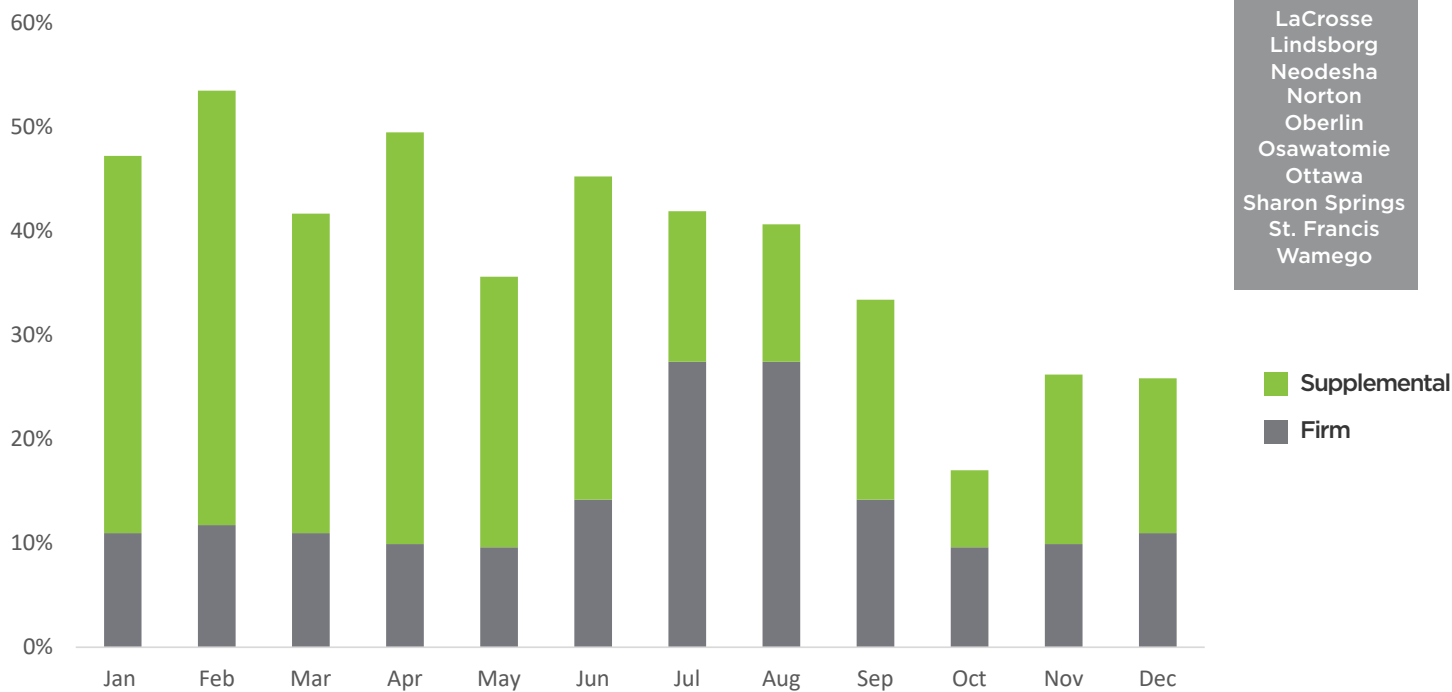


SOUTHWESTERN POWER ADMINISTRATION (SPA)

In 1983 KMEA and the Southwestern Power Administration (SPA) entered into a contract where the participant cities would take their individual entitlements to federal hydroelectric power, totaling 11.2 MW. In 2019 the project participants, KMEA, and SPA extended the contract through 2034. SPA also provides low-cost supplemental energy when favorable water conditions exist at its hydroelectric facilities.

- Anthony
- Baldwin City
- Colby
- Garnett
- Herington
- Holton
- Horton
- LaCrosse
- Lindsborg
- Neodesha
- Norton
- Oberlin
- Osawatomie
- Ottawa
- Sharon Springs
- St. Francis
- Wamego

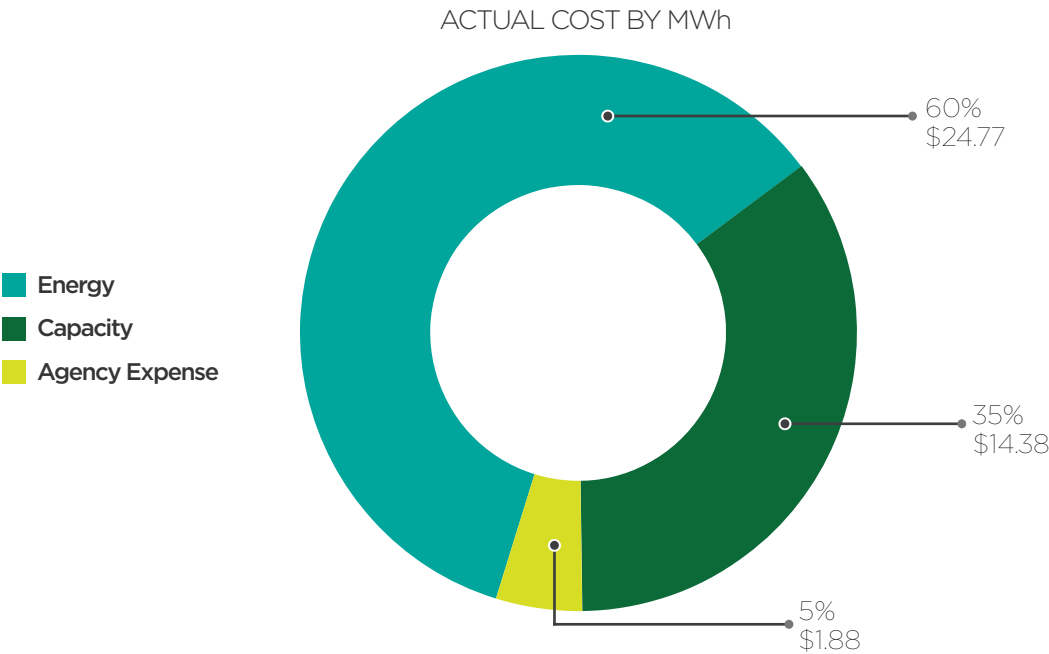
2020 CAPACITY FACTOR BY MONTH



GRAND RIVER DAM AUTHORITY (GRDA)

On January 19, 2000, KMEA and the Grand River Dam Authority (GRDA) entered into a 10-year power purchase agreement (PPA) for 39 MWs. The agreement consists of base load capacity and energy, which is delivered on long-term, firm transmission. In 2005 the agreement was extended to April 30, 2026, and the amount increased to 84 MWs in order to facilitate the addition of eight KMEA member cities.

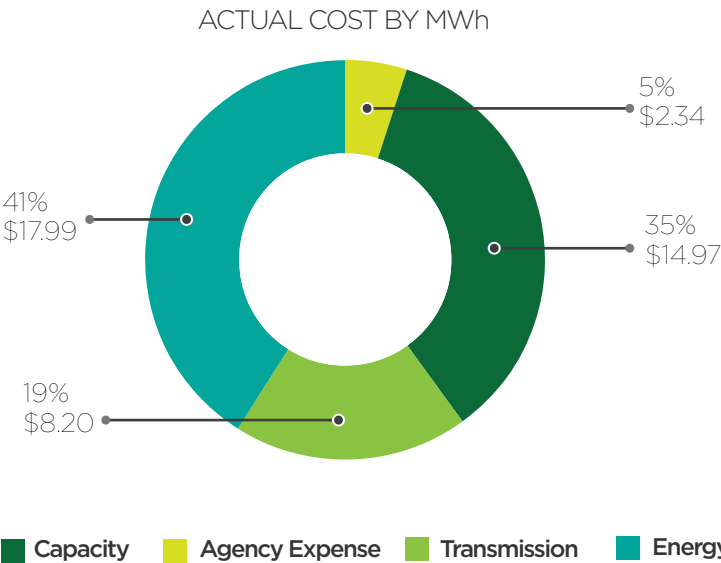
- Ashland
- Augusta
- Baldwin City
- Beloit
- Ellinwood
- Erie
- Fredonia
- Gardner
- Garnett
- Girard
- Hoisington
- Holton
- Horton
- Larned
- Lincoln Center
- Neodesha
- Osage City
- Osawatomie
- Osborne
- Ottawa
- Pratt
- Russell
- Sharon Springs
- Sterling
- Stockton
- Wamego
- Washington
- Wellington
- Winfield



WESTERN AREA POWER ADMINISTRATION (WAPA)

- Arcadia
 - Arma
 - Ashland
 - Baldwin City
 - Belleville
 - Beloit
 - Burlingame
 - Cawker City
 - Centralia
 - Chapman
 - Cimarron
 - Colby
 - Enterprise
 - Eudora
 - Garden City
 - Gardner
 - Garnett
 - Glen Elder
 - Goodland
 - Herington
 - Hill City
 - Holton
- Horton
 - Jetmore
 - Lakin
 - Lincoln Center
 - Lindsborg
 - Mankato
 - Meade
 - Norton
 - Oberlin
 - Osage City
 - Osawatomie
 - Osborne
 - Ottawa
 - Pomona
 - Russell
 - St. Francis
 - Seneca
 - Sharon Springs
 - Stockton
 - Troy
 - Wamego
 - Washington

Under contracts with the Western Area Power Administration (WAPA), forty-four project participants are entitled to firm hydroelectric capacity totaling 32.9 MW in the summer and 28.3 MW in the winter, with associated energy of 101,105 MWh annually. WAPA energy is scheduled to enable the participating cities to avoid demand charges and replace high-cost, peak-hour energy. In 1997 the WAPA power supply agreement was extended by twenty years through 2024. In 2016 the WAPA agreement was again extended through 2054.



MARSHALL WIND

KMEA entered into a 20-year power purchase agreement with Marshall Wind Energy LLC on February 2, 2016. The wind farm is located in Marshall County, Kansas, and has an installed capacity of 72 MW. KMEA's first renewable wind energy resource, Marshall Wind provides renewable energy to four EMP1 Cities. The facility began providing power to KMEA members on March 22, 2016. In 2020 total energy delivered to the participating cities was 25,800 MWh.

Baldwin City
Gardner
Garnett
Ottawa

BUCKEYE WIND

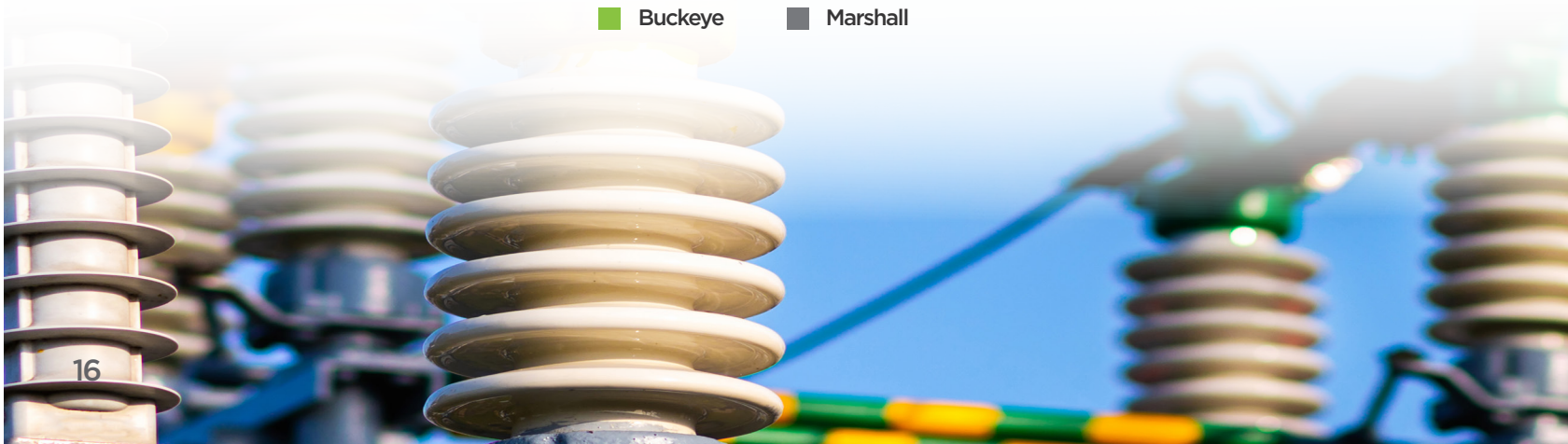
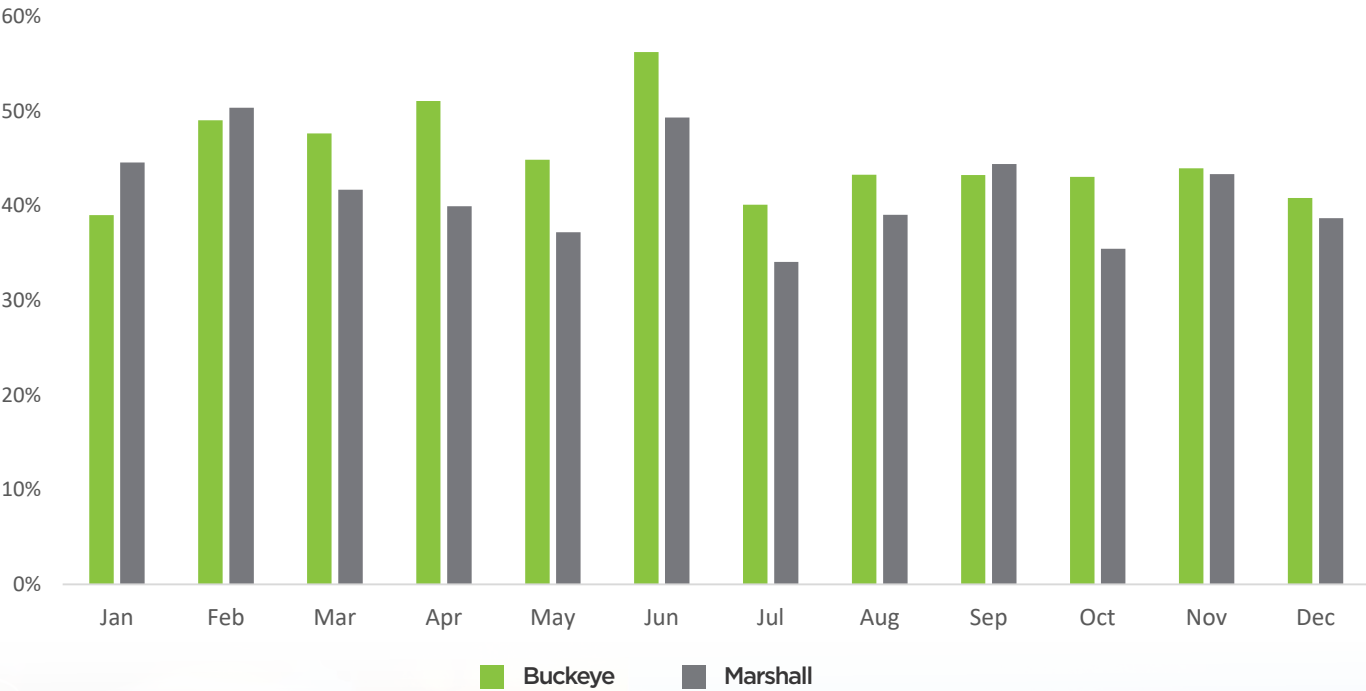
On November 22, 2017, KMEA entered into a 15-year power purchase agreement with Buckeye Wind Energy LLC. The wind farm is located in Ellis County, Kansas, and has an installed capacity of 200 MW. Twenty-three of our members are participating in this long-term, economical energy supply ranging from a 0.2 megawatt share to a 15.0 megawatt share for one of the larger member communities. The project began providing wind power to our members on June 1, 2018.

Anthony
Ashland
Baldwin City
Beloit
Cimarron
Colby
Garden City
Hoisington

Holton
Jetmore
Lincoln Center
Lindsborg
Mankato
Meade
Osage City
Osborne

Ottawa
Pomona
Russell
Sharon Springs
Stockton
Wamego
Washington

WIND CAPACITY FACTOR BY MONTH



KMEA PRESIDENTS



JOHN W. ELDER
CITY OF WINFIELD
1982-1986



GEORGE L. MARSTALL
CITY OF OTTAWA
1987-1988



MAX H. EMBREE
CITY OF COLBY
1989-1993



HARRY ZIELKE
CITY OF LARNED
2002



KENNETH ARNOLD
CITY OF WINFIELD
1999-2001



GARY L. RAMBO
CITY OF MULVANE
1994-1998



GARY L. RAMBO
CITY OF MULVANE
2003



GARY S. SHIKE
CITY OF OBERLIN
2004-2005



KENNETH ARNOLD
CITY OF WINFIELD
2006-2007



JEFF MORRIS
CITY OF COFFEYVILLE
2011



GREG DUMARS
CITY OF LINDSBORG
2010



JAMES BRADLEY
CITY OF OTTAWA
2008-2009



GREG DUMARS
CITY OF LINDSBORG
2012-2014



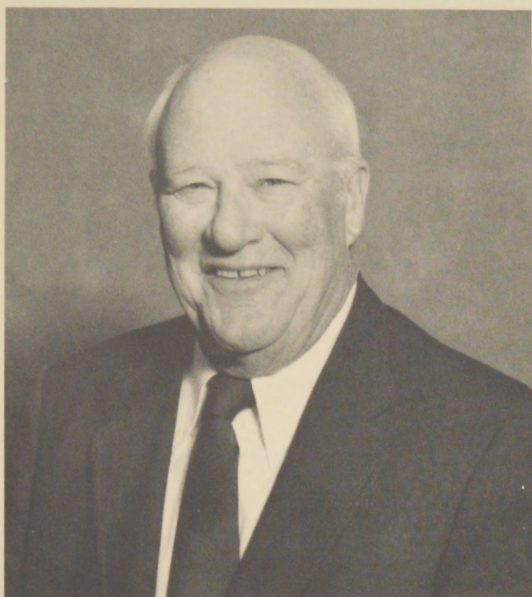
DUANE BANKS
CITY OF RUSSELL
2015-2017



MIKE MUIRHEAD
CITY OF GARDEN CITY
2018-2020

MESSAGE FROM 30 YEARS AGO...

President's Message to the Members



The Kansas Municipal Energy Agency originally was created as a means for its member municipalities to pool resources in order to acquire reliable and economical power supplies. That vision became fact during the 1980s as KMEA entered into six contractual power arrangements on behalf of its members. Now, the same joint action concept is being extended to new issues involving the electric power needs of its members.

Several KMEA accomplishments in 1990 provide good examples of how members benefit from expanded use of joint action. In the area of utility industry restructuring, KMEA represented municipals in intervening in the Kansas Gas & Electric proposed mergers, and was able to reach a prehearing agreement with merger parties on several key issues, which should secure benefits for the cities without the cost of a full regulatory proceeding.

As the government wrestled with environmental problems, KMEA spoke for the cities in the drafting of the Clean Air Act, particularly on the Acid Rain provisions and power plant permitting. KMEA helped convince national legislators and regulators to consider the limited budgets and

resources of the smaller cities. We also became more involved, through KMEA, in the conservation aspects of the national energy debate. Our objective in this area is to find ways for KMEA members to participate in national energy conservation in ways appropriate to their relatively small resource base. Some conservation requirements being considered, such as comprehensive load research and integrated planning, are feasible only for larger utility systems.

From deregulation in the natural gas industry new needs for joint action are emerging. New gas supply options are now available in the marketplace. Yet, smaller cities can tap these opportunities only by combining purchasing power. To this end, we helped create the Kansas Municipal Gas Agency (KMGA) in 1990. As its first assignment, KMGA oversees a federally mandated drug testing program. Currently, KMEA provides management services to the new gas agency.

Major changes in the power industry have become commonplace and expected. As a result, the more experienced players in the industry are better able to extract advantages from change and influence revisions to the ground rules. To protect the interests of their customers during this evolution, municipalities must take an active role. We cannot assume that our legislators and the regulatory systems will respond to changes in an equitable manner. Instead, we must participate in the process not only to make sure our needs are represented but to benefit from opportunities and minimize risk. The joint action that unified the cities in tackling the traditional power supply issues is needed in managing the changes occurring in today's evolving electric utility industry.

By working together under the KMEA umbrella, the cities can be more effective in directing and managing their role in a changing utility industry. KMEA serves this function in two ways. First, by monitoring legislative, legal and corporate activity, we can spot events and trends that might benefit or threaten the welfare of the cities. Second, KMEA actively advocates the cities' positions when new ideas emerge, and represents their interests when challenged by opposing views.

Many issues facing the industry will influence the future cost and delivery of electric power to our member cities. KMEA has been successful in helping the cities manage those controversies over the past year. The Board of Directors appreciates the interest and support of the members as we continue in our work to protect and advance your interests.

Max H. Embree

Max H. Embree, President
Businessman/Rancher, Colby

1990 Officers and Executive Committee Members



GARY L. RAMBO
Vice President
Utility Superintendent, Mulvane



RICHARD L. CRAFT
Secretary/Treasurer
Electric Utility Director, Winfield



BERNARD C. ROELFS
City Superintendent, Belton, St. Francis



HARRY E. ZIELKE
Commissioner, Larned



JACK DAVIS
Director of Utilities, Ottawa



ARLYN BRADFORD
Electric Superintendent, Pratt



Photo By Frank



A MESSAGE FROM KMGA'S PRESIDENT AND GENERAL MANAGER

GUS COLLINS AND PAUL MAHLBERG

The year of 2020 marks the 30th anniversary of KMGA. The Agency has traveled a long way since its inception in 1990 to provide the oversight of a federally mandated drug testing program. The membership realized the value of "pooling" its needs in those early years and soon after its formation began providing natural gas management services. Today, we provide these management services to 32 cities that own and operate their gas distribution systems with the remaining members for their natural gas-fired electric generating plants.

The past year continued the recent trend of stable and low natural gas prices. The members' average natural gas commodity price was just under \$2.00/MMBtu – the sixth year in a row of pricing below \$3.00 per MMBtu. Gas volumes were consistent with just under 3.0 million MMBtu.

This trend was all interrupted in February 2021 with Winter Storm Uri – a historic winter event of extreme cold temperatures for over a 10-day period for the majority of the United States. The industry experienced a record decline in production which caused never-before-seen prices that topped out at over \$600 per MMBtu in Kansas. This combination of increased demand and high prices resulted in some significant challenges for the entire natural gas industry and for KMGA and the members.

Despite this unprecedented event, the membership has held strong. Lessons have been learned and the Agency is moving forward with a new sense of urgency in its core mission – to provide low cost, reliable and stable gas supply to its members.

We want to thank all the folks in the last 30 years that have provided the leadership and formed the building blocks for our Agency. And thank you to the entire membership for this past year and past months as we battled together through some incredible challenges. We look forward to moving our Agency forward in the years ahead.


GUS COLLINS
KMGA PRESIDENT


PAUL MAHLBERG
KMGA GENERAL MANAGER



ALMA

1. Michael Slobodnik
2. Trent Viergever

ALTAMONT

1. Audree Aguilera
- 2.

ANTHONY

1. Larry Berry
2. Cyndra Kastens

ARGONIA

1. Rick Dolley
2. Tara Pierce

AUGUSTA

1. Tim Johnson
2. Jim Sutton

BALDWIN CITY

1. Glenn Rodden
2. Rob Culley

BELOIT

1. Manny Milbers
2. Steven Krier

BURLINGAME

1. Wesley Colson
2. David Panches

BURRTON

1. Jon Roberts
2. Kim Ryan

CASSODAY

1. Lequita Joy Nelson
- 2.

CHENEY

1. Brad Ewy
2. Jerry Peitz

COFFEYVILLE

1. Mike Shook
2. Mark Hall

CONCORDIA

- 1.
2. Gary Strait

ELLINWOOD

1. Chris Komarek
2. James McMullen

ESKRIDGE

1. Mike Bohn
2. Justin Rush

GARDEN CITY

1. Mike Muirhead
2. Kent Pottorf

GARDNER

1. Gonzalo Garcia
2. Matt Ponzer

GARNETT

1. Christopher Weiner
2. Robert Mills

HALSTEAD

1. Ethan Reimer
2. Jamie Eberly

HARVEYVILLE

1. Roy Rickel
2. Gary Dixon

HESSTON

1. Gary Emry
2. Scott Robertson

HOISINGTON

1. Jonathan Mitchell
2. Darren Delzeit

HOWARD

1. Joanna Hunter
2. Ernest Tousley

HUMBOLDT

1. Jeremy Bulk
2. Chaz Sanchez

JAMESTOWN

1. Jacob Thoman
2. Royce Bruntzel

KECHI

1. Theresa Morlan
2. Thomas Bevan

LACYGNE

1. Jodi Wade
2. Daniel Nasalroad

LITTLE RIVER

1. Don Teeters
- 2.

LOUISBURG

1. Nathan Law
2. Patrick McQueen

LYONS

1. Chad Buckley
2. Rob Wallace

MCLOUTH

1. Kim Everley
2. John DeLaet

MOUNDRIDGE

1. Murray McGee
2. Jeremy Moore

OSAGE CITY

- 1.
2. Rod Willis

OTTAWA

1. Dennis Tharp
2. Jeff Oleson

PARTRIDGE

1. Debbie Baughman
2. Dustin Covert

ROZEL

1. Terry Ryan
2. Derek Spreier

RUSSELL

1. Jon Quinday
2. Duane Banks

SPEARVILLE

1. Jeremy Luthi
2. Tammy Konrade

STERLING

1. John Wagerle
- 2.

UNIONTOWN

1. Dave Wehry
2. Dana Esslinger

WALTON

1. Jeff Carter
2. Stephanie Ashby

WAMEGO

1. Staci Eichem
2. Casey Frisbie

WASHINGTON

1. Richard Applegarth
2. Carl Chalfant

WELLINGTON

1. Roger Estes
2. Ryan Hain

WINFIELD

1. Gus Collins
2. Taggart Wall

AFFILIATE MEMBERS

Abbyville
Chanute
Denison
Sylvia

1. Director
2. Alternate

KMGA MEMBER CITIES SUMMARY

City	Population	MMBtu Sold
Abbyville	85	3,628
Altamont	1,080	42,635
Anthony	2,200	1,848
Argonia	461	18,698
Augusta	9,400	10,749
Augusta Water	N/A	881
Baldwin City	4,726	739
Beloit	3,835	5,692
Burlingame	950	43,835
Burrton	1,051	24,708
Cassoday	117	7,410
Cheney	2,161	80,252
Coffeyville	9,366	459,769
Concordia	5,045	2,255
Denison	173	9,203
Ellinwood	1,897	383
Eskridge	509	51,323
Garden City	31,290	17,305
Gardner	23,500	475
Garnett	3,234	143,115
Girard	2,789	75
Halstead	2,075	198,268
Hesston	3,778	311,357
Hoisington	2,706	198
Howard	628	25,803
Humboldt	1,721	83,173
Jamestown	269	13,074
Kechi	2,023	55,920
LaCygne	1,097	57,195
Little River	528	20,228
Lyons	3,532	161,360
Louisburg	4,662	122,125

City	Population	MMBtu Sold
Manhattan	N/A	15,293
McLouth	859	30,118
Moundridge	1,850	100,627
Osage City	2,808	109,094
Ottawa	12,254	11,482
Partridge	236	6,845
Rozel	136	8,147
Russell	4,503	6,703
Spearville	1,094	33,370
Sterling	2,528	229
Sylvia	293	8,969
Uniontown	272	8,327
Walton	237	10,448
Wamego	4,930	3,115
Washington	1,087	481
Wellington	7,662	16,345
Wellington Fire Dept.	N/A	1,945
Wellington Hospital	N/A	2,703
Winfield	12,057	640,650

Combined City Data	179,694	2,988,570
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KMGA FINANCIALS

CONDENSED STATEMENTS OF NET POSITION

	DECEMBER 31	2020	2019	2018
Assets				
Utility Plant		\$13,677	-	-
Cash		1,792,109	\$1,272,994	\$1,267,303
Accounts receivable		2,214,559	2,085,002	4,220,747
Total Assets		4,020,345	3,357,996	5,488,050
Liabilities				
Accounts payable and accrued expenses		3,442,779	2,762,365	4,956,345
Net Position		\$577,566	\$595,631	\$531,705

*Information taken from Table 1, page 4 of KMGA Audited Financial Statements December 31, 2020. You can find the complete Audit Report at www.kmea.com.

CONDENSED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	DECEMBER 31	2020	2019	2018
Gas Supply Project Margin				
Project revenues		\$7,684,612	\$11,010,493	\$11,597,963
Gas and gas transportation		(7,441,538)	(10,691,809)	(11,302,508)
Total Gas Supply Project Margin		243,074	318,684	295,455
Other operating revenues		36,936	31,239	28,357
Total		280,010	349,923	323,812
Administrative expenses		(295,005)	(285,997)	(280,547)
Depreciation expense		(3,070)	-	-
Changes in Net Position		(18,065)	63,926	43,265
Total Revenues		\$7,721,548	\$11,041,732	\$11,626,320
Total Expenses		\$(7,739,613)	\$(10,977,806)	\$(11,583,055)

*Information taken from Table 2, page 5 of KMGA Audited Financial Statements December 31, 2020. You can find the complete Audit Report at www.kmea.com.



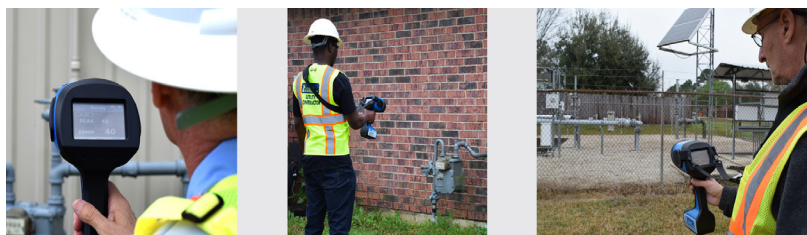
KMGA HIGHLIGHTS

The Pipeline and Hazardous Materials Safety Administration (PHMSA), an agency of the U.S. Department of Transportation, is responsible for regulating and ensuring the safe and secure movement of hazardous materials to industry and consumers by all modes of transportation, including natural gas pipelines.

Municipal gas utility operators are required to adhere to PHMSA's regulations and rules. Annually the Kansas Corporation Commission (KCC) audits records and processes of every Kansas municipal to be sure natural gas operators are following and meeting PHMSA regulations. To assist members through the audit process and in the operating of their gas system, KMGA provided the following additional services to our members:

REMOTE METHANE LEAK DETECTOR

As part of our Equipment Loan Program, in the spring of 2020 KMGA purchased a remote methane leak detector (RMLD). The RMLD is available to members to perform the required leak survey of their natural gas systems. Eight municipals used the RMLD in 2020 and found it to be a very useful tool.



"The RMLD worked great! It did come in real handy the first night I had it. I had a house that had a line break inside and filled it completely full of gas, so the RMLD helped confirm that without entry as well as the surrounding structures via windows and surveying the mains in the area super quick." - Mike, City of Eskridge

"I really liked using the RMLD; it saved a lot of time especially on surveying the yard lines. We have quite a number of 6 foot privacy fences & some dogs that aren't very trustworthy. Once I set the limits, it worked great. Very simple to use, light weight, easy to calibrate & user friendly. Thank you KMGA for making this purchase!" - Jerry, City of Cheney

PUBLIC AWARENESS BROCHURE

KMGA designed a brochure that members could use to meet the PHMSA requirement of making the public aware of the municipal owned gas system operated in their city. Additional information included in the brochure was an explanation of why and who must be called before you dig, how to identify a leak, and what to do if a leak is suspected.

The brochure was unique to each member with their city logo (if available) and contact information. This brochure could be used for the required mailings as well as placed around the community.



PUBLIC AWARENESS VIDEO

KMGA worked with a third party in creating public awareness videos for each member. The video provided the same information as the brochure mentioned above. The video could be utilized by each city through their social media platform, as well as being used for training purposes as required in each city's public awareness program.

FILLABLE LEAK REPORT FORM

As a result of their KCC annual audit a member city contacted KMGA looking for assistance in updating their PHMSA required leak report form. KMGA reached out to several other members seeking input and information in creating a leak report to meet the needs of members. Through this joint effort KMGA designed a fillable pdf leak report form that was made available to all members.

CALL BEFORE DIGGING DECALS

A KMGA member needing "call before you dig" decals for their pipeline markers, asked KMGA to assist in finding a company to purchase these decals from. KMGA worked with a company to get a discounted rate on the printing of these decals and offered it out to all members. Six members ordered decals through this project.



CITY OF LITTLERIVER BECOMES KMGA MEMBER

In 2020 the KMGA Board of Directors approved the addition of the city of Little River to the membership, bringing the total number of full members to 45.



KMGA VIRTUAL BOARD OF DIRECTORS MEETING

The KMGA Board of Directors meeting was conducted virtually for the first time ever on October 29th due to the COVID-19 pandemic. The meeting was well attended by 31 member cities. The 2021 budget was approved, new officers, at-large members and joint board members were elected, and the board approved the addition of the City of Little River as a full member.



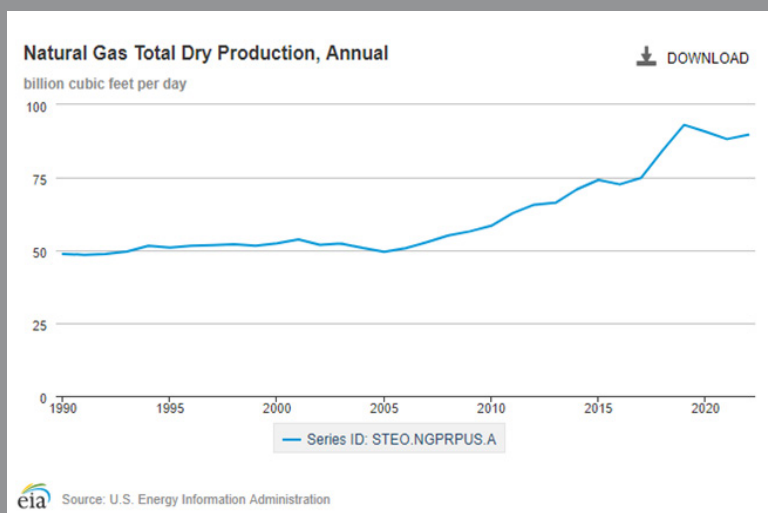
KMGA MARKET REVIEW

Natural gas production in 2020 was down from record levels set in 2019. Contributing to the production decrease was falling oil prices and the shutting in of oil wells, which created a reduction in associated gas from oil wells. An active hurricane season in the Gulf also played a role in reduced production. The Energy Information Administration (EIA) reported 2020 production averaged 90.8 Bcf per day, down 2.5% from 2019.

Storage levels began the 2020 injection season (April 1) at a level 17% higher than the 5-year average. Going into winter 2020-21, the storage balance was more than 3,900 Bcf, 5% above the 5-year average, and fourth-highest end-of-October level on record.

U.S. natural gas consumption was down 2.5% from 2019, averaging 83.1 Bcf per day. Majority of the decline was the result of less natural gas used in the power generation sector.

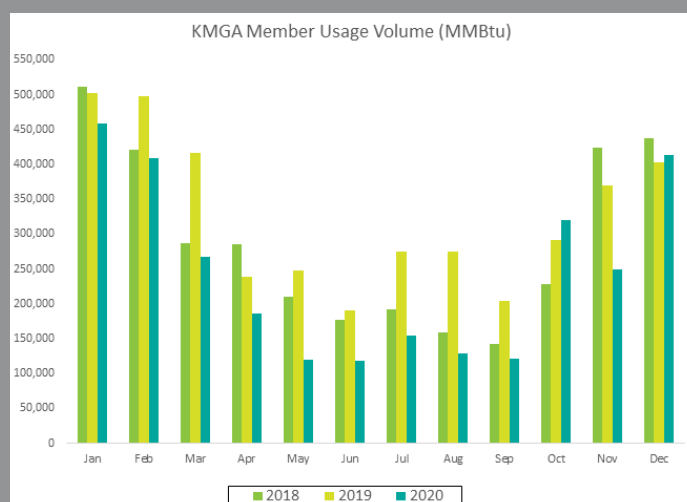
The Henry Hub monthly average spot price posted below \$2.00 per MMBtu seven months during 2020. This year saw the annual average Henry Hub gas spot price the lowest for decades.



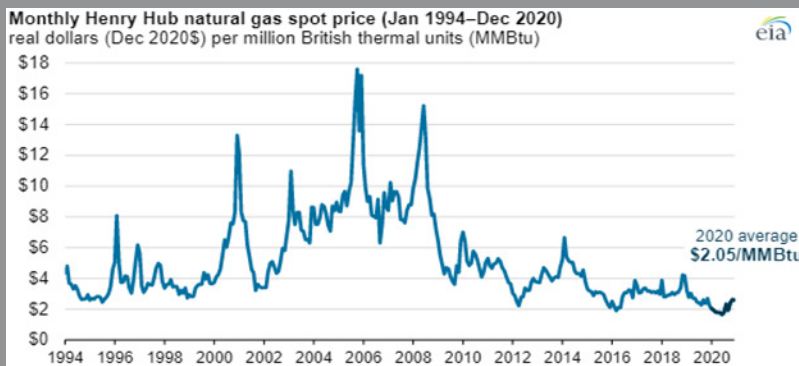
NATURAL GAS CONSUMPTION

U.S. natural gas consumption averaged 83.1 Bcf per day in 2020, 2.5% less than 2019 consumption.

KMGA members also saw a decrease in 2020 usage volumes. Local Distribution Company (LDC) customer usage was down 234K in 2020 from 2019. KMGA power plant members also saw a decrease in usage volume. In 2020 the power plant usage volume was around 613K, which is about half of the 2019 usage volume.



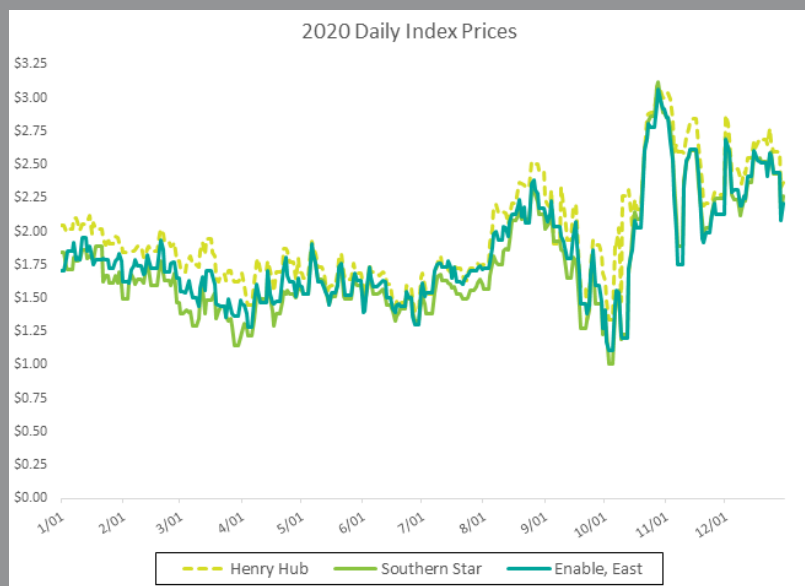
NATURAL GAS PRICING



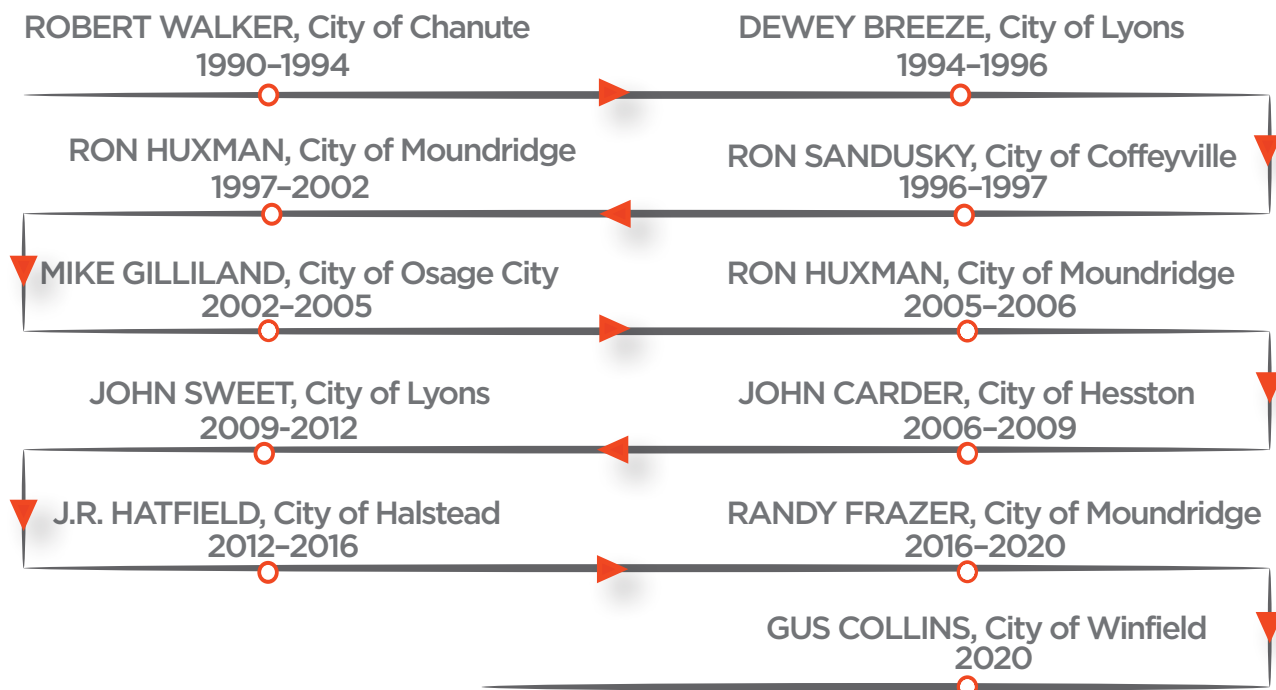
Mid-continent spot prices were lower in 2020 as well. SSC daily index averaged \$1.77 per MMBtu in 2020, down 29 cents from 2019's average. Enable Gas Transmission (EGT) daily index averaged \$1.83 per MMBtu, down from 2019 average of \$2.27 per MMBtu.

October registered both the lowest and highest posted daily spot prices for 2020. On the third of the month Southern Star (SSC) index posted at \$1.005 per MMBtu. On October 28th, SSC's daily index price was \$3.125 per MMBtu.

Henry Hub spot prices averaged \$2.05 per MMBtu in 2020, down more than 50 cents from 2019. That marks the lowest annual average price in decades.



KMGA PRESIDENTS





KMGA EXECUTIVE COMMITTEE

30 YEARS

Kansas Municipal Gas Agency
Board of Directors Meeting
August 9, 1990

The first Board of Directors Meeting of the Kansas Municipal Gas Agency was held at the Ramada-Broadview, Wichita, Kansas. The meeting was called to order by Kansas Municipal Energy Agency President, Max Embree, at 1:30 p.m.

Board members present were: Max Robert Walker, Chanute; D.D. Di Coffeyville; Dan Ridder, Garde George Rice, Hoisington; Emery Mulvane; Bruno Rumbelow, Neode Arbutnot, Wamego; and Richard Cotton.

Other city representatives present were: Ron Sandusky, Coffeyville; Don Osenbaugh, Halstead; Ron Lyons; Ron Huxman, Moundridge; Osaage City; Hulalia Pankratz, Hinkle, Washington.

Guests present were: Max Embree, Deborah Dennington, Gilmore & Company; Linda Graves, Utilit Srour, Kansas Municipal Utilit.

KMEA staff members present were Turner, and Diann Burruss.

KMEA President Max Embree exp organizational meeting of the i act as Chairman until the KMGA i

Joe Norton, general counsel f cities had approved the necessa the KMGA. Those cities are: Clay Center, Coffeyville, G Hoisington, Humboldt, Larned, Sterling, Wamego, and Winfield the Attorney General and Secre He also advised that there ve indicated their intent to becom timing of their city council m the necessary documents to th deadline. It was decided tl

Brothers Pipeline was still a primary interest to many of the cities and one that should now begin to move forward. Motion was made by Richard Cotton that KMGA begin now to develop a project for the cities on the Williams Brothers Pipeline system; seconded by Gary Rambo. Motion carried.

The date for the Agency's first annual meeting was discussed. Motion was made by Glen Welden that the first annual meeting be scheduled in May to coincide with the Kansas Municipal Utilities, Inc. Annual Conference; seconded by Emery Graves. Motion carried.

Joe Norton advised the group that a random drawing of the Board members names should be held to determine which board members would serve for a one year term and which would serve for a two year term. It was decided that KMEA management staff should conduct the random drawing and advise the Board accordingly.

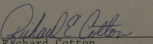
Joe Norton reviewed the procedure for appointing alternates to the Board members and suggested that each city consider making such an appointment, so each will be properly represented at all meetings. It was further suggested that the Board members consider appointing an Executive Committee at the next meeting.

The need for officers and directors and general liability insurance was discussed. It was decided that the availability and cost estimates for such coverages be investigated and reported to the Board as soon as possible.

As a matter of information to the group, Louis Stroup advised of a meeting held in Iola, Kansas on August 8, 1990, where the proposed merger between KGPL and KGE was reviewed. It was pointed out that the cities had decided to officially intervene in KGPL's filing before FERC in order to protect the cities' interests.

The next Board of Directors meeting will be held at 2:00 P.M. in the council chambers, City Hall, Augusta, Kansas on Tuesday, September 18, 1990.

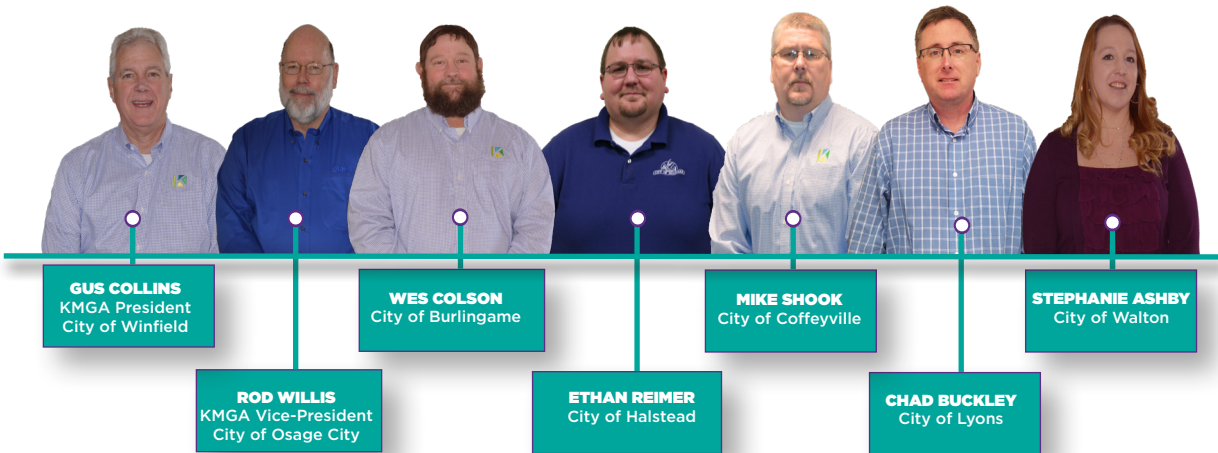
There being no further business before the Board, the meeting adjourned at 3:30 P.M.


Richard Cotton
Secretary/Treasurer
RC:RWN:db

KMGA FIRST BOARD OF DIRECTORS MEETING

The first board of directors meeting was held on August 9, 1980 at the Ramada-Broadview, Wichita, Kansas. Max Ambree, KMEA president called the meeting to order, since this was the organizational meeting of the KMGA Board of Directors. He acted as chairman until Robert Walker was elected KMGA president. Bruno Rumbelow from the City of Neodesha was elected KMGA vice-president, and Richard Cotton from the City of Winfield was elected secretary/treasurer. The management services contract between KMEA and KMGA was approved, as well as the dues structure. The board also accepted the drug testing program as a KMGA project. At that time, KMGA had 18 member cities and the meeting had 32 attendees including staff and guests.

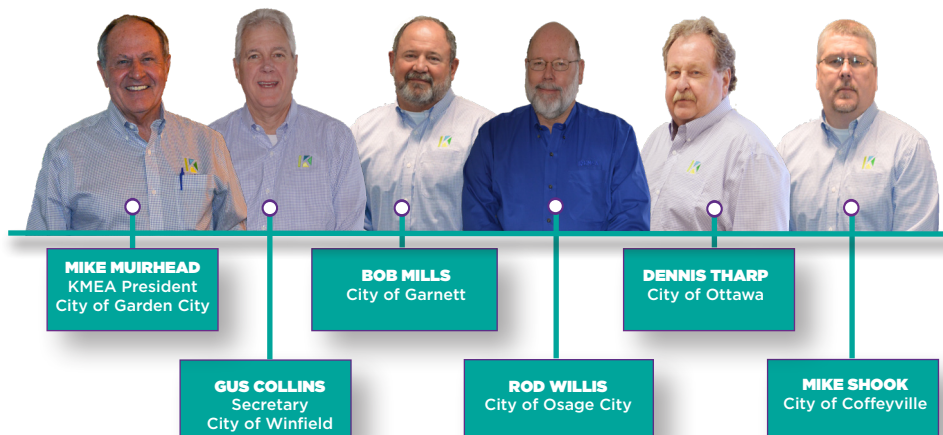
KMGA Executive Committee



KMEA Executive Committee

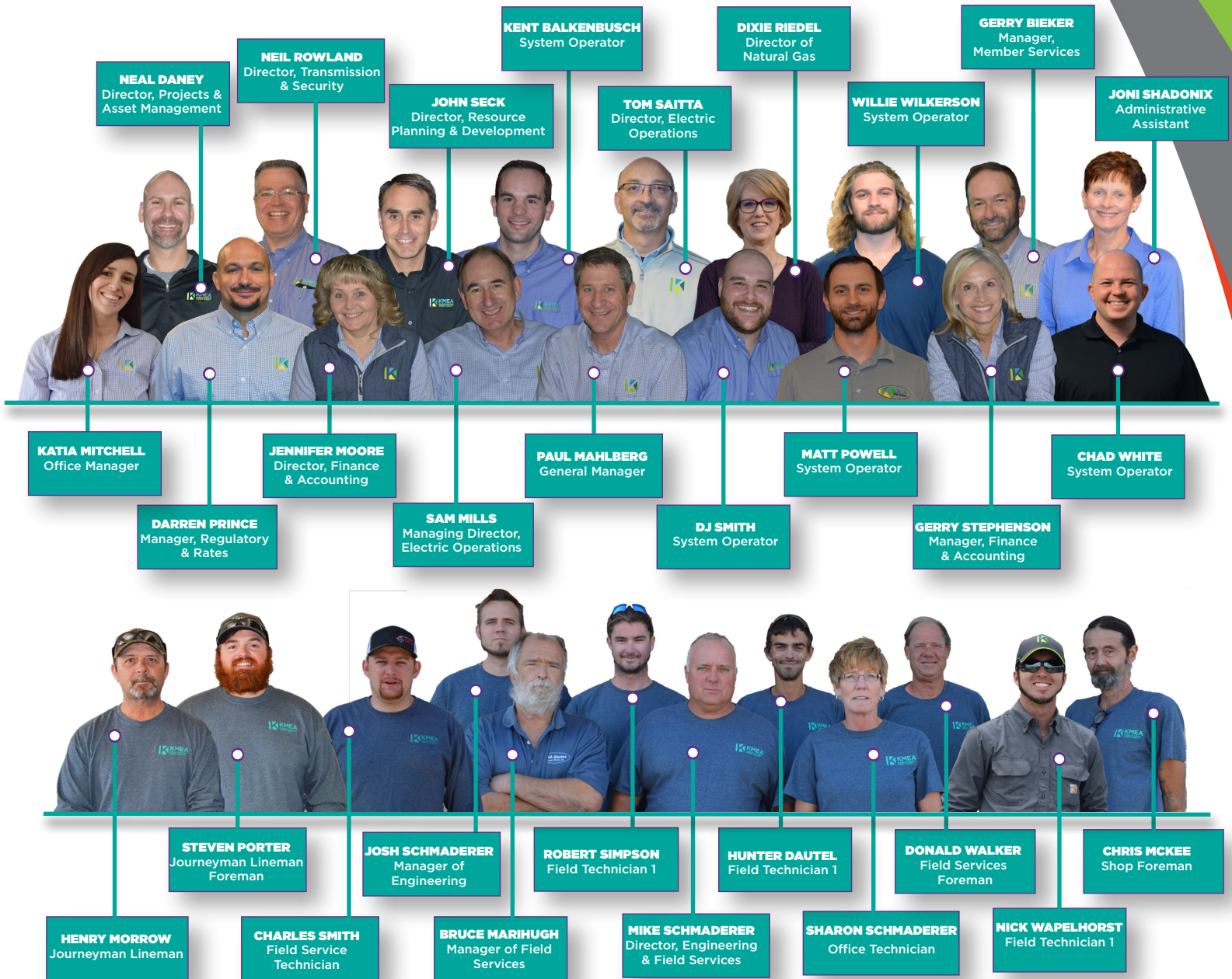


Joint Board for Administration



As of 09/01/2020

KMEA Staff



2020 BUSINESS ASSOCIATES

AEP Renewables (Semptra)
Columbia Capital
Conrade Insurance Group
Dogwood Energy
Duncan and Allen
Evergny
Finley
Foley Power Solutions
Gilmore & Bell, P.C.
GRDA

GridLiance
Healy Law Offices, LLC
Jennings, Strouss & Salmon
juwi Inc.
Kiewit
MCG Energy Solutions
Midland GIS
Mid-States Energy Works
Midwest Energy
NextEra Energy Transmission

Piper Jaffray
Polsinelli PC
Power Engineers
Sawvel Associates, Inc
Siemens (Dresser-Rand)
Sol Systems
Spiegel & McDiarmid
Techline
Toth & Associates

