



Kansas Municipal Energy Agency
Executive Committee Meeting Minutes
March 23, 2023

| Committee Members | City | Present/ Absent | KMEA Staff/Guests |
|--------------------------|--------------|----------------------------|--------------------------|
| Rob Culley | Baldwin City | Present | Gerry Bieker |
| Mike Muirhead | Garden City | Present | Neal Daney* |
| Dustin Bedore | Goodland | Present | Paul Mahlberg |
| Ira Harrison | Holton | Present | Tyson McGreer |
| Bret Glendening* | Osawatomie | Present | Darren Prince* |
| Dave Hunsaker | Ottawa | Present | Lisa Ferguson |
| Stacie Eichem | Wamego | Present | Mike Meyer* |
| Jon Quinday* | Russell | Present | Terri Pemberton* |
| Jonathan Mitchell | Hoisington | Absent | Brad Mears |
| | | | Mike Schmaderer |
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** Attended virtually via Microsoft Teams*

Item No. 1 – Call the Meeting to Order

Secretary-Treasurer Mike Muirhead was asked to lead the meeting due to President Jon Quinday’s attendance being virtual and Vice-President Jonathan Mitchell’s absence. Mike Muirhead called the meeting to order at 10:31 a.m., in McPherson, Kansas. A quorum was present.

Item No. 2 – Seek Approval of the following item:

- **Minutes from the February 23, 2023, Executive Committee Meeting and the March 8, 2023 Special Executive Committee Meeting**
 Jon Quinday moved to approve the minutes of the February 23, 2023, Executive Committee meeting and the March 8, 2023 Special Executive Committee meeting. The motion was seconded by Bret Glendening and the motion carried unanimously.
- **WAPA assignment letters and certificates**
 Neal Daney provided background information on the WAPA documents. Stacie Eichem moved to approve authorizing Paul Mahlberg’s signature on the WAPA letters for the cities of Alma, Blue Mound, Elwood, Morrill, Prescott, Robinson, and Wathena to join the KMEA WAPA pool on 10/1/24. The motion was seconded by Ira Harrison and the motion carried unanimously.

Item No. 3 – Financials Reporting Discussion:

Due to the ongoing audit, financials weren’t presented this month. A discussion was held on the frequency of financial reports – monthly versus quarterly reports. The consensus was that appropriation/cash reports should continue monthly and that financial reports could be done on a quarterly basis. It was mentioned that we could revert to a monthly basis for the financials if the Executive Committee desired to switch back.

Item No. 4 – General Manager Report

Paul spoke about the following matters:

- With the April board meeting approaching, Paul asked members if any member cities are using the preliminary budget. The preliminary budget is usually presented at the Spring meetings, but if members are not using it, perhaps we could replace the budget presentation with a review of last year's financials. Paul asked members to let him know whether they are or aren't using it.
- Regarding FERC, Deb Roby & Al Robbins have left Jennings Strouss, and started a new firm called Washington Energy Law. KMEA will continue to work with them and their new entity.
- As part of the recent bank failures, Moody's downgraded several banks, including UMB. Staff worked with Columbia Capital and Gilmore & Bell to evaluate our risk with UMB. A meeting was held with UMB to discuss our concerns. UMB provided some assurance and with the fact that public funds, such as KMEA, are required to be securitized, KMEA should not be at risk if UMB were to have a collapse.

Paul asked that Brad Mears provide updates on the legislative front.

Item No. 5 – Regulatory Update

Terri provided an update on the following:

- **Sunflower Depreciation**
The settlement paperwork is almost finalized and will be filed on March 31st, 2023.
- **FERC**
FERC reversed itself on SPP's wind/solar accreditation approval. That decision puts SPP in an odd situation – and accreditation will be calculated in the manner in which it was calculated prior to SPP's filing. This issue also somewhat relates to the Planning Reserve Margin complaint filed by AEP. In that matter, AEP argued, among other things, that the swift implementation imposed by SPP to meet the PRM is unfair (e.g. the Summer 2023) - the argument being that the implementation timeframe is too aggressive and doesn't allow sufficient time for participants to cover any capacity deficiencies, which are based on the accreditation calculation that has now been rejected by FERC.
- **Evergy TFR/GFR dockets**
Provided update on Transmission and Generation Formula Rate matters. The transmission Customers (KMEA, KEPCo, KPP) filed a new complaint against Evergy to seek refunds from prior years not covered in the most recent complaint filed in 2022.
- **AG Lawsuit**
Regarding the lawsuit the Kansas AG has filed against Macquarie Gas. The AG and Macquarie filed an agreement of sorts that allows Macquarie to file its response to the AG's petition in May. Terri said that KMEA will not get involved presently and will continue to monitor the situation. However, KMEA will provide assistance if the AG requests it.

Item No. 6 – Operations Update

Gerry provided the following updates:

- A preliminary term sheet is in place for the Neodesha project and awaiting city response.
- The City of Mankato is interested in a generation project.
- A meeting with the City of Herington was held. They're interested in purchasing their own sub and upgrading their gen unit (same model as the City of Oberlin, financed by KMEA).
- Trying to find new coverage to replace the MPR program. Several cities are needing coverage (Osawatomie, Sterling, Winfield, Gardner).

Item No. 7 – Member Services Update

Tyson provided the following updates:

- Preparations continue for the annual joint EMP meeting being held in Salina this year.
- Currently working on joint purchasing for materials.
- KMEA has sponsored 3 members to attend the APPA Public Power Manager Program class.

Item No. 8 – Mid-States Update

• **Demonstration Trailer Update**

Mike provided an update on the demonstration trailer. The plan is to have that ready for the Joint EMP meeting in June for presentation.

• **Line Crew Update**

Mike provided an update on the Osage City and Dighton line crews. They've recently completed work in the Cities of Jetmore, Savonburg, and Osawatomie, with several future jobs already scheduled.

• **Project Updates**

The City of Oberlin will have demo work for the CAT generation units starting soon. The City of Minneapolis and the City of Colby will have their substations completed soon.

Item No. 9 – Old Business

None.

Item No. 10 – New Business

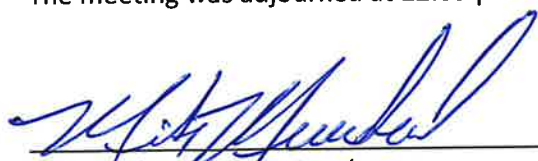
- Paul presented the results of Kansas State University's Solar Survey that they conducted last year.
- Paul recognized Mike Muirhead for being chosen to receive the "Mark Crisson Leadership & Management Excellence" award. This award will be given to Mike at the upcoming APPA National Conference.
- Committee members thanked Ira Harrison for his years of dedicated service and presented him with a cake in honor of his retirement effective March 31st, 2023.

Item No. 11 – Discuss and set date, time, and location for the next Executive Committee Meeting

Due to the annual KMU Conference being held at the end of April, the next KMEA Executive Committee meeting will be held virtually on April 20th, 2023 at 1:30 pm.

Item No. 12 – Adjourn Meeting

The meeting was adjourned at 12:01 p.m.



Mike Muirhead, Secretary/Treasurer