



ANNUAL
REPORT
2023

Welcome
to
Kansas





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A MESSAGE FROM KMEA'S PRESIDENT AND GENERAL MANAGER

JON QUINDAY AND PAUL MAHLBERG



Jon Quinday



Paul Mahlberg

“Empowering our members to excel as high-quality local utilities.” This is the vision of KMEA, developed by the Strategic Planning Task Force and approved by the board of directors in 2023. How much simpler and more direct can a statement be, yet so precise and complete in defining what we are about as an agency? We are an organization of members, led by members, providing products and services to enable them to be the best utilities for their communities.

The year of 2023 was a great example of living this vision:

- Initiated a new investment policy: This policy generated considerable income for the agency, enhancing our financial stability and enabling us to invest more in services that benefit all member cities.
- Completed project financings for Oberlin and Neodesha: By enabling the purchase and installation of KMEA-owned generation units in these communities, we improved the reliability and capacity of the power supply. This sets a precedent that all member cities can benefit from similar support for their infrastructure needs.
- Expanded Mid-States team services: Our team provided essential and expanded services, including an upgraded substation in Sterling and the installation of refurbished generation in LaCrosse, Hoisington, and Stockton. This growth enabled us to offer more comprehensive support to member cities at reduced costs, significantly enhancing the overall reliability and efficiency of their infrastructure.
- Enhanced the lineman service programs in Dighton and Osage/Pomona: These programs have provided lineman services, assisting member cities throughout the state with maintenance, repairs, and troubleshooting. This enhances the reliability of services for those specific cities and serves as a valuable resource that other members can rely on for critical support.
- Continued transmission service hedging activities: With a revised agreement with our partners, we brought in additional revenue, helping to offset higher electric costs for all members. This ensures more predictable and manageable expenses across the board.
- Integrated the WAPA hydro allocation for seven members: This initiative brought affordable, carbon-free energy to these communities, setting an example for sustainable energy solutions that can be expanded to benefit all members, enhancing environmental stewardship and cost savings.
- Achieved significant savings through FERC-related interventions: Our participation in various FERC-related matters led to lower transmission service costs, benefiting our members by reducing operational expenses and contributing to more affordable utility rates.

Through these initiatives, we have reinforced our commitment to empowering all member cities, providing them with financial benefits, improved infrastructure, essential services, cost savings, and sustainable energy solutions.

Looking forward, we know challenges and opportunities lie ahead with significant changes occurring at a rapid pace. The Southwest Power Pool is planning significant changes to deal with the integration of renewables, the retirement of older generation, and the need for new transmission lines. Meanwhile, the industry is starting to see substantial load growth with the electrification of the transportation sector and a surge in data center development.

One thing is certain as we face these challenges: we will continue to strive to be a trusted partner, providing industry-leading services and innovative solutions to our member communities.

Thank you for allowing us to serve you over the past year



Jon Quinday
KMEA President



Paul Mahlberg
KMEA General Manager





Vision Statement

Empowering our members to excel as high-quality local utilities



Mission Statement

To be a trusted partner providing industry-leading services and innovative solutions to our member communities



Core Values



Integrity

- We act with honesty and transparency
- We are accountable for our actions
- We will do the right thing for our stakeholders



Respect

- We act with professionalism
- We value the opinions of our employees, members, and other stakeholders
- We acknowledge a variety of perspectives across all human differences



Member-Focused

- We support the needs of our members
- We act in the best interests of our members
- We strive for continued improvement and innovative solutions



Safety

- We support all efforts toward a safe environment for our employees and members
- We set an example of safe conditions for our members
- Safe procedures and behavior are a paramount value of our agency



Teamwork

- We communicate and work effectively and efficiently within and across the agency
- We work with both internal and external stakeholders to accomplish common goals
- We are actively invested in the organization and our member communities





WHO WE ARE AND WHAT WE DO

Kansas Municipal Energy Agency (KMEA), established in 1980 under Kansas law, operates as a nonprofit joint action agency. Comprising electric municipalities, KMEA adheres to similar rules as a city, including open meetings and open records.

The agency's primary purpose is to secure power for its member cities in a financially responsible manner. It achieves this by planning, financing, and constructing projects related to the purchase, sale, generation, and transmission of electricity. These efforts ensure an adequate, economical, and reliable supply of electricity and other energy for KMEA's members. Additionally, KMEA has the authority to issue and sell revenue bonds to fund the acquisition and construction of such projects.

Currently, over 80 Kansas municipalities benefit from their membership in KMEA. By collaborating through a joint action approach, these cities strengthen their ability to address common challenges. Projects that might be impractical if attempted independently become feasible when undertaken collectively through the agency.

■ SERVICES PROVIDED BY KMEA AT NO ADDITIONAL COST TO MEMBERS

Legal Support and Contract Management

- Access to KMEA's in-house attorney for consultation on utility related matters
- Advice on state and federal mandates affecting municipal utilities
- Access to KMEA's outside counsel for special projects
- Collaboration with members' legal counsel on utility related matters
- Assistance with service territory disputes and resolution
- Contract management services including, but not limited to, contract development, review, and negotiations
- Provide support of all agency functions and activities affecting the membership

Regulatory/Legislative & Advocacy Support

- Monitor regulatory activities at the KCC and FERC
- Intervene and represent member interests in specific dockets before the KCC and FERC
- Provide support on any potential KCC/FERC needs
- Maintain a \$500,000 Regulatory and Dispute Fund that is available to members
- Provide legislative support to Kansa Municipal Utilities (KMU) and members
- File and provide testimony in front of state legislative utility committees in the senate and house on utility issues
- Review of supplier invoices for compliance

Southwest Power Pool (SPP) Representation

- Maintain relationships with SPP staff and serve on numerous SPP committees & working groups
- Advocate for policies that benefit economic and reliable measures for municipal cities in Kansas to ensure their long-term competitiveness and viability
- Remain current and engaged on SPP transmission policy, SPP Integrated Marketplace, SPP transmission congestion rights, SPP resources adequacy requirements, and all other SPP matters
- Consult with cities and submit all needed reports and applications to SPP to ensure that cities continue to have access to transmission service, the Integrated Marketplace, and all the other tools needed to serve customer loads

Asset/Portfolio Management

- Provide full consultation services for members' power supply portfolios
- Identification of potential resource projects for consideration by members
- Issue request-for-proposals as needed
- Maintain diverse counterparty relationships
- Creative energy solutions (pre-delivery payment options, blend and extend, seasonal on-peak, generation purchases, etc.)
- Intra-agency transactions (members selling-to and buying-from each other to optimize resources)
- Aggregate member needs to capitalize on economies-of-scale savings

Electric Retail Rate Review

- Financial review and fund balance forecast
- Revenue requirement forecasts
- Class cost-of-service analysis
- Retail rate design
- Special contract/economic development rate development
- Energy cost adjustment (ECA) calculations
- Distribution generation tariffs and other special tariff development
- Provide annual budgets for power supply projects

Other Member Services

- Equipment loan program (infrared cameras, power loggers, pole testing equipment, etc.)
- Offer specialized training services on power supply, SPP market, general electric utility operations, etc.
- Provide account support, including education, dispute resolution, customer offerings, and customer relations
- Provide NERC compliance expertise and assistance

■ FEE BASED SERVICES PROVIDED BY KMEA

Full Energy Management Services

- 24/7 operations desk to maintain constant communications with SPP and members
- Serve as market participant in the SPP Integrated Marketplace
- Offer-in generation resources and bid-in city's load
- Develop load forecasting for use in SPP market
- SPP billing and invoicing services, including managing billing disputes
- Transmission service management and congestion hedging
- Auction revenue rights optimization
- Provide member-specific monthly reports
- Provide SPP market analysis reports on a monthly basis

Engineering/Project Management Services

- Full engineering services through KMEA Mid-States
- Offer project management and owner's representative services for member utility projects
- Power plant maintenance and problem solving
- Metering and communication expertise and consulting (programming, testing, and troubleshooting)
- SCADA expertise and consulting
- Substation engineering, maintenance, problem solving, and repair
- Construction crew for new substation and upgrades
- Distribution line maintenance services



STRATEGIC PLAN

In July 2023, a strategic planning effort was initiated for the agency. President, Jon Quinday, formed a special task force made-up of representatives from the membership and staff. This 18-person task force met in Salina for a two-day planning retreat with the goal of establishing the direction for the agency over the next five years. The process resulted in five strategic priorities for the agency to embark on over the coming years. KMEA will begin implementing many of the goals in the strategic plan during 2024 and beyond.



1. Member services

KMEA will leverage the value of joint action to address a wide range of member needs

- 1.1 New services
Evaluate and recommend opportunities and solutions for new member services
- 1.2 Existing services
Evaluate and recommend enhancements to existing member services





2. Shared resources

KMEA will identify, evaluate, and implement solutions for shared field operational services to support member needs

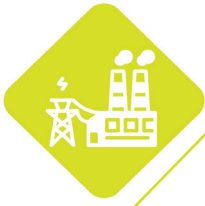
- 2.1 Supply chain
Recommend solutions for supply chain and material management issues
- 2.2 Field operations
Recommend solutions for shared field operations



3. Communications

KMEA will be the trusted source of information and advocacy for its members, customers, and other stakeholders

- 3.1 Membership
Develop and implement a new communication plan for the members
- 3.2 Members' customers
Develop communication/education materials for use by the members for their customers
- 3.3 Outside stakeholders
Increase KMEA's presence and collaboration with outside stakeholders



4. Energy, supply & delivery

KMEA will leverage the power of joint action to provide reliable, cost-effective energy and supply

- 4.1 Long-Term planning
Identify power supply projects for the members
- 4.2 Renewable energy
Investigate, evaluate, and implement a solar program for the membership
- 4.3 Delivery strategies
Identify strategies related to the delivery of power (transmission/substation) to the members



5. Organizational excellence

KMEA will seek to achieve the highest level of excellence by adhering to best practices, providing a quality and well-trained workforce, and maintaining financial stability

- 5.1 Workforce
Develop a workforce development plan to ensure an excellent, diverse, and engaged workforce
- 5.2 Financial strength
Maintain KMEA's financial and operational strength with cost competitiveness
- 5.3 Needs assesment
Conduct an annual facility and technology needs assessment for KMEA



MAJOR PROJECTS IN 2023



City of Beloit **Replacement of two 35 kV breakers at tie substation**

KMEA/Mid-States worked with the City of Beloit to wire-in and energize a new 38 kV vacuum breaker that they had installed earlier at the 115 kV to 34.5 kV substation as replacement of old 38 kV oil breakers. KMEA/Mid-States will install a second 38 kV breaker in the summer of 2024. This will increase the reliability of power supply to the town. New Schweitzer SEL relays were also installed at the substation to replace the old protective relays.



City of Colby **Installation of the second 3 MW CAT generator**

With the assistance of Mid-States, a new 3 MW C-175 CAT generator was installed in Colby. The additional generation will help the city meet their SPP capacity requirement for years to come.



City of Girard **West substation rebuild**

The City of Girard replaced the existing west substation that dated back to the mid 1970's. The new substation now has adequate capacity and a full steel structure. The substation also has improved reclosure equipment.



City of Hoisington **Installation of 4 MW EMD generator**

The City of Hoisington installed a used 4 MW EMD generator, replacing a 7 MW Enterprise unit. The Enterprise unit was no longer repairable due to the age and availability of replacement parts. Along with the additional engine, the city added a new conductor to the substation, updated the control board with touchscreen capabilities, added a SEL relay, and reworked the control panel for all pumps and cooling towers.





City of La Crosse
Installation of 2 MW CAT generator

The City of LaCrosse installed a 2 MW CAT generator to replace a retired Fulton Iron Works generator that had not been in use since the 1980's. This new unit is a stand-alone generator that does not utilize the plant's cooling system, which allows the city maximum flexibility during run times.



City of Lindsborg
Addition of a second transformer at substation

The City of Lindsborg added an additional transformer at the city's substation. The city had recently purchased the substation assets from Evergy. Lindsborg added the additional transformer for redundancy and the ability to switch load in times of maintenance.



City of Russell
Fossil Street addition

KMEA Mid-States converted the closed 4160 bus to an open copper 4160 bus. They also replaced two old SF6 breakers and installed underground cables in the substation for one of the circuits.

KMEA BOARD OF DIRECTORS MEETINGS



The KMEA Board of Directors met twice in 2023. On April 26th, the KMEA board made two significant decisions. First, they approved the inclusion of the cities of Elsmore and Scranton into their membership. Second, they reviewed the financials for the fiscal year 2022.

During the October 19th meeting, the board adopted the 2024 budget and KMEA's five-year strategic plan. The meeting also involved elections: officers, at-large executive committee members, and joint board representatives were chosen. Notably, John Quinday, from Russell, was re-elected as KMEA's president.



At the state level, KMEA participates in the annual local access charge (LAC) dockets at the Kansas Corporation Commission filed by certain distribution cooperatives. Additionally, KMEA intervenes on behalf of our electric and gas members in general investigative dockets and dockets where specific member interests are implicated.

Legislatively, KMEA keeps abreast of bills affecting electric and gas utility operations. In 2023 KMEA actively participated in a series of meetings with distributed generation (DG) stakeholders, and assisted in the initiative to update the KMU DG Toolkit.

At the federal level, KMEA participates in annual reviews of the various transmission and generation formula rates affecting our members. When necessary, KMEA collaborates on and challenges the formula calculations and, in some instances, files challenges/complaints with FERC.

KMEA also tracks Southwest Power Pool (SPP) related filings at FERC and participates in those proceedings, as necessary. For example, KMEA has and continues to participate in FERC proceedings relating to SPP planning reserve margins, capacity accreditation methodologies, and energy aggregation. At any given time, KMEA is monitoring and/or intervening in a myriad of FERC matters.

LEGAL & REGULATORY UPDATE

KMEA provides a variety of legal and regulatory services. In addition to contract reviews and fielding general legal and regulatory questions from our membership, KMEA actively participates in legal proceedings at the state and federal level, and collaborates on legislative initiatives affecting our members.

RATE STUDIES IN 2023

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 (ECA) calculations, and other special tariffs.

In 2023, KMEA completed rate studies for several member cities, ranging from quick reviews and updates to full cost-of-service analyses with new rate designs. The need for rate studies continues

into 2024, as requests for rate studies remain steady. The need for ECA reviews also increased in 2023 due to power supply cost fluctuations. The continued increase in the need for support and guidance for distributed generation policies and procedures led to KMEA working together with Kansas Municipal Utilities (KMU), Kansas Public Power (KPP), and a number member cities to update the KMU DG Toolkit, which was presented at KMU's annual conference in 2024.

CITIES OF ELSMORE AND SCRANTON BECOME THE NEWEST KMEA MEMBERS

With the addition of these two cities in 2023, KMEA membership increased to 88 communities.



GOLF OUTING AND JOINT EMP MEETING



The golf outing and the joint EMP meeting were held on June 7th and 8th, respectively. The golf outing took place at Lindsborg Golf Club in Lindsborg, KS, while the joint EMP meeting was hosted at the Homewood Suites in Salina, KS. These events were sponsored by NextEra, Foley Power Solutions, and Olsson.

The joint EMP meeting commenced with a presentation by Terri Pemberton, KMEA's general counsel, covering regulatory matters, member issues, and special projects. Following her presentation, Tom Saitta, the director of electric operations for KMEA, presented the 2022 SPP Market Monitor report and

talked about SPP accreditation. Kurt Sieker, the regional vice president for Sunbelt Solomon, then presented on transformer maintenance protocols. Lynn Retz, the executive director for the Kansas Corporation Commission, highlighted infrastructure grant opportunities available to municipalities through the KCC. Finally, Neal Daney, director of projects & asset management for KMEA, provided updates on power supply projects and opportunities.

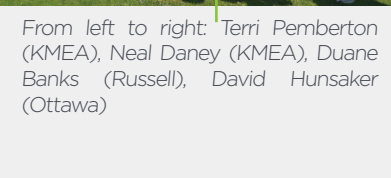
Additionally, meeting attendees had the opportunity to tour the Sunbelt Solomon Facility in Solomon, KS.



From left to right: Mike Muirhead (Garden City), Neil Rowland (KMEA), Dennis Tharp (Ottawa), Willie Wilkerson (KMEA)



From left to right: Billy Villanueva (Garden City), Abbey Levin (Olsson), Luke Willenbring (Olsson), Mike Schmaderer (KMEA-Mid/States)



From left to right: Terri Pemberton (KMEA), Neal Daney (KMEA), Duane Banks (Russell), David Hunsaker (Ottawa)



From left to right: Keo Bounpaseuth (Garden City), Josh Schmaderer (KMEA-Mid/States), Cliff Gamblin (Foley Power Solutions), Dale Schwieger (Osage City)



From left to right: Ty Norris (Girard), Dan White (KMEA-Mid/States), Jess Murphy (Girard), Rocky Evans (Ottawa)



From left to right: Dave Sturgeon (Russell), Jeff Scott (Stockton), Brice Meuli (Stockton), Dixie Riedel (KMEA)



From left to right: Darren Prince (KMEA), Ray Byers (Hoisington), Darren Delzeit (Hoisington), Chris Lindholm (Lindsborg)



ANNUAL CONFERENCE

The 2023 KMEA Annual Conference took place on October 19th and 20th at the Drury Plaza Hotel Broadview in Wichita, Kansas. The event drew a significant crowd, including utility personnel, administrative staff, and elected officials. On the first day, attendees participated in the KMGa and KMEA Board of Directors meetings. Later that afternoon, the general session featured a captivating presentation by award-winning magician and mind-reader Ben Whiting. The second day keynote speaker was Redmond Ramos, a veteran Navy corpsman who exemplified resilience by refusing to let his surroundings hinder his success.



Ben Whiting



Redmond Ramos

BREAKOUT SESSIONS



Tony Green - Southwest Power Pool

Topic: Resource adequacy, resiliency, and planning future grid needs



Don Krattenmaker and Alan Pederson - Woodriver

Topic: Introduction to Woodriver and natural gas market review



Matthew Hanson - Witt O'Brien

Topic: Understanding Kansas infrastructure hub funding



Nathan Summers - UMB Bank

Topic: Energy efficiency and renewable energy project opportunities and the federal Inflation Reduction Act



Jon Littleton - KMU

Topic: Gas operations requirements: what municipalities need to know



Brian Marshall, Jacob Bradley, and Daniel Bauerkemper - Olsson and Associates

Topic: How EV's will effect your utility

On Friday morning, David Osburn, who is the American Public Power Association (APPA) board chair and general manager of the Oklahoma Municipal Power Authority (OMPA), provided an update on APPA board activities and pending SPP resource adequacy changes. Next, Brad Mears from Kansas Municipal Utilities (KMU) gave a legislative update. Andrew French, a Kansas Corporation Commission (KCC) commissioner, then discussed the importance of maintaining reliable and affordable electric power in our region.



David Osburn - OMPA



Brad Mears - KMU



Andrew French - KCC Commissioner



KMEA 2023 AWARDS

BILL JOHNSON

GIL HANSON OUTSTANDING SERVICE AWARD RECIPIENT



From left to right: Paul Mahlberg (KMEA's general manager), Bill Johnson (general manager of KCBPU), Jon Quinday (Russell's city manager and KMEA president)

Bill Johnson, the general manager of Kansas City Board of Public Utilities (BPU), has been honored with the prestigious 2023 Gilbert E. Hanson Outstanding Service Award. This award, named in tribute to KMEA's inaugural general manager, acknowledges individuals who have made substantial contributions to municipal joint action, their local communities, the electric utility industry, and the realm of public power.

DEAN CORDES

MAX EMBREE DISTINGUISHED SERVICE AWARD RECIPIENT



From left to right: Paul Mahlberg, Dean Cordes (Meade's city administrator), Jon Quinday

Dean Cordes, who serves as the city administrator for the City of Meade, was chosen as the recipient of the prestigious 2023 Max Embree Award. This distinguished award, established in memory of the late Max Embree, a revered long-time resident of Colby, celebrates individuals who exemplify exceptional leadership and unwavering commitment to both the Kansas Municipal Energy Agency (KMEA) and the domain of public power.

LARRY BERRY

DEDICATED COMMITMENT TO SERVICE AWARD RECIPIENT



From left to right: Paul Mahlberg, Larry Berry (Anthony's electric production superintendent), Jon Quinday

Larry Berry, the electric production superintendent for the City of Anthony, was honored as the recipient of the 2023 Dedicated Commitment to Service Award. This distinguished award, instituted to recognize exceptional contributions, celebrates individuals who have consistently demonstrated outstanding performance and made significant local impact within their municipal utility.





HISTORY OF MID-STATES

Mid-States Armature Works was established in 1952 by founders Bill Horton, A.V. Gardner, and Will King. Initially, the company focused on rewinding motors, but they soon recognized the increasing demand in the substation and power plant sector. With only the three founders at the helm, Mid-States Armature embarked on its journey. Over time, the workforce expanded to over 30 employees during busy periods.

In the year 2000, Mike Schmaderer and Derek Shockley acquired Mid-States Armature Works. The old name gave way to the new: Mid-States Energy Works. After nearly a decade of working together, in 2009, Derek decided to pursue other interests, and Mike Schmaderer bought-out his share of the business. Mike, along with his wife Sharon, continued to operate Mid-States, serving the needs of Kansas municipal utilities and a few industrial customers. Mike has always found working with municipals to be the most pleasant and rewarding.

In response to its strategic planning effort in 2019, the Kansas Municipal Energy Agency (KMEA) received a clear message from its members: they were seeking new and expanded services in distribution system maintenance, substation maintenance, and engineering and project management. To address this, KMEA approached Mid-States Energy Works about acquiring the company. On July 1, 2020, KMEA officially purchased the assets of Mid-States Energy Works. As testament to their skills and value to communities across the state, there were no changes in staff or operations. Remarkably, Donald Walker, who was hired by Mid-States Armature Works on July 1, 1985, continues his work with Mid-States to this day. Still operating out of the original headquarters building in Salina pictured here, KMEA/Mid-States continues to serve the needs of municipal electric utilities across the state, emphasizing shared values and a heartfelt desire to help dedicated municipal utility employees serve their fellow Kansans.

Mike Schmaderer reflects on the transformation: "Since joining KMEA, we have more than doubled the amount of work we do each year. I had a feeling that things would take off, but not to the degree that they have."



Tim Kaiser, Bruce Marihugh, and Donnie Walker

MINUTES OF FIRST MEETING OF INCORPORATORS OF
MID-STATES ARMATURE WORKS, INC.

The first meeting of incorporators of Mid-States Armature Works, Inc. was held at 103 First National Bank Building, Pittsburg, Kansas, on the 15th of April, 1952, at 2:00 o'clock P. M.

Ben J. Horton, Francis R. Horton and R. L. Letton present.

Ben J. Horton was appointed Chairman and R. L. Letton Secretary of the meeting.

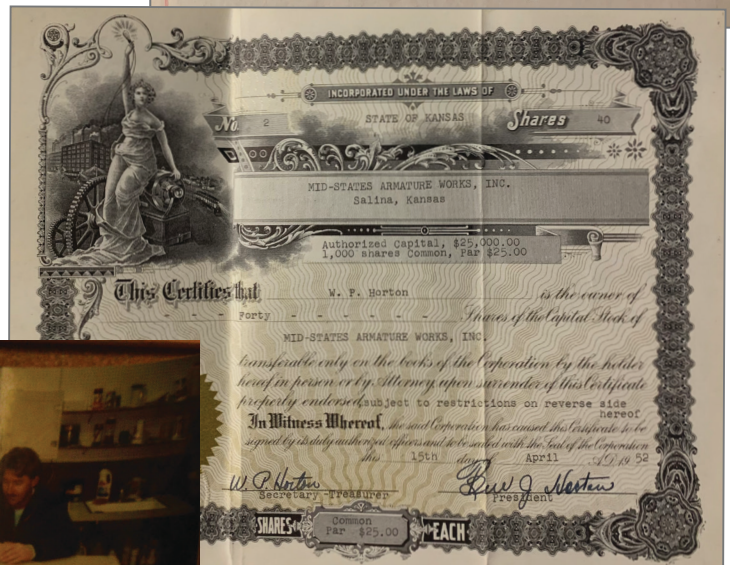
On motion duly made and seconded the waiver of notice of first meeting of incorporators of said corporation was approved and ordered filed in the corporate record book.

On motion duly made and seconded the following persons were elected to the Board of Directors of said corporation:

Ben J. Horton
W. P. Horton
Will King
A. V. Gardner
Francis R. Horton

On motion duly, made, seconded and passed by unanimous vote of all of the incorporators present and voting, the proper officers of the corporation, upon their election and qualification, are directed to cause to be issued 200 shares of the capital stock of the corporation upon payment therefor to the following stockholders in the following number of shares, to-wit:

Name	Number of Shares
Ben J. Horton	80
W. P. Horton	40
Will King	40
A. V. Gardner	40



KMEA PROJECTS AND RESOURCES

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, has 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. EMP cities can share capacity and exchange energy at agreed upon pricing, while jointly planning future electric power supplies. EMPs utilize the KMEA operations central dispatch center. Under the EMP agreements, project cities' loads are individually forecasted, aggregated then submitted to the Southwest Power Pool (SPP) for clearing in the Integrated Marketplace. Additionally, each city's resources, whether contracted or city-owned, are scheduled or offered-in the SPP market. KMEA also manages transmission congestion hedges as specified by protocols developed by each EMP group.

ENERGY MANAGEMENT PROJECT NO.1

- Baldwin City
- Gardner
- Garnett
- Osawatomie
- Ottawa
- Pomona
- Prescott

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

- Anthony
- Ashland
- Beloit
- Cimarron
- Garden City
- Hoisington
- Lincoln Center
- Mankato
- Meade
- Oberlin
- Osborne
- Russell
- Sharon Springs
- Stockton
- Washington

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.

ENERGY MANAGEMENT PROJECT NO.3

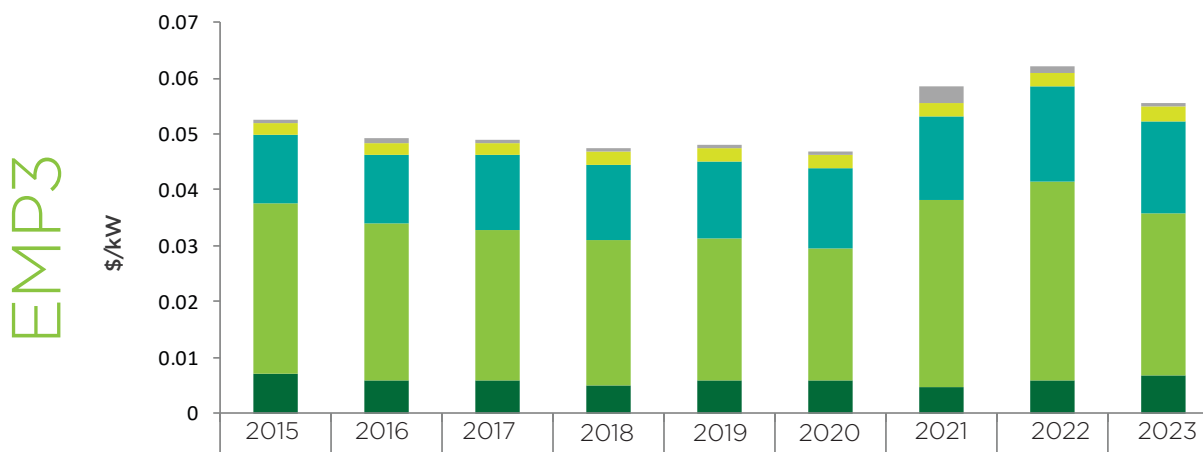
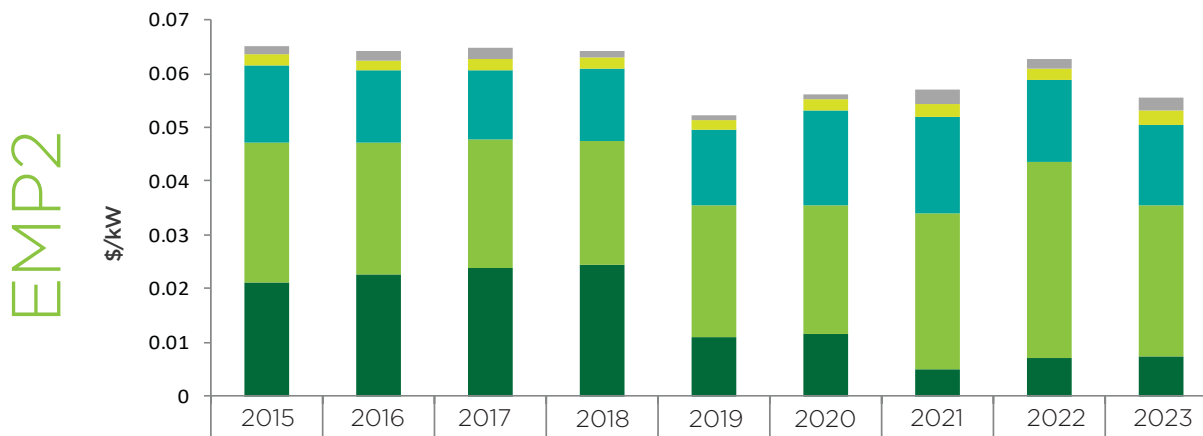
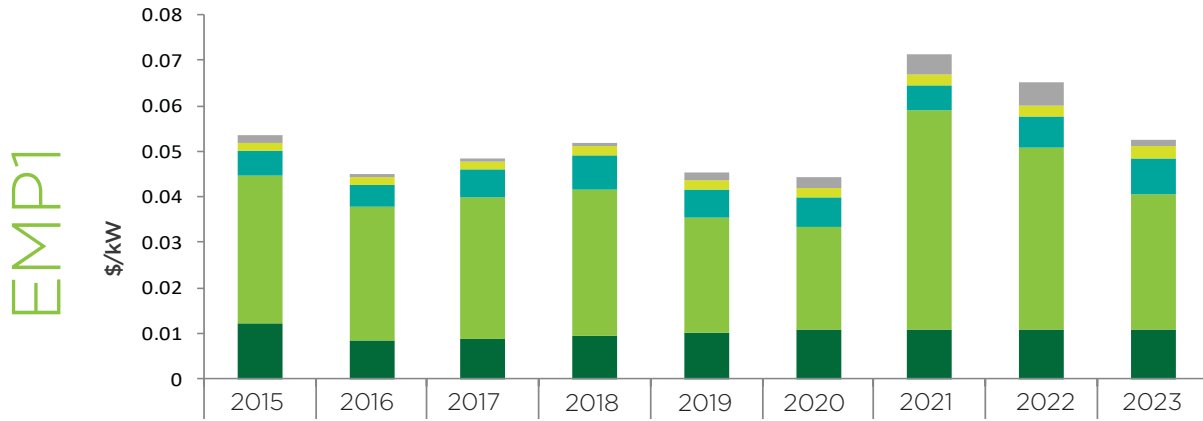
- Altamont
- Arma
- Blue Mound
- Burlingame
- Chapman
- Chetopa
- Girard
- Herington
- Holton
- Horton
- Jetmore
- Kiowa
- La Harpe
- Lindsborg
- Moran
- Moundridge
- Neodesha
- Osage City
- Seneca
- Sterling
- Wamego

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



HISTORICAL POWER SUPPLY COST BREAKDOWN BY EMP

In 2023, EMP1, EMP2, and EMP3 had summer peaks of 119 MW, 159 MW, and 117 MW, respectively. EMP1 and EMP3 saw their peaks increase, while EMP2's peak remained unchanged from 2022. Between 2015 and 2020, power supply costs gradually declined due to the rapid increase in wind generation, resulting in excess capacity and energy in the market. Since 2021, three major weather events and geopolitical turmoil have contributed to significant volatility in the energy market, leading to higher prices. Additionally, in 2023, the US and SPP experienced load growth and retirements of older coal units, further impacting capacity and energy market volatility. Every city in a KMEA EMP has a unique portfolio of generation and energy resources, resulting in different prices. However, our EMPs represent aggregations of cities, generally located in areas with unique drivers, such as transmission pricing, similarly affecting overall energy supply costs.



Demand
 Energy
 Transmission
 Administration
 Other Expenses



GRAND RIVER DAM AUTHORITY

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

DOGWOOD

On July 19, 2017, KMEA entered into an asset purchase agreement with Dogwood Energy LLC to acquire 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 the arrangement five member cities joined forces to secure a life-of-unit, reliable and economic power supply resource for each of their communities. The project began providing energy to KMEA on March 30, 2018.

Garden City
Gardner
Lindsborg
Ottawa
Russell

WESTERN AREA POWER ADMINISTRATION

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.

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



MARSHALL WIND

KMEA entered into a 20-year power purchase agreement for 7 MW 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 2023 total energy delivered to the participating cities was 20,776 MWh.

Baldwin City
Gardner
Garnett
Ottawa

BUCKEYE WIND

On November 22, 2017, KMEA entered into a 15-year power purchase agreement for 41.7 MW with Buckeye Wind Energy LLC. The wind farm is located in Ellis County, Kansas, and has an installed capacity of 200 MW. Twenty-three KMEA members participate in this long-term, economical energy supply. 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

2023 ELECTRIC ENERGY VOLUME (MWh)

	2023	2022
EMP1	20,917	46,056
EMP2	296,427	351,866
EMP3	266,283	273,463
Dogwood	265,722	183,143
GRDA	649,128	643,602
SPA	10,977	12,812
WAPA	101,106	101,106
Buckeye	150,042	161,462
Marshall	20,776	30,988
Other	402	6,482
Total	1,781,780	1,810,980

SOUTHWESTERN POWER ADMINISTRATION

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
La Crosse
Lindsborg
Neodesha
Norton
Oberlin
Osawatomie
Ottawa
Sharon Springs
St. Francis
Wamego

2023 KMEA FINANCIAL HIGHLIGHTS

(DOLLARS IN THOUSANDS)

REVENUES, EXPENSES, AND CHANGE IN NET POSITION

Electric Energy Sales:		
EMP1	3.0%	\$2,642
EMP2	21.4%	18,711
EMP3	16.7%	14,571
Dogwood	9.6%	8,379
GRDA	40.8%	35,697
SPA	0.5%	421
WAPA	4.3%	3,784
Buckeye Wind	2.0%	1,755
Marshall Wind	0.8%	664
Other	0.9%	804
Electric energy sales	100%	\$87,428
Electric energy costs		(87,428)
Other operating revenues		14,568
Other operating expenses		(14,409)
Non-operating revenues		258
Change in Net Position		\$417

NET POSITION

Cash and cash equivalents	\$15,643
Other current assets	10,257
Notes and lease receivable	70,325
Capital assets, net	27,550
Deferred outflow of resources	1,959
Other assets	18,494
Assets and Deferred Outflow of Resources	\$144,228
Current liabilities	\$20,606
Long-term obligations	84,012
Deferred inflows of resources	29,517
Other liabilities	7,621
Net position	2,472
Liabilities, Deferred Inflows of Resources and Net Position	\$144,228

KMEA MEMBER CITIES SUMMARY

City	Population	kWhs sold by the city	Peak kW
Alma	956	13,903,000	3,359
Altamont	1,060	7,731,212	2,862
Anthony	2,021	27,746,340	8,162
Arcadia	260	1,261,121	300
Arma	1,475	9,297,599	3,455
Ashland	770	11,566,374	3,892
Augusta	9,274	67,225,556	22,955
Baldwin City	4,882	34,409,924	11,700
Belleville	2,000	25,105,554	7,250
Beloit	3,404	43,135,370	13,261
Blue Mound	130	1,555,091	510
Bronson	305	1,847,252	300
Burlingame	966	6,979,983	2,759
Burlington	2,641	31,250,180	9,855
Cawker City	430	5,338,814	1,432
Centralia	496	3,808,400	1,274
Chanute	8,720	295,465,668	59,116
Chapman	1,340	11,209,411	4,022
Chetopa	929	7,730,390	2,399
Cimarron	2,000	14,555,467	5,012
Coffeyville	8,690	743,404,156	107,811
Colby	5,516	59057119	17,400
Dighton	956	8,649,252	1,900
Elsmore	53	576,000	250
Elwood	1,125	7,596,432	2,400
Enterprise	712	4,465,971	1,568
Erie	1,200	11,779,000	3,641
Eudora	6,500	39,619,134	13,712
Fredonia	2,110	26,421,218	8,340
Garden City	31,142	293,660,696	75,128
Gardner	25,000	156,443,096	46,800
Garnett	3,188	23,375,171	10,100
Girard	2,778	31,490,266	10,008
Glasco	441	3,061,839	1,196
Glen Elder	359	3,917,729	1,382
Goodland	4,477	40,869,675	11,900
Herington	2,100	16,632,000	6,200
Hill City	1,310	13,709,230	4,946
Hoisington	2,699	20,123,319	7,323
Holton	3,329	49,351,647	12,458
Horton	1,600	13,045,125	3,600
Hugoton	3,764	40,405,200	11,266
Iola	5,414	86,793,025	25,055
Jetmore	770	7,536,883	2,700

City	Population	kWh sold by the city	Peak kW
Johnson City	1,464	14,461,983	4,419
Kansas City BPU	150,403	2,159,472,000	481,000
Kiowa	869	10,419,929	3,376
La Crosse	1,248	11,244,956	3,970
La Harpe	464	3,339,885	813
Lakin	2,166	15,879,833	1,896
Larned	3,769	37,054,050	11,800
Lincoln Center	1,118	10,643,698	4,178
Lindsborg	3,776	27,625,873	9,673
Lucas	393	6,088,040	1,843
Mankato	850	7,948,127	2,614
Meade	1,505	13,574,352	4,737
Minneapolis	2,000	17,132,746	5,625
Montezuma	978	11,680,600	3,043
Moran	467	4,154,000	1,321
Morrill	215	1,287,287	368
Moundridge	1,974	31,603,167	8,000
Neodesha	2,275	38,572,462	11,877
Norton	2,758	24,371,333	8,619
Oberlin	1,644	13,030,915	4,804
Osage City	2,830	33,085,191	9,059
Osawatomie	4,255	33,473,232	10,100
Osborne	1,300	15,310,647	4,800
Ottawa	12,600	141,337,559	38,700
Pomona	850	7,443,370	2,300
Pratt	6,573	74,602,804	23,550
Prescott	207	1,009,160	400
Robinson	195	1,132,900	125,691
Russell	4,401	117,627,436	27,360
Sabetha	2,491	44,237,389	11,427
Scranton	644	3596611	1,193
Seneca	2,020	38,262,822	10,065
Sharon Springs	738	5,454,291	2,314
St. Francis	1,253	10,534,772	3,843
St. John	1,228	9,913,462	3,374
Stafford	938	8,115,306	2,692
Sterling	2,276	23,022,527	6,900
Stockton	1,400	12,300,000	4,604
Troy	1,010	7,259,902	2,237
Wamego	4,950	42,715,751	14,600
Washington	1,023	10,812,889	4,073
Wathena	1,265	7,613,459	2,640
Wellington	7,664	94,771,331	27,419
Winfield	11,726	235,732,574	59,163

Totals	413,465	5,762,056,510	1,523,439
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2023 KMEA BOARD OF DIRECTORS

Alma

1. Michael Slobodnik
 2. Trent Viergever
- A. Sherry Smith

Altamont

1. LeaAnn Myers
 2. Brad Myers
- A. Louis Joe Carson

Anthony

1. Larry Berry
 2. Cyndra Kastens
- A.

Arcadia

- 1.
 - 2.
- A.

Arma

1. Rob Lessen
 2. Howard Camp
- A. Gary Pommier

Ashland

1. Richard Foster
 2. Doug Roberts
- A.

Augusta

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

Baldwin City

1. Jerry Smith
 2. Glenn Rodden
- A. Jeff Winkler

Belleville

1. Adam Anderson
 2. Russ Piroutek
- A. Blane Payeur

Beloit

1. Manny Milbers
 2. Halley Roberson
- A. Steven Krier

Blue Mound

1. Max Krull
 2. Howard Camp
- A. Byron Coats

Bronson

1. John Stokes
 - 2.
- A.

Burlingame

1. Leslie Holman
 2. Gerald Britschge
- A. Patty Atchison

Burlington

1. Alan Schneider
 2. Stan Luke
- A.

Cawker City

1. Barbara Wise
 2. Drew Duskie
- A.

Centralia

1. Ryan Vernon
 2. Ryan Allen
- A. Dustin Walters

Chanute

1. Brandon Westerman
 2. Todd Newman
- A. Ryan Follmer

Chapman

1. Wesley Phillips
 2. Bill Flanery
- A. Tim Jury

Chetopa

1. Bob Boyd
 2. Debra Darnell
- A. Toni Crumrine

Cimarron

1. Jeff Acton
 2. Shannon Hoskinson
- A. Mike Coast

Coffeyville

1. Tony Lawson
 2. Steve Pratt
- A. Amy Taylor

Colby

1. Patt Mallory
 2. Brad Davis
- A. Ron Alexander

Dighton

1. Craig Collins
 2. Craig Doris
- A. Curtis Hanna

Elsmore

1. Brenda Boyle
 2. Karen Price
- A. Richard Boyle

Elwood

- 1.
 - 2.
- A.

Enterprise

1. Damon Greep
 2. Trent Jordan
- A. Mike Humes

Erie

1. Jake Tromsness
 2. Trenton Moore
- A. Kyle Buntin

Eudora

1. Branden Boyd
 2. Kevyn Gero
- A. Mark Landry

Fredonia

1. Derek Wood
 2. Wesley Young
- A. Bill Jones

Garden City

1. Mike Muirhead
 2. Kent Pottorf
- A.

Gardner

1. Jeff LeMire
 2. Gonzalo Garcia
- A. Bruce Baldwin

Garnett

1. Travis Wilson
 2. Joe Owens
- A. Troy Hart

Girard

1. Cliff Scales
 2. Jess Murphy
- A. Johanna O'Brien

Glasco

1. Clark Coco
 2. Dan Darnall
- A. Doug Berndt

Glen Elder

1. Jerri Senger
 2. Eldon Behymer
- A. Sheila Paxson

Goodland

1. Dustin Bedore
 2. Chris Douglas
- A. Kent Brown

Herington

1. David Kahle
 - 2.
- A. Leo Schlesener

Hill City

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

Hoisington

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

Holton

1. Craig Figge
 2. Corey Schuetz
- A. Teresa Riley

Horton

1. Carmela Boller
 2. Bryan Stirton
- A. Rex West

Hugoton

1. Logan Frederick
 2. Richard Barnes
- A. Thomas Frederick

Iola

1. Mike Phillips
 2. Matt Rehder
- 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. Jeremy Ash
 2. Jerin Purtee
- A. William A. Johnson

Kiowa

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

La Crosse

1. Lyle Hammerschidt
 2. Toby Bright
- A.



La Harpe

- 1. Sharlyn Thompson
- 2. Ron Knavel
- A.

Lakin

- 1. Robbie McCombs
- 2. Kevin Fearn
- A. Randy Heinitz

Larned

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

Lincoln Center

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

Lindsborg

- 1. Kristi Northcutt
- 2. Chirs Lindholm
- A. Clark Schultz

Lucas

- 1. Tarry Dougherty
- 2.
- A. Travis Naegele

Mankato

- 1. Marvin McCormick
- 2.
- A. Hunter Kohler

Meade

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

Minneapolis

- 1. Barry Hodges
- 2.
- A.

Montezuma

- 1. Warren Wright
- 2. Chris Olsen
- A. Matthew Axtell

Moran

- 1. Warren Johnson
- 2. Kristofor Smith
- A. Kenneth Kale

Morrill

- 1. Linda Wymer
- 2. Griffen Huning
- A.

Moundridge

- 1. Kevin Schmidt
- 2. Jeremy Moore
- A. Jeremy Johnson

Neodesha

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

Norton

- 1. James Moreau
- 2. Jerry Jones
- A. Alex Haffner

Oberlin

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

Osage City

- 1. Craig Croucher
- 2. Dale Schwieger
- A. Katie Hodge

Osawatomie

- 1. Terry Upshaw
- 2. Bret Glendening
- A. Nick Hampson

Osborne

- 1. Daniel Pfannenstiel
- 2. Tony Woolley
- A. Barry Curry

Ottawa

- 1. Sara Caylor
- 2. David Hunsaker
- A. Jeff Oleson

Pomona

- 1. Marie Seneca
- 2. Scott Culley
- A. Sarah Struthers

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. Kelly Griswold
- A. Arthur Malott

Russell

- 1. Jon Quinday
- 2. Dave Sturgeon
- A. Jim Cross

Sabetha

- 1. Douglas Allen
- 2. Billy Shroyer
- A. Matthew Brucken

Scranton

- 1. James Palacio
- 2. Ken Croucher
- A. Michael Meenen

Seneca

- 1. Jim Mitchell
- 2. Steve Brooks
- A. Bruce Deters

Sharon Springs

- 1. Dennis Sharp
- 2. Jay Sharp
- A. Patrick Gibbs

St. Francis

- 1. Scott Schultz
- 2. Dan Blair
- A. Kale Dankenbring

St. John

- 1. Jeff Williamson
- 2. Marshal Sanders
- A. Kyle Bunker

Stafford

- 1.
- 2.
- A.

Sterling

- 1. John Wagerle
- 2. Craig Crosse
- 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. Carl Chalfant
- 2. David L'Ecuyer
- A.

Wathena

- 1. Tim Smith
- 2. John Hontz
- A.

Wellington

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

Winfield

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

- 1. Director
- 2. Director
- A. Alternate



MESSAGE FROM THE PAST...

PRESIDENT'S MESSAGE TO THE MEMBERS



Max H. Embree, *President
Businessman/Rancher, Colby*

The competitive electric generation markets, most recently being advanced by the deregulation policies of the National Energy Policy Act of 1992, are clearly entering Kansas. Following the new regulatory direction, utilities that own the transmission grid surrounding our members have been opening their systems, thus allowing our members greater access to competitive power supply options. Already, the Agency has been taking advantage of the competitive generation markets and the enhanced transmission access to those markets in arranging new power supplies for our members. Along with the benefits of competition, there are potential hazards awaiting us as the bulk power market evolves under deregulation. Here too, the Agency can help our members protect and advance their competitive position.

For our Nearman Power Supply Project, the Agency is renegotiating a long-term power supply arrangement at a substantially lower price. Our ability to ask for

more favorable terms came about because we were able to attract competitive proposals from various alternative suppliers in Kansas, Missouri, Nebraska and Oklahoma — proposals made possible by more open transmission access under deregulation.

We are also looking at purchasing short-term power supplies from a neighboring utility for

delivery to our members, as a cost effective alternative to purchasing from their interconnected utility. The economics of the purchase are possible only because of interruptible transmission service just recently offered on the KGE system. To prepare for similar transactions, the Agency recently entered into an interchange agreement with KCPL.

Another opportunity we have been exploring involves the new network transmission service available on the KCPL system. We would use the network transmission access to integrate the generation capacity of several members to achieve economies of scale and operating efficiencies. One possibility is to build a peaking plant to be shared and dispatched among a group of cities interconnected through KCPL's network transmission service.

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. As events unfold, the Agency can take advantage of opportunities as

they appear, and prepare for what might ultimately occur in the deregulated, competitive market.

Given the rapidly changing bulk power market and the uncertainty of where it will take us, we need to monitor the actions taken by the transmission-owning utilities in our area. This need is apparent because, as transmission-dependent utilities, our members rely on the transmission-owning utilities for access to the generation markets. These same utilities are our members' potential competitors, especially if retail wheeling, for at least industrial customers, is inevitable. As such, our members' competitive positions are especially vulnerable to transmission pricing, services and access.

Our members will be competing with utilities that control the access to the power supply options. Because the crucial transmission link is owned by a potential competitor, the Agency must actively ensure that our members have open and equitable access to the generation markets. With our experience at exploring power supply options in the Midwest and intervening in regulatory proceedings dealing with transmission issues, the Agency is well positioned to monitor the activities of the transmission-owning utilities and their regulators, both to protect our members' equitable transmission access and to least-cost power supplies.

A handwritten signature in cursive script that reads "Max H. Embree".

Max H. Embree
President

...FROM THE **1993** ANNUAL REPORT



A MESSAGE FROM KMGGA'S PRESIDENT AND GENERAL MANAGER

GUS COLLINS AND PAUL MAHLBERG



Gus Collins



Paul Mahlberg

The term “stability” comes to mind as we reflect on this past year of 2023. The prior two years were anything but stable. Winter Storm Uri hit us in 2021 with unprecedented gas prices in the daily market; 2022 gas prices were extremely high for the entire year due to worldwide supply issues. We expect this volatility and uncertainty in the gas industry to continue as it has turned into a global market.

KMGGA and the members faced these challenging years with a resolve to provide a more stable, low-cost and reliable gas supply for the members. After receiving feedback from the membership, evaluating several options, and working with the executive committee, a new gas supply solution was implemented beginning October 1, 2023. This solution provides flexibility for the members to individualize their gas supply portfolio based on their risk tolerance. This new strategy proved itself to be valuable during a severe winter storm in January 2024, as it shielded the members from rising gas prices.

We began a membership outreach program in 2023 consisting of four regional meetings to provide information to the members, but more importantly, receiving feedback and input from the membership. We will continue this effort into 2024 and beyond.

Finally, we had a solid financial year, ending-up with a positive margin and a well-funded net equity reserve for the year.

Be sure that we will remain committed to our members, your customers, and the communities you serve. On behalf of the staff and the KMGGA Executive Committee, we thank you for your confidence in KMGGA and the opportunity to serve you.

A handwritten signature in black ink, appearing to read "Gus Collins".

Gus Collins
KMGGA President

A handwritten signature in black ink, appearing to read "Paul Mahlberg".

Paul Mahlberg
KMGGA General Manager

2023 KMGA HIGHLIGHTS

KIM EVERLEY

RON HUXMAN DISTINGUISHED SERVICE AWARD RECIPIENT

Kim Everley, the city clerk/city administrator for the City of McLouth, was honored as the recipient of the 2023 Ron Huxman Distinguished Service Award. This award was established in 2016 in honor of Ron Huxman. Ron played a leading role in the day-to-day activities of the agency, as well as serving as president, executive committee member, and joint board member. The award honors his contributions to KMGA and is awarded to individuals who have demonstrated exceptional leadership and devoted service to both KMGA and the municipal natural gas industry.



From left to right: Paul Mahlberg (KMEA/KMGA general manager), Kim Everley (McLouth's city clerk/city administrator), Gus Collins (Winfield's director of utilities and KMGA president)

PAT ADAMS

MIKE GILLILAND HONOR AWARD RECIPIENT

Pat Adams, the city administrator of the City of Halstead, was the recipient of the 2023 Mike Gilliland Honor Award. This award, in honor of Mike Gilliland, was established in 2016. Mike Gilliland played a leading role in the agency serving multiple terms as president, vice president, and executive committee member. The award honors his contributions to KMGA and is to recognize an employee of a KMGA member city who has, over a period of years, demonstrated outstanding performance and made significant contributions to their municipal utility.



From left to right: Paul Mahlberg, Pat Adams (Halstead's city administrator), Gus Collins

KMGA BOARD OF DIRECTORS MEETINGS



Gus Collins (KMGA president)



Dixie Riedel (KMGA)

The KMGA Board of Directors met twice in 2023. During the April 26th meeting the board reviewed the 2022 financials.

The board met again on October 19th. Action was taken to approve the 2024 budget and elect officers, at-large executive committee members, and joint board representatives. Gus Collins, from the City of Winfield, was re-elected the president of KMGA.

2023 KMGGA REGIONAL MEETINGS



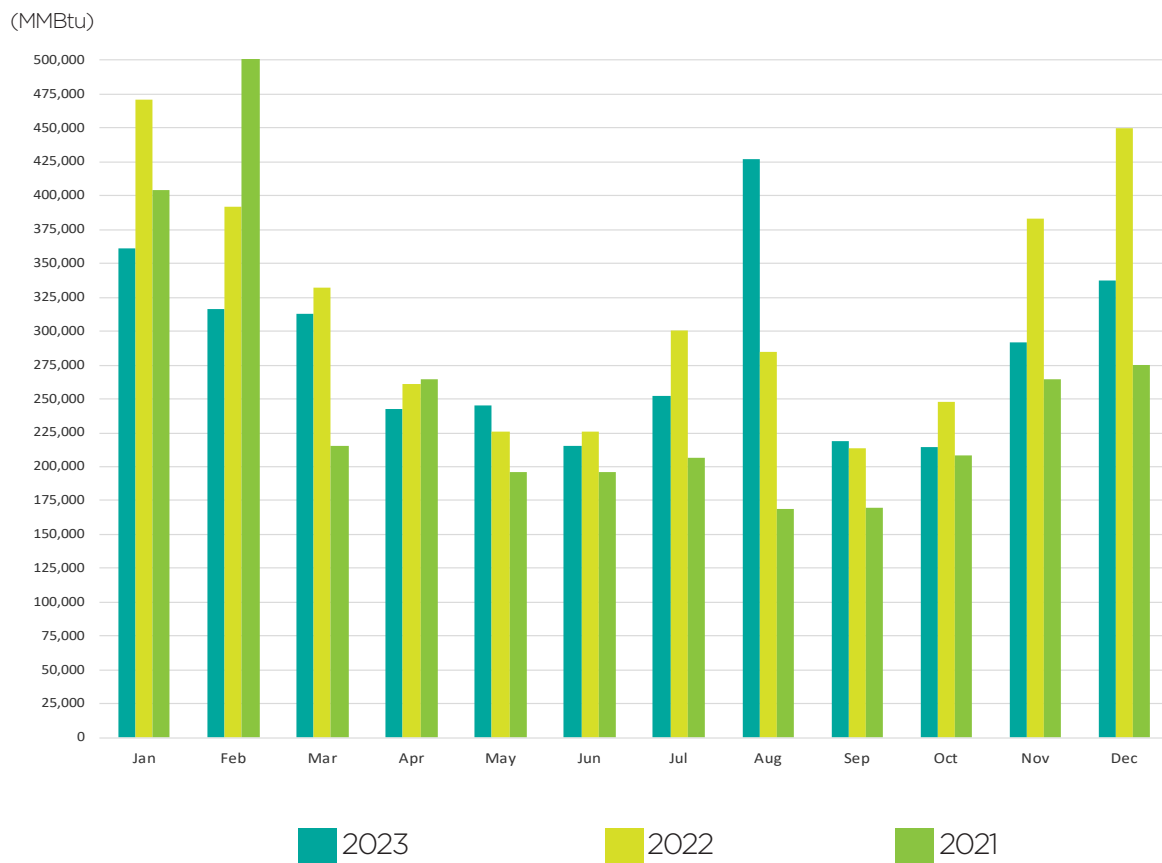
KMGGA held four regional meetings for members in 2023. Host cities were Humboldt, Spearville, Moundridge, and Osage City. City personnel and council/commission members were invited to attend these meetings.

The regional meetings provided a great opportunity for KMGGA staff to meet members in a small group setting. Information about the natural gas industry and going's-on at KMGGA was shared. The meetings facilitated networking and sharing information between cities.

NATURAL GAS MARKET REVIEW

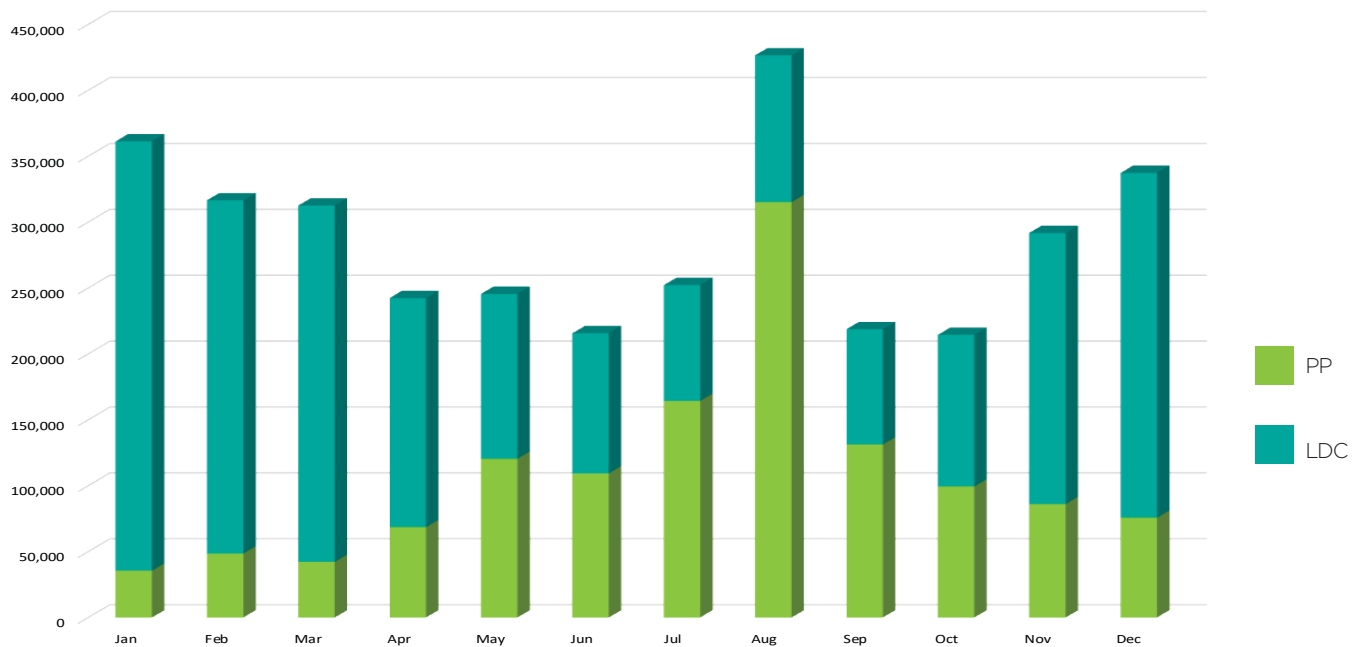
SUPPLY PURCHASES

KMGGA members purchased 3.44 million MMBtu of natural gas supply during 2023. This was down slightly due to warmer than average temperatures over the winter months.



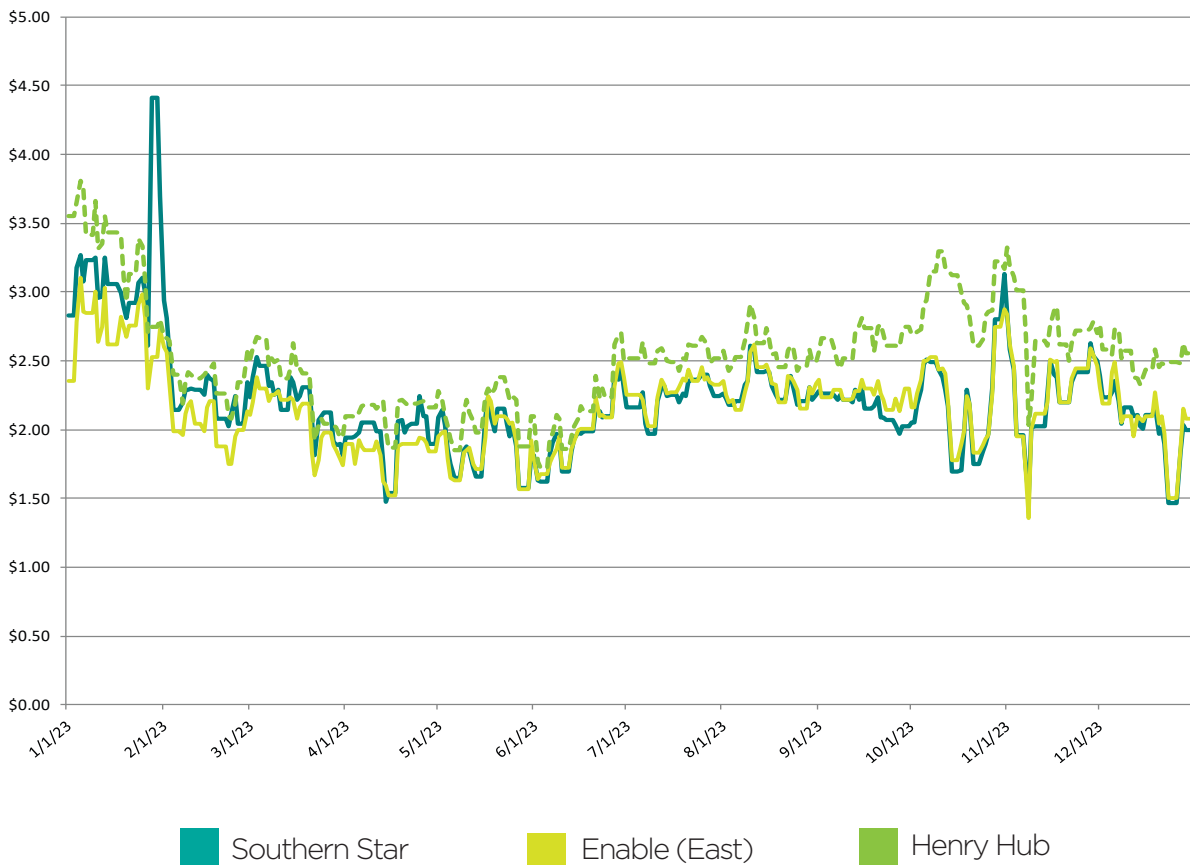
Gas supply for gas-fired electric generation (PP) continued to grow in 2023, up approximately 10% from 2022 volumes. City-owned distribution systems (LDC) accounted for 62% of the annual gas supply volume.

2023 GAS SUPPLY VOLUMES BY MEMBER TYPE

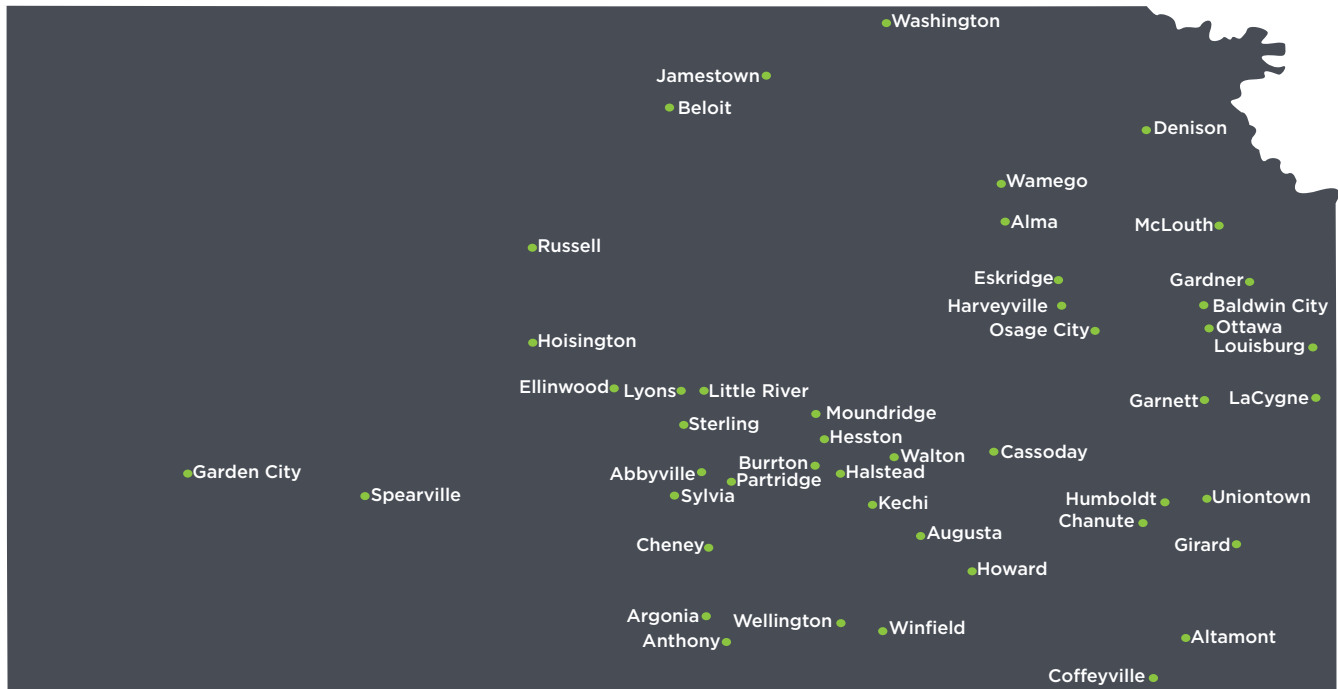


NATURAL GAS PRICES

In 2023 gas prices exhibited less volatility compared to previous years. Notably, the highest daily index price occurred on January 28th at \$4.41 per MMBtu due to colder weather. Winter Storm Elliott, which arrived in late December 2022, led to an elevated January 2023 monthly index price of \$8.43 per MMBtu. Conversely, November 8th saw the lowest daily index price for the year at \$1.36 per MMBtu. Overall, KMGGA's average price across all member types in 2023 was \$3.835 per MMBtu.



2023 KMGGA BOARD OF DIRECTORS



Alma

- 1. Michael Slobodnik
- A. Trent Viergever

Altamont

- 1. LeaAnn Myers
- A. Brad Myers

Anthony

- 1. Larry Berry
- A. Cyndra Kastens

Argonia

- 1. Rick Dolley
- A. Tara Pierce

Augusta

- 1. Tim Johnson
- A. Jim Sutton

Baldwin City

- 1. Glenn Rodden
- A. Rob Culley

Beloit

- 1. Manny Milbers
- A. Steven Krier

Burrton

- 1. Jon Roberts
- A. Kim Ryan

Cassoday

- 1. Lequita Joy Nelson
- A.

Cheney

- 1. Gerald Peitz
- A. Danielle Young

Coffeyville

- 1. Mike Shook
- A. Steve Pratt

Ellinwood

- 1. Chris Komarek
- A. Jon Perron

Eskridge

- 1. Mike Bohn
- A. Jim Weir

Garden City

- 1. Kent Pottorf
- A. Mike Muirhead

Gardner

- 1. Gonzalo Garcia
- A. Jeff LeMire

Garnett

- 1. Joe Owens
- A. Travis Wilson

Girard

- 1. Cliff Scales
- A. Jess Murphy

Halstead

- 1. Ethan Reimer
- A. Patrick Adams

Harveyville

- 1. James Stephenson
- A. Gary Dixon

Hesston

- 1. Gary Emry
- A. Jason Thrasher

Hoisington

- 1. Jonathan Mitchell
- A. Darren Delzeit

Howard

- 1. Joanna Hunter
- A. Kevin Mitchell

Humboldt

- 1. Jeremy Bulk
- A. Chaz Sanchez

Jamestown

- 1. Herb Best
- A. Jessica Presler

Kechi

- 1. Theresa Morlan
- A. Thomas Bevan

La Cygne

- 1. Jodi Wade
- A. Daniel Nasalroad

Little River

- 1. Don Teeters
- A.

Louisburg

- 1. Nathan Law
- A. Richard Mikesic

Lyons

- 1. Gayla Horsch
- A. Jared Jones

McLouth

- 1. Kim Everley
- A. David Riley

Moundridge

- 1. Jeremy Johnson
- A. Jeremy Moore

Osage City

- 1. Dale Schwieger
- A. Rod Willis

1. Director A. Alternate

Ottawa

- 1. Brian Silcott
- A. Jeff Oleson

Partridge

- 1. Tyler Eash
- A. Ray Davis

Russell

- 1. Dave Sturgeon
- A. Kayla Schneider

Spearville

- 1. Jeremy Luthi
- A. Tali Whipple

Sterling

- 1. John Wagerle
- A. Craig Crossette

Sylvia

- 1. Carlyn Conrad
- A. Debra Mitzner

Uniontown

- 1. Sally Johnson
- A. Bobby Rich

Walton

- 1.
- A. Stephanie Ashby

Wamego

- 1. Staci Eichem
- A. Casey Frisbie

Washington

- 1. Carl Chalfant
- A. Terri Morse

Wellington

- 1. Roger Estes
- A. Ryan Hain

Winfield

- 1. Gus Collins
- A. Taggart Wall

- 1. Director
- A. Alternate

KMGa MEMBER CITIES SUMMARY

City	Population	MMBtu Sold
Abbyville	200	2,946
Altamont	1,060	33,885
Anthony	2,021	1,083
Argonia	500	15,820
Augusta	9,274	21,669
Baldwin City	4,882	1,216
Beloit	3,404	1,035
Burrton	856	19,731
Cassoday	120	5,924
Cheney	2,181	64,862
Coffeyville	8,690	1,025,819
Denison	145	8,458
Ellinwood	1,969	528
Eskridge	501	47,125
Garden City	31,142	13,523
Gardner	25,000	2,425
Garnett	3,188	89,180
Girard	2,778	1,453
Halstead	2,277	197,096
Hesston	3,800	324,552
Hoisington	2,699	390
Howard	600	22,680
Humboldt	1,953	78,329

City	Population	MMBtu Sold
Jamestown	310	11,542
Kechi	2,016	59,899
La Cygne	1,086	58,414
Louisburg	4,499	108,115
Lyons	3,564	143,649
McLouth	859	24,851
Moundridge	1,974	91,177
Osage City	2,830	100,705
Ottawa	12,600	14,637
Partridge	274	5,689
Russell	4,401	32,048
Spearville	850	33,114
Sterling	2,276	817
Sylvia	210	8,199
Uniontown	293	7,519
Walton	231	9,211
Wamego	4,950	3,767
Washington	1,023	712
Wellington	7,664	110,157
Winfield	11,726	590,534
Totals	172,876	3,394,485

AFFILIATE MEMBERS

- Abbyville
- Chanute
- Denison

2023 KMGF FINANCIAL HIGHLIGHTS

(DOLLARS IN WHOLE AMOUNTS)

REVENUES, EXPENSES, AND CHANGE IN NET POSITION

Natural gas sales	\$15,255,668
Natural gas costs	(15,255,668)
Other operating revenues	308,170
Other operating expenses	(330,872)
Non-operating revenues	24,525
Change in Net Position	\$1,823

NET POSITION

Cash and cash equivalents	\$1,331,164
Accounts receivable	1,286,417
Capital assets, net	3,629
Assets	\$2,621,210
Accounts payable and accrued expenses	\$289,479
Deferred inflows of resources	1,812,143
Net position	519,588
Liabilities, Deferred Inflows of Resources and Net Position	\$2,621,210



KMGA

EXECUTIVE COMMITTEE



STEPHANIE ASHBY
City of Walton



GUS COLLINS
City of Winfield
KMGA President



GARY EMRY
City of Hesston



TONY LAWSON
City of Coffeyville



ETHAN REIMER
City of Halstead



ROD WILLIS
City of Osage City
KMGA Vice-President

NATHAN LAW
City of Louisburg

KMEA

EXECUTIVE COMMITTEE



DUSTIN BEDORE
City of Goodland



STACIE EICHEM
City of Wamego
Secretary/Treasurer



BRET GLENDENING
City of Osawatomie



DAVID HUNSAKER
City of Ottawa



CHRIS LINDHOLM
City of Lindsborg



MIKE MUIRHEAD
City of Garden City
KMEA Vice-President



JON QUINDAY
City of Russell
KMEA President



JEFF SCOTT
City of Stockton



JEFF WINKLER
City of Baldwin City

JOINT BOARD FOR ADMINISTRATION



GUS COLLINS
City of Winfield
Chairperson



BRET GLENDENING
City of Osawatomie



MIKE MUIRHEAD
City of Garden City



JON QUINDAY
City of Russell
Secretary



ETHAN REIMER
City of Halstead



ROD WILLIS
City of Osage City

As of 09/30/2023

2023 BUSINESS ASSOCIATES



SUNBELT SOLOMON
UNPARALLELED POWER SOLUTIONS

WASHINGTON ENERGY LAW LLP

PIPER SANDLER
Realize the power of partnership.

MIDWEST
ELECTRIC TRANSFORMER SERVICES

daupler

NEXTERA
ENERGY
MARKETING

Sawvel
AND ASSOCIATES, INC.
Consultants and Engineers

COLUMBIA CAPITAL
MUNICIPAL ADVISORS

WoodRiver Energy
empowering your passion

FOLEY
POWER SOLUTIONS **CAT**

Dogwood Energy

POWER ENGINEERS

HEALY
LAW OFFICES, LLC

olsson **evergy**

GILMORE BELL

Tantalus

Midwest Energy, Inc.
Kansas Municipal Energy Agency

mcg

GRDA
Grand River Dam Authority

SAM

KMEA STAFF-OVERLAND PARK



KENT BALKENBUSCH
System Operator



GERRY BIEKER
Managing Director,
Electric Operations



BRENNAN CAUME
System Operator



NEAL DANEY
Director, Projects &
Asset Management



LISA FERGUSON
Administrative
Assistant



PAUL MAHLBERG
General Manager



TYSON MCGREER
Manager,
Member Services



MIKE MEYER
Director, Finance
& Accounting



KATIA MITCHELL
Office Manager



RAFAEL MORFIN
System Operator



TERRI PEMBERTON
General Counsel



DIXIE RIEDEL
Director of
Natural Gas



NEIL ROWLAND
Director, Transmission
& Security



TOM SAITTA
Director, Electric
Operations



JAMES SANDERS
System Operator



JOHN SECK
Director, Resource
Planning & Development



JOHN WEBER
Manager, Finance
& Accounting



CHAD WHITE
System Operator



DARREN PRINCE
Manager, Regulatory
& Rates



WILLIE WILKERSON
System Operator

KMEA STAFF-SALINA



CHRIS CROUCHER
Line Foreman



KRIMZYN CLARK
Apprentice Lineman



HUNTER DAUTEL
Field Technician 1



JEFF LEGER
Manager, Field Services



CHRIS MCKEE
Shop Foreman



JAXSON MCMILLAN
Field Technician 1



JASON MULLINEX
Journeyman Lineman



HENRY MORROW
Journeyman Lineman



STEVEN PORTER
Journeyman Lineman
Foreman



JOSH SCHMADERER
Manager of
Engineering



MIKE SCHMADERER
Director, Engineering
& Field Services



SHARON SCHMADERER
Office Technician



ROBERT SIMPSON
Field Technician 1



CHARLES SMITH
Field Service
Technician



NEEMIAH TAYLOR
Field Technician 1



DONALD WALKER
Field Services
Foreman



DAN WHITE
Director, Engineering
Field Services



NOLAN WHITE
Field Technician 1





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