



## HIGHLIGHTS

### ▶ 2025 JOINT EMP MEETING



On June 25, members gathered at the Marriott Hotel in Overland Park for the 2025 Joint EMP Meeting.

The day began with executive committee sessions for both KMGa and KMEa, followed by the Joint EMP meeting. Greg DuMars (KMU) and Terri Pemberton (KMEa) opened the session with a legislative update on distributed generation, offering insights into recent policy developments and their implications for municipal utilities. Kurt Gregson of Southern Star then presented an energy market and demand outlook. Neal Daney and Tom Saitta provided updates on supply adequacy and capacity requirements. The meeting concluded with a General Manager’s Report from Paul Mahlberg, who also recognized Mike Schmaderer with a plaque in celebration of the fifth anniversary of KMEa Mid-States.

While the meeting was the cornerstone of the event, attendees also enjoyed opportunities to connect informally. On June 24, members participated in a golf outing at the Osawatomie Golf Course. Congratulations to Neal Daney, David Hunsaker, John Thompson, and Cliff Gamblin, who emerged as the winning team and proudly took home the trophy. The event wrapped up on the evening of June 25 with a group outing to Kauffman Stadium, where attendees watched the Kansas City Royals take on the Tampa Bay Rays—capping off two days of collaboration and camaraderie.

KMEa thanks all presenters, participants, and sponsors for making the 2025 Joint EMP Meeting a meaningful and productive event. We look forward to building on these conversations and continuing to support our member communities.



(L-R) Greg DuMars (KMU), Terri Pemberton (KMEa)



(L-R) Mike Schmaderer and Paul Mahlberg (KMEa)



(L-R) Ben Brubaker (Coffeyville) and Michael Ort (Jetmore)



(L-R) Eldon Brown (Eudora) and Sam Mills (KMEa)



(L-R) Neal Daney (KMEa), David Hunsaker (Ottawa), John Thompson (Ottawa), and Cliff Gamblin (Foley)

## ▶ RAFAEL MORFIN TRANSITIONS TO NEW ROLE AS RATE ANALYST

KMEA is pleased to announce the transition of Rafael Morfin to the position of Rate Analyst. Formerly a System Operator, Rafael brings valuable operational experience and a strong commitment to professional growth. In his new role, he will collaborate with Darren Prince to support KMEA's mission of conducting rate reviews and providing regulatory assistance to KMEA and KMGAs Members.



Rafael will assist in analyzing utility rate data, contributing to financial and cost-of-service models, and forecasting rates and revenue requirements for member cities. With his support, KMEA will be able to expand its capacity to conduct more rate studies for its member communities. Over time, his responsibilities will grow to include conducting comprehensive rate studies—developing revenue requirements, performing cost-of-service

analyses, and designing utility rates tailored to the unique needs of each city. Reflecting on his new role, Rafael shared:

“What inspired me to make the move from System Operator to Rate Analyst ultimately reflects my interest in growing professionally and being part of the broader mission of KMEA. I'm most excited about contributing to data-driven decision-making and long-term planning.”

He is especially eager to deepen his expertise in rate design, financial modeling, and regulatory policy.

On a personal note, Rafael recently celebrated a joyful milestone. He and his wife, Aimee Morfin, were married on May 31st in a beautiful ceremony in Mexico. The entire KMEA family extends heartfelt congratulations to the newlyweds!

BY KATIA MITCHELL (KMEA)

## ▶ COFFEYVILLE COMPLETES MAJOR OVERHAUL



The City of Coffeyville, Kansas, marked a major milestone in its energy journey with the successful maintenance overhaul of its natural gas generation facility, which began producing power in January 2017. The project broke ground in October 2015.

The facility was made possible through a long-term power purchase agreement signed in 2015 with the Grand River Dam Authority, allowing the city to acquire 56 megawatts of generation capacity via three 18.7 MW Wartsila natural gas units. Since coming online, the plant has reliably delivered energy to the city of Coffeyville. In 2024 alone, the units operated for over 10,374 hours, recorded 1,458 engine starts, and generated over 113,000 MWh. Underscoring their critical role in ensuring consistent and dependable power for Coffeyville and the broader region.

BY TYSON MCGREER (KMEA)

Following Wartsila's recommended maintenance schedule, the city planned a major inspection and rebuild at around 20,000 operating hours. Due to scheduling delays with SPP, the overhaul was ultimately performed at approximately 22,000 hours. This work, completed in spring 2025 with support from consultants and city staff, cost \$3.3 million. Given the increasing demand for energy in Coffeyville and across the SPP region, the city expects to conduct similar maintenance in the next four to five years, with projected costs around \$4 million.

Since the plant's commissioning, usage has steadily increased each year, a trend that is expected to continue as the city grows. Coffeyville remains committed to investing in behind-the-meter generation to support its residents, businesses, and industries well into the future.



## ▶ KMEA AND GRDA EXTEND ENERGY PARTNERSHIP THROUGH 2051

Since 2000, KMEA has proudly partnered with the Grand River Dam Authority (GRDA) to provide its member cities with economical and reliable baseload wholesale energy. This longstanding relationship continues to thrive, as 23 member cities have elected to extend their GRDA agreements for an additional 25 years, through 2051.

The new agreement, which takes effect on May 1, 2026, includes 58.75 MW of capacity, with the option to increase to 64.75 MW in the near future. This extension reflects the continued confidence KMEA members have in GRDA's ability to deliver dependable, cost-based energy.

GRDA is Oklahoma's largest public power electric utility and is fully funded by revenues from electric and water sales—not taxes. In addition to its energy services, GRDA serves as a steward of the Grand and Illinois Rivers, managing over 70,000 surface acres of lake waters and miles of the Scenic Illinois River.

As a cost-based baseload energy and capacity project, GRDA offers a diversified energy portfolio that includes natural gas, wind, solar, hydro, and participation in the Southwest Power Pool Integrated Marketplace. This mix ensures both reliability and sustainability for KMEA's member communities.

KMEA and its members look forward to continuing this strong public power partnership with GRDA for many years to come.



BY TYSON MCGREER (KMEA)

## General Manager's Report

### ▶ THE THEN, NOW, AND THE FUTURE OF MID-STATES

July 1, 2025, marks the 5th anniversary of KMEA's acquisition of Mid-States Energy Works! I like to think of it more as a merger than an acquisition, as it has truly been a collaborative and successful partnership with the Mid-States team, led by Mike, Sharon, and Josh Schmaderer.

For decades, Mike and his team have delivered outstanding service to municipalities, built on deep industry knowledge, a strong understanding of city operations, and a focus on cost efficiency. While many talk about customer service, Mid-States has genuinely lived it—always putting the customer first. You'll find a brief highlight about this milestone elsewhere in this newsletter.

When we came together five years ago, one of our key challenges was anticipating and meeting the growing needs of our membership—without compromising the core Mid-States values of affordability and customer-centric service. Since then, we've expanded from 8 to over 20 employees, growing our line crew and substation maintenance services and supporting numerous new

generation installations.

This growth has prompted us to evaluate our facilities to ensure they support safe and efficient operations. In coordination with the KMEA Executive Committee, we've entered into a purchase agreement for land in south Salina, where we a new facility could be constructed. We expect to finalize the land purchase in the coming weeks. An architect is already engaged to develop designs and cost estimates, with the goal of presenting a completed proposal at the KMEA Board meeting on November 13. This meeting will be held during our Annual Conference in Wichita, November 13-14—hope to see you there!

A heartfelt thank you to Mike, Sharon, Josh, and the entire Mid-States team for their ongoing dedication to serving our member cities!



**Paul Mahlberg**

BY PAUL MAHLBERG (KMEA)

## Legislative and Regulatory

### ► DISTRIBUTED GENERATION UPDATE

The 2025 Legislative Session resulted in the passage of SB2149, which once again modifies the parallel generation statutes (K.S.A. 66-1,184 et seq.). As a result, communities need to update their distributed generation ordinances. While this may be frustrating for those who revamped their ordinances after the DG Toolkit overhaul last year, there are some positive takeaways from the new law.

First, the bill provides much-needed consumer protections. We are all aware of various horror stories about the predatory practices of certain solar providers in our communities, but it's important to recognize that reputable solar providers are harmed by these practices as well. In fact, a group of solar advocates introduced the consumer protection provisions that were ultimately negotiated and agreed to by the parties.

At a high level, these protections require all Distributed Energy Retailers<sup>1</sup> to be registered and in good standing with the Secretary of State, and to provide consumers with certain disclosures prior to entering into a contract. Failure to adhere to the disclosure requirements subjects the Distributed Energy Retailer to prosecution by the Attorney General, county attorney, or district attorney, with penalties of up to \$10,000 per violation.

With respect to the new provisions applicable to municipal utilities, there are a couple of important items. First, there are no longer customer classification and related size restrictions on distributed energy systems.<sup>2</sup> Previously, only residential, small commercial, and school customers were allowed to participate, and there were size restrictions associated with those customer classes. Under the new law, any customer in good standing can request to install an "appropriately sized" distributed energy system. Whether a system is appropriately sized is determined by a statutory formula.<sup>3</sup>

Further, the cap for distributed energy systems on a utility system has changed from 4% to the following:

- (A) Commencing on July 1, 2025: 6% of the utility's historic peak demand;
- (B) Commencing on July 1, 2026: 7% of the utility's historic peak demand;
- (C) Commencing on July 1, 2027, and each year thereafter: 8% of the utility's historic peak demand.<sup>4</sup>

Additionally, utilities must now provide written notice of receipt of any application for parallel generation within thirty (30) days of receipt, and must approve or deny the application within ninety (90) days. However, if additional studies are necessary, the utility is not held to the 90-day deadline; rather, the utility must act on the application as soon as practicable after the studies are complete.

Finally, the level of compensation to be paid to parallel generation customers has been reduced from 150% to 100% of the utility's monthly avoided cost.<sup>5</sup> In calculating the avoided cost, utilities have the option of using either the monthly system average cost of energy per kilowatt-hour<sup>6</sup> or the locational marginal price (LMP).<sup>7</sup>

These are just a few of the changes to the parallel generation statute. The changes go into effect on July 1, 2025, so please reach out if you need assistance reviewing or modifying your parallel generation ordinance and rate schedules. KMEA has been working with KMU to update the DG Toolkit and will continue collaborating with KMU in the upcoming legislative session on parallel generation issues.

BY TERRI PEMBERTON (KMEA)

<sup>1</sup> "Distributed energy retailer" means any person or entity that sells, markets, solicits, advertises, finances, installs or otherwise makes available for purchase a distributed energy system in the state of Kansas.

<sup>2</sup> A utility shall not be required to make parallel generation service available to any customer who has a new or expanded facility that receives electric service at a voltage of 34.5 kilovolts or higher and commences such electric service on or after July 1, 2025.

<sup>3</sup> Divide the customer's historic consumption in kilowatt-hours for the previous 12-month period by 8,760 and divide such quotient by a capacity factor of 0.288, or if the customer does not have historic consumption data that adequately reflects the customer's consumption at such premises, the customer's historic consumption for the previous 12-month period shall be 7.15 kilowatt-hours per square foot of conditioned space and rounded to up to the nearest one kilowatt alternating current power increment.

<sup>4</sup> "A utility's peak demand shall not include the additional demand of any new or expanded facility of an industrial, commercial or data center customer that receives electric service at a voltage of 34.5 kilovolts or higher and commences such electric service on or after July 1, 2025."

<sup>5</sup> "Avoided cost" is defined as "the incremental cost to a utility of electric energy that such utility would generate itself or purchase from another source and as such term is interpreted by the federal energy regulatory commission from time to time."

<sup>6</sup> "Monthly system average cost of energy per kilowatt hour" is "the sum of all volumetric costs incurred by an electric utility during a calendar month or similar billing period as billed to the utility by generation and transmission providers and any volumetric generation costs incurred by the utility to generate energy divided by the total amount of retail kilowatt-hours that the utility sold in such month or billing period."

<sup>7</sup> LMP is "the hourly average market price of alternating current energy per kilowatt hour established by the applicable locational marginal price pricing node of the southwest power pool."

# Electric Operations

## ▶ SPP SUMMER RELIABILITY ASSESSMENT SUMMARY

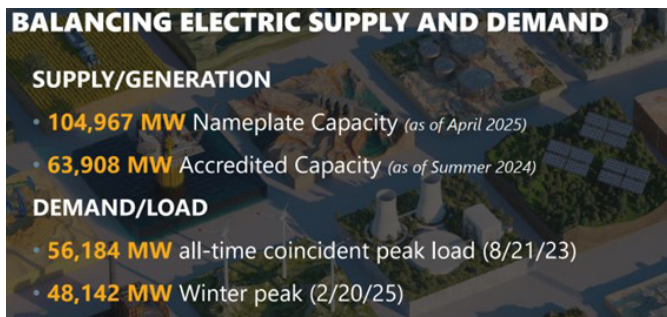
Each year, the Southwest Power Pool (SPP) conducts a seasonal assessment to evaluate and mitigate potential threats to energy reliability during the summer months (June–September). This analysis incorporates historical and forecasted electricity demand, weather projections, wind energy variability, drought conditions, and potential generation or transmission outages.

For summer 2025, forecasts indicate a 40–60% likelihood of above-average temperatures across the SPP region. Despite this, SPP’s analysis shows a high probability that native generation will be sufficient to meet peak electricity demand.

**Forecasted Peak Demand: 57,859 MW**  
**Demand Response Capacity: 1,605 MW**  
**Required Planning Reserve Margin: 16%**  
**Projected Reserve Margin: Over 20%**

This summer’s projected peak exceeds last year’s record of 56,184 MW by 1,675 MW. To support this increase, SPP has added nearly 4 GW of accredited capacity since last summer.

The image below provides historical context on SPP’s load and generation trends.



While no major reliability concerns are anticipated, SPP emphasizes the importance of proactive grid monitoring and readiness to implement contingency plans. The organization has expressed confidence in its preparedness and ability to maintain reliable service for its member utilities.

In the event of reliability threats, SPP will communicate updates via its grid notice email list and social media channels. Current grid conditions are available at [www.SPP.org/grid-conditions](http://www.SPP.org/grid-conditions).

BY PAUL LAMPE (KMEA)

### UPCOMING SUMMER SEASON FORECAST

Reserve Margin Calculation = Total Capacity – Net Peak Demand / Net Peak Demand

These preliminary values reflect the data submitted by the Load Responsible 2025 Summer Season, final calculations completed in June

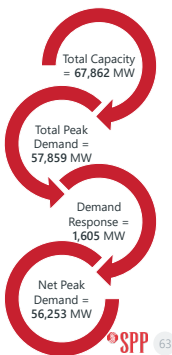
- Current accreditation policies can be found in Section 7.1 of the SPP Planning Criteria

Capacity values shown are based on the current accreditation policies for both conventional and renewable resources

- Does not include the effects of Performance Bases Accreditation (PBA) or Effective Load Carrying Capability (ELCC) policies filed with FERC

Summer Season Resource Adequacy Requirement is based on the Net Peak Demand

- Forecasted reserve margin for the upcoming Summer Season is ~20.6%



### SOUTHWEST POWER POOL GRID CONDITIONS



**Advisories** raise awareness and do not require general audiences to take action. SPP member utilities should follow applicable procedures.

**Energy Emergency Alerts** indicate all available generators are being dispatched to meet region-wide demand. As conditions worsen and reserves become at risk, voluntary conservation or service interruptions may be necessary to prevent uncontrolled outages.

Source of images: Southwest Power Pool, “Summer 2025 Reliability Assessment & Emergency Communications Update,” presented May 19, 2025.

## KMGA Report

### ▶ THAT'S A WRAP!



The 2025 KMGA regional meetings are in the books. Thirty-eight attendees from 18 member cities were represented at the four regional meetings that were held in the month of May. Host cities were Osage City, Cheney, Humboldt, and Moundridge.

Items presented included an overview of the governance of KMGA, rate study fees, Storm Uri lawsuits updates, pipeline rate increase case filed with the Kansas Corporation Commission (KCC), and the extension of the WoodRiver Management agreement.

Comparisons of several different gas supply pricing scenarios across the KMGA membership were presented and discussed,

as was an updated notification method to members pertaining to weather-related notices.

A few of the comments we received included:

“Enjoyed the meeting. The information shared was helpful. Nice to put faces to the cities represented.”

“I always learn something new.”

“Appreciated the information. It’s also very interesting to visit with the other communities in attendance.”

“I find the meetings very valuable and appreciate the information presented.”

Looking forward to the 2026 regional meetings!

BY DIXIE RIEDEL (KMGA)

## Mid-States

### ▶ MID-STATES & KMEA: CELEBRATING FIVE YEARS



On July 1, 2025, KMEA proudly marks the five-year anniversary of its acquisition of Mid-States Energy Works—a milestone that reflects not only a successful strategic move but also a shared commitment to serving Kansas communities.

Back in 2019, KMEA’s strategic planning process made one thing clear: members wanted expanded services in distribution system maintenance, substation maintenance, and engineering project management. Recognizing Mid-States’ deep expertise and alignment with these goals, KMEA initiated discussions that led to the official acquisition on July 1, 2020.

The transition was seamless. There were no changes in staff or operations—an affirmation of the strength, value, and dedication of the Mid-States team. Among them is Donald

Walker, who began his journey with Mid-States on July 1, 1985, and continues to serve municipal utilities with unwavering commitment.

Today, the team still operates from its original headquarters in Salina, carrying forward a proud tradition of service and excellence.

This five-year anniversary is more than a date on the calendar—it’s a celebration of growth, partnership, and purpose. It’s a tribute to the people who make it all possible and to the enduring mission of empowering municipal utility employees across Kansas.

Here’s to five years—and to many more ahead!

BY TYSON MCGREER (KMEA)



KMEA Staff and KMEA Executive Committee - July 1, 2020



**2025 KMEA/KMGA ANNUAL CONFERENCE**

**SPONSORSHIP REGISTRATION IS NOW OPEN**

**NOVEMBER 13-14, 2025**

**REGISTRATION**

MARRIOTT HOTEL  
WICHITA, KS

### PLATINUM PARTNERS



**July 22, 2025**

EMP1 Meeting-Eudora, KS

**July 23, 2025**

EMP3 Meeting-McPherson, KS  
KMGA Executive Committee Meeting-McPherson, KS

**July 24, 2025**

EMP2 Meeting-McPherson, KS  
KMEA Executive Committee-McPherson, KS

**November 13-14, 2025**

KMEA Annual Conference-Wichita, KS

