



Board of Directors Meeting  
Official Minutes from September 24, 2025  
Wichita, KS and Virtually

**1. Call to Order and Determination of a Quorum**

With the determination of a quorum, Lou Thurston called the September 24, 2025, Board of Directors meeting to order at 1:00 PM.

Board Members Present: Stacy Barnes, Greg Graffman, Tim Johnson, Chris Komarek, Jason Newberry, Alan Schneider, Scott Glaves, Gus Collins, and Lou Thurston.

Board Member Absent: None.

Others Present: J.T. Klaus (Spencer Fane), Matt Stiles (Hillsboro).

Others Present Virtually: Brian Wells (Marion), Marc Cain (Augusta), Cody Warner (Augusta), Angie Hicks (Augusta), Leslie Stephan (Mount Hope), Taggart Wall (Winfield).

KPP Staff Present: Eric Alexander, Leslie Atherton, James Ging, Colin Hansen, Vickie Matney, Ivan Seward, Mike Shook, and Jessica Venters.

**2. September 2025 ECA Analysis – James Ging**

Chief Operating Officer James Ging walked Board members through the August 2025 ECA presentation. He noted that the total costs were under budget by \$1,365,241.99. Transmission costs were below budget \$112,453.82; energy costs were below budget \$1,076,911.19; and capacity costs were below budget \$171,468.66. In terms of sales, demand and energy both were both below expected – 7% and 12%, respectively. Ultimately, this resulted in an actual ECA of negative \$0.01334 versus budgeted negative \$0.00535.

**3. Consent Agenda**

**a. Minutes of the August 28, 2025, Board of Directors Meeting**

**b. Monthly Invoices & Payment Schedule**

Lou Thurston requested a motion to approve consent agenda items as listed above. Motion was made by Jason Newberry and seconded by Scott Glaves. Tim Johnson abstained from voting on the minutes and voted in favor of approving the Monthly Invoices and Payment Schedule. Motion carried.

**4. Review & Closing of Agenda – Colin Hansen**

CEO Colin Hansen provided an overview of the meeting's agenda. No revisions were made. Tim Johnson moved and Chris Komarek seconded to close the agenda, and all members voted in favor of the same.

**5. CEO Report – Colin Hansen**

General Manager and CEO, Colin Hansen, provided his report and an industry update:

- He shared a press release from SPP showing they have reached a milestone in accelerating the generation interconnection requests and completing the backlog.

- A unanimous settlement agreement related to Evergy large load power service rate plan has been agreed upon but still awaiting KCC approval.
- In terms of FERC, the Senate Energy and Natural Resources Committee advanced the nominations of Laura Swett and David LaCerte.

## 6. Financial Report – *Vickie Matney*

Chief Financial Officer Vickie Matney presented written financial statements for the period ending July 31, 2025, showing a net position before DAI of \$7.425 million for the year. Collection and Disbursement of Generation Resource ECA Funds totaled around \$8.2 million as of July 2025. She noted that Moody's ratings affirmed KPP Energy's A3 rating with outlook stable. The credit opinion from Moody's has not been released yet. Ultimately, Scott Glaves moved and Tim Johnson seconded to approve the financials as presented. Motion carried.

## 7. Market Update – *Eric Alexander*

Chief Strategy Officer Eric Alexander provided the market update, including weather outlooks, degree days, load prices, average energy prices, natural gas storage, and prices.

## 8. New Business

### a. CAT Generation Purchase – *Colin Hansen*

CEO and General Manager, Colin Hansen, addressed the Board about potentially purchasing Caterpillar generators. He noted that the item is not something that *must* have action today. The same terms and conditions that apply today will still apply at the Board's next meeting in October.

Hansen reminded the Board of the capacity strategy being pursued: Dogwood Expansion for primary capacity addition, continued development of the Walnut Energy Center by maintaining spot in SPP GI Queue and to utilize as backup if the Dogwood expansion fell through, and finally, to begin working on installation of small generation.

Hansen provided the Board with an estimate from Caterpillar for build-spots for four new Caterpillar C175 Tier 4 diesel generators. He outlined the rationale to consider for the acquisition, adding that KPP staff is still developing the N-1 Reliability Assessment Study to guide placement of small generation based on reliability need.

The details of the purchase include three milestone events landing at a total of \$11.6 million. The estimated completed project cost is estimated to be \$13.488 million. Engineering, interconnection, and construction and catalyst would be additional costs of approximately \$475,000. The current delivery schedule is Quarter 3 of 2027 at the latest. Should KPP sign the sales agreement and then decide to cancel, they must do so within 180 days and be subjected to a 25% restocking fee.

Hansen commented that Kohler technology is likely lower in cost but, operationally, less familiar to KPP.

Hansen listed out the impacts of the purchase and installation of this generation on KPP resource adequacy. This project paired with reclassified existing member generation, and PACE, provides about 36 – 41 MW at very low cost. That would also allow time for appropriate decision to be made on Walnut Energy Center or Dogwood Expansion.

Hansen's recommendation to the Board was to purchase four 3-MW Caterpillar generating units, determine appropriate and available member locations for installation (based on N-1 reliability assessment), develop funding and ownership structure, and listed three pilot project locations (Greensburg, Hillsboro, and Marion).

In terms of funding and ownership structure, Hansen said he felt the Board needed to be open-minded to all approaches, including member-owned generation, KPP-owned generation, as well as a hybrid of shared ownership.

Board President, Lou Thurston, noted that Hillsboro is all-in for whatever action is best for KPP on the whole. Stacy Barnes agreed with that approach but also had a lot of questions about the project, noting she has not even pitched the idea to anyone in Greensburg. She voiced support for looking across the membership at the most appropriate locations for placement of the units. Greg Graffman asked what the vision for operating the units would be and if they would be for emergencies only. COO James Ging advised the units would not be market-registered; they would be listed as NTSA capacity. They would be operated in emergencies only and expected to do a maintenance run once a month and an operability and capacity test each year. Greg Graffman asked about the life cycle of the unit; Mike Shook advised 30 – 50 years.

Discussion ensued covering topics of diesel fuel usage and storage as well as funding and ownership structure, including the advantages and disadvantages of different approaches, the likelihood of furtherance of Dogwood Expansion and / or Walnut Energy Center, price comparison to paper capacity, and concern about fairness.

Lou Thurston questioned why, if the units are so attractively priced and in such high demand, Foley would offer them to and hold them for KPP. Mike Shook said they were originally build-slots for another Kansas municipality, but that municipality backed down the quantity they required.

President Lou Thurston said he would like to see, at or before the next Board meeting, more information about where the money to fund the project would come from, options for each ownership approach, as well as more information to determine placement.

Greg Graffman said pursuing this project is less expensive and more palatable than pursuing paper capacity. He furthered that placement of the units may not be fair for everyone, but the entire pool benefits from low-cost capacity, and the capacity is certainly needed. Tim Johnson agreed and noted this seems to be quite a low-risk project. Alan Schneider advised he thought the project would be good for the pool entirely but the plan and methodology for placement would need to be worked out.

Hansen noted there seem to be two decision points – first, should the units be secured, and secondly, the methodology for placement and funding. Ultimately, the Board took no action but expressed intent to discuss and consider at the next Board meeting.

Chris Komarek moved that the meeting be recessed for a ten-minute break. Greg Graffman seconded, and the motion passed unanimously.

Following the ten-minute recess, the regular meeting resumed.

## 9. Old Business

### a. Capacity Resource Evaluation – *Colin Hansen*

Hansen noted this topic was covered through the previous discussion.

### b. Walnut Energy Center – *Mike Shook*

Director of Energy Services, Mike Shook, provided the following updates on the Walnut Energy Center project:

- The decision from KDHE on single source determination was received last month as discussed with General Counsel at the end of the last Board meeting.
- The GIA agreement is complete and has been submitted to Gridliance and SPP for their signatures. SPP will then submit it to FERC for review, approval, and filing.

### c. PACE Solar Project Updates – *James Ging*

Ging provided the following PACE project updates:

- The Geo Tech field study reports should start rolling in toward the end of September.
- For the Greensburg site, a practice test is set up for October 5<sup>th</sup> to determine the impact of the gun range near the site.
- In terms of procurement, so far, all materials should meet timelines to meet the May 26<sup>th</sup> completion date.

## 10. Operations Report – *James Ging*

COO James Ging submitted his written report and provided additional information about SPP load growth, sensitivities to benefit-to-cost ratios, and SPP's 2025 Consolidated Portfolio.

## 11. Energy Services Report – *Mike Shook*

The Energy Services Report was submitted as written by Mike Shook.

## 12. Member Services Report – *Leslie Atherton*

Leslie Atherton, Director of Member Services, submitted her written report to the Board.

## 13. General Counsel Report – *J.T. Klaus*

Members were provided with J.T. Klaus's General Counsel Report in written form.

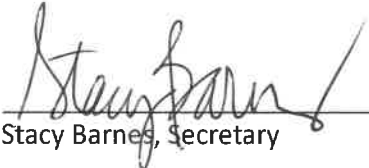
## 14. Special Announcements

CEO Colin Hansen provided information about the evening's dinner as well as parking and hotel information for tomorrow's Conference.

**15. Adjourn**

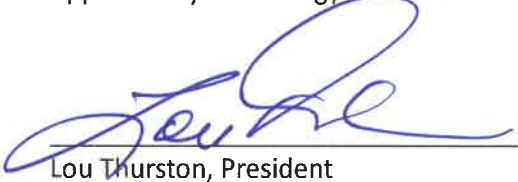
At 3:01 PM, President Thurston declared the meeting adjourned.

Respectfully submitted by KPP Energy Board Secretary:

  
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Stacy Barnes, Secretary

Date: 10/23/25

Approved by KPP Energy Board President:

  
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Lou Thurston, President

Date: 10/23/25