

KPP LIGHTNING ROUND

January 2026

KPP Energy Member Cities Respond to Winter Storm Fern

AUGUSTA & WELLINGTON GENERATE, OTHERS AT THE READY



KPP Energy member cities Augusta and Wellington responded to Day-Ahead and Real-Time SPP market dispatches during Winter Storm Fern. Wellington operated both its steam unit and combustion turbine, generating nearly 650 megawatt-hours (MWhs) using natural gas. Gas supply and transportation challenges persisted throughout the event.

Augusta also responded to SPP generation dispatches, generating in excess of 175 MWhs using diesel fuel. Augusta operated four of the city's generating units. Unfortunately, extreme temperatures caused issues with two units, requiring them to be taken offline.

Winfield had their combustion turbine ready for dispatch. However, natural gas transportation uncertainty kept the unit out of service.

KPP Energy Behind-the-Meter (BTM) Generating cities such as Burlington, Ellinwood, Erie, Minneapolis, Mulvane and Oxford, as well as our remaining SPP Market participating cities of Clay Center and Kingman all remained ready to generate should a dispatch be issued or an EEA Level event been declared.

Overall, KPP Energy member cities demonstrated operational resilience during Winter Storm Fern by responding to SPP dispatches under challenging conditions. Despite fuel supply constraints and extreme weather impacts, both Augusta and Wellington contributed significant generation to support system reliability throughout the event.

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Winter Storm Fern Stresses Electric Grid

SPP REGION PERFORMS WELL

Winter Storm Fern's sweep across much of the United States last weekend brought extreme cold, snow, and freezing conditions to the Southwest Power Pool (SPP) region — placing significant demands on generation resources.

SPP proactively issued multiple advisories as Fern approached. Beginning January 23, SPP declared a Weather Advisory for the entire balancing area — effective through January 26 — to inform member utilities of extreme cold and potential heavy snow or freezing rain that could influence generation performance and load forecasts. SPP also declared a Resource Advisory and, more critically, a Conservative Operations Advisory starting January 24 and extending through January 26.

SOUTHWEST POWER POOL GRID CONDITIONS



A Conservative Operations Advisory is considered stable operating conditions but instructs the grid and market participants to manage the system more cautiously than normal. This includes actions like postponing planned maintenance outages, committing generation resources earlier than typical day-ahead market timelines, and preparing additional fuel supplies — all designed to maintain reliability margins as demand rises under cold weather. These steps help avoid the need for escalation into a formal Energy Emergency Alert (EEA), which would trigger broader conservation appeals or controlled outages.

At KPP, staff jumped into action:

- continuously tracking real-time grid conditions
- assisting with the coordination of natural gas fuel supplies
- assisting member generators with daily price offers
- communicating with generators about potentially self-committing behind-the-meter units on diesel fuel to reduce exposure to elevated energy market prices
- communicating with KPP membership about the status of the storm

While there were many factors that went into the actual energy market prices during Fern, natural gas prices for the weekend started things off with a significant jump from \$3-\$4 mid-week, to prices ranging from \$30-\$100 depending on the region. Thankfully, the southern part of SPP and into Texas didn't accumulate the ice that was forecasted. That helped both keep natural gas flowing from the southern production regions. It also resulted in fewer wind farm outages which allowed those facilities to show up with more wind generation than SPP forecasted. Even with the good fortune of less icing, KPP's load prices ranged from negative pricing during some of the high wind production hours to prices in the mid \$300's.

Bottom line – KPP Energy and its member communities performed well during Winter Storm Fern. It is believed, at this early stage, that the rate impact of the significantly increased pricing during the event can be largely mitigated through several tools at KPP's discretion.

Looking forward, KPP Energy is already reviewing lessons from Fern to further refine winter-ready practices. The storm reaffirmed the importance of early advisories and conservative operating strategies, highlighting how advanced coordination across the SPP footprint — including Kansas and the KPP membership — can mitigate risk and uphold reliable electricity delivery even under extreme weather.

Tim Johnson Named KPP 2026 President

KPP ENERGY BOARD ELECTS NEW OFFICERS

KPP Energy is pleased to announce the election of new officers for the Board of Directors. All officer positions serve one-year terms and play an important role in guiding the organization's strategic direction on behalf of KPP Energy's 24 member utilities.

Tim Johnson, President

Tim Johnson has been elected President of the Board. Tim serves as the Director of Public Utilities for the City of Augusta and has been a member of the KPP Energy Board of Directors since 2021. Prior to assuming the presidency, he completed one-year terms in each officer role, including Secretary/Treasurer, Second Vice President, and First Vice President.



With nearly 30 years of experience in local government, Tim has served communities across Kansas in city management, budgeting and finance, community development, and water and wastewater utility administration. He holds a Bachelor of Arts and a Master of Public Administration from Wichita State University, as well as a Master of Arts in Organizational Leadership from Gonzaga University.

Tim and his wife, Brenda, enjoy spending time with their four children and nine grandchildren, working in their yard, and traveling.

Chris Komarek, 1st Vice President

Chris Komarek has been elected First Vice President. Chris serves as City Administrator for the City of Ellinwood and has served on the KPP Energy Board of Directors since 2021. He previously completed one-year terms as Secretary/Treasurer and Second Vice President.



Chris has been employed by the City of Ellinwood for more than four decades, including 36 years in the City's electrical distribution department and nine years as Superintendent. He has been a strong supporter of KPP, helping shape policies related to power supply, transmission adequacy, member services, and emerging technologies.

Chris recently retired after 40 years of service with the volunteer fire department, including 26 years as Fire Chief. In his spare time, he enjoys hunting, fishing, and traveling with his wife, Alexandra. He has two sons and five grandsons.

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KPP Energy Board Elects New Officers

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Stacy Barnes, 2nd Vice President

Stacy Barnes has been elected Second Vice President.

Stacy serves as City Administrator for the City of Greensburg and has been a member of the KPP Energy Board of Directors since 2023. She previously served a one-year term as Secretary/Treasurer.

A Greensburg native, Stacy returned home following the May 4, 2007, tornado that devastated her community. She became City Administrator in December 2018 after serving in multiple local leadership roles, including administrative assistant to the City Administrator and Tourism/Big Well Museum Director for 11 years.

Stacy holds a Bachelor of Fine Arts from Kansas State University and a Master's in Public Administration from Wichita State University. She remains deeply involved in community development and the arts through organizations such as the 5.4.7 Arts Center, PowerUp Greensburg, and the Kansas Sampler Foundation.

Outside of work, Stacy enjoys supporting her children's activities and making ceramics.



Alan Schneider, Secretary / Treasurer

Alan Schneider has been elected Secretary/Treasurer. Alan serves as Electric Utilities Superintendent for the City of Burlington and has served on the KPP Energy Board of Directors since 2024.

Alan began his electric utility career in 1988 as an Apprentice Lineman with the City of Burlington after graduating from Pratt Community College with certification in Electrical Power and Distribution. After a decade in municipal utilities and eleven years with Sprint, he returned to Burlington in 2009 and continues to serve today as Electric Utilities Superintendent.

Alan has also dedicated many years as a volunteer firefighter with the Coffey County Fire District. In his spare time, he enjoys spending time with his wife, two children, and son-in-law, as well as camping, fishing, and riding ATVs.

KPP Energy congratulates these newly elected officers and looks forward to their leadership and service in the year ahead.



Three New Members Named to KPP Board of Directors

WELCOMING AARON FLOERSCH, LESLIE STEPHAN & TAGGART WALL

KPP Energy is pleased to welcome three new members to the Board of Directors. Each brings a unique blend of municipal leadership, community connection, and dedication to public power. We are grateful for their willingness to serve and look forward to the insight and experience they will bring to KPP's mission of supporting reliable, affordable, community-owned electric service across Kansas.

Aaron Floersch – Commissioner Clay Center Public Utilities

KPP welcomes Aaron Floersch, one of three commissioners serving on the Clay Center Public Utilities Commission. Raised in Clay Center, Aaron earned a degree in Business Administration from Kansas State University and began his career as a bank auditor before returning home with his wife, Morree, to raise their family.

Today, Aaron and his family own and operate six Ray's Apple Markets and one Gibson ACE Hardware, bringing valuable experience in business operations, finance, and customer service. Aaron has served on the Clay Center Public Utilities Commission since 2016 and became chairman in January 2025. His work reflects a strong understanding of the importance of reliable, locally governed public power.

Leslie Stephan – City Clerk City of Mount Hope

Joining the Board as well is Leslie Stephan, City Clerk for the City of Mount Hope. Leslie's career is rooted in service, beginning with a degree in Social Work and Home Economics from Bethel College and years of work as a counselor and adoption social worker.

In 2006, she began her journey in municipal government as Mount Hope's Utility Clerk, working directly with

residents on billing, customer service, and all aspects of city utilities. Leslie went on to graduate from the CCMFOA Institute and earned her Certified Municipal Clerk (CMC) designation in 2019. She became City Clerk on January 1, 2018, and is known for her compassion, professionalism, and commitment to helping others through challenges with the city or utility service.

Outside of work, Leslie is an avid sports fan, but her greatest joy is her family, including her children and five grandchildren.

Taggart Wall – City Manager City of Winfield

Taggart Wall serves as the City Manager for the City of Winfield, where he leads city operations, long-term planning, and the delivery of essential municipal services. Taggart's commitment to public service began early. He served on the Winfield City Commission from 2009 to 2013, and at just 20 years old, he became the youngest commissioner in the city's history. He then became Mayor of Winfield at age 22, the youngest mayor in the city's history.

In addition to his role in Winfield, Taggart also serves on the Kansas Municipal Utilities (KMU) Board of Directors, contributing to statewide efforts that strengthen community-owned utilities. KPP is excited to welcome his perspective and leadership to the Board.

KPP Energy is proud to welcome Taggart, Aaron, and Leslie to the Board of Directors. Their combined experience and dedication to Kansas communities will help guide KPP as we continue working together to serve our members and strengthen public power across the state.



Matney Honored with Wichita Business Journal CFO Award

KPP ENERGY CFO RECEIVES AWARD RECOGNIZING FINANCIAL LEADERSHIP

Vickie Matney, Chief Financial Officer of KPP Energy, has been recognized as a 2026 CFO Award honoree by the *Wichita Business Journal*, celebrating her outstanding leadership and financial stewardship in the municipal sector. The annual CFO Awards honor exceptional financial executives across the Wichita region whose expertise and strategic insight have driven organizational success and resilience.

Matney, who joined KPP Energy in 2008 and was promoted to CFO in late 2024, has played an integral role in guiding the organization's financial strategy, risk management, and long-term planning. As CFO, she oversees all accounting and finance functions, including financial reporting for KPP's generation assets and managing the annual audit process. Her leadership has been fundamental to maintaining fiscal discipline and strengthening KPP's financial position within the complex energy market.

"We are incredibly proud of Vickie for receiving the *Wichita Business Journal* CFO Award," said Colin Hansen, CEO of KPP Energy. "Her leadership, integrity, and unwavering dedication to KPP and our member communities have been instrumental in guiding our organization through a complex and evolving energy landscape. Vickie's tireless work on

Congratulations!

Vickie Matney

Chief Financial Officer

on being honored at the
2026 CFO Awards
by the Wichita
Business Journal



KPP ENERGY
Empowering Kansas Communities
Through Reliable & Affordable Energy
www.kpp.energy

financial planning, risk management, and long-term strategy has strengthened our foundation and positioned KPP to continue delivering reliable, affordable power for years to come. On behalf of our entire team, I want to offer our hearty congratulations to Vickie on this well-deserved recognition and thank her for her continued commitment to excellence."

Matney was presented the CFO Award at an Awards Luncheon at the Mark Arts Building in Wichita on January 15th. Celebrating Vickie at the luncheon were her husband Gary, daughters Melette and Kasey (and husband Nathan), new granddaughter Adalynn, and her KPP Energy colleagues.

DOE Signals Readiness to Deploy Backup Generation in Grid Emergencies

SECRETARY WRIGHT SENDS LETTERS TO RELIABILITY COORDINATORS & BALANCING AUTHORITIES

During Winter Storm Fern, the U.S. Department of Energy (DOE) emphasized the use of emergency federal authority to run backup generation as a last-resort reliability measure before declaring an Energy Emergency Alert (EEA) Level 3, which would have triggered controlled outages. In a letter sent to all reliability coordinators and balancing authorities, Secretary of Energy Chris Wright stated that he had directed DOE staff to be prepared to issue emergency orders under Section 202(c) of the Federal Power Act to ensure additional generation could be brought online ahead of more severe emergency actions.

Section 202(c) grants DOE broad authority to direct electric generation and transmission facilities to operate during emergencies that threaten grid reliability. Secretary Wright's letter clarified that this authority was intended to be used proactively, allowing otherwise idle or backup generation resources to operate before grid conditions deteriorated to the point where load shedding became unavoidable. The approach was designed to preserve service to customers while maintaining system stability during extreme weather.

A central theme of the letter was speed and flexibility. Secretary Wright made clear that DOE staff were prepared to act quickly upon notification from a reliability coordinator or balancing authority—even based on a phone call—when emergency conditions warranted federal action. This streamlined process was intended to eliminate administrative delays during fast-moving winter storms, when generation shortages or fuel constraints could escalate rapidly.

The letter also reaffirmed how Section 202(c) authority has traditionally been used. Emergency orders were framed as a tool to direct generation to run when necessary to maintain

reliability, even if doing so temporarily exceeded limitations in environmental permits or other regulatory requirements. These orders were time-limited and focused on addressing acute system stress rather than longer-term operational needs.

As Winter Storm Fern affected large portions of the country, DOE highlighted the potential availability of backup generation, including diesel generators at data centers, industrial facilities, and large commercial sites. DOE estimated that tens of gigawatts of backup capacity could be available nationally, offering grid operators an additional layer of reliability during periods of extreme cold, fuel supply disruptions, or unexpected generator outages.

During the storm, DOE issued or prepared emergency orders in multiple regions, including ERCOT, PJM, and ISO New England, authorizing generators to operate at maximum output levels where necessary to support grid reliability. In some cases, the orders explicitly allowed generators to operate beyond certain permit limits for the duration of the emergency.

Utilities nationwide—including public power systems—activated storm response plans involving equipment winterization, fuel management, mutual aid coordination, and close communication with grid operators. DOE's actions during Winter Storm Fern underscored the role of federal emergency authority in addressing electric reliability by prioritizing additional generation before resorting to controlled outages.

FERC Approves SPP Large Load Connection Process

HIGH IMPACT LARGE LOAD (HILL) PROPOSAL APPROVED ON JANUARY 14TH

The Federal Energy Regulatory Commission (FERC) has approved a significant set of tariff revisions proposed by the Southwest Power Pool (SPP) that fundamentally change how very large electricity users connect to the regional transmission grid. The decision reflects growing concern among regulators and grid operators about the rapid rise of high-impact electricity demand from data centers, advanced manufacturing, and other energy-intensive facilities.

SPP has seen a sharp increase in requests from large commercial and industrial customers seeking to interconnect loads of 50 megawatts (MW) or more. Under traditional interconnection frameworks, these requests were often studied case-by-case using processes designed primarily for smaller, more predictable load growth. As demand has surged, study timelines lengthened and uncertainty increased for both customers and utilities.

To address these challenges, SPP developed a new framework known as the High Impact Large Load (HILL) process. FERC's approval formally recognizes that certain large loads can have system-wide reliability and operational impacts that warrant enhanced analysis. Under the new rules, qualifying large loads will undergo more detailed studies that evaluate not only local delivery facilities, but also broader transmission system impacts and operational risks.

A key innovation approved by FERC is the High Impact Large Load Generation Assessment (HILLGA) process. This pathway allows large load customers to pair their interconnection request with dedicated generation resources intended to serve that load. By studying the load and associated generation together, SPP can evaluate system impacts more efficiently and potentially

reduce the time required for customers to achieve commercial operation. This approach is particularly attractive for data centers and industrial facilities that plan to develop on-site or nearby generation to ensure reliability and manage costs.

Importantly, the approved framework includes operational and financial protections. Large load customers may be required to provide enhanced forecasting, install advanced monitoring equipment, and enable remote load-shedding capabilities. These measures are designed to ensure grid operators can respond quickly to changing conditions and prevent large, sudden load changes from threatening system stability.

"We're proud SPP is the first in the nation to incorporate transmission, generation and load interconnection services into a single framework," said SPP CEO Lanny Nickell. "It's essential to our nation's competitive future that we can quickly, reliably and affordably meet vastly increasing energy demands. We are now in a great position to enable this future."

FERC's approval is effective as of January 15th. SPP is required to make a compliance filing within 30 days to address minor ministerial matters.

In a concurring opinion on January 14th, FERC commissioner David Rosner wrote, "Today's order is a productive step toward facilitating the energy needed to win the AI race, bring back American manufacturing, and deliver the reliable and affordable energy on which families and small businesses depend. I encourage other transmission providers to take note of the innovative approach SPP proposed in this filing, and to consider proposing similar solutions tailored to meet the needs within their own footprints."



Unlocking the Value of Your Community's Complimentary APPA Membership

AN ADDED ADVANTAGE FOR EVERY KPP ENERGY MEMBER

City staff already juggle multiple responsibilities, and that challenge is magnified when a community operates its own public power system. Delivering reliable electric service while keeping up with evolving technology, cybersecurity risks, regulatory requirements, and workforce demands is no small task—especially for small teams with limited time and resources.

That's where the American Public Power Association (APPA) delivers significant value. **Through KPP Energy, member communities receive full APPA membership at no cost, unlocking a wide range of tools, expertise, and national support that effectively expands local teams' capabilities.**

APPA serves as the national voice for more than 2,000 community-owned utilities. By advocating before Congress and federal agencies, APPA ensures public power utilities remain represented on critical issues such as reliability, cybersecurity, tax policy, and infrastructure investment. Through regular federal updates, advocacy tools, and opportunities like the annual Legislative Rally, APPA keeps local utilities at the table when national decisions are made.

Beyond advocacy, APPA delivers flexible education and practical resources designed for real-world utility operations. Members have access to national conferences, webinars, and self-paced courses covering engineering, operations, finance, communications, legal and regulatory issues, and more. These offerings make professional development achievable even for small staffs.

APPA also provides ready-to-use tools that save time and improve performance. Resources such as the APPA Safety

Manual, benchmarking data, Power TRX Reliability, and customer communication templates help utilities strengthen operations and better serve their communities. Recognition programs like the Reliable Public Power Provider (RP3) and Smart Energy Provider (SEP) designations help utilities assess performance, identify gaps, and plan for continuous improvement.

Equally valuable is APPA's nationwide peer network. Through conferences, APPA Engage online forums, and the Public Power Mutual Aid Network, utilities can quickly connect with colleagues, share solutions, and support one another—especially during major events or emergencies. For small teams, this network often provides the fastest path to answers and assistance.

Because KPP Energy covers the cost of APPA membership, every department and employee in member communities can take advantage of these benefits. From advocacy and education to tools and peer connections, the value is already there—waiting to be used.

To get started, visit APPA's Member Welcome Center at publicpower.org/welcome-center.



House Advances Grid Reliability and Permitting Reform

RELIABLE POWER ACT AND SPEED ACT PASSED

The U.S. House of Representatives recently passed two significant energy-related bills: H.R. 3616, the Reliable Power Act, and H.R. 4776, the Standardizing Permitting and Expediting Economic Development (SPEED) Act. The American Public Power Association (APPA) strongly supports both pieces of legislation.

H.R. 3616, the Reliable Power Act, which passed by a vote of 225–203, responds to growing concerns about grid reliability amid rising electricity demand. The bill would give the Federal Energy Regulatory Commission (FERC) a formal role in assessing and mitigating the potential reliability impacts of federal regulations when the North American Electric Reliability Corporation (NERC) finds risks to the bulk-power system.

The SPEED Act, passed by a vote of 221–196, is an effort to reform the permitting framework under the National Environmental Policy Act (NEPA).

APPA strongly supports the SPEED Act to narrow the scope of environmental reviews and enable public power utilities to build and maintain infrastructure that ensures reliable, affordable electric service. It establishes judicial review timelines and requirements to prevent frivolous lawsuits that can lengthen the permitting process by years.

APPA said it will continue to ensure public power utilities are leaders in the federal permitting reform conversation as legislative activity moves from the House to the Senate.



January Board Meeting Review

COLIN HANSEN, CEO / GENERAL MANAGER

The KPP Energy Board of Directors held their regular monthly meeting for the month of January on Thursday, January 8th at the KPP Energy offices in Wichita. A summary of key highlights from the meeting is provided here.

CEO Report

Chief Executive Officer Colin Hansen opened the Board meeting with a recap of the KPP 2024-2028 Strategic Plan before providing a draft overview of KPP's 2026 Work Plan, highlighting ongoing efforts to evaluate and add capacity while deepening engagement and support for member communities.

He briefed members on noteworthy changes expected from NERC and announced the late January arrival of Nick Enslinger as KPP's new Director of Technology.

Financial Report

Chief Financial Officer Vickie Matney presented written financial statements for the period ending November 30, 2025, showing a change in net position from the previous month as \$306,121 and a net position before DAI of \$11,596,036. Collection and Disbursement of Generation Resource Funds totaled around \$8.8 million as of November 2025. She noted the 2025 audit will begin on February 23rd.

Non-Cash Emergency Stabilization Fund Policy

Board members were provided with a copy of a proposed Non-Cash Emergency Stabilization Fund Policy for consideration. The purpose of the policy, as

explained by Matney, is to establish guidelines for use of the non-cash Emergency Stabilization Fund and to cap the balance at \$17 million for the purpose of supporting future depreciation on the Dogwood power plant. She noted the fund is meant to accumulate any revenues in excess of the 130% debt service coverage requirement, which may be used to reduce future rate increases and offset extraordinary expenses. The Board unanimously adopted the policy.

Bond Arbitrage Computations & Payment

Board members were also provided with a copy of the two-page Form 8038-T regarding Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate. The Board accepted the form unanimously.

KPP Records Retention and Disposition Policy

Hansen provided Board members with a sixteen-page proposed Records Retention and Disposition Policy for consideration and noted it had been reviewed and approved by KPP General Counsel, J.T. Klaus. After brief discussion, the Records Retention and Disposition Policy was adopted as presented.



Event Calendar

2026 DATES TO REMEMBER

FEBRUARY 19, 2026

KPP Board Meeting

MARCH 19, 2026

KPP Board Meeting

APRIL 16, 2026

KPP Board Meeting

APRIL 18, 2026

Lineworker Appreciation Day

APRIL 22 - 24, 2026

KMU Conference

APRIL 23, 2026

KPP Member Appreciation Event

MAY 21, 2026

KPP Board Meeting

JUNE 18, 2026

KPP Board Meeting

JUNE 26 - JULY 1, 2026

APPA National Conference

KPP Resources by Fuel Source

DECEMBER 2025

