

KPP LIGHTNING ROUND

June 2025

Senate Continues to Debate “One Big Beautiful Bill”

SIGNIFICANT CHANGES IN ENERGY POLICY PROPOSED

As this edition of the *Lightning Round* is being finalized and distributed, the U.S. Senate continues to debate their version of the “One Big Beautiful Bill” (OBBBA) sought by the Trump Administration. While the bill still faces strong challenges before emerging from Congress and being signed by the President, it would bring sweeping changes to U.S. energy policy.

Among its most significant provisions are accelerated phase-outs of the Investment Tax Credit (ITC) and Production Tax Credit (PTC) for wind and solar projects. The Senate bill currently proposes a three-year phase-out for wind and solar projects, starting in 2026. Projects beginning construction in 2026 will receive 60% of the full ITC or PTC, those beginning in 2027 will receive 20% and those initiating construction in 2028 or later would receive no tax credits.

The Senate’s “One Big Beautiful Bill” also includes a provision that imposes an excise tax on renewable energy projects using components from China and other “prohibited foreign entities”. This tax would apply to solar and wind projects starting in 2027, even if they are no longer receiving federal subsidies, and is intended to penalize reliance on supply chains linked to these entities.

For KPP Energy and its members, the implications are mixed. As currently proposed, the PACE solar project should not be impacted as we plan to initiate commercial operation by mid-2026. However, the development of future solar projects would be profoundly impacted.

KPP staff will continue to monitor the advancement of the “One Big Beautiful Bill” and communicate with Congressional offices on the energy provisions of this wide-sweeping legislation.

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Komarek Receives National Award

ELLINWOOD CITY ADMINISTRATOR AWARDED BY AMERICAN PUBLIC POWER ASSOCIATION

KPP Energy proudly congratulates City Administrator Chris Komarek of Ellinwood on receiving the American Public Power Association (APPA) Larry Hobart Seven Hats Award at the 2025 APPA National Conference in New Orleans.

The prestigious national honor, presented by APPA on June 10, recognizes the exceptional leaders of small utilities who expertly manage a broad spectrum of responsibilities—ranging from operations and infrastructure to public outreach and emergency response—often with limited staffing and resources.

Komarek serves as the City Administrator for the City of Ellinwood, a position he has held since 2016. Born and raised in Ellinwood, Chris actually first worked for the City as a kid. The son of the city's trash man, he helped his father by throwing cans. As a young man, Chris joined the City as an Ellinwood Police officer for two years. In 1982, he moved into the City's electrical department, where he stayed for 35 years, starting as a lineman and working up to the superintendent position. In that position he managed not only the electric department but the water and wastewater departments as well. He served as a firefighter

for the local fire department and spent 26 years there as Chief. He also served as a paramedic for Ellinwood EMS for over thirty years. He has worn considerably more than the seven hats noted in the award.

Chris's four-decade journey with the City of Ellinwood exemplifies the dedication and versatility this award represents. Chris has steadily advanced into leadership roles, where he has overseen transformative infrastructure improvements, modernized utility systems, and strengthened the city's emergency preparedness. Throughout his career, Chris has demonstrated a deep commitment to public power and community service. He has led Ellinwood's disaster-response initiatives, mentored utility crews, and championed programs that build both workforce capacity and community engagement.

Chris currently serves as 2nd Vice President on the KPP Energy Board of Directors and has been involved in numerous facets of the agency for many years.

Congratulations to Chris on this richly deserved national award!



USDA Releases Sites for KPP Pace Project Development

JAMES GING, CHIEF OPERATING OFFICER



In a significant development for KPP's PACE Project, the USDA has released the sites to begin work after a prolonged hiatus. Final environmental reviews were completed on June 10th, permitting access for surveying and Geo Tech testing.

Although the hiatus was frustrating, it did allow Priority Power and Castillo Engineering to advance engineering on the electrical plans. Thirty-percent complete plans were reviewed and comments were returned on June 3rd.

The civil plans were slowed down somewhat from the pause not being allowed to access the sites to perform topographic surveying and geotechnical testing which are prerequisites for finalizing civil engineering plans.

These tasks are expected to span approximately four weeks for completion. Once the results are analyzed the panel racking and tracker systems will be ordered.

We have been able to hold off the final solar module delivery until late September, negating the need for special storage requirements. At that time, we will be able to deliver to the construction sites streamlining the process of installation. Given that the racking will not be available for roughly 20 weeks, the updated project schedule targets starting construction at all seven sites this October. The goal will be to be at mechanical completion by April 2026 - just in time for the 2026 summer season.

We still have a lot of work ahead including interconnection details to the distribution systems, long-term service agreements as well as operational details with our membership. Please reach out to KPP staff with questions.





2025 KPP

ANNUAL CONFERENCE

EMPOWERING KANSAS COMMUNITIES



KPP HEADQUARTERS

2229 S. West Street, Wichita, KS



THURSDAY

SEPTEMBER 25 | 9AM

Join us at our brand-new headquarters for a full day of learning, updates, and connection.

EVENT HIGHLIGHTS:

- Featured Speaker: Reed Barrett
- Technical Sessions
- Member Spotlights
- The Great Yard Party

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June Board Meeting Review

COLIN HANSEN, CEO / GENERAL MANAGER



On June 26th, the KPP Energy Board of Directors held their regular monthly meeting at the KPP Energy offices in Wichita. The meeting was also available to members virtually. A summary of meeting highlights is provided here.

June 2025 ECA Analysis

Chief Operating Officer James Ging walked Board members through the May 2025 ECA presentation. He noted that the total costs were under budget by \$216,830. Transmission costs were below budget \$89,103; energy costs were below budget \$424,370; and capacity costs were above budget \$299,909. In terms of sales, demand was 7% below expected and energy was 13% below expected. Ultimately, this resulted in an actual ECA of positive \$0.00170 versus budgeted negative \$0.00396.

Organization & Industry Update

CEO & General Manager Colin Hansen provided the following industry updates:

- President Trump's "One Big Beautiful Bill" passed in the House of Representatives on May 22nd and will be up for Senate consideration later this week.
- The Environmental Protection Agency (EPA) currently has issued new proposals to roll back regulations on power plant emissions.
- President Trump has selected Laura Swett to replace FERC Chairperson Mark Christie.
- Southwest Power Pool's 2024 State of the Market report is out.

Financial Statements

In the absence of Chief Financial Officer Vickie Matney, Hansen presented written financial statements for the period ending April 30, 2025, showing a net position before DAI of \$2.6 million for the year. Collection and Disbursement of Generation Resource ECA Funds totaled around \$7 million as of December of 2024. Hansen noted the annual closeout of the May Auction Revenue Rights totaled \$839,236. KPP refunded \$298,486 to the membership through the May ECA and will use the remainder to offset O&M costs. Financial statements were approved as presented.

Market Update

In the absence of Chief Strategy Officer Eric Alexander, Hansen also provided the market update, including weather outlooks, degree days, load prices, and natural gas storage and prices.

Dogwood Wastewater Pipeline Easement

Since operations began at Dogwood, it has been necessary to pay for the plant's wastewater effluent to be trucked away from the plant to the local wastewater utility. Chief Operating Officer James Ging noted that Dogwood Power Management has been working with the local wastewater utility for the last several years to connect the effluent of the plant to the local utility. To this end, DPM, in coordination with City of Pleasant Hill and Cass County, in Missouri, has designed a pipeline to go from the plant to the utility, which necessitates an easement with the adjacent landowner, Lasoma Farms. Ging asked the Board to consider allowing KPP staff to sign the easement with Lasoma Farms.

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June Board Meeting Review

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General counsel J.T. Klaus provided additional background on KPP's ownership and interest in the plant and project as well as comments on the "imperfect" indemnity portion of the easement. After brief discussion, the Board unanimously authorized staff to sign the necessary easement.

PACE Solar Project

Chief Operating Officer, James Ging, provided PACE project updates:

- Site control was granted on June 10th.
- Castillo has completed 30% plans for five of the seven sites. There are a few issues to resolve with the sites at Greensburg and Clay Center.
- In terms of LMI, Ging advised that Rick Borry of Priority Power has determined a method to qualify the Winfield site for LMI tax credit application, which will inject an additional \$2 million into the project.
- Regarding procurement, final racking will be ordered once the GeoTech report is received, and the inverters are under review for Buy America Build America (BABA) compliance. Prequalification has been granted to SMA, Selectria, and Kaco.

Next steps are to finalize interconnection details and to begin work on the service and operations & maintenance agreements.

Walnut Energy Center

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

- The DISIS study is complete, and Southwest Power Pool recommends KPP begin the Generator Interconnection Agreement (GIA) negotiation process, allowing sixty days for completion. Shook advised the sixty-day window should allow KPP time to complete evaluation of capacity resource technologies to determine the appropriate type and size of

resource(s) for the Walnut Energy Center before finalizing the GIA.

- On air permitting, responses and final determination from EPA and KDHE still have not been received but are expected within thirty days.
- Staff will continue to evaluate the following capacity resource technologies: refurbished Cooper Reciprocating Engine Units, Caterpillar Reciprocating Engine Units, Dogwood expansion, and Solar industrial combustion turbines for Walnut Energy Center. The requested Class 5 Estimate from 1898 Co. should come through next week. Shook noted that Kiewit's engineering study on Dogwood Expansion has been slightly delayed.

Special Announcements

CEO Colin Hansen reminded members of the changes in the 2025 board meeting calendar and announced the newest member of the KPP family, Sullivan Ruth Seward, born to Senior Accountant, Ivan Seward, and his wife on June 13th.



Utility Billing Pitfalls: Are We Losing Revenue?

LESLIE ATHERTON, DIRECTOR OF MEMBER SERVICES



As rate increases become more common, it's more important than ever to ensure that preventable losses aren't quietly eroding your bottom line. Accurate billing is essential not only for financial stability but also for maintaining customer confidence. Unfortunately,

routine errors and oversights in the billing process can go undetected, resulting in lost revenue and public frustration. The following are key areas where municipalities should pay close attention:

- **Meter Multipliers Matter.** Some electric meters, particularly those measuring high-voltage or high-current service, don't record actual energy usage directly. Instead, they measure a fraction of the actual load, and a meter multiplier—a predetermined factor—is applied to convert the meter's reading into the correct kilowatt-hour (kWh) or kilowatt (kW) value for billing. These multipliers are based on the transformer ratios used during installation and must be verified periodically to ensure accurate billing for both energy and demand. To be clear, if a multiplier exists for the energy (kWh) side of the meter, it should also be applied to the kW side.
- **Hand-Check a Bill.** Don't rely solely on your billing software. Take time to reference your current rate resolution or ordinance and manually calculate a customer bill to verify it matches what the system generates. If there's a discrepancy, dig deeper—and don't hesitate to reach out to us at KPP Energy if you need a second look.
- **Verify Rate Class Qualifiers.** While reviewing your rate resolution or ordinance, carefully examine the qualifiers for each rate class and confirm they are being properly applied to your customers. For example, if an industrial rate class requires annual usage above 100,000 kilowatt-hours, ensure the customer meets that threshold and that you have a method in place to monitor it.
- **Meter Changeouts.** When replacing meters, make sure all key details—such as multipliers and configuration settings—are accurately updated. Strong communication between metering and billing staff is vital, and maintaining clear documentation or records of the changeout can help prevent errors and support future troubleshooting.
- **AMI Red Flags.** If you have an AMI system, review meter data regularly. Missing voltage channels, irregular communication, or unexpected kWh received readings (especially on non-parallel generation accounts) may signal errors or indicate a wiring issue.



Utility Billing Pitfalls: Are We Losing Revenue?

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- **Use the Reports.** Take full advantage of the reports your meter software produces. Tamper alerts, zero usage instances, connection errors, and other exceptions can help you identify issues before they affect revenue.
- **Parallel Generation Billing.** As the number of parallel generation customers, particularly solar, continues to grow, it's essential to regularly review your billing policy and manually verify calculations when necessary. Accuracy is especially critical in these cases, as automated systems may not always account for policy nuances or recent changes.
- **Know Your Software Interfaces.** Understand how your AMI and billing systems interact, especially where multipliers are applied and how data is transferred.
- **See the Meter in Action.** Whenever possible, billing staff should take the opportunity to observe a meter—especially a demand meter—in the field. Firsthand exposure helps clarify how readings are captured and recorded, strengthens understanding of how metering data translates into billing, and improves the ability to identify potential errors. It also enhances communication and collaboration between billing and electric staff, builds confidence in customer interactions, and provides valuable context when troubleshooting unusual usage patterns.
- **Zero or Repeating Usage.** “0” usage or repeated values month after month should raise red flags. Investigate and, if necessary, estimate usage following a defined policy while pursuing a more permanent fix to the issue at hand.
- **Demand Resets.** Identical demand (kW) readings across billing cycles often indicate that demand meters are not being properly reset—typically a required monthly task. This oversight can result in overbilling and should be incorporated into routine procedures to ensure accuracy.
- **Trust Your Gut.** If something looks off, investigate. Common sense is a valuable tool in catching billing anomalies.
- **Ask for a Second Set of Eyes.** If you're seeing something that seems odd and want a second opinion, reach out to one of us at KPP Energy. We're always glad to help.



Taking time to ask questions, verify assumptions, and communicate across departments helps ensure more accurate billing—and protects your utility's bottom line.



Trump Replaces FERC Chair Mark Christie

SIGNALS POSSIBLE EMPHASIS ON STREAMLINED PERMITTING & FOSSIL FUEL INFRASTRUCTURE

In a somewhat unexpected move, President Donald Trump recently nominated energy attorney Laura Swett to replace Mark Christie on the Federal Energy Regulatory Commission (FERC). Christie, a Republican who has served on FERC since 2021 and became Chair in January 2025, was not renominated despite expectations that he would remain. He expressed surprise at the decision and plans to stay on briefly to help finalize key orders.

The move signals a potential shift in energy policy toward fossil fuel infrastructure and streamlined permitting.

Swett, a partner at Vinson & Elkins with prior FERC experience, is known for her work on natural gas pipeline litigation, energy enforcement, and regulatory law. Her nomination aligns with Trump's broader energy agenda of expanding fossil fuel development, reducing regulatory hurdles, and accelerating natural gas infrastructure projects. Swett's confirmation, if approved by the Republican-controlled Senate, would mark a strategic leadership pivot at FERC—an independent agency that plays a vital role in overseeing electricity markets, transmission, and pipeline approvals.

Industry experts see the nomination as a move to exert greater executive influence over FERC and steer its focus more aggressively toward infrastructure development. Environmental advocates and some lawmakers expressed concern over the abrupt leadership change and its implications for climate policy and grid modernization efforts.

Until Swett is confirmed, Republican Commissioner Lindsay See is expected to serve as acting Chair. If confirmed, Swett would serve a five-year term through 2030.

This leadership shift underscores the Trump administration's commitment to reasserting fossil fuel dominance in U.S. energy strategy. While Swett's legal expertise is widely respected, her regulatory priorities are expected to depart from recent climate- and reliability-focused FERC actions, raising the stakes for future energy policy and infrastructure decisions.



Mark the Date, Grab the Gear

KPP Energy's 2025 Annual Conference is right around the corner. If you have not yet registered, please do so at <https://www.kpp.energy/events/2025-kpp-conference/>.

We strongly urge you to join us Thursday, September 25 at 9:00 AM for a full day of learning, updates, and connection at our new headquarters at 2229 S. West Street in Wichita. This year's theme, **Empowering Kansas Communities**, sets the tone for insightful sessions and great conversation. Stay for the Great Yard Party in the evening and enjoy networking in a fun, relaxed atmosphere!

And while you're at it—don't forget to turn in your Public Power Week T-shirt order forms! The shirts celebrate KPP's 20th anniversary and help show a united front during Public Power Week, October 5–11. Shirts and signs are free for KPP members. Submit your order to Leslie Atherton at latherton@kpp.energy by July 28.

Details on KPP's annual Public Power Week competition are scheduled to be issued in mid-September; start building your enthusiasm now!

Let's band together – informed, united, and proud to be powering Kansas!



Event Calendar

2025 DATES TO REMEMBER

JULY 24, 2025

KPP Board Meeting

AUGUST 28, 2025

KPP Board Meeting

SEPTEMBER 24, 2025

KPP Board Meeting

SEPTEMBER 25, 2025

KPP Energy Conference

OCTOBER 5 - 12, 2025

Public Power Week

OCTOBER 23, 2025

KPP Board Meeting

NOVEMBER 7, 2025

Rate Forum

DECEMBER 12, 2025

Annual Membership Meeting

KPP Resources by Fuel Source

MAY 2025

