KPP LIGHTNING ROUND

May 2026

KPP Energy Awards Scholarships to Outstanding Students Across Member Communities

AWARDEES IN HAVEN, WELLINGTON & WINFIELD

In this issue of the *Lightning Round*, KPP Energy is proud to recognize and highlight three of the six exceptional recipients of the 2026 KPP Energy Scholarship Program. Representing the communities of Haven, Wellington, and Winfield, these students embody the leadership, determination, and character that the scholarship program was created to support.

Established to power the future by investing in homegrown talent, the KPP Energy Scholarship Program assists students from KPP member communities who are pursuing educational and career paths that will strengthen the future of their hometowns and the industries that serve them.

Grant Patry | Haven

Grant Patry of Haven will attend the Line Worker program at Pratt Community College this fall as he prepares for a career in the electric utility industry. Drawn to active, hands-on work and a lifestyle spent outdoors, Patry sees line work as a natural fit for both his strengths and interests. According to Haven High School Science Teacher, Head Football Coach, and Assistant Basketball Coach Drew Thalmann, Patry's leadership is rooted in consistency and quiet determination.

"Grant was one of the best leaders we've had as an athlete," Thalmann shared. "It is almost hard to pinpoint because he's pretty quiet. But if I was to define his leadership, I'd have to simply say he does what he's supposed to do, when he's supposed to do it, how he's supposed to do it."

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IN THIS ISSUE

Affordable Energy Strengthens Communities

COLIN HANSEN, CEO / GENERAL MANAGER

At KPP Energy, affordability is more than a number on a monthly bill — it's a commitment to the communities and citizens that we serve every day. Affordable and reliable electricity supports local families, businesses, schools, hospitals, and public services, helping communities remain strong, competitive, and resilient.

Over the past month, I've had the opportunity to speak to several city councils and provide an update about KPP and the many new and exciting initiatives that are currently in the works. One such initiative is the PACE solar project that will not only bring 18 megawatts (MW) of power to seven member communities but will add a cost-effective and sustainable new resource to the KPP Energy portfolio.

And then there is the Caterpillar diesel peaking engine project. Last fall, KPP purchased four 3 MW CAT engines and recently completed an RFP project in which members could submit a proposal for the engines to be sited in their communities. We're pleased to be working now with Greensburg, Ellinwood and Mulvane to begin the process of getting the units engineered, permitted, installed, and operating. When completed, the units will provide cost-effective capacity for KPP to meet the requirements of the Southwest Power Pool (SPP). This helps all 24 KPP member communities and not just the three where they will be located.

For many households, energy costs are a significant part of the monthly budget. When electric rates remain affordable, families have greater flexibility to spend on other essential needs such as groceries, healthcare, education, and housing. Affordable electric rates also play a major role in economic development. Businesses considering expansion or relocation often evaluate energy costs when making investment decisions.

As we all know, we've seen huge inflationary pressures over the past few years on everything from gasoline at the pump to hamburger for the Memorial Day cookout. During my visits to KPP communities, one thing I especially like to point out is KPP Energy electric rates. **In particular, we can proudly say that electricity costs to our members in 2025 were actually 10.5 percent lower than what they were in 2015.** I'm not sure that I know of many other products or services that can make a similar claim.

Maintaining affordable rates requires careful long-term planning in an increasingly complex energy environment. Utilities today face generation and transmission costs that are increasing at a breakneck pace largely driven by the ever-growing demand for power caused by the data center boom. Unfortunately, KPP is not immune to the same problems.

To be certain, costs – and rates – for everyone in the electric industry will increase. As such, it's critically important to everyone here at KPP that we remain laser-focused on doing everything in our power to keep rates as competitive as possible.

Communities can benefit and thrive when electricity remains affordable. Families prosper, businesses succeed, and local economies remain strong. KPP Energy remains committed to helping member communities provide reliable, responsible, and affordable power that supports quality of life for current and future generations.

KPP Energy Awards Scholarships

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After suffering an injury during his junior basketball season, Patry remained committed to his team and personal growth, continuing to attend weights, manage track, and prepare mentally for his return to football once medically cleared.

“Having him around makes everyone better,” Thalmann added.

Maverick Peterson | Wellington

Maverick Peterson of Wellington plans to major in Physics with hopes of becoming a teacher someday, inspired by the positive impact educators have had on his own life.

Wellington High School teacher Karla Defore described Peterson as a student unafraid to engage deeply with difficult ideas and conversations.

“Maverick has shown his commitment to deep thinking, not content to stay on the surface of tough topics,” Defore shared. “He shows great tact when addressing challenges, not wishing to stir up controversy, but not willing to allow alternate points of view to go unexamined.”

Outside the classroom, Peterson embraces what he jokingly calls a lifelong pursuit of collecting “grandpa hobbies,” including sewing, crocheting, and other practical crafts. His curiosity and individuality make him, as Defore described, “anything but average.”

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KPP Energy Awards Scholarships

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Kate Siok | Winfield

Kate Siok of Winfield plans to pursue a degree in Communications, driven by a desire to connect with and encourage others in meaningful ways. Her interest in the field has been shaped in part by helping her mother with her public relations firm and seeing firsthand the impact thoughtful communication can have on people and organizations.

Those who know Siok best describe her as a natural leader whose humility and kindness leave a lasting impression on everyone around her. “Kate is a natural leader,” wrote Wellington High School cheer coach Micah Allee. “For the whole season Kate’s leadership was on display every single day.”

Allee praised Siok for her professionalism, maturity, and ability to support both teammates and coaches through challenges throughout the year. She also described her kindness as “shining like a beacon.”

Together, Patry, Peterson, and Siok reflect the promise, work ethic, and community-minded spirit found throughout KPP Energy member communities. KPP Energy is honored to support each of them as they begin their next chapter and looks forward to the positive impact they will make in the years ahead.

Congratulations!

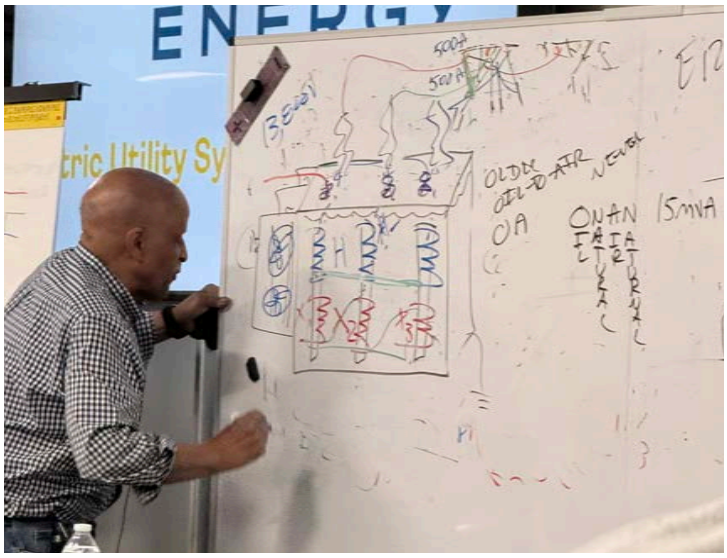
CLASS OF 2026

EUSO Course Draws Strong Attendance

TRAINING DELIVERS VALUABLE UTILITY EDUCATION IMPORTANT TO KPP MEMBER SUCCESS

Held May 11-12, the Electric Utility System Operations (EUSO) course attracted 42 attendees from 15 KPP member communities, representing utility, administrative, financial, and municipal leadership roles.

The two-day course was led by Skip Collier, founder of Professional Training Systems (PTS), who has spent more than 40 years training utility professionals across North America. Participants received more than 200 pages of educational materials covering topics such as alternating current, power generation, transformers, metering, power factor, and utility distribution systems.



Throughout the course, attendees explored key electrical concepts while learning practical applications related to transformers, generator nameplates, billing multipliers, and power factor calculations. Collier's ability to connect technical concepts to real-world utility operations helped participants better understand how different utility departments work together to maintain reliable electric service.

By the conclusion of the course, participants left with expanded industry knowledge, a greater appreciation for electric utility operations, and a certificate recognizing their successful completion of the training.

NERC Issues Level 3 Alert and Reliability Guideline Focused on Large Load Challenges

RISKS TO THE ELECTRIC GRID FROM LARGE DATA CENTERS

On May 4, 2026, the North American Electric Reliability Corporation (NERC) — the organization that oversees the reliability of the U.S. power grid — issued a Level 3 "Essential Actions" Alert.

This is the highest level of alert NERC can issue, and it signals a potentially serious and urgent situation. Along with the Alert, NERC also released a Reliability Guideline, a set of recommended best practices to help the electric industry and large data centers respond. Together, these two documents mark the biggest step NERC has taken yet to address the challenges that large power users – primarily data centers – are creating for the electric grid.

What's the Problem?

Over the past few years, massive electricity users — like AI data centers, crypto-mining facilities, and large-scale computing hubs — have been connecting to the power grid at a rapid pace. The issue isn't only how much power they use. It's what happens when they suddenly shut off.

When one of these facilities cuts its power use by thousands of megawatts in just a few seconds, it can easily throw the grid out of balance. Electricity supply and demand have to match at all times, so a sudden drop in demand can cause voltage and frequency to spike — and if grid operators can't react fast enough, it can trigger blackouts.

In July 2024, one such incident happened after a piece of equipment failed on a transmission line, causing a large customer to drop offline and destabilize part of the grid. In that situation, a lightning arrestor failed on a 230 kV transmission line in Northern Virginia, setting off six successive system faults within just 82 seconds.

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NERC

Essential Action to Industry

Computational Load Modeling, Studies, Instrumentation, Commissioning, Operations, Protection, and Control

Initial Distribution: May 4, 2026

The purpose of this Level 3 NERC Alert is to ensure Essential Actions are taken by registered entities to address the risks posed by existing and new computational loads[1] interacting with the bulk power system (BPS), inclusive of computational load interconnecting with collocated generation.[2]

NERC issued a previous Level 2 Alert Industry Recommendation: *Large Load Interconnection, Study, Commissioning, and Operations*[3] that discussed the recommended practices that NERC deemed necessary to address the emerging risks from large loads. In the responses provided to the Alert, NERC found that entities generally did not have sufficient processes, procedures, or methods to address risks associated with computational loads. This contrasts with the robust historical experience with traditional non-power electronic non-computational load. As seen in the public report, NERC found specific deficiencies with the treatment of computational loads. Examples of this load include artificial intelligence training, cryptocurrency mining, and traditional data center uses.

As stated in the public report, NERC determined a set of immediate actions that registered entities should take to reduce the risk to the BPS that warrant issuance of this Level 3 alert. These actions relate to the modeling, study, installed fault recording or instrumentation, commissioning, operation, protection, and control of computational load.

NERC issues this Level 3 Alert for entities to implement specific changes[4] to handle critical risks. Additional actions are discussed as part of NERC's Large Loads Action Plan and include the draft registry criteria[5] and Standard Authorization Request (SAR) for computational load[6] posted on NERC's website on April 1, 2026. Responses will also help

[1] NERC is currently working to register a "Computational Load Entity" for these loads. Currently, this would include loads that are 20 MW and greater, connected at 60kV, and contain more than 1 MW of IT Load. More information is available on NERC's Rules of Procedure webpage.
[2] Colocation with generation is one significant way computational load is interacting and using the BPS.
[3] See *Aggregated Report on NERC Level 2 Industry Recommendation: Large Load Interconnection, Study, Commissioning, and Operations* to see the results of the previous Level 2 Alert.
[4] As indicated in the public level 2 alert report, entities that do not have and do not expect to integrate computational loads within two years may not find it useful to implement these Essential Actions. These Essential Actions are for those entities that have or could expect to have computational loads or that may include these loads in the next two years. This includes entities that do not have computational load in their territory but could feasibly receive a request for one. Entities should implement these Essential Actions prior to receiving a computational load interconnection request.
[5] More information is available on NERC's Rules of Procedure webpage.
[6] More information is available on the Project 2026-02 webpage.

RELIABILITY | RESILIENCE | SECURITY

POWERING TODAY. PROTECTING TOMORROW.

NERC Issues Level 3 Alert and Reliability Guideline Focused on Large Load Challenges

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That cascade caused 1,500 MW of data center load to drop simultaneously across 60 points and 25 substations — all in a matter of seconds, as each facility's automated protection system disconnected it from the grid before operators could react. PJM and local utilities had to step in to stabilize the system, though fortunately frequency and voltage never rose to levels that posed a reliability risk. However, it was a close call that exposed just how vulnerable the grid is when large computational loads trip off all at once — and a key reason NERC issued its Level 3 Alert in May 2026

Seven Actions, One Deadline

NERC's Level 3 Alert lays out seven specific steps that power companies and grid operators must take to reduce these risks right away. This includes utilities, transmission planners, and grid managers. Companies had until May 11, 2026, to acknowledge the Alert, and full responses are due by August 3, 2026.

Registration Is Coming

The alert could mean that large computational loads – data centers – may need to become NERC registered entities. NERC will define which entities, based on specific physical and electrical criteria, will be required to register with NERC and comply with its Reliability Standards. The draft registry criteria was open for public comment until May 15, 2026. This strongly signals that large data centers could soon be directly regulated by NERC, not just indirectly affected through their utilities.

A Guideline to Fill the Gaps

The new Reliability Guideline gives the industry a clear set of best practices for how to plan for, study, and manage large power users on the grid. Think of it as a rulebook to follow while NERC works on writing permanent, formal standards — a process that is already underway after a March 2026 report found that the current rules simply aren't built for today's energy landscape.

What This Means for KPP Members

At this point, the NERC Level 3 alert does not have a direct impact on KPP Energy or its member communities. However, it remains a very strong indicator of how much data center load is coming onto the U.S. electric grid and the reliability problems that might cause in the future. Meanwhile, KPP is currently working on a large load policy that spells out the steps that the agency and its members might take to protect native load customers should a large load wish to connect to a member system.

KCC Approves Portion of Evergy Transmission Line

CONCERN ABOUT IMPACT ON FLINT HILLS ECOSYSTEM

The Kansas Corporation Commission (KCC) recently approved only part of Evergy's proposed Buffalo Flats to Delaware transmission line project, marking an important decision for energy infrastructure in south-central Kansas.

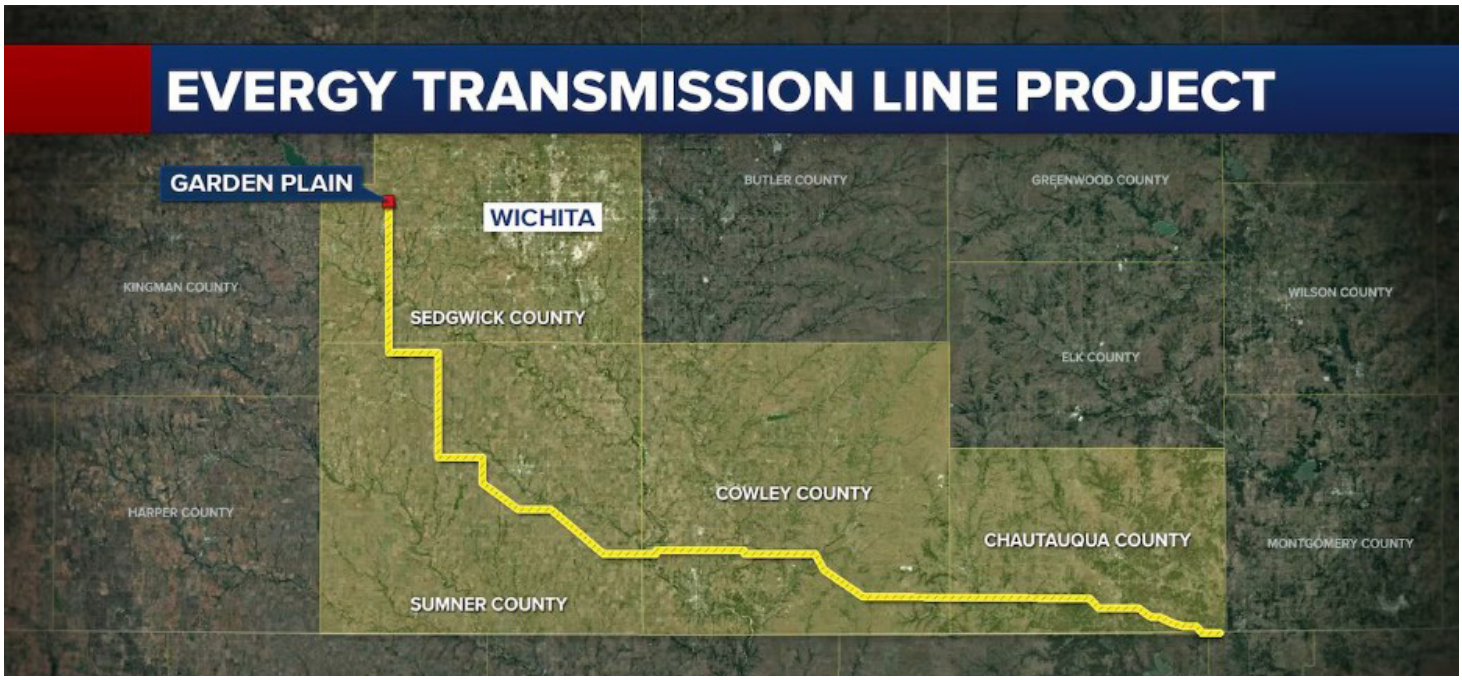
The project includes a planned 345-kilovolt (kV) transmission line that would stretch about 133 miles from the Buffalo Flats Substation near Garden Plain, Kansas, to the Delaware Substation near the Oklahoma border. The line is part of the Southwest Power Pool's larger Branson 345 kV Overlay Project, which is designed to improve electric reliability and strengthen the regional transmission grid.

In its May decision, the KCC approved the western portion of the proposed route, extending from Buffalo Flats to U.S. Highway 77 in Cowley County. However, regulators denied approval for the eastern section of the line and directed Evergy to study alternative routes before moving forward.

Commission members said they were concerned about the potential impact on the Flint Hills ecosystem and nearby oil and gas operations. The Flint Hills contain one of the nation's last remaining tallgrass prairie regions, making environmental protection a major issue during the review process.

The KCC stated that the transmission project is needed to improve reliability and resiliency across the Southwest Power Pool region, which includes Kansas and several neighboring states. At the same time, commissioners emphasized the importance of balancing energy infrastructure needs with environmental stewardship and landowner concerns.

Evergy has been instructed to complete a new routing study for the portion east of U.S. 77. Regulators encouraged the company to consider routes that parallel existing highway corridors, including U.S. 166, to reduce impacts on sensitive land and energy production areas.



Graphic credit: KWCH News

Augusta Prepares for Planned Generating Unit Outage

MARC CAIN, CITY OF AUGUSTA ELECTRIC PRODUCTION SUPERINTENDENT

Augusta's electric production team recently began a planned outage for maintenance and inspection of the turbocharger on the utility's Cooper Bessemer engine. Turbocharger Solutions International (TSI) was selected for the project due to its regional expertise and experience with Cooper Bessemer turbochargers.

The need for the project was identified in 2025, and work was able to move forward with Augusta City Council's approval of the 2026 budget. This project adds to other recent investments for the Generating Unit, including the replacement of two cooling towers, catalyst elements, and the generator's protection relay.

During the planning phase, staff focused on maximizing the value of the planned outage. While the Turbocharger is in TSI's facility, Augusta's operators plan on performing as much additional maintenance on the unit as possible. This includes the replacement of multiple engine gaskets, testing of blast door valves, repainting the engine if time allows, and performing a web deflection test.

Staff also worked closely with Chris from Cooper Machinery Services to ensure we had the gaskets, specialty tools, and kits needed ahead of the project start date. In addition, Augusta is coordinating with Integrated Power Services to have the generator inspected, tested, and cleaned while the unit is offline.

Project preparation also included technical training for staff. In late 2025 and early 2026, six electric production staff attended the 16-hour Cooper-certified fundamentals

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Augusta Prepares for Planned Generating Unit Outage

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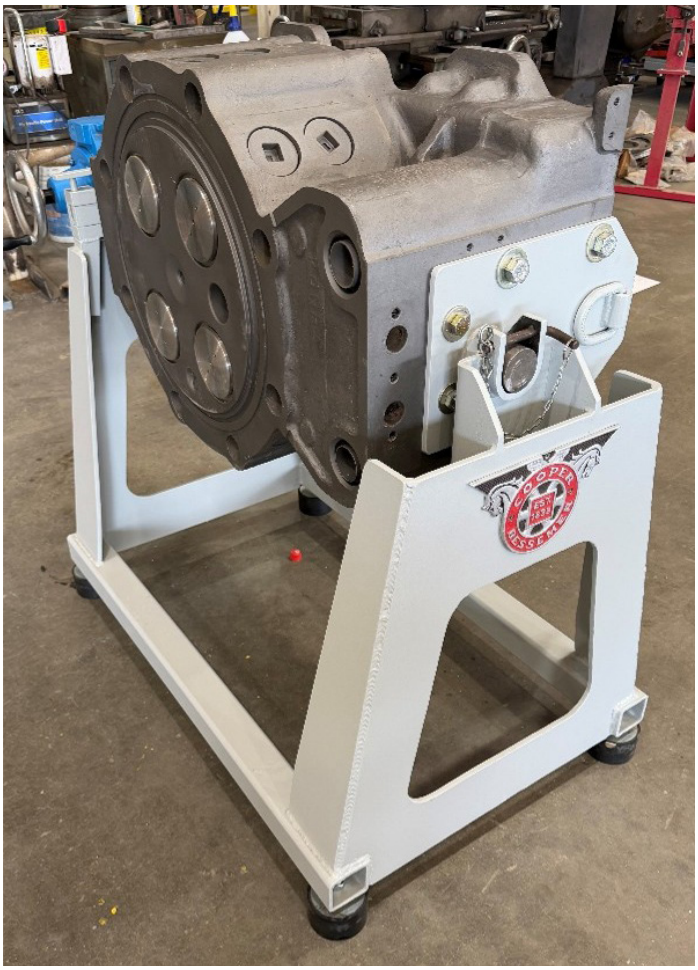
of turbochargers training course at TSI's facility in Salina, Kansas. The course provided detailed instruction of turbocharger components, how they function, and best practices for safe turbocharger removal and maintenance through the shared experience of instructors Greg and Nick. Their training will benefit the project and future maintenance efforts made by Augusta's team.

Operators also completed in-house projects ahead of the outage. They tested paint options for the engine and fabricated an LSVB cylinder head stand. Power Plant Operator Dominic Mosier fabricated the stand based on an existing stand for another engine and fabricated lifting



plates for the LSVB cylinder heads. Mosier then painted the lifting plates and stand before attaching a Cooper Bessemer plaque to the front of it.

This stand will allow operators to safely rotate cylinder heads for inspection and cleaning to improve both safety and efficiency during maintenance. Operators so far in the outage have been successful in servicing a few cylinder heads and the removal of the turbocharger.

This project is just an example of the dedication to reliability, the technical capabilities, and the ingenuity of municipal power plant operators within the KPP membership. My thanks to our team at Augusta for their hard work and dedication on this project.

Do You Have Local News to Share?
Please contact Colin Hansen at chansen@kpp.energy **or Leslie Atherton at** latherton@kpp.energy

SPP Issues Summer Outlook

ERIC ALEXANDER, CHIEF STRATEGY OFFICER

With Summer approaching, NERC and SPP recently released their summer season assessments.. While both conclude SPP doesn't pose any operational risk under normal operating conditions, periods of extended heat, especially coupled with low wind and/or higher than normal generation outages, pose the greatest risk.

Diving into some weather forecast information, as of May 21st, the National Weather Service's forecast for June, July and August shows a greater probability of a warmer than normal period, with a mixed precipitation outlook for the SPP region.

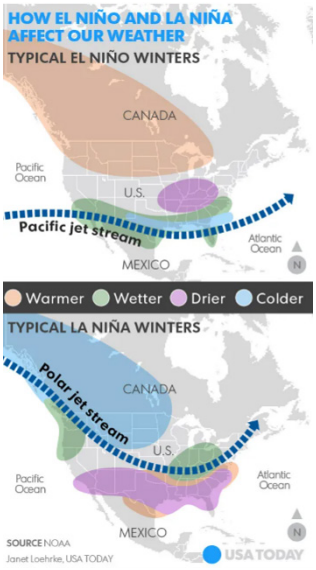
But as most have heard by now, the forecasters are really talking up the increasing likelihood of a strong El Nino weather pattern settling in sometime this summer. SPP touched on this in their report stating, "El Nino summers over the central and eastern US tend to be a little cooler and wetter, but not always". The bigger impact will be felt during the winter season, reducing the chances of those dreaded arctic blasts for the central part of the US. Figure 2 depicts a good graphical differentiation between El Nino and La Nina patterns.

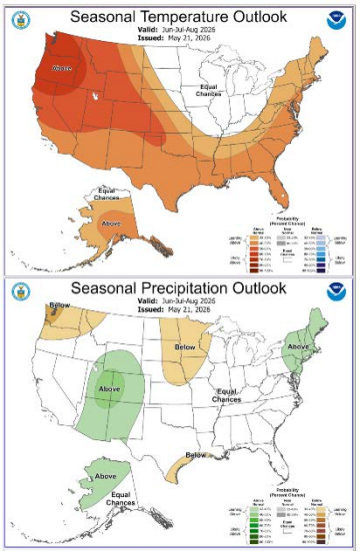
Looking at the operational information, SPP's report listed three reliability points:

1. 2026 Summer Operations within the SPP Balancing Authority and Reliability Coordinator Area footprints are expected to be normal with no forecast of extreme operational situations.
2. Transmission constraints and mitigations are expected to be manageable to maintain the required reliable operating criteria.
3. If extreme hot temperatures, higher than normal outages, or a high amount of uncertainty occur, SPP may issue notifications of heightened grid conditions.

To keep up to date with SPP-issued notifications, use the QR code below to download the SPP Go mobile app. Remember to pay close attention to whether the notifications are for the Eastern or Western Interconnect.

In summary, even though SPP is forecasting a modest year-over-year load increase, SPP and NERC made the determination that the region has ample available resources to meet the system peak load, maintain reliable operations, and will continue to "keep the lights on" for its customers.





May Board Meeting Review

COLIN HANSEN, CEO / GENERAL MANAGER

The KPP Energy Board of Directors held their regular monthly meeting on May 21, 2026, in Wichita and virtually. A summary of highlights from the meeting is provided here.

April 2026 ECA

Chief Operating Officer James Ging reported that April's Energy Cost Adjustment (ECA) came in significantly below budget. While total costs exceeded budget projections, lower-than-expected transmission, energy, and capacity expenses combined with stronger-than-budgeted demand and energy sales resulted in an ECA of negative $0.00013, compared to a budgeted $0.02427.

Financial Report

Chief Financial Officer Vickie Matney presented preliminary financial statements showing a year-to-date change in net position of approximately $248,000 and total assets of roughly $168 million. The Board unanimously accepted the financial report.

CEO Report

CEO Colin Hansen provided updates on several developments impacting the electric utility industry, including proposed utility mergers, national generation trends, transmission expansion efforts in Kansas, and ongoing legislative, Southwest Power Pool (SPP), and NERC discussions. Hansen also highlighted recent visits and engagement activities throughout KPP member communities.

2015A Bond Refunding Authorization Repealed

After market conditions failed to return to levels necessary to generate sufficient savings, the Board approved Resolution No. 2026-05-21, repealing a previous authorization related to the potential refunding of KPP Energy's 2015A revenue bonds.

PACE Project Update

Board members received an update on the PACE solar initiative, including progress on interconnection activities, civil and fencing work, contractor selection, procurement of long-lead materials, and development of operations and maintenance agreements.

Caterpillar Generation Project

KPP Energy continues to make progress on its Caterpillar C175-16 generation project. Project engineering and air permitting consultants have been selected, permitting applications have been submitted, and site planning activities are underway. Monthly coordination meetings with project stakeholders will continue throughout project development.

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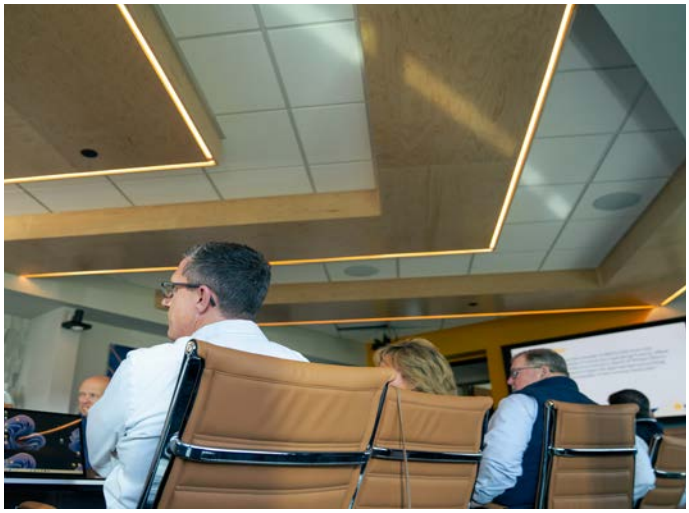

May Board Meeting Review

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Dogwood Expansion Planning Continues

Staff provided an update on the Dogwood Energy Facility Expansion effort, including permitting activities, water supply considerations, transmission interconnection preparations, and ownership structure discussions. Board members were reminded that key project decisions are anticipated later this year as development milestones are reached.

Large Load Policy Framework Introduced

Chief Strategy Officer Eric Alexander presented a proposed Large Load Policy designed to help member communities evaluate and manage significant new electric loads while protecting existing customers from associated costs and reliability impacts. The policy remains under development, and Board members were invited to provide feedback before a future adoption recommendation is presented.

Siemens Settlement Reached

As part of his Operations Report, James Ging informed the Board that mediation efforts related to a project at Dogwood resulted in a settlement agreement with Siemens.

Looking Ahead

The Board also received regular written reports from KPP Energy's Strategy, Energy Services, Member Services, and General Counsel before adjourning at 11:44 a.m.

Event Calendar

2026 DATES TO REMEMBER

JUNE 18, 2026
KPP Board Meeting

JUNE 26 - JULY 1, 2026
APPA National Conference
Boston, Massachusetts

JULY 16, 2026
KPP Board Meeting

JULY 15-16, 2026
KMU Data Center, Large Load, and Comprehensive Utility Planning Summit

AUGUST 13, 2026
KPP Generation Task Force Meeting
Clay Center, Kansas

AUGUST 20, 2026
KPP Board Meeting

SEPTEMBER 16, 2026
KPP Board Meeting

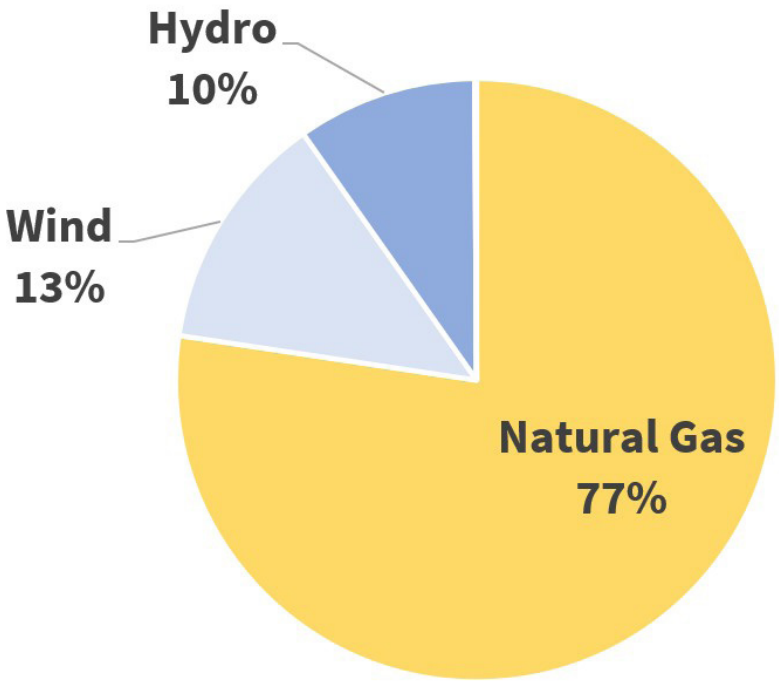
SEPTEMBER 17, 2026
KPP Annual Conference

OCTOBER 15, 2026
KPP Board Meeting

NOVEMBER 6, 2026
KPP Rate Forum

KPP Resources by Fuel Source

APRIL 2026



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