KPP LIGHTNING ROUND

June 2026

KPP Delegation Tours Neodesha's New Caterpillar Generating Station

KPP Energy representatives recently traveled to Neodesha, Kansas, for a firsthand look at one of the region's newest power generation facilities — the Neodesha Caterpillar Generating Station. The tour group included representatives from the City of Ellinwood, the City of Greensburg, and KPP staff. Neodesha city officials hosted the visit in partnership with Foley CAT, guiding guests through the facility and demonstrating the unit's quiet operation.

The station, completed in 2025, is equipped with four Caterpillar C175-16 generator sets, each rated at 3 megawatts (MW), bringing the facility's total installed capacity to 12 MW. The C175-16 is a high-performance, reciprocating engine well suited for municipal capacity and reliability applications. KPP wishes to thank the City of Neodesha and Foley CAT for their hospitality and for sharing their experience with the new facility.

KPP anticipates delivery of two units destined for Mulvane and one each for Greensburg and Ellinwood in Q3 2027. In partnership with Power Plant Compliance Services, KPP has submitted construction air permit applications for all three sites and is awaiting regulatory approval before site work can begin. In the meantime, surveyors are actively advancing survey and title work to secure the necessary easements at each location, and staff is working with Foley CAT to prepare and coordinate delivery routes for each location.

IN THIS ISSUE

PACE Solar Project Moves Into Construction Phase

JAMES GING, CHIEF OPERATING OFFICER

Project Overview

KPP is developing a portfolio of seven solar array projects located across Kansas, with an approximate combined installed capacity of 18 megawatts (MW). The projects are being constructed under a single Engineering, Procurement, and Construction (EPC) agreement managed by Priority Power Management (PPM). Sites include Hillsboro, Marion, Clay Center, Wellington, Winfield, Ellinwood, and Greensburg.

As of June 2026, the project has passed several key milestones and entered the active mechanical construction phase. The revised schedule targets all systems placed in service by October 15, 2026, with substantial completion by October 31 and final completion by December 31.

Revised Construction Schedule

The project schedule has been updated to reflect current material delivery timelines, construction sequencing, and contractor mobilization. The table at the bottom of the page shows the targeted dates for key milestones.

Looking Ahead

The coming months will be active across all seven Kansas sites. Key activities include:

- Full pile and tracker delivery to all sites by June 30, followed by mechanical installation running through late August.
- Completion of civil and fencing work by July 31
- Electrical construction beginning mid-July and completing by September 15, 2026.
- Recloser programming and telecom network installation targeted for mid-August.
- Ready to export at all seven sites in September
- System testing, commissioning, and placed-in-service milestone targeted for October 15, 2026.
- Substantial completion targeted for October 31, 2026 with final completion by December 31, 2026.

Target Date	Milestone	Phase
June 30, 2026	Piles & Tracker Delivered to All Sites	PROCUREMENT
July 25, 2026	Pile Installation Complete	MECHANICAL
August 15, 2026	Tracker Installation Complete	MECHANICAL
September 1, 2026	Module Installation Complete	MECHANICAL
September 15, 2026	Electrical Installation Complete	ELECTRICAL
September 30, 2026	Mechanical Completion	MECHANICAL
October 15, 2026	Placed in Service / Testing & Commissioning Complete	COMMISSIONING
October 31, 2026	Substantial Completion	COMPLETION
December 31, 2026	Final Completion	COMPLETION

Clay Center Featured in KPP Video Series

SERVING COMMUNITIES IN REAL TIME: CLAY CENTER

The second video in KPP Energy's new video series moves from vision to reality—showing what community-powered energy looks like when it's put to the test.

In this installment, to be released July 13th, KPP Energy spotlights the Clay Center Public Utilities Commission and the critical role local electric utilities play during severe winter weather. When extreme conditions arrive, the work becomes immediate, demanding, and essential. This video highlights how preparation, coordination, and local decision-making come together to keep communities safe and informed.

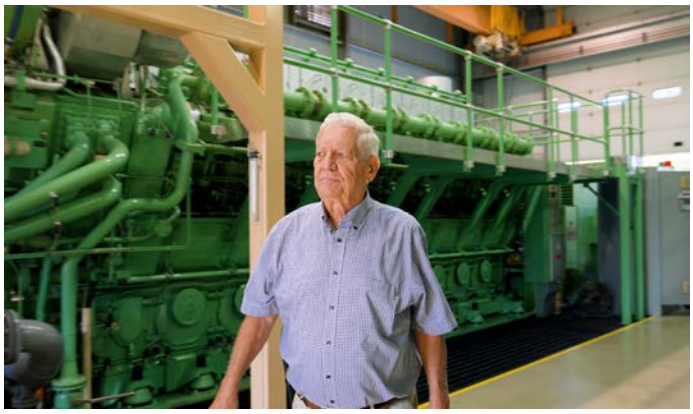
For Clay Center, reliability isn't an abstract goal—it's a responsibility. Utility staff work around the clock to monitor conditions, respond to system challenges, and communicate with their community. The video captures that reality, underscoring the professionalism and commitment required to serve residents when weather pushes systems to their limits.

Behind the scenes, KPP Energy supports this work by helping member communities prepare for and respond to events like winter storms. From market coordination and system monitoring to shared expertise and situational awareness, KPP works alongside its members so they're not facing these moments alone.

This second video reinforces an important truth of public power: local utilities know their systems, their communities, and their priorities best—but they are strongest when supported by a broader network. Clay Center's experience reflects how collaboration across the pool strengthens every member, especially during challenging conditions.

Future videos in this series will continue to highlight member communities and the real-world work happening across the pool. If you are interested in having a video highlighting and promoting your community, please contact Leslie Atherton at latherton@kpp.energy.

This chapter shows what service looks like when preparation meets purpose—and when community-powered energy matters most.



KPP Energy Scholarship Spotlight

GILKEY, LEWELLEN, AND ANDERSON PREPARE FOR NEXT CHALLENGE

In the previous edition of the Lightning Round, KPP Energy introduced three recipients of the 2026 KPP Energy Scholarship. This month, we conclude our scholarship recipient spotlights by highlighting Emily Gilkey of Hillsboro High School, Gage Lewellen of Oxford High School, and Aiden Anderson of Minneapolis High School.

Though their career paths differ, all three students share a strong work ethic, a commitment to personal growth, and a desire to build meaningful futures in fields that match their interests and talents.

Emily Gilkey, Hillsboro

Emily Gilkey will attend Tabor College this fall to pursue a degree in Accounting. Her interest in the profession developed naturally through family influences, including her mother and grandmother, who introduced her to the field at an early age. While she is still considering whether her future lies in public accounting or the private sector, she plans to earn her Certified Public Accountant (CPA) credential.

At Hillsboro High School, Gilkey explored several career-focused disciplines, including engineering, CAD, and accounting, before discovering where her interests and strengths aligned. She was also a four-year member of the volleyball program, earning the respect of coaches and teammates through her positivity and determination.

According to volleyball coach Sandy Arnold, Gilkey's influence often extended beyond the court. Even when playing opportunities were limited during her senior season, she remained one of the team's biggest supporters, encouraging teammates and helping inspire a memorable comeback victory. Friends and family describe her as energetic, confident, and laid back, qualities that will serve her well as she begins her college career.

Gage Lewellen, Oxford

For Gage Lewellen, the future lies in the electric utility industry. A graduate of Oxford High School, Lewellen plans to begin Manhattan Area Technical College's Lineworker

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KPP Energy Scholarship Spotlight

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Program in January 2027 after completing work toward his Commercial Driver's License (CDL).

Lewellen's interest in line work grew from conversations with family friends in the profession and a fascination with the technical and physical demands of the job. "I did a lot of research on it and just got obsessed with the work they do," he said.

A hands-on learner who enjoys solving practical challenges, Lewellen is already gaining experience through an internship with the City of Winfield. Oxford High School Principal Ashley Bugbee praised his leadership, work ethic, and willingness to learn.

Outside the classroom, Lewellen was a three-sport athlete in football, basketball, and baseball. Baseball became his favorite because of the teamwork and mental discipline it requires. Whether playing second base, pitcher, or catcher, he embraced whatever role his team needed. Friends and family describe him as trustworthy, passionate, and a true team player.

Aiden Anderson, Minneapolis

Aiden Anderson is preparing for a career in line work. This fall, the Minneapolis High School graduate will begin the Line Worker Program at Pratt Community College.

Anderson first became interested in the profession after observing a friend's father who worked as a lineman. Over time, he developed an appreciation for both the importance of the work and the opportunities it provides.

One of the experiences that helped prepare him for that future was his welding and shop coursework under Agriculture Welding Instructor Chas Hauck. Anderson credits those classes with teaching him to be resourceful

and independent, skills that will prove valuable throughout his career.

Hauck describes Anderson as a hard worker, self-motivated, and someone who leads by example. As an FFA officer, Anderson demonstrated leadership, initiative, and a willingness to learn.

Outside of school, Anderson enjoys hunting, fishing, and helping on the farm. The opportunity to work outdoors was one of the major reasons he chose the lineworker profession. Friends and family describe him as funny, kind, and dedicated, noting his willingness to help others whenever needed.

The KPP Energy Scholarship Program supports students from communities served by KPP Energy member utilities as they pursue higher education and career training opportunities. Through their academic achievements, leadership, and commitment to their future goals, Gilkey, Lewellen, and Anderson exemplify the qualities the scholarship program seeks to recognize.

KPP Energy congratulates each of these outstanding students and looks forward to following their success in the years ahead.

FERC Orders Grid Operators to Review Rules for Large New Electric Loads

COMMISSIONER ROSNER CITES SPP EFFORTS ON LARGE LOAD POLICIES

The Federal Energy Regulatory Commission (FERC) has directed the nation's regional grid operators, including the Southwest Power Pool (SPP), to review how large new electric loads such as data centers, manufacturing facilities, and other energy-intensive customers connect to the electric grid.

The June 18th order reflects growing concerns about the rapid increase in electricity demand across many regions of the country. FERC is requiring each Regional Transmission Organization (RTO) and Independent System Operator (ISO) to either demonstrate that its current rules remain adequate or propose tariff changes to better address large-load growth.

The Commission identified several areas for review, including improving study processes for new transmission service requests, ensuring transmission costs are assigned fairly, accommodating facilities with on-site generation, and developing new service options for large customers with flexible operating characteristics.

In addition, each grid operator must provide information on how it plans to ensure adequate generation resources are available to serve both existing customers and future large-load developments.

The order comes as SPP continues to address increasing demand across its 14-state footprint. Earlier this year, FERC approved SPP's High Impact Large Load and Generation Assessment (HILLGA) initiative, which established a new process for studying large loads and nearby generation resources together. The initiative is intended to improve efficiency, increase transparency, and help identify potential reliability impacts earlier in the development process.

During FERC's June meeting, Commissioner David Rosner cited SPP's efforts as an example of innovation within the industry, noting that "SPP has been a leader in showing how to push beyond the status quo." He also highlighted SPP's approach of studying large loads and generation together as a potential model for other regions.

SPP and the other affected grid operators have 60 days to respond to the Commission's order. The outcome could influence how future large-load projects are evaluated and connected to the grid, while helping ensure reliability and cost impacts are appropriately addressed for existing customers.

For public power utilities, the proceeding highlights the growing challenge of balancing economic development and increasing electricity demand with the continued need for reliable and affordable electric service.

SPP Issues 2025 State of the Market Report

ERIC ALEXANDER, CHIEF STRATEGY OFFICER

The Southwest Power Pool (SPP) Market Monitoring Unit (MMU) recently released their "State of the Market 2025" Report.

Demand & Load Growth

The SPP grid kept busy in 2025 as total system energy consumption climbed 3% year-over-year to 285,997 GWh. This comes even as the five-minute peak demand of 54,850 megawatts (MW) was only a hair (0.2%) above 2024's levels.

Nine out of twelve months set new monthly peak records versus 2024, and the load duration curve stayed above prior years for nearly the entire range, a telltale sign that this wasn't just one hot week driving numbers up but genuine, broad-based growth in system demand. The culprit? The report points squarely at economic expansion fueled by rapid AI infrastructure development in the region.

Generation Capacity

The SPP generation fleet grew to 106,291 MW of nameplate capacity by year-end, a 3.4% jump. The technology mix is getting increasingly interesting. Wind still wears the crown as the single largest resource type at 34% of nameplate, but solar is the fastest growing resource class as solar capacity more than doubled again (from 986 MW to 2,114 MW), and storage resources nearly tripled.

Meanwhile, coal's share edged back up to 29% from 25% in 2024, largely because rising gas prices made coal more economic again. One looming concern, 39% of the fleet is over 30 years old, with 85% of coal capacity and 41% of gas capacity crossing that threshold.

The interconnection queue paints a renewable heavy future, with those resource types dominating the MW total of pending requests, even though their trendline has shown decreasing amounts. Solar has moved from 44 gigawatts (GW) at the end of 2024, to 37 GW and wind followed with a drop from 30 GW to 25 GW. Batteries and hybrid resources bucked that trend increasing by 6 GW to a combined 31 GW. Natural gas showed signs of a rebound with a striking 14 GW of newly submitted gas requests (many via the new ERAS fast-track process) for a total of 35 GW at the end of 2025.

Resource Adequacy Concerns

If there's one drumbeat in the 2025 report, it's this: resource adequacy is still keeping the lights on, but it's a work in progress. Winter peak demand of 48,195 MW was 3% above 2024 (driven by a cold February), and although the aggregate real-time supply curve had enough headroom, continued efforts are underway to create incentives for maximum availability, ensuring SPP has the resources to reliably serve load.

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SPP Issues 2025 State of the Market Report

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On that note, the MMU continues to express concerns that SPP's resource adequacy construct still doesn't fully account for correlated outages, when cold snaps hit and natural gas resources face fuel supply issues simultaneously, not independently.

The report also calls out the shoulder seasons. During mild weather stretches, a combination of maintenance outages and lower wind output has triggered resource advisories, underscoring that challenges with resource availability aren't just a winter story. In short, capacity exists, but availability, fuel assurance, and smarter outage coordination are the unfinished homework.

New Recommendations for 2025

The MMU issued three new recommendations for 2025, each aimed at closing gaps between what the market assumes and what actually happens. The first pushes for better generation capacity availability. Roughly 10% of rated conventional capacity sits unavailable at any given time and the MMU suggests that some modifications to tariff language could reduce this issue.

The second targets load forecasting accuracy, calling for stronger incentives for large loads to submit reliable forecasts that reflect real-time consumption.

The third seeks to clarify which control status demand response resources could utilize to prevent resources from collecting opportunity cost payments they didn't actually incur. With the rapidly evolving generation mix and load types, SPP and its stakeholders will need all the recommendations they can get to create policies that are both economical and maximize reliability to the region.

A copy of the full report can be found by clicking here.

Figure 2–12 Generation nameplate capacity by technology type

Technology type	2023	2024	2025	Percent as of year-end 2025
Wind	33.725	34,808	35,934	34%
Gas, simple-cycle	22,614	23,017	24,180	23%
Coal	22,062	22,065	21,975	21%
Gas, combined-cycle	13,619	13,619	13,395	13%
Hydro	3,431	3,431	3,429	3%
Solar	484	986	2,114	2%
Nuclear	2,061	2,061	2,061	2%
Oil	1,569	1,622	1,646	1%
Demand response	793	970	1,016	1%
Market storage resource	12	142	422	<1%
Other	83	83	119	<1%
Total	**100,440**	**102,792**	**106,291**	

Note: Capacity is nameplate rating at year-end.

KPP Energy Featured on Public Power Now Podcast

HANSEN SHARES INFORMATION ON PROJECTS & SERVICES PROVIDED BY AGENCY

KPP Energy was recently featured on the American Public Power Association's (APPA) *Public Power Now* podcast, providing a national audience with an overview of the many services and projects the agency delivers on behalf of its 24 Kansas member communities.

During the discussion, KPP CEO & General Manager Colin Hansen provided an overview of the agency and highlighted KPP's mission of helping members maintain reliable, affordable electric service while navigating a rapidly changing energy industry.

The conversation also focused on several major projects underway across the KPP membership, including investments in new generation resources, the formation of the Generator Repair Fund and the guidance provided by both the KPP Board of Directors and the Generation Task Force. As one of only a handful of public power systems awarded Powering Affordable Clean Energy (PACE) funding from the USDA, Hansen provided an overview of how the solar project will benefit the overall KPP membership.

The *Public Power Now* podcast is available through the American Public Power Association's website and can also be streamed on major podcast platforms, including Apple Podcasts, Spotify, and Google Podcasts. Simply search for "Public Power Now" on your preferred podcast app to listen to the KPP Energy episode and other discussions on issues impacting public power utilities nationwide.

APPA Seeks Utility Participation in 2026 Salary Survey

PARTICIPATING KPP MEMBERS RECEIVE COMPLIMENTARY ACCESS TO FINAL REPORT

The American Public Power Association (APPA) is encouraging eligible public power utilities to participate in its 2026 Utility Salary Survey. The survey collects compensation data for 34 salaried positions and 26 hourly positions, providing valuable benchmarking information for public power utilities across the country.

Utilities with at least 50 percent retail sales are generally eligible to participate. Responses must be submitted by July 24.

As a benefit of participation, APPA-member utilities will receive complimentary access to the final report, which includes salary comparisons by revenue and customer class, as well as regional compensation summaries. Participating members will receive both a printed copy and a digital version of the report. Non-participating APPA member utilities can purchase the final report on the APPA Product Store for $75.

The survey, along with position descriptions for both salaried and hourly classifications, is available at: https://surveys.publicpower.org/s3/APPA-Utility-Salary-Survey-2026-Landing-Page

APPA will maintain strict confidentiality of all survey responses. Individual utility data will not be shared outside APPA except with the utility's state or regional association, and only as outlined in the survey. Utilities may opt out of sharing their information with their state or regional association.

Questions regarding the survey may be directed to Kevin Tillman, APPA Manager of Research and Statistics, at ktillmann@publicpower.org.

June Board Meeting Review

COLIN HANSEN, CEO / GENERAL MANAGER

The KPP Energy Board of Directors held their regular monthly meeting on June 18, 2026, in Wichita and virtually. A summary of highlights from the meeting is provided here.

May 2026 ECA

Chief Operating Officer (COO) James Ging reported that May costs came in at approximately $70,000 under budget. Transmission costs were below budget by more than $76,000, while energy costs were favorable by nearly $464,000. Capacity costs exceeded budget by approximately $468,000, but stronger-than-anticipated sales helped offset those increases. Demand sales exceeded budget by 10% and energy sales by 8%, resulting in an ECA credit of $0.00355 per kWh compared to a budgeted charge of $0.00294.

Financial Report

Chief Financial Officer Vickie Matney presented preliminary financial statements through April 30. While KPP recorded a change in net position of negative $309,000, Matney noted this is typical during spring "shoulder months." Total assets stood at approximately $168.3 million, while generation resource ECA collections and disbursements totaled $9.7 million.

The Board also learned that Fitch Ratings completed its review of KPP Energy with no change to the organization's rating or outlook.

CEO Report

Chief Executive Officer (CEO) Colin Hansen briefed the Board on several developments at both the federal and regional levels. FERC recently approved SPP's Conditional High Impact Large Load Service (CHILLS) proposal, which takes effect July 1 and is intended to address challenges associated with connecting large electric loads to the transmission system. Hansen also discussed ongoing federal efforts to streamline the interconnection process for large customers such as data centers while preserving reliability and addressing concerns related to cost allocation and local authority. Additional updates covered NERC activities, proposed increases to NERC's 2027-2029 budget, and upcoming Kansas legislative discussions on topics including transmission siting, energy storage, data centers, and emerging nuclear technologies.

Board Approves PACE Financing Resolution

Board members unanimously approved Resolution No. 2026-06-18 authorizing the issuance of approximately $54.75 million in Subordinated Taxable Electric Utility Revenue Bonds. The financing will refund temporary borrowing associated with the PACE project and provide funding through project completion. Staff and bond counsel reviewed the financing structure and repayment terms prior to approval.

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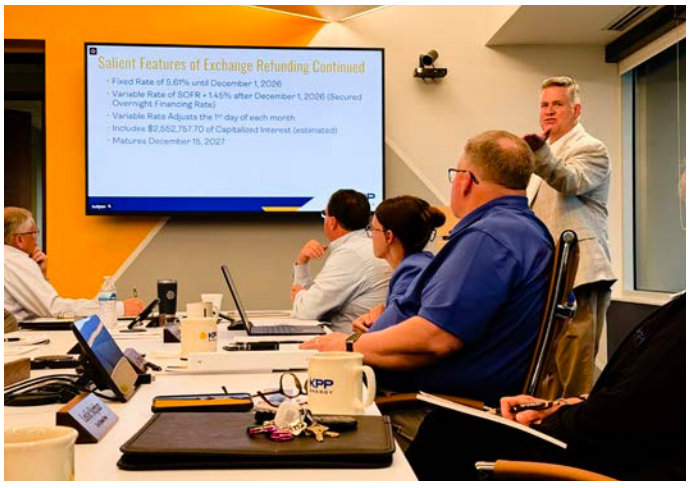

June Board Meeting Review

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PACE Project Update

The Board received an update on the PACE solar project, which has now entered the construction phase. Current schedules show mechanical completion targeted for September 2026, substantial completion by October 31, and final completion by December 31. While the project remains on track from a scheduling perspective, costs are currently projected to exceed budget by approximately $3 million due entirely to higher-than-anticipated electrical construction expenses. Staff also outlined upcoming milestones, including finalizing an asset management agreement, developing a community benefit program, authorizing change orders, and conducting solar training opportunities.

Generation and Resource Planning Updates

Staff provided progress reports on several generation initiatives. The Caterpillar C175-16 project continues to advance, with Garber Surveying Service selected as project surveyor and a site visit to Neodesha's generator installation scheduled for June 19. The Board also received an update on the potential Dogwood Energy Facility expansion. Staff reviewed KPP's long-term resource adequacy outlook, which currently shows sufficient capacity through 2035, with only a minor projected shortfall appearing in 2036. Discussions also focused on future risks, including generation retirements, large load additions, and continued member load growth.

Large Load Policy Remains Under Review

The Board reviewed refinements to KPP Energy's proposed Large Load Policy. The draft policy is designed to address future cryptocurrency mining operations, data centers, and other unusually large electric loads that may significantly impact local systems, transmission infrastructure, or capacity requirements. No action was requested as staff await additional guidance from FERC regarding large-load interconnection policies.

July Board Meeting Rescheduled

To accommodate the Kansas Municipal Utilities Data Center Summit, the Board voted to move its July meeting from July 16 to July 23.

Event Calendar

2026 DATES TO REMEMBER

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

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

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

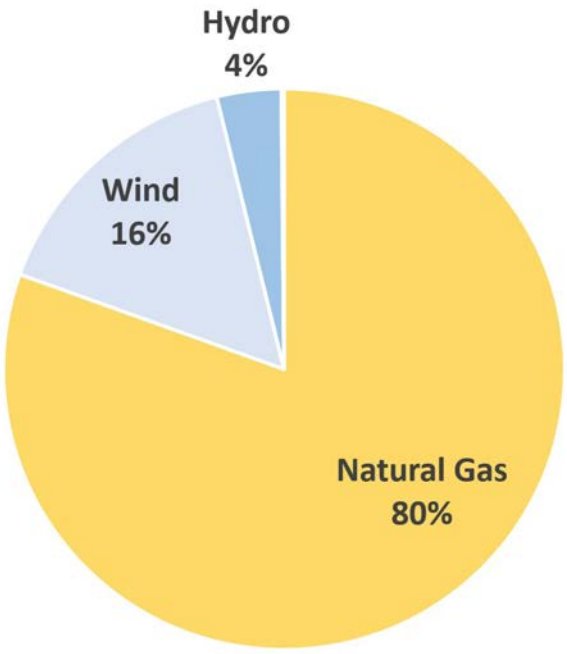
OCTOBER 15, 2026
KPP Board Meeting

NOVEMBER 6, 2026
KPP Rate Forum

DECEMBER 11, 2026
KPP Annual Membership Meeting

KPP Resources by Fuel Source

MAY 2026



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