



SUNFLOWER ELECTRIC POWER CORPORATION

A Touchstone Energy® Cooperative 

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August 23, 2013

Via: US Mail

Power Marketing Manager
Western Area Power Administration
5555 E. Crossroads Blvd.
Loveland, Colorado 80539-3003

Re: Minimum Investment Report

Dear Sir or Madam:

Enclosed please find Sunflower Electric's Minimum Investment Report for 2013. I have completed the report utilizing the electronic format form provided by Western. Sunflower was granted approval to complete the Minimum Investment Report, in place of an Integrated Resource Plan, in a letter from Western dated December, 17, 2012.

Also enclosed is Sunflower's 2013 Renewable Energy Standards Act Report which was approved by the Kansas Corporation Commission on August 2, 2013. A copy of the State of Kansas Statute for Renewable Energy Standards is also enclosed.

Please let me know if you have any questions or comments about our report.

Sincerely,



Sandy Skipton
Resource Planning Coordinator

Encl. 3

c. _SunflowerRecords@sunflower.net

MINIMUM INVESTMENT REPORT (MIR)

Western Area Power Administration's (Western) customers must comply with the requirements of the Energy Planning and Management Program (EPAMP (10 CFR Part 905)) to meet the objectives of Section 114 of the Energy Policy Act of 1992 (EPAct). A Western customer is any entity that purchases firm capacity with or without energy, from Western under a long-term firm power contract. Approved customers may submit a Minimum Investment Report (MIR) as an alternative to submitting an Integrated Resource Plan (IRP) to meet the objectives of Section 114 of EPAct.

MIRs must document compliance with a minimum level of investment in demand-side management (DSM) and/or renewable energy mandated by a State, Tribal, or Federal Government with jurisdictional authority. (See 10 CFR § 905.16(e)).

Who May Use this Form:

Utilities with a mandated minimum level of investment or public benefits charge for DSM and/or renewable energy may be eligible to submit a MIR to meet the objectives of Section 114 of EPAct. The mandated minimum investment must be either a mandatory set percentage of customer gross revenues or other specific minimum investment in DSM and/or renewable energy; or a required public benefits charge, including charges collected for and spent on DSM, renewable energy, efficiency and alternative energy-related research and development, low-income energy assistance and any other applicable public benefits category. Requests to submit a MIR must include the source of the minimum investment requirement (number, title, date, and jurisdiction of law); the initial, annual, and other reporting requirement(s) of the mandate, if any; and the mandated minimum level of investment or public benefits charge for DSM and/or renewable energy. Western will respond to requests to accept minimum investment reports within 30 days of receiving the request. (See 10 CFR § 905.16(a), (b) & (d)).

Completing This Form:

To meet the MIR reporting requirement, complete this form in electronic format in its entirety. Unaddressed items will be deemed incomplete and the MIR may not be eligible for approval. All of the data fields in this form automatically expand. Additional information may be attached to and submitted with this report. Western reserves the right to require supporting back-up materials or data used to develop this report. If there is any conflict between this form and the requirements defined in EPAMP, the requirements in EPAMP shall prevail.

Submit the completed report with a cover letter to:

Attention: Power Marketing Manager
Western Area Power Administration
Rocky Mountain Region
5555 E. Crossroads Blvd.
P.O. Box 3700
Loveland, CO 80539-3003

EPAMP Overview

The Energy Planning and Management Program (EPAMP) is defined in the Code of Federal Regulations in Title 10, Part 905 (10 CFR 905). The purposes of EPAMP are to meet the objectives of the Energy Policy Act of 1992 (EPAAct) while supporting integrated resource planning; demand-side management, including energy efficiency, conservation, and load management; and the use of renewable energy.

EPAMP was initially published in the Federal Register at 60 FR 54714 on October 20, 1995, and revised in 65 FR 16795 on March 30, 2000, and 73 FR 35062 on June 20, 2008. 10 CFR § 905.11 defines what must be included in an IRP and 10 CFR § 905.16 defines the requirements of the minimum investment report alternative.

Western's Energy Services Web site (www.wapa.gov/es/irp) provides extensive information on integrated resource planning and reporting requirements. If you have questions or require assistance in preparing your MIR, contact your Western regional Energy Services representative.

MIR Content

Cover Page.....	Customer Name & Contact Information
Section 1.....	Utility/Customer Overview
Section 2.....	Minimum Investment Report Requirement or Authority
Section 3.....	Energy and Capacity Savings
Section 4.....	Action Plan
Section 5.....	Signatures and Approval

MINIMUM INVESTMENT REPORT (MIR) 5-Year Plan

Customer Name:
Sunflower Electric Power Corporation/Mid-Kansas Electric Company LLC

MIR History: Check one as applicable.	
<input checked="" type="checkbox"/>	This is the submitter's first MIR submittal.
<input type="checkbox"/>	This submittal is an update/revision to a previously submitted MIR.

Reporting Dates:	
MIR Due Date:	9/11/2013
Annual Progress Report Due Date:	5/22/2013

Customer Contact Information: Provide contact information for your organization. The contact person should be able to answer questions concerning the MIR.	
Customer Name:	Sunflower Electric Power Corp./Mid-Kansas Electric Co.
Address:	2075 West St. John St. PO Box 1649
City, State, Zip:	Garden City, KS 67846
Contact Person:	Sandy Skipton
Title:	Resource Planning Coordinator
Phone Number:	620-272-5422
E-Mail Address:	sskipton@sunflower.net
Website:	www.sunflower.net

Type of Customer: Check one as applicable.	
	Municipal Utility
<input checked="" type="checkbox"/>	Electric Cooperative
<input type="checkbox"/>	Federal Entity
<input type="checkbox"/>	State Entity
<input type="checkbox"/>	Tribal
<input type="checkbox"/>	Irrigation District
<input type="checkbox"/>	Water District
<input type="checkbox"/>	Other (Specify):

SECTION 1**UTILITY/CUSTOMER OVERVIEW****Customer Profile:**

Enter the following data for the most recently completed annual reporting period. Data may be available on form EIA-861, which you submit to the U.S. Energy Information Administration (EIA).

Reporting Period	
Reporting Period Start Date (mm/dd/yyyy)	1/1/2012
Reporting Period End Date (mm/dd/yyyy)	12/31/2012
Energy Sales & Usage	
Energy sales to Ultimate End Customers (MWh)	0
Energy sales for Resale (MWh)	6,877,784
Energy Furnished Without Charge (MWh)	0
Energy Consumed by Respondent Without Charge (MWh)	0
Total Energy Losses (MWh entered as positive number)	321,013
Total Energy Usage (sum of previous 5 lines in MWh)	7,198,797
Peak Demand (Reporting Period)	
Highest Hourly Summer (Jun. – Sept.) Peak Demand (MW)	1156 *
Highest Hourly Winter (Dec. – Mar.) Peak Demand (MW)	700
Date of Highest Hourly Peak Demand (mm/dd/yyyy)	06/27/2012
Hour of Highest Hourly Peak Demand (hh AM/PM)	5 PM
Peak Demand (Historical)	
All-Time Highest Hourly System Peak Demand (MW)	1156 *
Date of All-Time Hourly System Peak Demand (mm/dd/yyyy)	06/27/2012
Hour of All-Time Hourly Peak System Demand (hh AM/PM)	5 PM
Number of Customers/Meters (Year End of Reporting Period)	
Number of Residential Customers	N/A
Number of Commercial Customers	N/A
Number of Industrial Customers	N/A
Other (Distribution Coop):	6
Other (G&T):	37
Other (Municipal):	9
Other (RTO):	2
Other (Specify):	N/A

*BA peak

Customer Service Overview:

Describe your customer service territory and the services provided. Include geographic area, customer mix, key customers and significant loads, peak demand drivers, competitive situation, and other significant or unique aspects of the customer and/or service territory. Provide a brief summary of the key trends & challenges impacting future resource needs including population changes, customer growth/losses, and industrial developments.

Sunflower Electric Power Corporation and Mid-Kansas Electric Company LLC are jointly operated generation and transmission cooperatives who serve member distribution cooperatives located in western and central Kansas. These member cooperatives include Victory Electric, Western Coop Electric, Prairie Land Electric, Lane-Scott Electric, Pioneer Electric, Wheatland Electric and Southern Pioneer Electric Company. Sunflower and Mid-Kansas also own approximately 2,200 miles of transmission lines. Sunflower and Mid-Kansas provide electric generation to their members utilizing their own resources and by purchasing power and capacity from others.

Significant load in our service territory is attributed to several beef packing plants, helium plant, and other industrial loads. Agribusiness load plays a key role in driving our peak demand. Irrigation load, especially in the summer months, is a substantial load.

The potential for significant load growth due to oil and natural gas field developments will be one of our biggest challenges. Some other key challenges that Sunflower/Mid-Kansas face in the near future are transmission constraints, the integration of new wind generating facilities, environmental rules, and the SPP Day 2 market.

SECTION 2**MINIMUM INVESTMENT REPORT
REQUIREMENT OR AUTHORITY****Source of the Minimum Investment Requirement:**

Provide the source of the minimum investment requirement (*See 10 CFR § 905.16 (e) (1)*).

Title of law or regulation	Kansas Renewable Energy Standards Act
Number of law or regulation	Statute 66-1256 through 66-1262
Date of law or regulation	5/28/2009
Jurisdiction of law or regulation (State, Tribal, or Federal Government)	State
Initial, annual, and other reporting requirements (if any)	Report is due on or Before Aug .1. Report shall specify the renewable generation that has been put into service or the portion of the utility's portfolio of renewable generation resources served from purchased power.

Minimum Investment Summary:

Provide a general summary of the minimum investment requirements, including its applicability to your organization.

The Kansas Corporation Commission (KCC) has established rules and regulations that require all affected utilities to generate or purchase electricity generated from renewable energy resources or purchase renewable energy credits. Affected utility is defined as any electric public utility other than municipally owned or operated. The portfolio requirement is a graduated percentage increase for years 2011, 2016, and 2020. Pursuant to a letter of agreement with the then governor of Kansas, Sunflower/Mid-Kansas has agreed to reach the final required percentage of their Renewable Energy Standard Act requirement in 2016 instead of 2020, as mandated by RESA.

The KCC has established rules for reporting compliance of the renewable energy standards act. Our compliance report is due by August 1 of each year and covers data from June 30 of the previous year to July 1 of the current year. Non-compliance with the renewable energy standards act may result in administrative penalties.

The KCC also reviews annually the retail rate impact that may result from utilities meeting the renewable energy requirements.

Minimum Investment Descriptions:

Describe each type of investment in which you are required to comply. Include whether each minimum investment is based on a public benefits charge, minimum percentage, or other minimum requirement. If you are not required to comply with a specific activity, write "Not applicable".

(See 10 CFR § 905.16 (e) (3) (i)).

Minimum Investment Activity	Description of Minimum Investment Requirements (Include percentage or other minimum requirement)
Renewable Energy	The commission has established portfolio requirements for utilities to generate or purchase electricity generated from renewable energy resources or purchase renewable energy credits. The portfolio requirement for affected utilities shall not be less than 10% of the utility's peak demand for calendar years 2011 through 2015, based on the average peak demand of the prior three years of each year's requirement. The portfolio requirement applies to power sold to Kansas retail consumers.
Demand-Side Management	N/A
Energy Efficiency	N/A

Alternative Energy-Related Research and Development	N/A
Low Income Energy Assistance	N/A
Other Public Benefits Activities	N/A

SECTION 3**ENERGY AND CAPACITY SAVINGS****Renewable Energy and/or Capacity Savings:**

Provide actual or estimated annually energy and/or capacity savings resulting from minimum investments in renewable energy for the most recently completed annual reporting period.
 (See 10 CFR § 905.16 (e) (3) (iii)).

Renewable Energy Activities	Capacity Savings Per Year (MW)	Energy Savings per year (MWh)	Actual Expenditure per year (\$)
Smoky Hills Wind Farm Phase I	0	180,870	\$7,668,888
Smoky Hills Wind Farm Phase II	1	86,605	\$3,758,657
Gray County Wind Farm	1	131,423	\$3,285,575
Shooting Star Wind Farm	3	437,299	\$11,562,191
Western Hydro	3	15,220	\$636,877

Renewable Energy Minimum Investment Compliance:

Describe how your minimum investments in renewable energy comply with the required mandate, if applicable.

Sunflower/Mid-Kansas purchase, through PPAs, 233.0 MW of capacity (nameplate) from renewable energy resources, Of these, 227.7 MWs are acquired from Kansas resources which were constructed after January 1, 2000. According to the Renewable Energy Standards Act, these resources can be counted as 1.1 MW for each 1 MW of capacity to meet the standard. As such, the total amount of net renewable generation capacity Sunflower/Mid-Kansas claims for meeting the standard is 250.5 MW. The net renewable generation capacity necessary to meet the 10% retail peak demand requirement for calendar year 2013, based on the 3 year average is 74.8MW. Sunflower/Mid-Kansas have exceeded the RESA requirement for 2013.

Demand-Side Management Energy and/or Capacity Savings:

Provide actual or estimated annually energy and/or capacity savings resulting from minimum investments in DSM for the most recently completed annual reporting period.
(See 10 CFR § 905.16 (e) (3) (ii)).

Demand-Side Management Activities	Capacity Savings Per Year (MW)	Energy Savings per year (MWh)	Actual Expenditure per year (\$)
N/A			

Demand-Side Management Minimum Investment Compliance:

Describe how your minimum investments in DSM comply with the required mandate, if applicable.

SECTION 4**ACTION PLAN****Renewable Activities to Be Implemented Over Next Two (2) Years:**

Describe the renewable energy activities your organization is planning to implement or evaluate over the next two (2) years as a result of your minimum investment requirements.

(See 10 CFR § 905.16 (e) (3) (iv)).

Proposed Renewable Energy Activity	Begin Date	Estimated Renewable Capacity per year (MW)	Estimated Renewable Energy per year (MWh)
N/A			

Demand-Side Programs to Be Implemented Over the Next Two (2) Years:

List the energy efficiency, energy conservation, and load management programs your organization is planning to implement or evaluate over the next two (2) years as a result of your minimum investment requirements. Insert additional rows as needed. (See 10 CFR § 905.16 (e) (3) (iv)).

Example programs could include:

- Education programs & communications
- Energy efficient lighting upgrades
- Energy audits
- Weatherization & Insulation
- Window/doors upgrades
- Boiler, furnace or air conditioning retrofits
- Programmable thermostats
- Equipment inspection programs
- Use of infrared heat detection equipment for maintenance
- Tree-trimming/brush clearing programs
- Electric motor replacements
- Upgrading distribution line/substation equipment
- Power factor improvement
- Loan arrangements for energy efficiency upgrades
- Rebate programs for energy efficient equipment
- Key account programs
- Load management programs
- Demand control equipment
- Rate designs
- Smart meters (Time-of-Use Meters)
- Low income energy assistance
- Alternative energy-related research and development

Proposed DSM Activity	Begin Date	Estimated Capacity Savings per year (MW)	Estimated Energy Savings per year (MWh)
Power System Engineers conducted a Demand Response study for Sunflower/Mid-Kansas. Sunflower/Mid-Kansas will use the information gained from the study to launch pilot programs within the next few years.			
Enernoc conducted an irrigation pilot program in the summer of 2012. The results have shown that irrigation load control would be a good tool to use as a demand response program.			

SECTION 5**SIGNATURES AND APPROVAL****Minimum Investment Report Approval:**

Indicate that all of the Minimum Investment Report requirements have been met by having the responsible official sign below

Corey Linville

(Name – Print or type)


(Signature)**VP, Power Supply & Delivery**

(Title)

8/23/13
(Date)**Notes/Additional Information:**

Provide/attach additional information if necessary. Suggested attachments include a copy of the regulations describing the minimum investment mandate and a copy of the most recent State, Tribal, or Federal required annual report documenting the minimum investment and associated DSM and/or renewable energy savings and/or use. List the additional documents/information included with the MIR report.

Kansas Renewable Energy Standards Act

Sunflower Electric 2013 Renewable Energy Standards Act (RESA) Report

MIR Updates:

Western's customers must submit updated MIRs every five (5) years after Western's approval of the initial MIR.

MIR Annual Progress Reports and Maintaining MIR Status:

Every year on the anniversary of Western's approval of the MIR, customers choosing this option must submit a letter to Western verifying they remain in compliance with the minimum investment requirement. The letter must also contain summary information identifying annual energy and capacity savings associated with minimum investments in DSM, if known, and energy and capacity associated with minimum investments in renewable energy, if known. The letter must also include a revised description of customer DSM and/or renewable energy activities if the description from the minimum investment report has changed or expired. Customers choosing this option may submit the State, Tribal, or Federal required annual report documenting the minimum investment and associated DSM and/or renewable energy savings and/or use, if known. MIR customers can submit information to meet the annual reporting requirement using Western's on-line reporting tool, which can be accessed at: www.wapa.gov/es/irp

2012 Kansas Statutes

66-1256. Renewable energy standards act. K.S.A. 2012 Supp. 66-1256 through 66-1262, and amendments thereto, shall be known and may be cited as the renewable energy standards act.

History: L. 2009, ch. 141, § 1; May 28.

2012 Kansas Statutes

66-1257. Same; definitions. As used in the renewable energy standards act:

- (a) "Affected utility" means any electric public utility, as defined in K.S.A. 66-101a, and amendments thereto, but does not include any portion of any municipally owned or operated electric utility.
- (b) "Commission" means the state corporation commission.
- (c) "Net renewable generation capacity" means the gross generation capacity of the renewable energy resource over a four-hour period when not limited by ambient conditions, equipment, operating or regulatory restrictions less auxiliary power required to operate the resource, and refers to resources located in the state or resources serving ratepayers in the state.
- (d) "Peak demand" means the demand imposed by the affected utility's retail load in the state.
- (e) "Renewable energy credit" means a credit representing energy produced by renewable energy resources issued as part of a program that has been approved by the state corporation commission.
- (f) "Renewable energy resources" means net renewable generation capacity from:
 - (1) Wind;
 - (2) solar thermal sources;
 - (3) photovoltaic cells and panels;
 - (4) dedicated crops grown for energy production;
 - (5) cellulosic agricultural residues;
 - (6) plant residues;
 - (7) methane from landfills or from wastewater treatment;
 - (8) clean and untreated wood products such as pallets;
 - (9) (A) existing hydropower;
 - (B) new hydropower;
 - (10) fuel cells using hydrogen produced by one of the above-named renewable energy resources;
 - (11) energy storage that is connected to any renewable generation by means of energy storage equipment including, but not limited to, batteries, fly wheels, compressed air storage and pumped hydro; and
 - (12) other sources of energy, not including nuclear power, that become available after the effective date of this section, and that are certified as renewable by rules and regulations established by the commission pursuant to K.S.A. 2012 Supp. 66-1262, and amendments thereto.

History: L. 2009, ch. 141, § 2; L. 2012, ch. 101, § 3; July 1.

2012 Kansas Statutes

66-1258. Same; renewable energy portfolio standards; rules and regulations. (a) The commission shall establish by rules and regulations a portfolio requirement for all affected utilities to generate or purchase electricity generated from renewable energy resources or purchase renewable energy credits. For the purposes of calculating the capacity from renewable energy credit purchases, the affected utility shall use its actual capacity factor from its owned renewable generation from the immediately previous calendar year. Renewable energy credits may only be used to meet a portion of portfolio requirements for the years 2011, 2016 and 2020, unless otherwise allowed by the commission. Such portfolio requirement shall provide net renewable generation capacity that shall constitute the following portion of each affected utility's peak demand:

(1) Not less than 10% of the affected utility's peak demand for calendar years 2011 through 2015, based on the average demand of the prior three years of each year's requirement;

(2) not less than 15% of the affected utility's peak demand for calendar years 2016 through 2019, based on the average demand of the prior three years of each year's requirements; and

(3) not less than 20% of the affected utility's peak demand for each calendar year beginning in 2020, based on the average demand of the prior three years of each year's requirement.

(b) The portfolio requirements described in subsection (a) shall apply to all power sold to Kansas retail consumers whether such power is self-generated or purchased from another source in or outside of the state. The capacity of all net metering systems interconnected with the affected utilities under the net metering and easy connection act in K.S.A. 2012 Supp. 66-1263 et seq., and amendments thereto, shall count toward compliance.

(c) Each megawatt of eligible capacity in Kansas installed after January 1, 2000, shall count as 1.10 megawatts for purposes of compliance.

(d) The commission shall establish rules and regulations required in this section within 12 months of the effective date of this act.

History: L. 2009, ch. 141, § 3; May 28.

2012 Kansas Statutes

66-1259. Same; renewable energy resource requirements; recovery of costs by affected utilities.
The commission shall allow affected utilities to recover reasonable costs incurred to meet the new renewable energy resource requirements required in the renewable energy standards act.

History: L. 2009, ch. 141, § 4; May 28.

2012 Kansas Statutes

66-1260. Same; renewable energy resource investment by affected utilities; calculation by commission; submission of information; rules and regulations; annual report. (a) (1) For each affected utility, the commission shall determine whether investment in renewable energy resources required to meet the renewable portfolio requirement, as required by K.S.A. 2012 Supp. 66-1258, and amendments thereto, causes the affected utility's total revenue requirement to increase one percent or greater.

(2) The commission shall annually determine the annual statewide retail rate impact resulting from affected utilities meeting the renewable portfolio requirement.

(b) Submission of information pertaining to an affected utility's portfolio requirement shall be determined by rules and regulations promulgated by the commission or by order of the commission.

(c) Beginning in 2013, on or before March 1 of each year, the commission shall submit a report of the annual statewide retail rate impact for the previous year to the governor, the senate committee on utilities and the house committee on energy and utilities.

History: L. 2009, ch. 141, § 5; L. 2012, ch. 101, § 4; July 1.

2012 Kansas Statutes

66-1261. Same; rules and regulations; violations; penalties; exceptions. (a) The commission shall establish rules and regulations for the administration of the renewable energy standards act, including reporting and enforcement mechanisms necessary to ensure that each affected utility complies with this standard and other provisions governing the imposition of administrative penalties assessed after a hearing held by the commission. Administrative penalties should be set at a level that will promote compliance with the renewable energy standards act, and shall not be limited to penalties set forth in K.S.A 66-138 and 66-177, and amendments thereto.

(b) For the calendar years 2011 and 2012, the commission is not required to assess penalties if the affected utility can demonstrate it made a good faith effort to comply with the portfolio standards requirement. The commission shall exempt an affected utility from administrative penalties for an individual compliance year if the utility demonstrates that the retail rate impact described in K.S.A. 2012 Supp. 66-1260, and amendments thereto, has been reached or exceeded and the utility has not achieved full compliance with K.S.A. 2012 Supp. 66-1258, and amendments thereto. In imposing penalties, the commission shall have discretion to consider mitigating circumstances. Under no circumstances shall the costs of administrative penalties be recovered from Kansas retail customers.

(c) The commission shall establish rules and regulations required in this section within 12 months of the effective date of this act.

History: L. 2009, ch. 141, § 6; May 28.

2012 Kansas Statutes

66-1262. Same; certification of renewable energy resources; rules and regulations. (a) The commission shall establish rules and regulations for the administration of a certification process for use of renewable energy resources described in subsection (f)(11) of K.S.A. 2012 Supp. 66-1257, and amendments thereto, for purposes of fulfilling the requirements of K.S.A. 2012 Supp. 66-1258, and amendments thereto. Criteria for the certification process shall be determined by factors that include, but are not limited to: Fuel type, technology and the environmental impacts of renewable energy resources described in subsection (f)(11) of K.S.A. 2012 Supp. 66-1257, and amendments thereto. Use of renewable energy resources described in subsection (f)(11) of K.S.A. 2012 Supp. 66-1257, and amendments thereto, shall not cause undue or adverse air, water or land use impacts.

(b) The commission shall establish rules and regulations required in this section within 12 months of the effective date of this act.

History: L. 2009, ch. 141, § 7; May 28.

SUNFLOWER ELECTRIC POWER CORPORATION 2013 RENEWABLE ENERGY STANDARDS ACT (RESA) REPORT

Sunflower Electric Power Corporation (Sunflower) and Mid-Kansas Electric Company, LLC (Mid-Kansas) are operated jointly as generation and transmission cooperatives serving the following member distribution cooperatives in Kansas; Lane-Scott Electric Cooperative, Inc., Pioneer Electric Cooperative, Inc., Prairie Land Electric Cooperative, Inc., Victory Electric Cooperative Association, Inc., Western Cooperative Electric Association, Inc., Wheatland Electric Cooperative, Inc., and Southern Pioneer Electric Company. This collective report is prepared by Sunflower on behalf of itself, Mid-Kansas, and each of their member distribution cooperatives previously listed.

1. Renewable Energy Resources in Service Prior to July 1, 2013.

Shooting Star Wind Farm began commercial operation on September 29, 2012.

2. 2013 Renewable Energy Resource Descriptions

During the 2013 reporting period, Sunflower and Mid-Kansas had contractual rights to five renewable energy resources to meet the renewable requirements for the state of Kansas, with a total net renewable generation capacity of 233.0 MW.

SMOKY HILLS WIND FARM

The Smoky Hills Wind Farm is a wind powered electric generation facility located approximately 20 miles west of Salina, Kansas, north of Interstate 70 and east of Highway 14. Phase I of the facility entered service in January of 2008 with a nameplate capacity rating of 100.8 MW. Through a Power Purchase Agreement (PPA), Sunflower has a 50 percent undivided interest in the electric output of Phase I. After deducting 0.2 MW for total facility auxiliary power, Sunflower's net renewable generation capacity is 50.2 MW.

SMOKY HILLS WIND FARM II

Phase II of the Smoky Hills Wind Farm, a 148.5 MW expansion of Smoky Hills Wind Farm, entered service in December of 2008. Through a PPA with Sunflower and assignment to Mid-Kansas, Mid-Kansas has a right to a 16.16 percent undivided interest in the electrical output of Phase II. After deducting 0.3 MW for total facility auxiliary power, Sunflower's net renewable generation capacity is 23.7 MW.

GRAY COUNTY WIND FARM

The Gray County Wind Farm is located near Montezuma, Kansas, approximately 25 miles west of Dodge City. The facility entered service in November of 2001 and has a nameplate capacity rating of 112 MW. Through a PPA, Mid-Kansas has a 45

percent undivided interest in the electrical output of the Gray County Wind Farm. After deducting 0.1 MW for total facility auxiliary power, Sunflower's net renewable generation capacity is 50.3 MW.

SHOOTING STAR WIND FARM

The Shooting Star Wind Farm is located near the town of Mullinville, Kansas, approximately 35 miles southeast of Dodge City. The facility entered service in September of 2012. Mid-Kansas has executed a 20 year PPA for 100 percent of the electrical output from the 104 MW facility. After deducting 0.5 MW for total facility auxiliary power, Mid-Kansas' net renewable generation capacity is 103.5 MW.

WESTERN AREA POWER ADMINISTRATION HYDROPOWER

Sunflower has a direct allocation of firm capacity and associated energy from Western Area Power Administration (Western) as well as firm energy and capacity that was assigned to Sunflower from the Cities of Johnson, Hugoton and Garden City, Kansas. These allocations come from federal hydropower facilities in the Rocky Mountain Region to serve ratepayers in the state of Kansas. Through direct allocation and assignment, Sunflower has a 5.3 MW net renewable generation capacity interest in the electrical output of these hydroelectric resources. These contracts have the specific capacity allocation pre-determined; therefore, deduction for auxiliary power is not necessary. Through allocation of resources made by Western, the renewable energy associated with these contracts come from two Western hydroelectric facilities; Yellowtail operating units are located in Montana and entered service during the months of August, October, and November of 1966, and Fremont Canyon operating units are located in Wyoming and entered service during the months of December 1960 and January 1961.

RENEWABLE GENERATION INFORMATION

Resource	Type	Location	Owner	Operator	Commercial Operation Date
Smoky I	Wind	Kansas	Enel	Enel	January-08
Smoky II	Wind	Kansas	Enel	Enel	December-08
Gray County	Wind	Kansas	Nextera	Nextera	November-01
Shooting Star	Wind	Kansas	Exelon	Exelon	September 12
Western Hydro	Hydro	Montana / Wyoming	Bureau of Reclamation	Bureau of Reclamation	1960, 1961, 1966

2013 Reporting Year Monthly Capacity Factors

Resource	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Smoky I	40%	35%	25%	30%	37%	32%	41%	42%	39%	46%	45%	42%
Smoky II	42%	33%	25%	31%	37%	32%	40%	42%	39%	47%	48%	46%
Gray County	32%	27%	22%	28%	18%	8%	19%	18%	20%	35%	26%	32%
Shooting Star			2%	30%	17%	42%	33%	31%	34%	40%	41%	51%
Western Hydro	29%	38%	27%	6%	14%	17%	16%	17%	18%	24%	27%	29%

2013 REPORTING YEAR MONTHLY AVAILABILITY FACTORS

Resource	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Smoky I	97%	99%	99%	99%	99%	98%	98%	98%	98%	94%	100%	88%
Smoky II	99%	98%	98%	99%	99%	96%	98%	99%	100%	100%	99%	96%
Gray County	99%	95%	94%	89%	63%	31%	20%	13%	50%	57%	57%	64%
Shooting Star				93%	84%	96%	97%	97%	97%	99%	99%	97%
Western Hydro	89%	98%	81%	51%	85%	90%	86%	72%	73%	60%	84%	87%

2013 REPORTING YEAR MONTHLY ENERGY (MWH)

Resource	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Smoky I	15,064	13,069	9,074	11,349	13,475	11,932	15,224	14,271	14,696	16,734	16,839	15,379
Smoky II	7,483	5,853	4,371	5,459	6,329	5,705	7,113	6,733	7,029	8,121	8,517	7,926
Gray County	11,804	9,934	8,027	10,302	6,562	3,134	7,067	6,013	7,571	12,702	9,566	6,499
Shooting Star			1,591	23,484	12,617	32,345	25,118	21,898	26,487	30,038	31,788	38,005
Western Hydro ¹	1,894	1,515	1,111	1,117	1,117	1,223	1,190	939	1,025	1,257	1,317	1,515

3. 2014 RESA Plan and Revenue Requirement Analysis

In 2014 Sunflower and Mid-Kansas will continue to receive renewable energy from the five generating resources previously listed in Section 2. Retail peak load growth on the combined systems is expected to increase 1 percent per year. Based on 2012 combined system retail peak load of 767.8 MW, 2013 retail load is anticipated to be 775.5 MW. The three year average of 2011 (752.8), 2012 (767.8) and 2013 projected peak loads is expected to be 765.4 MW. With this 2013 projected retail load and the existing renewable resource contracts remaining in effect during 2013,

¹ Monthly energy for Western Hydro is provided by available resources or market energy when resources are not available. Monthly energy is a combination of output of the available resources and market energy.

it is not expected that Sunflower or Mid-Kansas will need additional renewable energy resources to meet the RESA for 2013.

During the months of October, November, and December of 2012, due to transmission outages, the Shooting Star Wind Farm incurred curtailments each month which resulted in a contractual obligation to make whole 23,132 MWH of curtailed energy. Applying the Contract Price and Production Tax Credit (PTC) rates to the curtailed energy resulted in a make whole payment in the amount of \$1,455,138.14. This effectively increased the 2012 cost per MWH by \$21.26 and resulted in a total cost per MWH of \$47.70 which is above our 2012 annual average ECA.

In evaluating the revenue requirement impact of complying with the RESA for 2013, Sunflower enlisted ACES to conduct a study of the financial impacts of including the committed renewable energy as described in Section 2 on the overall cost to serve the distribution member cooperatives. Each case in the study is for calendar year 2014. Existing non-renewable resources were included, as well as projected combined system load, market energy pricing, and commodity pricing (natural gas and coal).

The base case demonstrates the annual projected variable cost to serve the member cooperatives in the combined system with the five renewable resources included in our generating asset mix. The no renewables case demonstrates the annual projected variable cost without any renewable assets in the generating asset mix. Lastly, each of the specific cases with asset names show the annual projected variable cost without any renewables included in the generating mix except the one identified.

	Base Case	No Renewables	No Renewables except Gray County	No Renewables except Smoky1	No Renewables except Smoky2	No Renewables except Western Hydro	No Renewables except Shooting Star
1/1/2014	\$13,591,394	\$13,788,843	\$13,627,423	\$13,935,776	\$13,860,530	\$13,763,236	\$13,504,986
2/1/2014	\$12,496,534	\$12,695,107	\$12,554,008	\$12,819,827	\$12,755,166	\$12,653,387	\$12,429,312
3/1/2014	\$12,737,487	\$12,674,930	\$12,563,677	\$12,919,781	\$12,791,591	\$12,662,910	\$12,471,924
4/1/2014	\$11,413,847	\$11,006,461	\$10,979,860	\$11,297,517	\$11,149,251	\$10,998,715	\$11,014,349
5/1/2014	\$12,162,495	\$11,928,602	\$11,886,833	\$12,148,036	\$12,036,862	\$11,919,780	\$11,885,390
6/1/2014	\$15,266,366	\$15,298,335	\$15,221,916	\$15,439,220	\$15,367,660	\$15,283,694	\$15,147,215
7/1/2014	\$19,516,148	\$19,851,596	\$19,724,682	\$19,921,614	\$19,888,884	\$19,825,776	\$19,561,562
8/1/2014	\$17,870,662	\$18,020,474	\$17,903,856	\$18,170,656	\$18,097,136	\$18,002,444	\$17,778,462
9/1/2014	\$12,308,198	\$12,079,561	\$12,068,890	\$12,231,778	\$12,160,727	\$12,072,964	\$12,092,075
10/1/2014	\$11,436,416	\$10,932,086	\$10,936,577	\$11,210,698	\$11,078,253	\$10,928,140	\$11,011,095
11/1/2014	\$11,318,233	\$10,824,116	\$10,835,324	\$11,087,164	\$10,961,897	\$10,819,762	\$10,910,552
12/1/2014	\$12,506,922	\$12,176,602	\$12,158,023	\$12,411,517	\$12,301,116	\$12,167,106	\$12,175,564
TOTAL	\$162,624,702	\$161,276,713	\$160,461,069	\$163,593,584	\$162,449,073	\$161,097,914	\$159,982,486

The above chart demonstrates that the overall projected effect, of having all five renewable assets in the generating asset mix (Base Case), is an increase in the annual projected variable total system cost for the distribution member cooperatives as compared to not having any renewables (No Renewables Case). Additionally, when each renewable asset is evaluated separately against the No Renewables Case, the independent effect from Gray County, Western Hydro, and Shooting Star shows a reduction in the overall variable total system cost, whereas both Smoky 1 and Smoky 2 put inflationary pressure on overall variable total system cost. The total combined renewable assets, as evidenced in the Base Case vs. the No Renewables Case, is projected to have a slight inflationary rate increase of 0.84% on the distribution member cooperatives in 2014. The collapse of prices in the energy market has caused wind to become a more expensive commodity compared to energy from other sources. Transmission congestion and contractual obligations to provide make whole payments on curtailed energy from renewable resources has added additional cost pressure.

The tables below represent the total member kWh forecasted individually for 2014

Member kWh	January	February	March	April	May	June
Total	332,675,022	303,171,219	328,624,753	327,054,438	359,630,152	421,311,385

Member kWh	July	August	September	October	November	December
Total	483,729,050	456,103,165	361,369,520	342,743,930	333,962,896	355,368,192

2014 Annual
4,405,743,722

4. Kansas Retail One-Hour Peak Demand for Calendar Years 2010, 2011, and 2012.

The chart below lists the one-hour retail peak demands by generation and transmission cooperative and by distribution member cooperative for the calendar years 2010, 2011, and 2012. The total retail load peaks of all member distribution cooperatives averaged over the three year period is 748 MW.

1-HOUR RETAIL PEAKS BY MEMBER SYSTEM (IN KW)

		August 2010	July 2011	June 2012	3 Year Average
Sunflower	Lane-Scott	14,534	13,931	14,867	14,444
Sunflower	Prairie Land	23,711	30,525	35,439	29,892
Sunflower	Pioneer	131,939	143,178	145,085	140,067
Sunflower	Victory	3,334	3,843	6,758	4,645
Sunflower	Western	22,660	25,229	26,800	24,896
Sunflower	Wheatland	114,652	116,932	127,549	119,711
Mid-Kansas	Lane-Scott	8,380	8,869	8,940	8,729
Mid-Kansas	Southern Pioneer	130,247	128,701	124,391	127,780
Mid-Kansas	Prairie Land	63,115	64,969	65,756	64,613
Mid-Kansas	Victory	103,750	109,458	103,808	105,672
Mid-Kansas	Western	35,543	36,163	37,033	36,246
Mid-Kansas	Wheatland	70,772	71,000	71,337	71,036
Total					747,733

5. Qualifying Renewable Energy Capacity

All of the renewable energy capacity Sunflower and Mid-Kansas claim in 2013 is acquired from long term power purchase agreements and therefore qualifies as purchased energy. The total capacity from purchased energy for the 2013 reporting period is 233.0 MW.

6. Quantity of Kansas Sited Renewable Energy

Of the 233.0 MW of net renewable generation capacity from renewable energy resources, 227.7 MW are acquired from Kansas resources which were constructed after January 1, 2000. According to the RESA, these resources can be counted as 1.1 MWs for each 1 MW of capacity to meet the standard. As such, the total amount of net renewable generation capacity Sunflower and Mid-Kansas claim for meeting the standard is 250.5 MW. The net renewable generation capacity necessary to meet the 10% retail peak demand requirement for calendar year 2013, based on the calculation in Section 4 is 74.8 MW. Therefore, Sunflower exceeds the net renewable generation capacity requirement for 2013.

7. Capacity from Renewable Energy Credits (REC's)

Capacity from REC's was not determined to be needed to meet the RESA in 2013.

8. Calculated Percentage Increase in Revenue Requirements

New resources are not required to comply with the RESA for 2013. Therefore, no increase in revenue requirements are expected.

9. Efforts to comply with the RESA (If Applicable)

Not applicable.

