

## INTEGRATED RESOURCE PLAN (IRP)

Western Area Power Administration's (WAPA) 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 (EPAAct). A WAPA customer is any entity that purchases firm capacity with or without energy, from WAPA under a long-term firm power contract. Integrated Resource Planning allows customers to meet the objectives of Section 114 of EPAAct.

Integrated Resource Planning is a planning process for new energy resources that evaluates the full range of alternatives, including new generating capacity, power purchases, energy conservation and efficiency, renewable energy resources, district heating and cooling applications, and cogeneration, to provide reliable service to electric consumers. An Integrated Resource Plan (IRP) supports utility-developed goals and schedules. An IRP must treat demand and supply resources on a consistent and integrated basis. The plan must take into account necessary features for system operation, such as diversity, reliability, dispatchability, and other risk factors. The plan must take into account the ability to verify energy savings achieved through energy efficiency and the projected durability of such savings measured over time. (*See 10 CFR § 905.11 (a)*).

### **Who May Use This Form:**

Utilities that primarily provide retail electric service that have limited staff, limited resource options, and obtain a significant portion of its energy needs through purchase power contracts are eligible to use this form. Utilities using this form may generate a limited amount of energy if the generating resources are primarily used as back up resources, to support maintenance and outages, or during periods of peak demand.

### **Completing This Form:**

To meet the Integrated Resource Planning reporting requirement, complete this form in electronic format in its entirety. Unaddressed items will be deemed incomplete and the IRP may not be eligible for approval. All the data fields in this form automatically expand. Additional information may be attached to and submitted with this report. WAPA 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.

## **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 (EPAct) 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.

WAPA's Integrated Resource Planning site (<https://www.wapa.gov/power-marketing/irp/>) provides extensive information on Integrated Resource Planning and reporting requirements. If you have questions or require assistance in preparing your IRP, contact your WAPA Regional Energy Services Representative.

## **IRP Content**

|                  |                                                    |
|------------------|----------------------------------------------------|
| Cover Page ..... | Customer Name & Contact Information                |
| Section 1 .....  | Utility/Customer Overview                          |
| Section 2 .....  | Future Energy Services Projections (Load Forecast) |
| Section 3 .....  | Existing Supply-Side Resources                     |
| Section 4 .....  | Existing Demand-Side Resources                     |
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# INTEGRATED RESOURCE PLAN (IRP) 5-Year Plan

|                                  |
|----------------------------------|
| <b>Customer Name:</b>            |
| <b>City of Hill City, Kansas</b> |

|                                                 |                                                                            |
|-------------------------------------------------|----------------------------------------------------------------------------|
| <b>IRP History:</b><br>Check one as applicable. |                                                                            |
| <b>X</b>                                        | <b>This is the submitter's first IRP submittal.</b>                        |
|                                                 | <b>This submittal is an update/revision to a previously submitted IRP.</b> |

|                                         |              |
|-----------------------------------------|--------------|
| <b>Reporting Dates:</b>                 |              |
| <b>IRP Due Date:</b>                    | July 1, 2026 |
| <b>Annual Progress Report Due Date:</b> | July 1, 2027 |

|                                                                                                                                                                         |                                                                                 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| <b>Customer Contact Information:</b><br>Provide contact information for your organization.<br>The contact person should be able to answer questions concerning the IRP. |                                                                                 |
| <b>Customer Name:</b>                                                                                                                                                   | City of Hill City                                                               |
| <b>Address:</b>                                                                                                                                                         | 205 N Pomeroy                                                                   |
| <b>City, State, Zip:</b>                                                                                                                                                | Hill City, Ks 67642                                                             |
| <b>Contact Person:</b>                                                                                                                                                  | Kelli VanLoenen                                                                 |
| <b>Title:</b>                                                                                                                                                           | Treasurer                                                                       |
| <b>Phone Number:</b>                                                                                                                                                    | 7854213437                                                                      |
| <b>E-Mail Address:</b>                                                                                                                                                  | <a href="mailto:hckstreasurer@gmail.com">hckstreasurer@gmail.com</a>            |
| <b>Website:</b>                                                                                                                                                         | <a href="https://www.cityofhillcityks.gov">https://www.cityofhillcityks.gov</a> |

|                                                      |                             |
|------------------------------------------------------|-----------------------------|
| <b>Type of Customer:</b><br>Check one as applicable. |                             |
| <b>X</b>                                             | <b>Municipal Utility</b>    |
|                                                      | <b>Electric Cooperative</b> |
|                                                      | <b>Federal Entity</b>       |
|                                                      | <b>State Entity</b>         |
|                                                      | <b>Tribal</b>               |
|                                                      | <b>Irrigation District</b>  |
|                                                      | <b>Water District</b>       |
|                                                      | <b>Other (Specify):</b>     |

**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).

|                                                                  |            |
|------------------------------------------------------------------|------------|
| <b>Reporting Period</b>                                          |            |
| Reporting Period Start Date (mm/dd/yyyy)                         | 01/01/2025 |
| Reporting Period End Date (mm/dd/yyyy)                           | 12/31/2025 |
| <b>Energy Sales &amp; Usage</b>                                  |            |
| Energy sales to Ultimate End Customers (MWh)                     | 13166 MW   |
| Energy sales for Resale (MWh) SOLAR                              | 9 MW       |
| Energy Furnished Without Charge (MWh)                            | 0          |
| Energy Consumed by Respondent Without Charge (MWh)               | 946 MW     |
| Total Energy Losses (MWh entered as positive number)             | 720 MW     |
| Total Energy Usage (sum of previous 5 lines in MWh)              | 14841 MW   |
| <b>Peak Demand (Reporting Period)</b>                            |            |
| Highest Hourly Summer (Jun. – Sept.) Peak Demand (MW)            | 4.8 MW     |
| Highest Hourly Winter (Dec. – Mar.) Peak Demand (MW)             | 2.8 MW     |
| Date of Highest Hourly Peak Demand (mm/dd/yyyy)                  | 07-23-2025 |
| Hour of Highest Hourly Peak Demand (hh AM/PM)                    | 4:04 PM    |
| <b>Peak Demand (Historical)</b>                                  |            |
| All-Time Highest Hourly System Peak Demand (MW)                  | 4.9 MW     |
| Date of All-Time Hourly System Peak Demand (mm/dd/yyyy)          | 08-02-2022 |
| Hour of All-Time Hourly Peak System Demand (hh AM/PM)            | 4:30 PM    |
| <b>Number of Customers/Meters (Year End of Reporting Period)</b> |            |
| Number of Residential Customers                                  | 842        |
| Number of Commercial Customers                                   | 236        |
| Number of Industrial Customers                                   | 0          |
| Other (Specify): SOLAR                                           | 2          |
| Other (Specify):                                                 |            |
| Other (Specify):                                                 |            |
| Other (Specify):                                                 |            |
| Other (Specify):                                                 |            |

**Customer Service Overview:**

Describe your customer service territory and the services provided. Include geographic area, customer mix, key customer 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.

**PEAK-A/C USAGE**

We cover inside of Midwest Energy boundaries

See attached picture

**Electricity Utility Staff & Resources:**

Summarize the number of full-time equivalent employees by primary functions such as power production, distribution, and administration. Describe any resource planning limitations, including economic, managerial, and/or resource capabilities.

1 FULL TIME CITY MANAGER  
1 FULL TIME POWER PLANT MANAGER  
1 FULL TIME ASSISTANT POWER PLANT MANAGER  
1 FULL TIME CITY LINEMAN

**Historical Energy Use:**

Enter the peak system demand and total annual energy use for the preceding ten (10) reporting years. For total energy, include retail sales, energy consumed or provided without charge, and system losses.

| Reporting Year | Peak Demand (MW) | Total Energy (MWh) |
|----------------|------------------|--------------------|
| 2016           | 4.5 MW           | N/A                |
| 2017           | 4.4 MW           | N/A                |
| 2018           | 4.5 MW           | N/A                |
| 2019           | 4.8 MW           | N/A                |
| 2020           | 4.3 MW           | N/A                |
| 2021           | 4.7 MW           | N/A                |
| 2022           | 4.9 MW           | N/A                |
| 2023           | 4.9 MW           | N/A                |
| 2024           | 4.8 MW           | N/A                |
| 2025           | 4.8 MW           | N/A                |

## SECTION 2 | FUTURE ENERGY SERVICES PROJECTIONS

### Load Forecast:

Provide a load forecast summary for the next ten (10) years; **and** provide a narrative statement describing how the load forecast was developed. Discuss any expected future growth. If applicable, you may attach a load forecast study and briefly summarize the results in this section. (See 10 CFR § 905.11 (b) (5)).

#### Load Forecast:

| Reporting Year | Peak Demand (MW) | Total Energy (MWh) |
|----------------|------------------|--------------------|
| 2026           | 4-5 MW           | N/A                |
| 2027           | 4-5 MW           | N/A                |
| 2028           | 4-5 MW           | N/A                |
| 2029           | 4-5 MW           | N/A                |
| 2030           | 4-5 MW           | N/A                |
| 2031           | 4-5 MW           | N/A                |
| 2032           | 4-5 MW           | N/A                |
| 2033           | 4-5 MW           | N/A                |
| 2034           | 4-5 MW           | N/A                |
| 2035           | 4-5 MW           | N/A                |

#### Narrative Statement:

This has pretty much been the norm for us the past 10 years. Our town has seen a decline in population the past 10 years. No new housing or industrial development are planned.

**SECTION 3****EXISTING SUPPLY-SIDE RESOURCES****Existing Supply-Side Resource Summary:**

Provide a general summary of your existing supply-side resources including conventional resources, renewable generation, and purchase power contracts (including WAPA contracts). Describe the general operation of these resources and any issues, challenges, or expected changes to these resources in the next five (5) years. (See 10 CFR § 905.11 (b) (1)).

We have a purchased power contract with Sunflower Electric thru the year 2035. We are not expecting any changes in the next 5 years.



**Existing Generation Resources:**

List your current supply-side resources, including conventional resources and renewable generation. If you do not own any generating resources, insert N/A in the first row. Insert additional rows as needed.

| <b>Resource Description</b><br>(Identify resources as base load, intermediate, or peaking) | <b>Fuel Source</b> | <b>Rated Capacity (MW)</b> | <b>In-Service Date (Year)</b> | <b>Estimated Expiration/Retirement Date (Year)</b> |
|--------------------------------------------------------------------------------------------|--------------------|----------------------------|-------------------------------|----------------------------------------------------|
| UNIT #1 FAIRBANKS                                                                          | DUAL FUEL          | 1.3                        | 1962                          | N/A                                                |
| UNIT #2 FAIRBANKS                                                                          | DUAL FUEL          | 1.3                        | 1962                          | N/A                                                |
| UNIT #3 FAIRBANKS                                                                          | DUAL FUEL          | .6                         | 1952                          | N/A                                                |
| UNIT #4 FAIRBANKS                                                                          | DUAL FUEL          | 1.1                        | 1967                          | N/A                                                |
| UNIT #5 FAIRBANKS                                                                          | DUAL FUEL          | 1.3                        | 1974                          | N/A                                                |
| UNIT #6 FAIRBANKS                                                                          | DUAL FUEL          | 1.3                        | 1974                          | N/A                                                |

**Existing Purchase Power Resources:**

List your current purchase power resources. Define whether the contract provides Firm Service, Non-Firm Service, all requirements, or another type of service. Include WAPA resources. If applicable, include a summary of resources that are under a net metering program. Insert additional rows as needed.

| <b>Resource Description</b> | <b>Fuel Source</b><br>(If applicable) | <b>Contracted Demand (MW)</b> | <b>Type of Service</b><br>(Firm, Non-Firm, Requirements, Other) | <b>Expiration Date (Year)</b> |
|-----------------------------|---------------------------------------|-------------------------------|-----------------------------------------------------------------|-------------------------------|
| WAPA                        | HYDRO                                 | .573                          | Firm                                                            | 2054                          |
| SUNFLOWER ELECTRIC          |                                       | All fuel necessary            | FIRM                                                            | 2035                          |
|                             |                                       |                               |                                                                 |                               |
|                             |                                       |                               |                                                                 |                               |
|                             |                                       |                               |                                                                 |                               |
|                             |                                       |                               |                                                                 |                               |

**SECTION 4****EXISTING DEMAND-SIDE RESOURCES**

Demand-side programs alter a customer's use pattern and include energy conservation, energy efficiency, load control/management, education, and distribution system upgrades that result in an improved combination of energy services to the customer and the ultimate consumer.

**Existing Demand-Side Resources:**

List your current demand-side programs, including energy conservation, energy efficiency, load control/management, education, or maintenance plans, or system upgrades. Programs may impact the utility distribution system, municipally owned facilities, and/or end-user energy consumption. Refer to Section 9 of this form for a list of example programs. Insert additional rows as needed.

(See 10 CFR § 905.11 (b) (1)).

| <b>Program Description</b> | <b>Estimated Program Savings<br/>(MW and/or MWh if known)<br/>(Include annual impact and impact over<br/>the life of the program if known.)</b> |
|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| N/A                        | N/A                                                                                                                                             |
|                            |                                                                                                                                                 |
|                            |                                                                                                                                                 |
|                            |                                                                                                                                                 |
|                            |                                                                                                                                                 |
|                            |                                                                                                                                                 |
|                            |                                                                                                                                                 |
|                            |                                                                                                                                                 |
|                            |                                                                                                                                                 |

**SECTION 5****FUTURE RESOURCE REQUIREMENTS  
AND RESOURCE OPTIONS****Balance of Loads and Resources (Future Resource Requirements):**

Provide a narrative statement that summarizes the new resources required to provide retail consumers with adequate and reliable electric service during the 5-year resource planning period. Identify any federal or state regulations that may impact your future resource requirements. If you are not experiencing or anticipating load growth and a need for new resources, describe your current procedure to periodically evaluate the possible future need for new resources.

N/A

**Identification of Resource Options**

Identification and comparison of resource options is an assessment and comparison of existing and future supply-side and demand-side resources available to a customer based upon size, type, resource needs, geographic area, and competitive situation. Resource options evaluated must be identified. The options evaluated should be related to the resource situation unique to each WAPA customer as determined by profile data such as service area, geographical characteristics, customer mix, historical loads, projected growth, existing system data, rates, financial information, and load forecast. (See 10 CFR § 905.11 (b) (1)).

Considerations that may be used to develop potential resource options include cost, market potential, consumer preferences, environmental impacts, demand or energy impacts, implementation issues, revenue impacts, and commercial availability. (See 10 CFR § 905.11 (b) (1) (iii)).

**Future Supply-side Options:**

List the future supply-side resource options that were considered and evaluated, including, but not limited to conventional generation, renewable generation, and power purchase contracts. Include a brief discussion on the applicability of each option for further consideration or implementation based on your system requirements and capabilities. If new resources are not required during the 5-year resource planning period, please indicate that below. Insert additional rows as needed. (See 10 CFR § 905.11 (b) (1)).

| Supply-Side Option               | Applicability for Implementation or Further Consideration |
|----------------------------------|-----------------------------------------------------------|
| PURCHASE FROM SUNFLOWER ELECTRIC | N/A                                                       |
|                                  |                                                           |
|                                  |                                                           |
|                                  |                                                           |
|                                  |                                                           |
|                                  |                                                           |
|                                  |                                                           |

**Future Demand-side Options:**

List the future demand-side resource options that were considered and evaluated. Demand-side programs alter a customer's use pattern and include energy conservation, energy efficiency, load control/management, education, and distribution system upgrades that result in an improved combination of energy services to the customer and the ultimate consumer. Include a brief discussion on the applicability of each option for further consideration or implementation based on your system requirements and capabilities. Insert additional rows as needed. (See 10 CFR § 905.11 (b) (2)).

| <b>Demand-Side Option</b> | <b>Applicability for Implementation or Further Consideration</b> |
|---------------------------|------------------------------------------------------------------|
| SUNFLOWER ELECTRIC        | N/A                                                              |
|                           |                                                                  |
|                           |                                                                  |
|                           |                                                                  |
|                           |                                                                  |
|                           |                                                                  |
|                           |                                                                  |

**Resource Options Chosen:**

Describe the resource options that were chosen for implementation or further consideration and clearly demonstrate that decisions were based on a reasonable analysis of the options. Resource decisions may strike a balance among applicable evaluation factors such as cost, market potential, customer preferences, environmental impacts, demand or energy impacts, implementation issues or constraints, revenue impacts, and commercial availability. (See 10 CFR § 905.11 (b) (1) (iv)).

**THE PRICE**

**SECTION 6****ENVIRONMENTAL EFFECTS****Environmental Effects:**

To the extent practical, WAPA customers must minimize environmental effects of new resource acquisitions and document these efforts. IRPs must include a qualitative analysis of environmental impacts in summary format. Describe the efforts taken to minimize adverse environmental effects of new resource acquisitions. Describe how your planning process accounts for environmental effects. Include a discussion of policies you conform with or adhere to, and resource decisions that have minimized or will minimize environmental impacts by you and/or your wholesale electricity supplier(s). WAPA customers are neither precluded from nor required to include a qualitative analysis of environmental externalities as part of the IRP process. If you choose to include a quantitative analysis, in addition to the summary below, please attach separately. (See 10 CFR § 905.11 (b) (3)).

N/A

**SECTION 7****PUBLIC PARTICIPATION****Public Participation:**

Customers must provide ample opportunity for full public participation in preparing and developing an IRP. Describe the public involvement activities, including how information was gathered from the public, how public concerns were identified, how information was shared with the public, and how your organization responded to the public's comments. (See 10 CFR § 905.11 (b) (4)).

**SURVEYS, MANDATORY REPORTING**



## SECTION 8

## ACTION PLAN & MEASUREMENT STRATEGIES

### **Action Plan Summary:**

Describe the high-level goals and objectives that are expected to be met by the implementation of this resource plan within the 5-year resource planning period. Include longer term objectives and associated time period(s) if applicable. (See 10 CFR § 905.11 (b) (2)) and (See 10 CFR § 905.11 (b) (6)).

NOT AT THIS TIME

**Specific Actions:**

List specific actions you will take to implement your plan over the 5-year planning horizon.

**New Supply-Side Resource Acquisitions:**

List new resource options your organization is planning to implement, investigate, or pursue in the next five years. Include conventional generation, renewable resources, net metering programs, and purchase power contracts. Include key milestones such as the issuing an RFP, executing a contract, or completing a study. (See 10 CFR § 905.11 (b) (2)).

| <b>Proposed New Resource</b> | <b>Begin Date</b> | <b>Est. New Capacity (MW)</b> | <b>Milestones to evaluate progress and/or accomplishments</b> |
|------------------------------|-------------------|-------------------------------|---------------------------------------------------------------|
| UNKNOWN                      | N/A               | N/A                           | N/A                                                           |
|                              |                   |                               |                                                               |
|                              |                   |                               |                                                               |
|                              |                   |                               |                                                               |
|                              |                   |                               |                                                               |
|                              |                   |                               |                                                               |
|                              |                   |                               |                                                               |

### New Demand-Side Programs & Energy Consumption Improvements:

List energy efficiency, energy conservation, and load management programs your organization is planning to implement or evaluate in the next five years. Include key milestones to evaluate the progress of each program. Insert additional rows as needed. (See 10 CFR § 905.11 (b) (2)).

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)

| Proposed Items | Begin Date | Est. kW capacity savings per year | Est. kWh savings per year | Milestones to evaluate progress and/or accomplishments |
|----------------|------------|-----------------------------------|---------------------------|--------------------------------------------------------|
| HOME GRANT     | N/A        |                                   |                           |                                                        |
| CDBG GRANT     | N/A        |                                   |                           |                                                        |
|                |            |                                   |                           |                                                        |
|                |            |                                   |                           |                                                        |
|                |            |                                   |                           |                                                        |
|                |            |                                   |                           |                                                        |
|                |            |                                   |                           |                                                        |
|                |            |                                   |                           |                                                        |

**Measurement Strategies:**

Describe your plan to evaluate and measure the actions and options identified in the IRP to determine if the IRP's objectives are being met. The plan must identify and include a baseline from which you will measure the IRP implementation's benefits. (See 10 CFR § 905.11 (b) (6)).

NOT AT THIS TIME

**SECTION 9****SIGNATURES AND APPROVAL****IRP Approval:**

Indicate that all the IRP requirements have been met by having the Responsible Official sign below; **and** provide documentation that the IRP has been approved by the appropriate governing body (i.e. provide a copy of the minutes that document an approval resolution). (See 10 CFR § 905.11 (b) (4)).

|                                                |                                |
|------------------------------------------------|--------------------------------|
| <u>Dennis Mersch</u><br>(Name – Print or type) | <u>City Manager</u><br>(Title) |
| <u>Dennis Mersch</u><br>(Signature)            | <u>4/28/2026</u><br>(Date)     |

**Other Information:**

(Provide/attach additional information if necessary)

**IRP Posting Requirement:**

10 CFR § 905.23 of the EPAMP as amended effective July 21, 2008, facilitates public review of customers' approved IRPs by requiring that a customer's IRP be posted on its publicly available Web site or on WAPA's Web site. Please check the method in which you will comply with this requirement within thirty (30) days of receiving notification the IRP has been approved:

|                                     |                                                                                                 |
|-------------------------------------|-------------------------------------------------------------------------------------------------|
| <input type="checkbox"/>            | Customer will post the approved IRP on its publicly available website and send the URL to WAPA. |
| <input checked="" type="checkbox"/> | Customer would like WAPA to post the approved IRP on WAPA's website.                            |

## SECTION VI

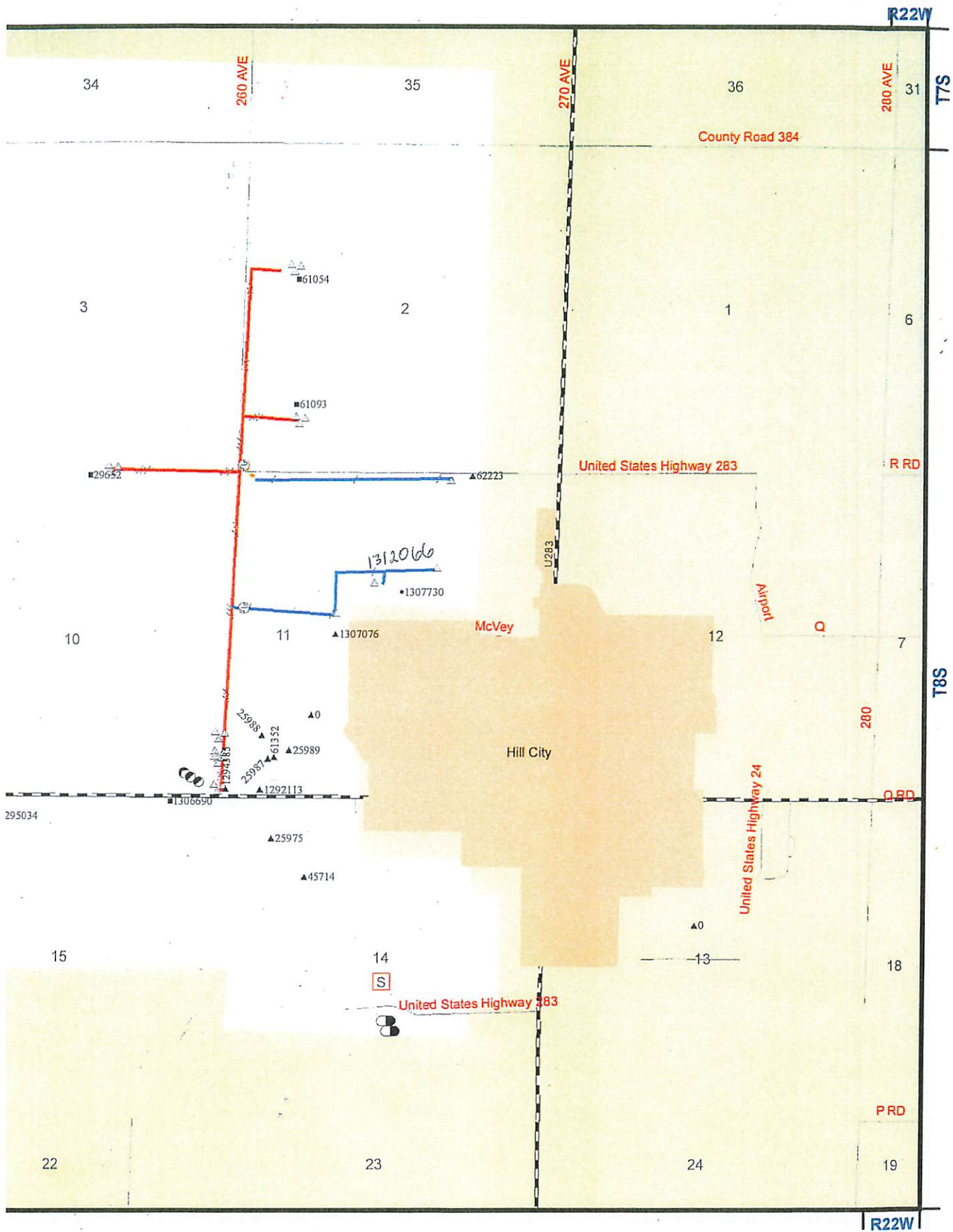
### FIRM ENERGY AND CAPACITY CALL

**6.1 Firm Energy.** Except as otherwise provided herein, the City shall take all of the Firm Energy necessary to meet the City's power and energy requirements and Prairie Land shall provide all of the Firm Energy to the City necessary to meet the City's power and energy requirements less; energy provided by Federal Power providers, as provided for in Section 6.3, energy provided by intermittent renewable resources, as provided for in Section 5.7, and energy provided by the City's own Accredited Generating Capacity, as provided for in Section 5.2, for the term of this Agreement. The Firm Energy shall be supplied to the City at the WHM tariff rate plus; \$0.003 per kWh for Contract Years one through three, \$0.004 per kWh (which is an increase of \$0.001 per kWh over Contract Years one through three) for Contract Years four through six, and \$0.005 per kWh (which is an increase of \$0.002 per kWh over Contract Years one through three) for Contract Years seven through ten and each year thereafter until this Agreement is terminated. The WHM, which may be modified from time to time by Sunflower's Board of Directors, is as set forth in Exhibit B.

**6.2 Sunflower Purchase of Energy from the City.** Sunflower shall have a "Capacity Call" that provides the right to call on the City's Accredited Generating Capacity. Such right shall allow Sunflower to purchase from the City all of the available energy from these resources at the City's variable cost for fuel plus variable operations and maintenance costs ("O&M Costs"), when required to meet Sunflower's native system load requirements, as determined solely by Sunflower. Sunflower's Capacity Call shall be limited to no more than 75% of the City's total annual allowable generation amount, indicated in MWh's, as specified by the City's air permit with the Kansas Department of Health and Environment. The City shall notify Sunflower when its total annual allowable generation reaches 65%. The City may provide to Sunflower, on an annual basis on or before the start of each Contract Year for the ensuing year, documentation of its per kWh O&M Costs directly associated with operation of the City's Accredited Generating Capacity. In lieu of such annual documentation, the O&M Cost for the City's Accredited Generating Capacity will be \$0.006 per kWh. Acceptable O&M Costs, per this Section, shall be those costs directly attributable to the fact that the units are operated for generation of energy for Sunflower and shall not include any costs associated with operations and maintenance that would be experienced regardless of whether or not the units are operated for Sunflower. In the event that the City chooses to generate for its own use for any reason, not at the direct request of Sunflower, Sunflower shall not be obligated to pay the City's variable cost for fuel plus O&M Costs.

**6.3 Alternative Energy Supply.** Sunflower and Prairie Land recognize that the City may be allocated energy supplies from WAPA or other Federal Power providers of energy. Sunflower and Prairie Land shall allow such direct allocations to the City from a Federal Power provider.

# Hays Electric Territory



|             |             |             |              |             |          |
|-------------|-------------|-------------|--------------|-------------|----------|
| Created by: | SJB 2/26/10 | Print Date: | Jan 04, 2012 | Drawing No. | T08R23-N |
| Revised by: | KE 2/27/10  | File Name:  | Jan 04, 2012 |             |          |