

NEWS



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Sunflower Electric files for reconsideration, administrative hearings with KDHE

HAYS, Kan.—Nov. 1, 2007—Sunflower Electric Power Corporation today announced that it has filed petitions for reconsideration and requests for an administrative hearing with the Kansas Department of Health and Environment regarding the agency's denial of an air quality permit necessary to construct new power plants at Sunflower's Holcomb Station.

Sunflower is seeking a reversal of the decision made by KDHE Secretary Roderick Bremby on Oct. 18. Setting aside the KDHE professional staff's recommendation to issue the permit, Bremby said he made his decision based on his concerns that carbon dioxide from the plants "presents a substantial endangerment to the health of persons or to the environment."

Currently, neither the Environmental Protection Agency nor Kansas statutes consider carbon dioxide a pollutant.

"The project complies with all the state and federal environmental laws and regulations," said Earl Watkins, Sunflower's president and chief executive officer. "In our view, it's fundamentally unfair to attempt to change these rules in the middle of the game."

The air permit denial stalls Sunflower's plans to build two 700-megawatt power plants next to an existing 360-megawatt plant outside Holcomb in Finney County, Kan. The project also includes a bioenergy center that will capture 40 percent of the carbon dioxide emissions from the coal plant and use it to grow algae that produces oil for biodiesel, starch for ethanol production, and protein for cattle feeding.

Following an assessment of available technologies, Sunflower filed an air quality permit application with the KDHE in February 2006. This application incorporated the latest technologies to ensure that the project would meet or exceed all state and federal regulations.

The \$3.6 billion dollar expansion is projected to create 2,400 jobs during the 60-month construction period with workers earning more than \$78 million per year. At full operation, the expansion is projected to create 329 full-time equivalent jobs, with an annual payroll of over \$16 million.

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About Sunflower—

Sunflower Electric Power Corporation is a regional wholesale power supplier that manages a 1,200 MW system of wind, gas and coal-based generating plants and a 2,300-mile transmission system for the needs of its six member cooperatives who serve 122,000 customers spread throughout a 40,000 square mile area in central and western Kansas. Sunflower also provides power to regional utilities in western Kansas and in ten states. Visit Sunflower's website at <http://www.sunflower.net>

Sunflower's member cooperatives include Lane-Scott Electric Cooperative, Dighton, Pioneer Electric Cooperative, Ulysses, Prairie Land Electric Cooperative, Norton, Victory Electric Cooperative Association, Dodge City, Western Cooperative Electric Association, WaKeeney, and Wheatland Electric Cooperative, Scott City, Kansas.