

NEWS



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TRANSMISSION SYSTEM CONSTRAINTS REMAIN A CONCERN

HAYS, KS—While the Holcomb site sits at the hub of four 345,000 volt (345-kV) transmission lines in western Kansas, the regional transmission network is still recoiling from the permanent changes in how the transmission grid is operated that have occurred since the Federal Energy Regulatory Commission (FERC) issued Order 888 in 1996.

The transmission grid was originally designed to support the load-serving responsibilities of a limited number of electric utilities in relatively small regions. Since FERC 888 shifted the focus from a system of resources for specific loads to regional transfers of power and energy, the grid is now used to support transactions that can be as short as one hour's duration and be between buyers and sellers thousands of transmission-miles apart. This has introduced congestion and scheduling issues that have, at times, limited Sunflower's ability to transact business with even its immediate neighbors.

The principal outstanding issue remaining to be resolved with the Sand Sage project, and with Sunflower's native system, is the capacity and operation of the regional high-voltage transmission system. Carroll Waggoner, Sunflower's Senior Manager, Transmission Policy believes we can solve the problems. He said, "We've worked to protect our consumers from a 'one-size-fits-all' solution for many years. I believe we've made progress and, in the end, our rural consumers will be able to continue to receive reliable service at the lowest possible cost."

Noman Williams, Sunflower's Senior Manager, Transmission Services noted, "Most people don't realize that many of the transmission constraints that plague us at Sunflower are caused by under-sized systems in Nebraska, Oklahoma and Texas," He continued, "To fix this problem, we've all got to work together to find transmission solutions for the entire region."

Resolving these issues has required Sunflower and Sand Sage to engage experts and perform calculations and studies that are pushing the state of the art. They are participating in several regional organizations that are focused on relieving regional transmission congestion which has increased the cost of power for Sunflower's members in the past. Also, these experts are working to develop the firm transmission paths necessary to deliver the H2 output to its owners.

One regional entity, the Southwest Power Pool, is actively studying the transmission issues in a geographic area roughly bounded by Garden City, Amarillo, Oklahoma City and Wichita. A prominent solution under consideration would feature a new high-voltage transmission line from Sunflower's substation at Spearville, Kansas to a substation owned by Western Farmers Electric Cooperative at Mooreland, Oklahoma.

Sunflower agrees that this would be a good "first step" toward solving some of the regional transmission constraints. In addition to this new line, the SPP is also considering additional high-voltage lines from the Pauline substation south of Hastings, Nebraska to the Knoll substation near Hays, Kansas to Sunflower's Spearville substation.

Another solution under study is known as the "X Plan," named because its two proposed lines, one from Wichita, Kansas to the Potter County substation near Amarillo, Texas, and the other from Spearville, KS to Oklahoma City, Oklahoma, would cross at Mooreland Oklahoma in an "X" pattern.

Sunflower is confident that these and possibly other initiatives will bring clarity and solutions to the transmission problems. However, once the physics related to the flow of power is resolved, a more difficult question will need resolution: Who pays the costs associated with these new facilities?

Sunflower has worked hard for years to make sure that its rural consumers do not have to bear the burden of an unfair transmission cost structure. Rural, cooperative consumers can oftentimes get overlooked in the national debates, but in this case, their concerns are known and Sunflower is committed to ensuring that these issues will be addressed.

Sunflower Electric Power Corporation is a regional wholesale power supplier that owns and operates a 595 MW system of gas and coal-fired generating plants and a 1,200-mile transmission system for the needs of its six member cooperatives who serve 120,000 people spread throughout a 21,000 square mile area in western Kansas. Sunflower also provides power to regional utilities in western Kansas and in ten states.