

NEWS



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Kansans Must Have Sound Energy Policies

Hays, Kan., Oct. 2—Last year the Sebelius Administration refused to grant a permit to Sunflower even though the professional staff at the KDHE recommended approval of the application. The denial set aside the staff's recommendation to issue the permit and disregarded their extensive work to ensure that public health and the environment were protected, and strict state and federal laws were followed.

Lt. Gov. Parkinson recently claimed Sunflower's ratepayers will have to pay for health costs associated with the new plants. The fact is these new plants will, by a large margin, be the cleanest coal-fired power plants in Kansas. The emission rates from these new plants will be a tiny fraction of those from the average coal plant in Kansas.

Parkinson believes we are wrong about transmission line construction even though we are involved in most of these new projects. One fact he can't overlook; without the Holcomb Expansion, new lines to Colorado will not be built.

Parkinson claims we won't need more power for 10 years. In fact, recent operating results show we will need new generating capacity in 2010 if our loads continue to grow. If we can't replace the Westar contract by 2019, MKEC will become the only generating utility in Kansas without any coal resources.

Our load is growing at rates not experienced in decades. Irrigators are switching from natural gas to electric power; oil and gas wells are being completed each month. Also, our gas plants, on average, are 38 years old. Many of them must soon be replaced because they are approaching the end of their useful life.

Parkinson criticizes Sunflower for being unwilling to "negotiate" with the Governor for a smaller project. The truth is we did. Unfortunately, her solution would have cost our ratepayers more than \$500 million. We presented her a 50-page presentation where we offered to reduce the size of the project, accelerate the rate of our inclusion of wind in our portfolio, and reduce the production of carbon dioxide from the project.

We also offered to include the leadership of the Senate and the House of Representatives in the negotiations, but she rejected our offer and wouldn't

modify her offer to us. It's disingenuous to suggest that Sunflower was unwilling to work with the Legislature and the Governor. We did our part.

Parkinson says we should move past our past failed proposal and embrace a new marketplace that includes the Kansas wind, but excludes coal. I say that it's time for the Administration to join with legislators from all 105 counties who voted to support the energy legislation in 2008.

We've all suffered from the high price of gasoline and we are in the middle of a financial debacle on Wall Street. This is not the time to unnecessarily increase the price of electricity to Kansans who are already struggling. This is the time for sound energy policies.

--Earl Watkins is the President and CEO of Sunflower Electric Power Corporation

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About Sunflower—

Sunflower Electric Power Corporation is a regional wholesale power supplier that operates a 1,257 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 more than 400,000 customers living in central and western Kansas. 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.