

Midwest Energy, Inc. Current Comments

August 2021

Making energy work for YOU

“Where Does My Power Come From?” Renewable and Fossil Resources Supply Electricity to Midwest Energy

You wake up in the morning, flip on a light switch and start your coffee maker. Living in a country with reliable electricity, we rarely marvel at working appliances. But where does that power come from?

Like all electric utilities, Midwest Energy must continually procure enough electricity to meet the needs of its customers. Electricity is difficult to store in large quantities, it must be generated in amounts that are constantly balanced against customer usage. A combination of dispatchable and non-dispatchable resources are constantly utilized to meet customer demand. Dispatchable power sources include coal and natural gas-fueled generation plants. Gas plants can ramp up their output easily, by injecting more natural gas. Non-dispatchable generation sources, such as wind and solar, are dependent on uncontrollable factors like wind and weather. As a result, Midwest is committed to a balanced energy portfolio utilizing both non-dispatchable renewable energy, and traditional dispatchable resources such as coal and natural gas.

Midwest Energy is a member of the Southwest Power Pool (SPP). Located in Little Rock, SPP operates in a 14-state region. The SPP is responsible for the integrated market operation and ensuring that generation resources will be available to meet customer demand in the region. The goal of the integrated market is to dispatch and deliver energy at the lowest cost while still prioritizing reliability.

Over its 82 years of operation, Midwest Energy has helped keep customer costs low by diversifying where it buys electricity. Today, the company purchases electricity from multiple sources including coal-fired power plants, Kansas wind energy farms, hydroelectric power, and even a small amount of solar electricity.

“Having a balanced energy portfolio and the flex-



Roughly 27% of the electricity Midwest Energy sells is sourced from Kansas wind farms.

ibility to participate in the SPP market, we have been fortunate to procure our energy at some very competitive levels,” said Aaron Rome, Midwest Energy’s Manager of Transmission and Market Operations. “Having local company-owned dispatchable resources such as Goodman Energy Center, as well as our contracted renewable and traditional dispatchable coal capacity has proven to provide us the ability to hedge our market exposure nicely,” Rome added.

Moving forward, Midwest is looking at all available options to ensure a reliable, affordable energy supply. Rome says that currently, wind and solar energy is favorably priced. He noted that Midwest is in the midst of a new resource plan and the company will be looking very closely at possibly adding additional solar and wind resources in the next 18 months.

Rome said that there are good reasons for sourcing more electricity from renewable sources. “In some markets, goods produced using renewable energy are treated more favorably than those produced with energy from fossil fuels,” Rome said. “But at the end of the day, reliability and price dictate where your power will come from in the future. We need to be able to meet customer demand and right now that entails a balanced energy portfolio of renewables and traditional fossil resources,” he added.



MidwestEnergy

Crews Keep Busy With Summer Storm Repairs

Summer 2021 has been marked by a series of storms causing damage to powerlines in Midwest Energy's service area, mainly in the Colby district.

On May 23, an EF-1 tornado with winds of 110 miles per hour hit the town of Selden in northern Sheridan County, tearing off roofs, flattening structures and taking down over a dozen powerlines in its wake. The gas system sustained minor damage, as wind-blown debris punctured several gas meters. Gas and electric crews from Colby, Goodland, Oakley, Atwood, Norton and Hoxie responded, and within two days had all services back online.

On June 19, Sheridan County endured a severe windstorm, which brought down more than 60 poles, including 45 115 kV single-pole transmission structures near Seguin, and knocked out power to the city of Hoxie. While power to the city of Hoxie was restored within hours, it took Midwest Energy and contract crews nearly a week to re-build the transmission line.

Pandemic shortages have added another hurdle to storm repair. In some cases, hardware needed for

2021 Annual Meeting is Oct. 18

Midwest Energy cancelled its 2020 Annual Meeting out of an abundance of caution over COVID-19. This year's Annual Meeting returns as an in-person event, held on Oct. 18 at Fort Hays State University's Robbins Center.

During the Annual Meeting, Board officers and the CEO deliver remarks on the financial and operational status of the cooperative, as well as the current regulatory issues and trends in energy. Board of Directors election results are announced, and drawings will be made for excellent door prizes.

The meeting will last approximately one hour. All Midwest Energy members are encouraged to attend.

SAVE THE DATE! 2021 Annual Meeting

Monday, Oct. 18 @ 10 a.m.

The Robbins Center

Fort Hays State University



(Above) The Midwest Energy crew from Oakley makes repairs to powerlines near the local co-op in Selden, Kan., on May 24, after a tornado hit the town, tearing off roofs and damaging powerlines and gas meters.

pole replacement has become scarce.

"There are a few ways we've been dealing with shortages," said Fred Taylor, Midwest Energy's Vice President of Operations. "We use the inventory available, and then sometimes we're able to salvage materials from the damage. Doing so takes more time, but can provide us with necessary materials."

Midwest also keeps in contact with providers and neighboring utilities to ensure the needs of Midwest customers are met.

Energy Efficiency Tip of the Month

When shopping for new light bulbs, know the difference between lumens and watts.

Lumens measure the amount of light produced by the bulb. Watts measure energy consumption. Energy-saving LEDs come in a variety of colors and brightness levels and last 15-25 times longer than incandescent bulbs.

Source: energy.gov



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