

**WHEATLAND  
ELECTRIC COOPERATIVE**

# NEWS



## Wheatland Electric Co-op Inc.

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### District Offices

**Garden City — 620-275-0261**  
2005 W. Fulton, P.O. Box 973  
Garden City, KS 67846  
**Great Bend — 620-793-4223**  
2300 Broadway, P.O. Box 1446  
Great Bend, KS 67530  
**Harper — 620-896-7090**  
906 Central, P.O. Box 247  
Harper, KS 67058  
**Leoti — 620-375-2632**  
N. Hwy. 25, P.O. Box 966  
Leoti, KS 67861  
**Scott City-Main — 620-872-5885**  
101 Main St., P.O. Box 230  
Scott City, KS 67871  
**Syracuse — 620-384-5171**  
206 1/2 N. Main  
P.O. Box 1010  
Syracuse, KS 67878  
**Tribune — 620-376-4231**  
310 Broadway  
P.O. Box 490  
Tribune, KS 67879

## FROM THE MANAGER

# Rate Adjustment Proposal Passes

## Effective with April Usage



**Bruce W. Mueller**

On Jan. 21, 2020, a rate adjustment proposal was presented to the Board of Trustees of the Wheatland Electric Cooperative, Inc. The cost-of-service study was completed by Mike Searcy of C.H. Guernsey & Associates. As announced in the December 2019 issue, the January board meeting was open to all members during the section of the meeting when the rate adjustment proposal was discussed and voted upon.

During the presentation, Searcy demonstrated the rates of all classes of service and how rate adjustments were applied to the various classes. The board, staff and members in attendance asked Searcy numerous questions about the proposed rate adjustments. Members also asked how the proposed rate adjustments would be implemented. Searcy explained the rate adjustment will be phased-in over a three-year period: 2020, 2021 and 2022.

After questions were answered, the board discussed the matter thoroughly and decided it was in the best interest of the co-op and its members to adopt the rate adjustment proposal. Phase

one of the rate adjustment will go into effect on April 1, 2020.

### Cost of Doing Business

The cost-of-service study showed the co-op's revenue requirement did not need to increase, which is why we sought a revenue neutral rate adjustment, not a rate increase. However, the results of the study showed some rate classes needed adjustments to accurately cover their contribution toward the cost of providing electric service.

*Continued on page 16F ▶*

## Cost of Service Study Goals

- ▶ A decrease in the monthly kWh charge
- ▶ An increase in the monthly Service Availability Charge
- ▶ Simplify and modernize the Lighting tariffs to include LED lights
- ▶ Complete overhaul of the Time of Use tariff
- ▶ Implement a standardized Primary Facilities Charge rider
- ▶ Redesign the Power Cost Adjustment (PCA) process of collecting the PCA, currently the PCA is built into the current tariffs
- ▶ Redesign the process of collecting the property tax adjustment, currently the property tax adjustment is built into the current tariffs
- ▶ Simplify the Irrigation tariff language

# Successful Merger of Power Suppliers

You may recall within the last year we have communicated that Sunflower Electric Power Corporation and Mid-Kansas Electric Company Inc., the two electric utilities that provide wholesale generation and transmission services to Wheatland Electric, planned to merge in 2020. As proud owners of both Sunflower Electric Power Corporation and Mid-Kansas Electric Company, we are pleased to announce the successful merger of the two utilities on Jan. 1, 2020, which incorporated Mid-Kansas into Sunflower.

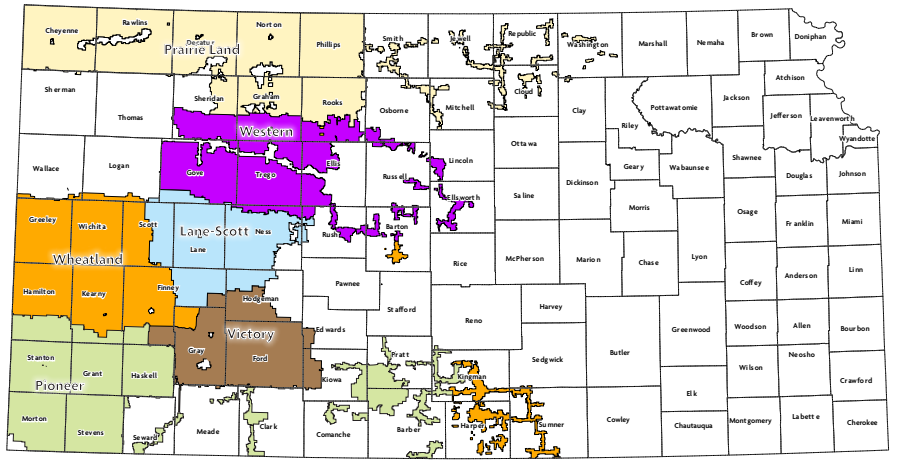
In 2005, Sunflower and its members, including Wheatland Electric, formed Mid-Kansas to successfully bid on the sale of Aquila's Kansas Electric Network assets. The acquisition essentially doubled the electric generation capability and the miles of transmission line in the system. It also meant more Kansans were served by the electric cooperative business model, which puts ownership and governance in the hands of the electric consumer.

In addition to added electric load, Mid-Kansas brought diverse generation resources, and the enhanced utilization of the two fleets benefitted both Mid-Kansas and the native Sunflower system. Beginning in 2007, the two systems were jointly planned and operated.

However, since the formation of Mid-Kansas, the goal of Sunflower's and Mid-Kansas' member-owners was to capitalize on the synergies of both businesses by merging the two utilities into one larger cooperatively owned and operated utility.

In addition to other work for the merger, regulatory filings were submitted in August 2018 to the Kansas Corporation Commission, which approved the merger in March 2019. Sunflower and Mid-

## Sunflower Electric Power Corporation Member Cooperatives



Sunflower Electric Power Corporation and Mid-Kansas Electric Company merged on Jan. 1, 2020. Sunflower's members are Lane-Scott, Pioneer, Prairie Land, Victory, Western and Wheatland.

Kansas also filed with the Federal Energy Regulatory Commission to obtain approval to combine transmission zones and rates.

So, what does the merger mean for you as a member of Wheatland Electric? Benefits of the merger are many, although the benefits won't likely be readily apparent. At the wholesale level, merging removes regulatory and operational duplication, allows access to lower cost debt, and better absorbs a fluctuating load that occurs due to industry and economic pressures.

At Wheatland Electric, we take pride in our long history of serving our members, but we also take pride in being innovative to best meet our members' current and future energy demands. Your well-being and quality of life are considered in each decision made at the board table, and the decision by Wheatland Electric and the other member-owners of Sunflower and Mid-Kansas to merge the two utilities is just one more example of the way we are taking care of you.

As always, if you have questions regarding this merger or any other topic, don't hesitate to reach out to your local office and speak with our member services team!

## SAFETY Tip of the Month

Walking on ice is extremely dangerous. Many cold-weather injuries result from falls on ice-covered sidewalks, steps, driveways, and porches. Keep your steps and walkways as free of ice as possible by using rock salt or another chemical de-icing compound. Sand may also be used on walkways to reduce the risk of slipping.

# More than \$1 Million in Capital Credits Awarded on Capital Credits Harvest Day

We were ecstatic to host Capital Credits Harvest Day for a third consecutive year. On Dec. 19, 2019, more than 445 members attended throughout our seven office locations. It was a great day to visit with our members, enjoy some holiday treats, and reap the benefits of being a member-owner of the cooperative!

More than \$1 million in capital credits were awarded to members of Wheatland Electric who had usage during 1987, 1988, 2004, 2005 and 2018.

To learn more about capital credits go to [weci.net](http://weci.net) to watch our short video "Explaining how capital credits work for our Members."

We hope you will join us next year and thank you, as always, for being a member of Wheatland Electric.



Traci Goddard (left), CPA and manager of accounting, visits with one of the 112 members who attended Harvest Day in Garden City.



Eilene Jacobs (right), senior consumer representative in Harper, presents another member with his capital credits check.



Nicole Semenko (left), payroll specialist, hands a Leoti member his capital credits check. Over 50 members dropped by the Leoti office to pick up their checks.

You Have a Voice at YOUR

# CO-OP

— attend annual meeting to use it.

**JOIN US WEDNESDAY, APRIL 22**

Registration 10:30 a.m. central | Lunch 11:30 a.m. | Meeting 12:30 p.m.

Caldwell Community Building, 119 E. First, Caldwell, KS 67022

View LIVE at your local Wheatland Electric Office

Your electric cooperative exists to provide **SAFE, RELIABLE** and **AFFORDABLE** energy, but they do more than that. Mark your calendar to attend the annual meeting.



CONNECT

ENGAGE

ELECT

Member

## SPOTLIGHT

Settled at the corner of Broadway and Williams Street in Great Bend, the **CENTRAL KANSAS DREAM CENTER (CKDC)** takes up most of the city block.

The Roosevelt Junior High School building, now the Central Kansas Dream Center, still serves its original purpose of growing and teaching individuals. As you approach the massive brick building, you'll find a great deal of hustle and bustle-- and it's no wonder why the building is so active when you learn about all the programs hosted at the CKDC. With the purpose of reaching hurting people, restoring families and realizing dreams, the CKDC has the following ministry programs:

- ▶ **LIFE GIVING CENTER** serves as a transitional housing shelter for women, with or without children. This shelter offers women an opportunity to get back on their feet by providing room and board, outreach classes, prayer and support — at no cost.
- ▶ **DC KITCHEN** provides coffee, juice and a snack starting at 10 a.m. and a hot lunch from 11:45 a.m.-12:30 p.m., Monday through Friday each

week. This ministry serves approximately 50-70 people per day.

- ▶ **MEN'S AND WOMEN'S DISCIPLESHIP PROGRAMS** are both nine-month, Christian-based residential programs that help individuals overcome life-controlling issues. Some might include, but are not limited to, substance abuse, anger, depression and the results of previous mental, physical and sexual abuse. The goal of the program is to reunite participants with their families and provide learning skills to better their future.
- ▶ **KINGDOM KLOSET** is a boutique that provides clothing, linens and household items. Anyone can get two sacks of clothes per family member, twice a month, for \$1 per bag. Store hours are currently Tuesdays and Thursdays from 10 a.m.-1 p.m.
- ▶ **THE ANCHOR** provides a mailbox program for individuals who do not have a physical address of their own to be able to get an ID and apply for jobs and other services. They also offer multiple classes to the community on topics including parenting, grief and loss, breaking abusive relationship cycles, overcoming depression, anger management and more.
- ▶ **HE-BREWS COFFEE BAR** is in operation at the First Assembly of God Church in Great Bend. CKDC staff and volunteers run the coffee bar, with 100% of the proceeds benefitting the CKDC.
- ▶ **THE MOMENT OF GRACE PREGNANCY CENTER** will open in 2020. They will offer free pregnancy tests and sonograms. They hope to be a resource for pregnant women who find themselves in unhealthy situations, as well as a hospice center for newborns needing end of life care. A local doctor and a few nurses will be volunteering and offering their services free



The Central Kansas Dream Center Board of Directors and Leadership Team.



The Central Kansas Dream Center building, located at 2100 Broadway Avenue in Great Bend.

of charge.

In addition to those programs, the CKDC also offers the following:

- ▶ A one-year program for rescued human trafficking victims.
- ▶ Free Jiu Jitsu classes with Submission Martial Arts on Tuesday nights for adults and children.
- ▶ Community dinners on Sundays at 5 p.m. These dinners help bring the community together and are sponsored by local organizations.

**KIMBERLY BECKER**, Director of the Central Kansas Dream Center, said it has been incredible to watch various churches and people of different backgrounds come together to support the CKDC. As a Great Bend native, she originally thought she would serve in a multi-faceted foreign ministry, however she felt a calling and returned home to open the CKDC in July 2013.

The CKDC's short term goals are to finish the studio apartments in the third floor of the building to house married couples who want to participate in the Discipleship Programs together.

Additionally, they would like to resurface the soup kitchen parking lot to serve as both a parking lot and a basketball court for high-risk youth. Dreaming big, Becker hopes one day the organization will be able to host an after-school program, as well.

Becker reports many Discipleship Program graduates are now business owners, pastors, security technicians, cabinet finishers and the list goes on. She proudly shares that the group of graduates gain such leadership skills throughout the program and she looks forward to really honing in on those qualities and building a program not only for the Discipleship Program participants, but also the community for leadership development.

The major challenge facing CKDC is fundraising. The center receives no state or government funding and is operated entirely with private donations. Staff and volunteers focus on not duplicating fundraising efforts of other area non-profits.

CKDC is excited about the upcoming "Raise the Roof with Praise and Worship" event on Saturday, April 25. The four-hour event will be broadcast on Facebook Live and feature numerous praise and worship bands. The team's goal is to have 1,000 people donate \$100. These funds will go toward their goals of a new roof and remodeling the auditorium and balcony to offer more events to the public in the future.

Another challenge the CKDC Board and volunteers face is educating the community on all the programs and events they offer.

"Seeing peoples' lives transformed and families restored" are what Becker credits with keeping her motivated.

She offered the story of "Earl," a regular at the soup kitchen for two years, who occasionally had to be escorted off the property due to behavioral issues. A CKDC staff member challenged Earl to take the anger management classes provided at the center. Now, Earl is in the Discipleship Program and has become almost unrecognizable. His son is proud of him. His own attorney didn't recognize him because of his physical and emotional transformation. Stories like Earl's propel the mission of the CKDC forward.

If you are interested in learning more about the CKDC, you can follow them on Facebook or call 620-282-3094 to arrange a tour of the facility. With numerous ways to get involved in their mission, one can volunteer, donate or serve as a community partner.

# Rate Adjustment Proposal Passes Continued from page 16A ▶

## Kilowatt-hour (kWh) Charge and Service Availability Charge

Two parts of the rate adjustment proposal are the Energy Charge (per kWh) and the Service Availability Charge. The current tariffs relied too heavily on the Energy Charge (per kWh) to cover many of our fixed costs. Since energy usage is extremely variable, we redesigned the new tariffs to be fairer and more efficient. As you can see in the included charts, the Energy Charge (per kWh) has been lowered and the Service Availability Charge has been raised. The Service Availability Charge is a fixed monthly charge designed to recover the costs of providing equipment, materials, labor and business overhead necessary to serve each meter, regardless of the amount of electricity (kWh) consumed. These fixed costs are the same for a member using 10 kWh or 5,000 kWh.

## Lighting Tariffs

Wheatland currently has as a long list of different types and sizes of light-

ing. Each individual light requires replacement lights, and inventory, which carries a cost. Reducing the number of lighting rates and sizes allows Wheatland to be more efficient and to lower costs. In addition, Wheatland is also moving to LEDs (light-emitting diode) as our primary lighting type. LEDs are more energy efficient, meaning they are good for members and the environment.

## Time of Day (TOD) Tariff

The purpose of time of day rates is to encourage members to shift their usage away from Wheatland's peak hours. When they do so, Wheatland saves on the cost of power it purchases and can pass this savings on to members through the TOD rate. The existing rate design balanced the need to correctly design the rate against the impact on



**RESIDENTIAL RATE OUT OF 26 DISTRIBUTION CO-OPS IN KANSAS**

existing members at the time of the last rate change. This was beneficial and a way to move toward a better pricing structure over time, but it did allow some members to move to the TOD rate and save money without moving any of their load to off-peak hours. The new rate better encourages the desired change in usage behavior.

## Primary Facilities Charge Rider

Rates are designed to recover the cost of providing service to each member. The vast majority of members are what is known as "secondary metered," meaning the meter is located on the "secondary side" of the transformer. A small number of large members have what is known as "primary meters." This means

Current Residential Members	Average kWh Usage	Existing Rate	Proposed Rate			Change \$			Change %		
			Phase 1	Phase 2	Phase 3	Phase 1	Phase 2	Phase 3	Phase 1	Phase 2	Phase 3
Residential Urban	783	\$103.41	\$103.66	\$103.84	\$104.02	\$0.25	\$0.43	\$0.61	0.2%	0.4%	0.6%
Energy Charge, per kWh		\$0.1189	\$0.103704	\$0.100095	\$0.096485	\$(0.015196)	\$(0.018805)	\$(0.022415)			
Customer Charge		\$16.00	\$22.50	\$25.50	\$28.50	\$6.50	\$9.50	\$12.50			
Residential Rural	943	\$126.27	\$125.25	\$124.85	\$124.45	\$(1.02)	\$(1.42)	\$(1.82)	-0.8%	-1.1%	-1.4%
Energy Charge, per kWh		\$0.1189	\$0.103704	\$0.100095	\$0.096485	\$(0.015196)	\$(0.018805)	\$(0.022415)			
Customer Charge		\$21.00	\$27.50	\$30.50	\$33.50	\$6.50	\$9.50	\$12.50			

Rate Class	July-Aug kW	Average kWh Usage	Existing Rate	Proposed Rate			Change \$			Change %		
				Phase 1	Phase 2	Phase 3	Phase 1	Phase 2	Phase 3	Phase 1	Phase 2	Phase 3
<b>Irrigation</b>	51	55,549	\$5,817.00	\$5,811.00	\$5,792.00	\$5,775.00	\$(6.00)	\$(25.00)	\$(43.00)	-1%	-4%	-7%
Demand Charge, July-August			\$10.00	\$12.00	\$13.00	\$14.00	\$2.00	\$3.00	\$4.00			
Energy Charge, per kWh												
Sept-June, all kWh			\$0.091200	\$0.082970	\$0.081356	\$0.079741	\$(0.01)	\$(0.01)	\$(0.01)			
July-Aug												
First 375 kWh per kW Billing			\$0.091200	\$0.082970	\$0.081356	\$0.079741	\$(0.01)	\$(0.01)	\$(0.01)			
Demand, per kWh												
Over 375 kWh per kW Billing			\$0.071200	\$0.047050	\$0.045436	\$0.043821	\$(0.02)	\$(0.03)	\$(0.03)			
Demand, per kWh												
Minimum Bill												
First 10 kVA			\$20.00	\$35.00	\$38.00	\$41.00						
Over 10 kVA			\$1.67	\$1.67	\$1.67	\$1.67						
Customer Charge			\$30.00	\$35.00	\$38.00	\$41.00	\$5.00	\$8.00	\$11.00			

Rate Class	kW	Average kWh Usage	Average Load Factor	Existing Rate	Proposed Rate			Change \$			Change %		
					Phase 1	Phase 2	Phase 3	Phase 1	Phase 2	Phase 3	Phase 1	Phase 2	Phase 3
<b>General Service Urban</b>	9	1,661	27%	\$223.16	\$218.65	\$218.43	\$218.23	\$(4.51)	\$(4.73)	\$(4.93)	-2.0%	-2.1%	-2.2%
First 10 KW				included	included	included	included						
Over 10 KW				\$8.00	\$8.25	\$8.50	\$8.75	\$0.25	\$0.50	\$0.75			
Energy Charge, per kWh													
First 375 kWh per kW				\$0.114600	\$0.099461	\$0.097002	\$0.094550	\$(0.015139)	\$(0.017598)	\$(0.020050)			
Over 375 kWh per kW				\$0.094600	\$0.054461	\$0.052002	\$0.049550	\$(0.040139)	\$(0.042598)	\$(0.045050)			
Customer Charge				\$18.50	\$28.00	\$31.00	\$34.00	\$9.50	\$12.50	\$15.50			
<b>General Service Rural</b>	5	1,096	29%	\$152.37	\$150.24	\$150.98	\$151.72	\$(2.13)	\$(1.40)	\$(0.65)	-1.4%	-0.9%	-0.4%
First 10 KW				included	included	included	included						
Over 10 KW				\$8.00	\$8.25	\$8.50	\$8.75	\$0.25	\$0.50	\$0.75			
Energy Charge, per kWh													
First 375 kWh per kW Billing Demand, per kWh				\$0.114600	\$0.099461	\$0.097002	\$0.094550	\$(0.015139)	\$(0.017598)	\$(0.020050)			
Over 375 kWh per kW Billing Demand, per kWh				\$0.094600	\$0.054461	\$0.052002	\$0.049550	\$(0.040139)	\$(0.042598)	\$(0.045050)			
Customer Charge				\$23.50	\$33.00	\$36.00	\$39.00	\$9.50	\$12.50	\$15.50			
<b>Large General Service</b>	173.52	42,078	33.22%	\$4,933	\$4,946	\$4,964	\$4,983	\$12.00	\$31.00	\$50.00	0.2%	0.6%	1.0%
Demand Charge, per Billing kW				\$12.86	\$12.12	\$12.62	\$13.12	\$(0.74)	\$(0.24)	\$0.26			
Energy Charge, per kWh				\$0.070600	\$0.066602	\$0.064912	\$0.063222	\$(0.003998)	\$(0.005688)	\$(0.007378)			
Customer Charge				\$35.00	\$40.00	\$43.00	\$46.00	\$5.00	\$8.00	\$11.00			

that the transformer is on the “primary side” of the meter.

The co-op is now including for large general service rate members who are primary metered, a “primary discount.”

Rate Class	Average kWh Usage	Existing Rate	Proposed Rate			Change \$			Change %		
			Phase 1	Phase 2	Phase 3	Phase 1	Phase 2	Phase 3	Phase 1	Phase 2	Phase 3
Athletic Field	194	\$50.44	\$53.07	\$53.07	\$53.07	\$2.63	\$2.63	\$2.63	5.21%	5.21%	5.21%
Municipal Service	2,959	\$339.05	\$339.05	\$339.05	\$339.05	\$0	\$0	\$0			

### Power Cost Adjustment (PCA)

Wheatland’s average cost of wholesale power varies monthly depending on both the demand charges and fuel charges from our wholesale supplier Sunflower Electric. The co-op uses a Power Cost Adjustment (PCA) to pass along these fluctuations in wholesale power costs. The PCA appears on your monthly bill as a separate line item (either a charge or credit). Because power cost has been falling, in most future months the PCA would likely be negative. So as a part of this rate change, Wheatland moved this credit PCA amount into actual stated rates. This is NOT an increase. This rate change will allow the co-op to “smooth out” the PCA by looking at the average usage over time to reduce variability. This charge will keep the PCA more consistent in the future without wide swings up or down.

### Property Tax Adjustment (PTA)

The property tax adjustment works in a similar fashion. It passed through to members changes in the property taxes paid by Wheatland. It too is being restated so that the factor will become smaller and this difference is moved into rates. And as is the case with the PCA, there is no difference to the total bill paid by the member because of this change.

### Irrigation Tariff

The primary rate class seeing a small increase for the average member is the Irrigation rate class. Wheatland’s cost of serving irrigation members is higher than its cost recovery in rates. Rather than wait until the next cost of service study, Wheatland is increasing irrigation rates a very small amount now (just over 1% for the average member).

### Contact Us with Questions

Please see the charts throughout the article that demonstrate the existing rates and the new adjusted rates that will go into effect on April 1, 2020. Adjusting electric rates is a matter of paramount importance. The co-op’s board, and management have evaluated this issue for some time and decided the adjustments were necessary for the responsible operation of the co-op — both for the quality and reliability of service and the financial integrity of the co-op.

Please feel free to contact me or any of our staff to visit about questions, concerns or suggestions you may have.

**UNTIL NEXT TIME, TAKE CARE.**

# Thank you!

A sincere thank you to all of our members who participated in our 2019 Christmas Light Contest. We loved all of the creativity and the video submissions we received.

The grand prize winner, **MELISSA WINTER** from Conway Springs, received a \$100 bill credit, and the district winners received a \$50 bill credit:

- ▶ District 1, Scott City: **MICHELLE NIX** and **CHAD WASINGER**
- ▶ District 2, Leoti: **HEATHER LEIMKUHLER** and **ORALIA ESCAMILLA**
- ▶ District 3, Tribune: **ROCKY WILSON**
- ▶ District 4, Syracuse: **JUSTIN OCHS** and **MICHELE BOY**
- ▶ District 5, Garden City: **BARBARA COMBS-HAREMZA** and **CARRIE TWEEDY**
- ▶ District 6, Great Bend: **DAVE SCHNEIDER** and **RHONDA PENKA**
- ▶ District 7, Harper: **JAMIE KUCHAR** and **LEAH SOMMERHOFF**

Check out a few of the winners' submissions below. We hope you'll join in on the fun next year!



**DISTRICT 2 WINNER** Michelle Nix, Scott City



**DISTRICT 7 WINNER** Jami Kuchar, Harper



**DISTRICT 2 WINNER** Oralia Yazmin Escamilla, Leoti



**DISTRICT 6 WINNER** Dave Schneider, Great Bend