



Charlie Ross Inducted Into Kansas Co-op Hall of Fame



Charles "Charlie" Ross

Charles "Charlie" Ross, KEPCo's first EVP & CEO (1975 to 1988) was posthumously inducted into the Kansas Cooperative Hall of Fame at a ceremony in Wichita on March 11. Mr.

Ross was instrumental in many of the achievements that KEPCo continues to benefit from today. Below is an article that Mr. Ross wrote that was included in KEPCo's 1999 annual report. It is a wonderful reflection on the beginning of KEPCo and Mr. Ross' resolve to establish KEPCo as a G&T with assets of value and significance to its members.

Board Support for KEPCo

When I reflect on my "watch" during KEPCo's progression from an idea in the early 1970s to its G&T status in the mid-1980s, I always gratefully recall the steadfast, courageous, loyal support that the KEPCo board and its member

REC boards consistently provided. Whatever adversity threatened KEPCo's development (regulatory decisions, litigation, legislation, negotiations, nuclear issues, financial impediments, hydropower concerns and more) respective boards loyally supported KEPCo. Even when an individual board's members disagreed among themselves on a KEPCo issue, the respective board's official actions supported KEPCo. Without this fabulous support throughout KEPCo's development era, there would be no KEPCo today and I wouldn't have this fond memory.

Hydropower for Kansas

In the early 1970s, when KEPCo was in its formative years, we met with Southwestern Power Administration (SWPA) officials regarding the purchase of hydropower. At that time, Kansas preference customers had never ever benefited from federally produced hydropower. We soon learned that the possibility of any future economically priced SWPA hydropower being marketed in Kansas was nil. Kansas simply was not included in SWPA's five-state marketing area. But practical persistence can be rewarding. With determination, we sought, and obtained, strong support for Kansas' inclusion in SWPA's marketing area from both of Kansas' U.S. Senators and we met privately with a former Kansan who was the assistant secretary of the Department of Interior with oversight responsibilities for the Federal Power Marketing

Annual Meeting Season

KEPCo senior staff attended each of the KEPCo Member cooperative's annual meetings, with Marcus Harris, KEPCo EVP & CEO, performing yeoman's duty. Attending 15 meetings, Marcus spoke at most of the meetings, providing details regarding KEPCo's power supply, EPA's Clean Power Plan, and efforts that have been taken to reduce KEPCo's wholesale rate.



Marcus Harris at Butler's annual meeting



Charles Riggs accepting service award from Scott Whittington

KEPCo Trustee Charles Riggs Retires

Charles Riggs, Trustee of Sumner-Cowley and Trustee to KEPCo from 2002 to 2015, retired from his position on the KEPCo Board at the March Board meeting. During his tenure, Charles was a valued Board member, providing valuable insight and guidance. On behalf of KEPCo and the Board of Trustees, thank you Charles for your service and friendship.

KEPCo Service Awards

In March, Scott Whittington, KEPCo President, and Marcus Harris, KEPCo EVP & CEO, presented service awards to the following employees: Mitch Long – 15 years; Terry Deutscher – 15 years; Elizabeth Lesline – 15 years; Rita Petty – 10 years; Mark Doljac – five years; Shawn Geil – five years; Marcus Harris – one year; Stephanie Anderson – one year; Jill Taggart – one year; and Zach Sipple – one year. Congratulations to all and thank you for your service.



From left to right: Shawn Geil; Mark Doljac; Jill Taggart; Terry Deutscher; Betty Lesline; Marcus Harris; and Scott Whittington. Not pictured: Rita Petty, Mitch Long, Stephanie Anderson, and Zach Sipple

Legislative Update

For the electric utilities in Kansas, the 2015 legislative session can be summarized into two topics; EPA's Clean Power Plan and taxes.

The first few weeks of the session were dominated by presentations from the Kansas Department of Health and Environment (KDHE), the Kansas Corporation Commission (KCC), the Southwest Power Pool (SPP), the Federal Energy Regulatory Commission (FERC), and the Attorney General, all presenting information regarding the EPA's Clean Power Plan (CPP). Discussion also took place regarding the decision of filing a state plan to comply with the CPP or, if a state plan were not filed, Kansas receiving a federal plan.



State Capitol - Topeka, Kansas

The CPP is vastly different than other EPA regulations, as it will affect reliability and generation choices that have varied economic impacts. Due to the difference, the KCC will be actively involved in developing a state plan, in conjunction and cooperation with KDHE, since reliability and economics fall under the KCC's jurisdiction. Due to the two agencies working together, with varied responsibilities and timelines, SB151 and HB2233 (same bill - introduced in both Chambers) were introduced in order to establish proscriptive guidelines for the two agencies to abide by to file a state plan by the deadline.

After several amendments by committee members to both bills, in addition to amendments and a re-write of HB2233 by the electric utilities, HB2233 passed out of the House on March 25 by a vote of 121 to 3. HB2233 was sent to the Senate, and at the time of this publication, was referred back to the Senate Utilities Committee.

A few tax bills were introduced that, if passed, would affect utilities and utility customers. SB261 would remove the sales tax exemption from electricity, natural gas, and propane. HB2401 would impose a 4.33% excise tax on wind, and SB257 would remove the permanent property tax exemption on renewable energy and set the exemption at 10 years. Each of the bills received a hearing but the decision to work any of the bills will not be made until the legislature receives the Consensus Revenue Estimates (CRE), which be released on April 20. The legislature will use the CRE to determine the revenue needed to balance the state's budget.

An attempt was made again this year to abolish Kansas' Renewable Portfolio Standard (RPS). SB253 would establish the RPS level for 2015 at 10% and then the law would sunset on January 1, 2016. The bill received a hearing in both chambers, but as of this publication, the bill had not been worked.

Agencies. After we drafted a letter that the assistant secretary signed and mailed to SWPA's marketing administrator, Kansas became the sixth state included in SWPA's marketing area. This action made it possible for Kansas preference customers to share in the economic benefits of SWPA marketed hydro peaking power today. It's another fond memory that was integral to KEPCo's successful development.

In the same publication, Mr. Phil Lesh, KEPCo President from 1989 to 1990, had the following recollection of Mr. Ross.

When members of the KEC Power Supply Committee signed the documents incorporating KEPCo, we had hopes of eventually having some influence upon our future power supply. I doubt that any of us expected the degree of success that has been achieved. One exception may have been Charlie Ross. As CEO, he always forged ahead with dogged determination and KEPCo owes much of its success to him.



The Ross family at the Co-op Hall of Fame induction ceremony.

Mr. Ross had a positive and lasting impact on the cooperative industry in Kansas. On behalf of KEPCo and the KEPCo Board of Trustees, congratulations to the Ross family on such a well-deserved honor.