



SUNFLOWER ELECTRIC POWER CORPORATION

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Filed Date: 07/29/2020
State Corporation Commission
of Kansas

July 29, 2020

Via: KCC E-filing Express

Lynn Retz
Secretary to the Commission
1500 SW Arrowhead Road
Topeka, Kansas 66604

Re: Joint Application

Dear Ms. Retz:

Attached for filing is the Joint Application of Prairie Land Electric Cooperative, Inc. ("Prairie Land"), The Victory Electric Cooperative Assn., Inc. ("Victory"), Western Cooperative Electric Assn., Inc. ("Western"), and Sunflower Electric Power Corporation ("Sunflower"). As designated therein, information contained in Exhibit ESS-2, Exhibit ESS-3, and Exhibit ESS-4 to the Prefiled Direct Testimony of Mr. Erik S. Sonju is CONFIDENTIAL pursuant to K.S.A. 66-1220a and K.A.R. 82-1-221a, as it constitutes confidential commercial information. The information designated as confidential contains customer load data regarding characteristic and usage of the 34.5 kV system generally, and at specific delivery points. Such information could be helpful in competing for the provision of wholesale electric transmission service, wholesale power supply, or any future deregulation of monopolized retail service. Disclosure of such information could cause a competitive disadvantage for Sunflower, Prairie Land, Victory, and Western or the release of commercially sensitive information.

Sincerely,

James Brungardt
Manager Regulatory Relations
Sunflower Electric Power Corporation

**BEFORE THE KANSAS CORPORATION COMMISSION
OF THE STATE OF KANSAS**

In the Matter of the Joint Application of)	
Sunflower Electric Power Corporation, Prairie Land)	
Electric Cooperative, Inc., The Victory Electric)	
Cooperative Association, Inc., and Western)	Docket No. 21-SEPE-049-TAR
Cooperative Electric Association, Inc., for Approval of)	
Continuation of 34.5 kV Formula-Based Rates and)	
Updated 34.5 kV Loss Factors.)	

JOINT APPLICATION

Sunflower Electric Power Corporation (“Sunflower”), and three of its member-owners, Prairie Land Electric Cooperative, Inc. (“Prairie Land”), The Victory Electric Cooperative Association, Inc. (“Victory”), and Western Cooperative Electric Association, Inc. (“Western”) (individually a “Member” and collectively the “Members”) (collectively Sunflower and the Members, the “Joint Applicants”) hereby file this Joint Application seeking approval from the State Corporation Commission of the State of Kansas (“Commission”) of the following:

- a. Continuation of Prairie Land’s, Victory’s, and Western’s respective individual 34.5 kV Formula-Based Rates (“34.5 kV FBR(s)”), as approved in Docket No. 16-MKEE-023-TAR (“16-023 Docket”), with limited modification and minor clarifications; and
- b. Updated 34.5 kV loss factors in Prairie Land’s, Victory’s, and Western’s respective Local Access Delivery Service (“LADS”) Tariffs.

In support of their Joint Application, Joint Applicants state the following:

I. INTRODUCTION AND JURISDICTION

1. Sunflower is a generation and transmission electric utility operating in the state of Kansas on a non-profit cooperative basis, with its principal place of business located in Hays, Kansas. Sunflower is a certificated electric public utility that has elected to

exempt itself from the jurisdiction, supervision and control of the Commission pursuant to K.S.A. 66-104d.¹ Sunflower remains subject to the Commission's jurisdiction for those items referenced in K.S.A. 66-104d(f).

2. Sunflower is owned by six Kansas consumer-owned cooperatives and one corporation, wholly owned by one of the six consumer-owned cooperatives.² On January 1, 2020, pursuant to Commission order in Docket No. 19-SEPE-054-MER ("19-054 Docket"), Sunflower merged with Mid-Kansas Electric Company, Inc. (formerly known as Mid-Kansas Electric Company, LLC) ("Mid-Kansas"), with Sunflower as the surviving entity.

3. The Members are certificated electric public utilities, each providing retail electric service to retail customers (comprised of individuals, small businesses, and industrial entities) pursuant to their respective Certificate and Order, issued on November 21, 2013, in Docket No. 13-MKEE-447 MIS ("13-447 Docket"). In addition to retail service, the Members also provide certain wholesale services, including service to wholesale LADS customers, over the Member-owned 34.5 kV sub-transmission facilities. As determined by the Commission in the Order Addressing Joint Motion to Approve Stipulation and Agreement in Docket No. 11-GIME-597-GIE ("11-597 Docket") on January 11, 2012, 34.5 kV sub-transmission facilities that serve one or more wholesale LADS customer(s) provide a local "transmission service" under Kansas law.³

¹ Order Affirming Sunflower Electric Power Corporation's Electric to Deregulate, Docket No. 10-SEPE-072-DRC (filed September 28, 2009).

² The seven electric utilities that own Sunflower and their respective headquarters are as follows: Lane-Scott Electric Cooperative, Inc., Dighton, Kansas; Southern Pioneer Electric Company, Ulysses, Kansas; Pioneer Electric Cooperative, Inc., Ulysses, Kansas; Prairie Land Electric Cooperative Association, Inc., Norton, Kansas; The Victory Electric Cooperative Association, Inc., Dodge City, Kansas; Western Cooperative Electric Association, Inc., WaKeeney, Kansas; and Wheatland Electric Cooperative, Inc., Scott City, Kansas. Southern Pioneer is a not-for-profit corporation wholly owned by Pioneer Electric Cooperative, Inc.

³ See also the Stipulation and Agreement, filed December 1, 2011 under the same docket.

4. Mid-Kansas (prior to merger with Sunflower), as agent for the Members, previously administered wholesale LADS (“transmission service”) over the 34.5 kV facilities pursuant to the terms and conditions of the Mid-Kansas Open Access Transmission Tariff (“OATT”) and agreements entered into between Mid-Kansas, the Members and wholesale LADS customers. Pursuant to the Settlement Agreement in the 19-054 Docket, as approved by the Commission, the Mid-Kansas OATT is to remain in effect upon merger, with Sunflower serving as the “Transmission Provider” under the Mid-Kansas OATT.⁴ For that reason, Sunflower now serves as Transmission Provider under the Mid-Kansas OATT and is a Joint Applicant herein.

5. Victory, Western, and Prairie Land have elected to exempt themselves from the jurisdiction, supervision, and control of the Commission pursuant to K.S.A. 66-104d.⁵ However, these cooperatives continue to be regulated by the Commission as to their transmission service, in accordance with K.S.A. 66-104d(f). The 34.5 kV FBR for each of these self-regulated cooperatives is designed to annually establish the revenue requirement associated with the costs of owning, operating, and maintaining the respective Member-owned 34.5 kV sub-transmission facilities pursuant to the established 34.5 kV FBR “Protocols.” The resultant local access charge (“LAC”) per unit demand rate, updated annually as a result of the proposed 34.5 kV FBRs and recovered from the wholesale LADS customers under the Member’s LADS tariff, represents the “charges, fees or tariffs

⁴ Unanimous Settlement Agreement, Docket No. 19-SEPE-054-MER, ¶17 (filed as Exhibit A to Joint Motion for Approval of Unanimous Settlement Agreement on March 5, 2019); Order Approving Unanimous Settlement Agreement, Docket No. 19-SEPE-054-MER (filed March 28, 2019).

⁵ May 29, 2014 Order Affirming Prairie Land Electric Cooperative, Inc.’s Election to Deregulate under Docket. No. 14-PLCE-466-DRC; June 10, 2014 Order Affirming Western Cooperative Electric Association, Inc.’s Election to Deregulate under Docket. No. 14-WSTE-533-DRC; September 9, 2014 Order Affirming Victory Electric Cooperative Association, Inc.’s Election to Deregulate under Docket. No. 14-VICE-565-DRC.

for transmission service” cited as an exception to self-regulation under K.S.A. 66-104d(f). Thus, the 34.5 kV FBRs remain subject to the Commission’s jurisdiction under K.S.A. 66-104d(f) and K.S.A. 66-117 for Victory, Prairie Land, and Western. Further, the LADS tariff, which contains the loss factor each Member herein requests to update, is a tariff for transmission service, and jurisdictional to the Commission under K.S.A. 66-104d(f).

II. CONTINUATION OF 34.5 kV FBRs

6. Each Members’ current 34.5 kV FBR was approved by the Commission in the 16-023 Docket, including the Protocols. Pursuant to Section I. Term of the Protocols, during the final year of the 34.5 kV FBR plan, each Member shall advise the Commission whether it wishes to continue the 34.5 kV FBR plan, and provide the Commission support and rationale for its position in a separate application and docket.⁶ The 2020 calendar year is the final year of each Member’s 34.5 kV plan, and the Members hereby provide their rationale for their position that the 34.5 kV plans should be continued by this Joint Application and accompanying testimony.

7. The 34.5 kV sub-transmission facilities that are the subject of the 34.5 kV FBRs are those 34.5 kV facilities now owned or hereafter acquired or constructed by the respective Member and are part of or utilized in conjunction with the electric system acquired by the Member from Mid-Kansas in Docket No. 08-MKEE-099-MIS (the “08-099 Docket”) (the “FBR Facilities”).⁷ They are also the same sub-transmission facilities

⁶ Order Granting Petition for Clarification, Exhibit A, § I. of each Members Protocols, Docket No. 16-MKEE-023-TAR (filed April 26, 2016).

⁷ The subject facilities of each Member is the former Aquila-WPK sub-transmission facilities transferred from Mid-Kansas to each Mid-Kansas Member, as approved by the Commission Order in the 08-099 Docket. For clarity, the non-Aquila, or “native” portions of the Prairie Land, Victory, and Western sub-transmission systems are not included in each 34.5 kV FBR. The Member’s certificated territory may be amended from time to time pursuant to applicable requirements of law.

contemplated by each Member's LADS Tariff applicable to each Member's wholesale LADS customer.

8. In the Stipulation and Agreement in Docket No. 09-MKEE-969-RTS ("09-969 Docket"),⁸ the parties agreed that for ease of administration and efficiency in providing wholesale LADS to customers, Mid-Kansas (prior to merger with Sunflower) would serve as the agent and single point of contact for administering the LADS Tariffs for each of the Members. More specifically, as it relates to this Joint Application, Sunflower is responsible for billing and collecting each Member's Commission-approved LAC for wholesale LADS customers taking service under the Mid-Kansas OATT, as well as applying the applicable loss factor associated with LADS.⁹ For additional history of the 34.5 kV facilities and Sunflower's administration thereof, please see the Pre-filed Direct Testimony of Mr. James Brungardt.¹⁰

9. As to the current 34.5 kV FBRs approved in the 16-023 Docket, each 34.5 kV FBR contains a formula for the annual and systematic recovery of each Member's respective revenue requirement associated with its facilities recovered through the 34.5 kV FBR via a monthly unit demand LAC directly applicable to their respective wholesale LADS customers under each Member's LADS tariff.¹¹ The annual adjustments are made as necessary to keep revenue at a level to achieve pre-established financial coverage ratios.

⁸ At the time of such order, Mid-Kansas was the certificated retail service provider.

⁹ Sunflower bills each Member's LAC to wholesale LADS customers under Schedules 7, 8, and 9 and Attachment H of the Mid-Kansas OATT, as applicable.

¹⁰ For additional history on the 34.5 kV facilities, see also the Joint Application and Prefiled Direct Testimony of H. Davis Rooney in Docket No. 16-MKEE-023-TAR.

¹¹ Additionally, the 34.5 kV FBRs allow a Member to allocate to the 34.5 kV revenue requirement the costs of lower voltage distribution plant, that provide service to a wholesale LADS customer(s), if such facilities are present, by utilizing a certain distribution ratio as outlined in the Protocols; provided such costs are not already accounted for in a separate rate-making mechanism. This practice was approved in the 16-023 Docket and is consistent with prior Commission-approved filings containing LAC Cost of Service ("COS"), including the 09-969 Docket and Docket No. 12-MKEE-380-RTS.

Because the total billing demand (used to divide the total resultant revenue requirement to arrive at a unit demand LAC) is comprised of both retail and wholesale load, it ensures that the wholesale LADS customers will pay only their portion, i.e., load ratio share, of such annual revenue requirement for each Member under the 34.5 kV FBRs.

10. The Joint Applicants' request submitted in this filing is not a request for an actual change to any Member's currently approved LAC. Rather, the request is merely for the approval of the continuation of each Member's 34.5 kV FBR, with a limited modification and minor clarifications, which are described later in this application. No Members' current LAC will be changed by any requested approval in this Joint Application. The 34.5 kV FBRs, with the limited modification and minor clarifications set forth later herein, are fully set forth in the Pre-filed Direct Testimony and Exhibits of Elena E. Larson, included with this Joint Application.

11. The Commission approved each Member's 34.5 kV FBR in the 16-023 Docket finding:

- a. That the 34.5 kV FBRs would become the rate by which the Joint Applicants would be able to strike the balance between the Joint Applicants' desire for a reasonable assurance that it will earn sufficient revenues to meet its financial obligation versus the desire of the customers to keep rates as low as possible while still providing reliable local access delivery service.¹²

¹² Order Approving Settlement, ¶10, Docket No. 16-MKEE-023-TAR (filed March 10, 2016).

- b. The 34.5 kV FBR mechanisms closely track the Joint Applicants' actual cost of service, while reducing both the regulatory lag and the expense normally associated with traditional rate proceedings.¹³
- c. That the 34.5 kV FBRs balances the interests of diverse parties, and that customers are granted safeguards in the 34.5 kV FBRs in the form of enhanced filing exhibits, longer review periods, and annual true-ups with interest.¹⁴
- d. Ultimately, the 34.5 kV FBRs, as approved by the Settlement Agreement in the 16-023 Docket, result in just and reasonable rates and are in the public interest.¹⁵

12. Now, the Members seek to continue each 34.5 kV FBR, and posit that the Commission's findings in support of their initial implementation are still true today. Since their implementation, the 34.5 kV FBRs have provided for timely recovery of each Member's costs for their individually-owned 34.5 kV FBR Facilities in order to meet financial obligations while remaining responsive to the service and facility demands of customers. It is still appropriate for customers to bear the actual cost of service over the 34.5 kV systems as close to real time as possible to provide appropriate economic price signals, resulting in more efficient and economic decisions relative to the sources and types of capacity that customers require. Additionally, the uncertainty inherent in the traditional regulatory model will continue to be minimized with the approval of the

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Id.*

continuation of the 34.5 kV FBRs—a benefit for all customers, as explained in the direct testimony of Ms. Larson.

13. The 34.5 kV FBRs continue to include an Annual Update Filing and review process, ensuring the element of customer protection afforded in a general rate proceeding is still present. The Annual Update Filing allows Commission Staff and customers the continued opportunity to audit the results of the previous twelve months to ensure compliance with the 34.5 kV FBR. Such review also allows the Commission the continued ability to meet its obligation of ensuring just and reasonable rates for each Member's wholesale LADS customers. Additionally, interested parties will continue to have the opportunity to intervene and participate in the applicable Member's Annual Update Filing. The proposed procedural schedule regarding each Member's Annual Update Filing is the same as approved in the 16-023 Docket, except for the addition of a discovery deadline after each Member's rebuttal testimony, which still allows time for Commission Staff and interveners to issue discovery regarding the last round of testimony filed in each Annual Update Filing. More detailed information regarding the Annual Update Filing, procedural schedule and the Protocols of each Member is contained in the direct testimony of Ms. Larson.

14. The continuation of the proposed 34.5 kV FBRs will continue to relieve much of the cost and burden placed on the Commission, Commission Staff, Sunflower, the Members, and their respective customers related to the traditional ratemaking process. While the Members have engaged consulting and legal resources as necessary for each Annual Filing Update to the 34.5 kV FBRs, with the continuation of such FBRs, customers will continue to receive service at just and reasonable rates without the attendant costs of

more involved motions, substantial discovery, analysis, and testimony typically incurred in the course of the traditional ratemaking process. Many of these costs can be avoided, while still ensuring that the Commission has the opportunity to review and approve rates. This serves the best interests of the public, consumers, the Members and the Commission.

15. Historically, since the implementation of the 34.5 kV FBRs, each Member's Annual Update Filing has been processed in a relatively easy manner, suggesting at least that the process of a formula rate for the LAC has been positive. None of the Annual Update Filings for any member have ever resulted in a need for a hearing, and for some years, the parties have not even had to hold the Technical Conference contemplated by the Protocols. The Members believe the 34.5 kV FBRs have been successful, and their continuation will be a continuation of successful formula rates that achieve the policy objectives of implementing formula rates, while at the same time providing a smooth process for customer review of the LAC.

III. LIMITED MODIFICATION TO 34.5 kV FBRs

16. While the Members' desire to continue their 34.5 kV FBRs, they also desire to make a limited modification and two minor clarifications. As approved in the 16-023 Docket, the 34.5 kV FBRs include limited projected budgeted costs in determining the LAC during each Annual Update Filing. For that reason, the 34.5 kV FBRs include an annual true-up. Each Member now requests removal of the limited projected budgeted costs from their 34.5 kV FBRs, and desires to use only historical costs in its 34.5 kV FBR. In doing so, the resultant LAC will only be determined by historical costs. With only historical costs that are already known calculating the LAC, there is no need for an annual true-up. The costs recovered in the LAC each year will be costs already expended and known.

17. While this is a modification to the 34.5 kV FBRs, it is a simplification of the 34.5 kV FBRs. The current annual true-up is only a true-up of the limited budgeted costs. Removing the driver for the true-up removes the need for the actual true-up itself. Removing the actual true-up itself removes an element of review of the Annual Update Filing not only for the Members, but for Commission Staff and customers. The Members will not have to prepare the annual true-up, and Commission Staff and customers will not have to review it. Customers are still protected, however, because the LAC each year is based only on known, historical costs. There is no potential for those known, historical costs to change from one year's Annual Update Filing to the next, so there is no potential for the Member to over or under recover with respect to those inputs to the 34.5 kV FBR.

18. To address such simplification of the 34.5 kV FBRs, the Members have removed items from the Protocols that addressed limited projected budgeted costs and the annual true-up. However, given the timing of this request, the Members acknowledge that one final annual true-up will need to occur in each Member's 2021 Annual Update Filing because each Member's pending 2020 Annual Update Filing¹⁶ includes calculation of the LAC with limited projected budgeted costs. Therefore, if the continuation of the 34.5 kV FBRs is approved in this proceeding, in the 2021 Annual Update Filing, the Members will add this one-time remaining true-up portion (as a \$/kW) to the LAC updated under the renewed 34.5 kV FBRs, and no future true-up will be necessary. In the event the Commission does not approve the continuation of the 34.5 kV FBRs, the Members will file a stand-alone true-up filing as already contemplated in the current 34.5 kV FBRs.

¹⁶ For Western, see Docket No. 20-WSTE-440-TAR. For Victory, see Docket No. 20-VICE-437-TAR. For Prairie Land, see Docket No. 20-PLCE-434-TAR.

19. Finally, there are two requested minor clarifications to the Protocols. First, the addition of a discovery deadline in the Protocol procedural timeline, in order to aid all parties in planning their respective testimony. The proposed discovery deadline does not occur until one week after the Member files its Rebuttal Testimony, giving all parties the ability to issue discovery after the last round of testimony is filed.

20. Second, the removal of the definition of Line Losses, which is not used anywhere in the Protocols. The LADS tariffs already explicitly state the applicable loss factor (the same loss factor requested to be updated herein).

IV. LOSS FACTOR UPDATES

21. In addition to the aforementioned, the Members' desire to update the existing loss factors in each Member's respective LADS tariff. Each Member has a separate and independent loss factor associated with its FBR Facilities, and each loss factor is specifically stated in each Member's LADS tariff. Generally, the loss factor represents the amount of energy that is "lost" between the point at which energy enters the FBR Facilities, and the moment it leaves the FBR Facilities. The loss factor is represented by a percentage that in essence, "trues up" the amount of energy that leaves the FBR Facilities to the amount that initially entered the FBR Facilities for purposes of billing demand determinants. In other words, the loss factor estimates the true amount of service, in terms of billing demand determinants, that a customer is actually taking.

22. The current loss factors for each Member were approved in the 09-969 Docket, and are as follows:

- a. Prairie Land: 2.18%
- b. Victory: 2.02%
- c. Western: 1.71%

Loss factors are a function of the topology and load of the system whose losses they represent. Over time, the topology of a system can change, and so can the loads on that system. Thus, periodically, loss factors for a specific system should be reviewed or updated.

23. Sunflower retained Power System Engineering, Inc. to perform a study to determine the updated loss factors as represented by the current topology of the FBR Facilities. A study was necessary to determine these loss factors because unlike the Sunflower transmission and Member distribution systems, the FBR Facilities are not metered at all distribution substations. In general, distribution substations corresponding to wholesale loads are metered, while substations corresponding to retail loads are not metered. The absence of metering points at all 34.5 kV input and output locations creates a complex arrangement from a system loss calculation standpoint. In other words, system losses cannot be simply calculated based on “metered energy in” less “metered energy out.” Rather, an engineering model needs to be established that can sufficiently represent all electrical component, loads, and associated losses.

24. Pursuant to the aforementioned study, the Members are requesting approval of the following loss factors for inclusion in each of their respective LADS tariffs:

- a. Prairie Land: 2.33%
- b. Victory: 1.76%
- c. Western: 2.50%

Because these loss factors are the result of a comprehensive study, the Members believe they accurately represent the losses on the FBR Facilities, and are just and reasonable. If approved, the Joint Applicants desire to begin using the proposed loss factors immediately

upon approval in this docket. For a more detailed description of loss factors, the loss factor study, and support for the requested loss factors, please see the Prefiled Direct Testimony of Mr. Erik Sonju.

V. TESTIMONY AND SERVICE

25. The testimony of six witnesses is submitted with this application. The names of the witnesses, the subject of their direct testimony, and the exhibits they sponsor are as follows:

James Brungardt, Manager, Regulatory Relations Sunflower

- Reasons for Sunflower joining as a Joint Applicant in this proceeding.
- Overview of how Sunflower applies the 34.5 kV facilities loss factor.

Elena E. Larson, Vice President, Manager of Rates and Regulatory Services Power Systems Engineering, Inc.

- Historical overview of the 34.5 kV FBRs
- Recap of steps necessary to continue the 34.5 kV FBRs
- Explanation of the proposed limited modification to the 34.5 kV FBRs
- Prairie Land's 34.5 kV FBR:
 - Exhibit EKL-1A: Proposed 34.5 kV FBR Protocols
 - Exhibit EKL-1B: Proposed 34.5 kV FBR Blank Template
 - Exhibit EKL-1C: Proposed 34.5 kV FBR Populated Template Example
- Victory's 34.5 kV FBR:
 - Exhibit EKL-2A: Proposed 34.5 kV FBR Protocols
 - Exhibit EKL-2B: Proposed 34.5 kV FBR Blank Template
 - Exhibit EKL-2C: Proposed 34.5 kV FBR Populated Template Example
- Western's 34.5 kV FBR:
 - Exhibit EKL-3A: Proposed 34.5 kV FBR Protocols
 - Exhibit EKL-3B: Proposed 34.5 kV FBR Blank Template
 - Exhibit EKL-3C: Proposed 34.5 kV FBR Populated Template Example

**Erik Sonju, President and Vice President of Utility System Planning and Studies
Power Systems Engineering, Inc.**

- Results of loss factor study
 - Exhibit ESS-1: Curriculum vitae
 - Exhibit ESS-2: MKEC 34.5 kV System Loss Analysis – Prairie Land Electric Cooperative, Inc.
 - Exhibit ESS-3: MKEC 34.5 kV System Loss Analysis – The Victory Electric Cooperative Association, Inc.
 - Exhibit ESS-4: MKEC 34.5 kV System Loss Analysis – Western Cooperative Electric Association, Inc.

**Thomas Ruth, General Manager
Western**

- Overview of Western's organization and governance.
- Western's support for this Joint Application.
 - Exhibit TR-1: LADS Tariff

**Shane Laws, CEO
Victory**

- Overview of Victory's organization and governance.
- Victory's support for this Joint Application.
 - Exhibit SL-1: LADS Tariff

**Charles W. Look, CEO
Prairie Land**

- Overview of Prairie Land's organization and governance.
- Prairie Land's support for this Joint Application.
 - Exhibit CWL: LADS Tariff

26. In addition to the undersigned, copies of pleadings, documents, and correspondence in this docket should be sent to:

Sunflower Electric Power Corporation 301 W. 13th Street P.O. Box 980 Hays, Kansas 67601	James Brungardt Regulatory and Rate Analyst jbrungardt@sunflower.net	Monica A. Seib Corporate Paralegal Supervisor mseib@sunflower.net
Prairie Land Electric Cooperative, Inc. 14935 US Hwy 36	Charles W. Look CEO	Kirk Girard Assistant to the CEO

P.O. Box 360 Norton, Kansas 67654	clook@prairielandelectric.com	kgirard@prairielandelectric.com
The Victory Electric Cooperative Association, Inc. 3230 N 14th Avenue Dodge City, Kansas 67801	Shane Laws CEO shane@victoryelectric.net	Angela Unruh CFO aunruh@victoryelectric.net
Western Electric Cooperative Association, Inc. 635 S 13th Street WaKeeney, Kansas 67672	Thomas Ruth General Manager tomr@westerncoop.com	Stacey Malsam Assistant General Manager/CFO staceym@westerncoop.com
Power Systems, Engineering, Inc. 1532 W Broadway Ste 103 Madison, WI 53713	Richard J. Macke Vice President of Economics, Rates and Business Planning macker@powersystem.org	Elena E. Larson Manager of Rates and Regulatory Services larsone@powersystem.org
	Erik S. Sonju President sonjue@powersystem.org	

VI. CONCLUSION

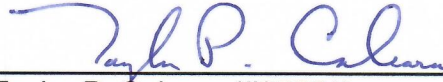
27. Continuing the 34.5 kV FBRs with the proposed modification and clarifications in this Joint Application and updating each Member's loss factor in its LADS tariff is in the public interest and should be approved by the Commission. The 34.5 kV FBRs result in just and reasonable rates for the Members that are fully reviewed by the Commission, its Staff, and other interested parties. The 34.5 kV FBRs provide an efficient manner for recovering investment in the 34.5 kV FBR Facilities necessary to ensure continued adequate, efficient and reliable utility service, and to maintain the financial integrity of each Member. In addition, the loss factors are a result of a comprehensive loss study, and are just and reasonable.

WHEREFORE, the Joint Applicants pray that the Commission approve the following:

- a. Continuation of each Member's existing 34.5 kV FBR with the limited modification and minor clarifications set forth in this Joint Application and supporting testimony;

- b. Updating each Member's loss factor in its respective LADS Tariff to the loss factors set forth in this Joint Application and supporting testimony; and
- c. Such other and further relief as the Commission may deem just and reasonable.

Respectfully submitted,



Taylor P. Calcara (#25561)
Watkins Calcara, Chtd.
1321 Main Street, Suite 300
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tcalcara@wcrf.com

**COUNSEL FOR SUNFLOWER ELECTRIC
POWER CORPORATION, PRAIRIE LAND
ELECTRIC COOPERATIVE, INC., THE
VICTORY ELECTRIC COOPERATIVE
ASSOCIATION, INC., AND WESTERN
COOPERATIVE ELECTRIC ASSOCIATION,
INC.**


VERIFICATION

STATE OF KANSAS)
)
COUNTY OF BARTON)

ss:

Taylor P. Calcara, of lawful age, being first duly sworn on oath states:

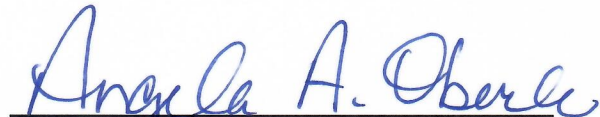
That he is counsel for the Joint Applicants; that he has read the foregoing pleading and knows the contents thereof; and that the facts therein are true and correct to the best of his knowledge, information, and belief.



Taylor P. Calcara

SUBSCRIBED AND SWORN to before me this 29th, day of July, 2020.





Notary Public

My Commission expires: April 10, 2021