

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

In the Matter of the Joint Application of Mid-Kansas)
Electric Company, LLC, Sunflower Electric Power)
Corporation, Prairie Land Electric Cooperative, Inc.,)
Pioneer Electric Cooperative, Inc., The Victory)
Electric Cooperative Association, Inc., Western) Docket No. 18- MKEE-160-TFR
Cooperative Electric Association, Inc., Wheatland)
Electric Cooperative, Inc. and Southern Pioneer)
Electric Company for Approval of a Local Access)
Tariff and Mid-Kansas and Sunflower Open Access)
Transmission Tariff.)

PREFILED DIRECT TESTIMONY OF

BRUCE W. MUELLER

**ON BEHALF OF
WHEATLAND ELECTRIC COOPERATIVE, INC.**

October 11, 2017

1 **Q. Please state your name.**

2 A. My name is Bruce W. Mueller.

3 **Q. By whom are you employed and what is your business address?**

4 A. I am employed by Wheatland Electric Cooperative, Inc. ("Wheatland"). My
5 business address for legal service is 101 Main Street, Scott City, Kansas 67871
6 and for mail receipt is P.O. Box 230, Scott City, Kansas 67871. I also serve on
7 the Board of Directors of both Mid-Kansas Electric Company, LLC ("Mid-
8 Kansas") and Sunflower Electric Power Corporation ("Sunflower").

9 **Q. What is your profession?**

10 A. I am the General Manager ("GM") of Wheatland, a member-owned Kansas
11 electric cooperative serving more than 23,400 consumers located throughout
12 nine western Kansas, six central Kansas, and two eastern Colorado counties.
13 Our corporate office is located in Scott City, Kansas.

14 **Q. What is your educational background?**

15 A. I have a BBA-Finance degree from Texas State University, and an MBA degree
16 from the University of Houston-Victoria.

17 **Q. What is your professional background?**

18 A. I began my employment with Wheatland in 2012 as GM. From 2001 until I began
19 my employment with Wheatland, I worked for San Bernard Electric Cooperative,
20 Inc. ("San Bernard") in Bellville, Texas. I began my employment with San
21 Bernard as a Special Projects Manager, which involved the overall management
22 of two departments – Member Services, and Marketing, Legislative, and
23 Regulatory. At the time I left San Bernard, I was employed as the Business

1 Group Manager-CFO where I managed several departments, including:
2 accounting, finance, consumer services, inside branch office personnel,
3 material/warehouse, meter reading/collections, member service, marketing, key
4 accounts, benefits and legislative/regulatory. Prior to entering the cooperative
5 realm, I held various management level positions with C3 Communications L.P. –
6 American Electric Power, and Central Power & Light Company-Central & South
7 West Corporation. In summary, I have over 34 years working in the investor-
8 owned electric and electric cooperative industries.

9 **Q. Have you previously presented testimony before the KCC?**

10 A. Yes. I provided testimony in Docket Nos. 13-MKEE-447-MIS, 14-SEPE-287-
11 CON, and 16-WHLE-305-RTS.

12 **Q. Please describe your responsibilities with Wheatland.**

13 A. As the GM, I direct the overall operations of Wheatland. I am entrusted by the
14 membership to lead the cooperative to achieve its mission of improving the
15 quality of life of its members and the communities it serves by providing reliable
16 and competitively priced electricity and other essential services.

17 **Q. What is the purpose of your testimony today?**

18 A. The purpose of my testimony is to provide a background of Wheatland and
19 support the approval of the Local Access Tariff ("LAT").¹

20 **Q. How is the Local System utilized by Wheatland?**

21 A. The Local System provides both retail service to our retail customers and

¹ Unless otherwise defined, all capitalized terms used here in shall have the same meaning as set forth in the Local Access Tariff.

1 wholesale transmission service to third parties to wheel power and energy for
2 Local Access Customers. Currently, Kansas Municipal Energy Agency, Kansas
3 Electric Power Cooperative, Inc., and Kansas Power Pool utilize the facilities
4 owned by Wheatland. The third-party customers are served on what is referred to
5 as the Mid-Kansas division and Sunflower division. The Mid-Kansas division
6 consists of the Local System that was acquired from Aquila, Inc. in the
7 acquisition by Mid-Kansas and later transferred to Wheatland in Docket 08-
8 MKEE-099-MIS. Customers on the Mid-Kansas division are served under the
9 Mid-Kansas OATT. There is only one customer served on what is called the
10 Sunflower legacy division, which consists of Local System facilities that are
11 integrated into the Sunflower bulk electric system. The Sunflower division
12 provides local access service under the Sunflower OATT.

13 **Q. Is Wheatland subject to the jurisdiction the Federal Energy Regulatory**
14 **Commission (“FERC”)?**

15 A. No. Wheatland is not considered a public utility pursuant to Section 201(f) of the
16 Federal Power Act. Wheatland is organized as a cooperative. It does not sell in
17 excess of 4,000,000 MW hours of sales annually. As a result, it is my
18 understanding that Wheatland is exempt from FERC regulation.

19 **Q. Is Wheatland a member of the Southwest Power Pool (“SPP”)?**

20 A. No.

21 **Q. Do you support the LAT as proposed in the Joint Application?**

22 A. Yes. Wheatland fully supports the approval of the LAT. The latest version serves
23 the retail and wholesale customer better than the current Mid-Kansas and

1 Sunflower OATTs. The LAT is far more understandable and provides a more fair
2 and equitable treatment among those that utilize the Local System. The approval
3 of the Rate Stabilization and Make-Whole Provision is especially important to the
4 retail and wholesale customers that remain in the Local System if a wholesale
5 customer leaves the system prematurely. The provision is fundamentally fair and
6 equitable for all customers and should be approved. And I also want to express
7 my support for the penalty provisions. I believe these are fair and equitable
8 enforcement provisions considering the dispute resolution process also set forth
9 in the LAT.

10 **Q. In your opinion, does the LAT provide the same core services as the**
11 **current Mid-Kansas and Sunflower OATTs?**

12 A. Yes. The LAT continues to provide open access on the Local System and retains
13 and serves as the single set of terms for service while maintaining the
14 Commission jurisdiction. Mid-Kansas and Sunflower continue as the single point
15 of contact for the ease and convenience of wholesale customers obtaining
16 customer service without the System Owner relinquishing control over its Local
17 System.

18 **Q. Is Wheatland in support of the approval of the LAT?**

19 A. Yes, Wheatland is in full support and asks the Commission to approve it as
20 proposed.

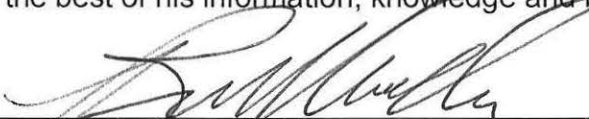
21 **Q. Does this conclude your testimony?**

22 A. Yes, it does.

VERIFICATION

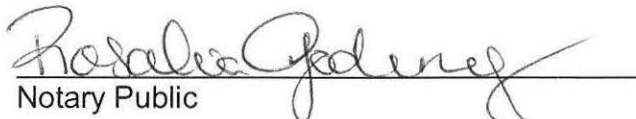
STATE OF KANSAS)
) ss:
COUNTY OF FINNEY)

Bruce W. Mueller, being first duly sworn, deposes and says that he is the Bruce Mueller referred to in the foregoing document entitled "PREFILED DIRECT TESTIMONY OF BRUCE W. MUELLER" before the State Corporation Commission of the State of Kansas and that the statements therein were prepared by him or under his direction and are true and correct to the best of his information, knowledge and belief.



Bruce W. Mueller

SUBSCRIBED AND SWORN to before me this 6th day of October, 2017.



Notary Public

My Appointment Expires:

