

**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**

**DENNIS DEINES**

**ON BEHALF OF**

**WESTERN COOPERATIVE ELECTRIC ASSOCIATION, INC.**

**October 11, 2017**

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

2   A.     My name is Dennis Deines.

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

4   A.     I am employed by Western Cooperative Electric Association, Inc. ("Western"). My  
5         business address is 635 South 13th Street, WaKeeney, Kansas. As the Co-  
6         General Manager of Western, I also serve on the Board of Directors of both Mid-  
7         Kansas Electric Company, LLC ("Mid-Kansas") and Sunflower Electric Power  
8         Corporation ("Sunflower").

9   **Q.     Would you summarize your educational background?**

10  A.     I am a 1984 graduate of Fort Hays State University with a Bachelor of Science  
11         degree.

12  **Q.     Please summarize your work experience.**

13  A.     I began my career working at Western as an Apprentice Lineman and moved on  
14         to be a Work Order Clerk as well as the Purchasing Manager. In 1990, I became  
15         the Manager of Member Services. Currently I am serving as the Co-General  
16         Manager for Western.

17  **Q.     Have you previously presented testimony before the Commission?**

18  A.     No.

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

20  A.     The purpose of my testimony is to provide a background of Western and support  
21         the approval of the Local Access Tariff ("LAT").<sup>1</sup>

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

1   **Q.    Please provide a brief overview of Western.**

2    A.    Western is an electric cooperative formed in 1945 under the Kansas Electric  
3           Cooperative Act K.S.A. 17-4601 et seq. for the purpose of supplying electric  
4           energy to eight counties in Northwest Kansas: Ellis, Gove, Graham, Ness,  
5           Rooks, Rush, Trego, and Sheridan. With the Mid-Kansas purchase of Aquila,  
6           Inc., d/b/a Aquila Networks - WPK in April 2007, Western has expanded its  
7           service into five more counties: Osborne, Russell, Barton, Lincoln, and Ellsworth.  
8           Today, Western collectively serves 12,180 meters, maintains 3,942 miles of line,  
9           and employs 57 full-time employees in its native Sunflower and acquired Mid-  
10          Kansas service areas combined. Western, therefore, has been providing electric  
11          retail service in the northwest Kansas for over 65 years.

12   **Q.    How is the Local System utilized by Western?**

13   A.    The Local System<sup>2</sup> provides both retail service to our retail customers and  
14          wholesale transmission service to third parties to wheel power and energy for  
15          Local Access Customers. Currently, Kansas Power Pool ("KPP"), Kansas  
16          Municipal Energy Agency ("KMEA"), and Kansas Electric Power Cooperative  
17          ("KEPCo") utilize the facilities owned by Western. The third-party customers are  
18          served on what is referred to as the Mid-Kansas division. The Mid-Kansas  
19          division consists of the Local System that was acquired from Aquila, Inc. in the  
20          acquisition by Mid-Kansas and later transferred to Western in Docket 08-MKEE-  
21          099-MIS. Although there is currently a Sunflower OATT, Western has no Local

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<sup>2</sup> Unless otherwise defined, all capitalized terms used here in shall have the same meaning as set forth in the Local Access Tariff.

1 System facilities in what would be the Sunflower legacy division and provides no  
2 local access service under the Sunflower OATT. All of Western's local service is  
3 provided in the Mid-Kansas division which Mid-Kansas serves as the  
4 Administrator for the local access service.

5 **Q. Is Western subject to the jurisdiction the Federal Energy Regulatory**  
6 **Commission ("FERC")?**

7 A. No. Western is considered a non-public utility under Section 201(f) of the Federal  
8 Power Act. Western is organized as a cooperative. It does not sell in excess of  
9 4,000,000 MW hours of sales annually. As a result, it is my understanding that  
10 Western is exempt from FERC regulation.

11 **Q. Is Western a member of the Southwest Power Pool ("SPP")?**

12 A. No.

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

14 A. Yes. Western fully supports the approval of the LAT. The latest version is a  
15 much-improved tariff over the Mid-Kansas and Sunflower OATTs. The approval  
16 of the Rate Stabilization and Make-Whole provision is especially important to the  
17 retail and wholesale customers that remain in the Local System if a wholesale  
18 customer leaves the system prematurely. The provision is fundamentally fair and  
19 equitable for all customers and should be approved. I also want to express my  
20 support for the penalty provisions. I believe these are fair and equitable  
21 enforcement provisions considering the dispute resolution process also set forth  
22 in the OATTs.

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

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

8   **Q.    Is Western in support of the approval of the LAT?**

9    A.    Yes, Western is in full support and asks the Commission to approve it as  
10       proposed.


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

12   A.    Yes, it does.

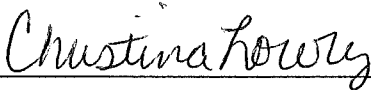
VERIFICATION

STATE OF KANSAS                     )  
  ) ss:  
COUNTY OF Trego                )

Dennis Deines, being first duly sworn, deposes and says that he is the Dennis Deines referred to in the foregoing document entitled "PREFILED DIRECT TESTIMONY OF DENNIS DEINES" 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.

  
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Dennis Deines

**SUBSCRIBED AND SWORN** to before me this 6<sup>th</sup> day of October, 2017.

  
\_\_\_\_\_  
Notary Public

My Appointment Expires: 4-25-2021

