#### BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the Matter of the Informational Filing of Mid-Kansas Electric Company, LLC to Provide Notification of a Wholesale Contract for the Purchase of Energy

Docket No. 14-MKEE-<u>354</u>-CON

#### INFORMATIONAL FILING

COMES NOW, Mid-Kansas Electric Company, LLC ("Mid-Kansas") and pursuant to K.S.A. 66-104, 66-101c, and 66-1,185 hereby files with the State Corporation Commission of the State of Kansas (hereinafter referred to as the "Commission") for informational purposes, confidential contracts entered into by Mid-Kansas for the purchase of wholesale energy from Abengoa Bioenergy Biomass of Kansas, LLC ("ABBK"). In support of its application, Mid-Kansas states as follows:

 Mid-Kansas is a Kansas limited liability company operated on a non-profit basis with its principal place of business located in Hays, Kansas. Mid-Kansas is a coalition of five Kansas consumer-owned cooperatives and one corporation wholly owned by a sixth Kansas consumer-owned cooperative<sup>1</sup> (collectively, the Members). The Members have elected to exempt Mid-Kansas from Commission jurisdiction pursuant to K.S.A. 66-104d. Notwithstanding such election, the Commission retains jurisdiction over Mid-Kansas with regard to service territory, as set forth in K.S.A. 66-104d(f).

<sup>&</sup>lt;sup>1</sup> The six electric utilities and their headquarters are as follows: Lane-Scott Electric Cooperative, Inc., Dighton; Southern Pioneer Electric Company, Ulysses; Prairie Land Electric Cooperative Association, Inc., Norton: Victory Electric Cooperative Association, Inc., Dodge City; Western Cooperative Electric Association, Inc., WaKeeney; and Wheatland Electric Cooperative, Inc., Scott City.

2. In addition to the undersigned, copies of pleadings, documents, and

correspondence in this docket should be sent to:

James Brungardt Regulatory Affairs Administrator Mid-Kansas Electric Company, LLC 301 West 13th Street P.O. Box 980 Hays, KS 67601 (785) 623-6638 jbrungardt@sunflower.net

Reneé Braun Corporate Paralegal Supervisor Mid-Kansas Electric Company, LLC 301 West 13th Street P.O. Box 980 Hays, KS 67601 (785) 623-3302 rbraun@sunflower.net

- 3. ABBK intends to construct, own, operate, and maintain a biomass-fueled electric generation facility with a gross nominal rating of 25 MVA (the "Power Plant") located in Hugoton, Kansas. The Power Plant is a Qualifying Facility ("QF") under section 210 (18 C.F.R. 292.303) of the Public Utility Regulatory Policies Act ("PURPA"). As such, under section 210(a) (18 C.F.R. 292.303(a)), interconnecting utilities are obligated to purchase any energy and capacity which is directly made available from a QF. PURPA mandates that the interconnecting utility will purchase at its avoided cost or an agreed upon contract price.
- 4. Pioneer Electric Cooperative, Inc. ("Pioneer"), a member of Mid-Kansas' sister utility Sunflower Electric Power Corporation ("Sunflower"), is the actual interconnecting utility with the QF. However, per that certain Letter

Agreement dated December 11, 2013 ("Letter Agreement"), attached hereto as **Exhibit A**, ABBK agreed and Sunflower accepted, assignment of such obligation, as allowed by 18 C.F.R. §292.303(d) so long as Pioneer's allrequirements contract is in place and the all-requirements obligation exists under law. Sunflower then assigned that obligation to Mid-Kansas pursuant to the Letter Agreement.

- 5. The result is that Mid-Kansas and ABBK have entered that certain Energy Purchase Agreement, dated as of December 12, 2013, attached hereto as Exhibit B, whereby Mid-Kansas agrees to purchase all excess electric energy up to 7 MWh per hour produced by ABBK's co-generation facility at avoided cost, as defined in Section 5.2 of the Energy Purchase Agreement.
- 6. Exhibits A and B are considered CONFIDENTIAL as they contain customerspecific contracts that contain confident commercial information that would disadvantage Mid-Kansas if made public. Exhibits A and B have been filed under confidential seal pursuant to K.S.A. 66-1220a and K.A.R. 82-1-221a.
- 7. The terms, conditions, and charges under these agreements are reasonable and in the public interest.

WHEREFORE, Applicant prays that the Commission take notice of said confidential Energy Purchase Agreement for informational purposes.

Respectfully submitted,

Mark/D. Calcara, #09957 Watkins Calcara, Chtd.

Suite 300, 1321 Main Street P.O. Drawer 1110 Great Bend, Kansas 67530 (620) 792-8231 telephone (620) 792-2775 facsimile

Taylor P. Calcara, #25561 Watkins Calcara, Chtd. Suite 300, 1321 Main Street P.O. Drawer 1110 Great Bend, Kansas 67530 (620) 792-8231 telephone (620) 792-2775 facsimile

ATTORNEYS FOR MID-KANSAS ELECTRIC COMPANY, LLC

#### VERIFICATION

STATE OF KANSAS

COUNTY OF ELLIS

SS:

I, Mark D. Calcara, of lawful age, being first duly sworn upon his oath, do state:

That I am an attorney for the above named petitioner; that I have read the above and foregoing Intervention, and, upon information and belief, state that the matters therein appearing are true and correct.

Mark D Calcara

SUBSCRIBED AND SWORN to before me this day of <u>Banuary</u>, 2014.

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Seal:

NOTARY PUBLIC - State of Kansas MELISSA A. HUBBARD My Appt. Exp. Sept. 11, 2014 Notary Public

My Commission expires: 9-11-2014

# Exhibit A

## Letter Agreement

## THESE DOCUMENTS CONTAIN CONFIDENTIAL INFORMATION NOT AVAILABLE TO THE PUBLIC ORIGINAL FILED UNDER SEAL

(Attached)

## Exhibit B

# Energy Purchase Agreement, by and between Mid-Kansas Electric Company, LLC and Abengoa Bioenergy Biomass of Kansas, LLC

## THESE DOCUMENTS CONTAIN CONFIDENTIAL INFORMATION NOT AVAILABLE TO THE PUBLIC ORIGINAL FILED UNDER SEAL

(Attached)