A Touchstone Energy® Cooperative

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THE VICTORY Electric Cooperative Assoc., Inc.
A Touchstone Energy® Cooperative

electronews

The Victory Electric Cooperative Assn., Inc.

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FROM THE MANAGER

Wind Buildout Brings Changes


Shane Laws

It seems as if they are popping up everywhere across the nation—giant "pinwheels" used to generate electricity from the kinetic nature of wind. Electric cooperatives are playing their part with more than 550 co-ops in 37 states incorporating wind into their energy resource mix.

Most co-ops acquire their wind via Power Purchase Agreements (PPAs) with independent power producers that have capitalized on the production tax credit available to wind developers. Government subsidies pay wind producers $23 per megawatt hour, and typical PPAs include a "must take" clause that requires the buyer to purchase all energy produced regardless of demand.

Victory Electric is a member of and buys power from three generation and transmission cooperatives (G&T) who have PPAs with multiple wind farms. Two of them, Sunflower and Mid-Kansas have invested in wind energy since 2007. Currently, the two companies have PPAs totaling 178 megawatt (MW). The investment in the wind helps achieve fuel diversity, have a fixed-priced hedge against volatile energy prices and meet the renewable energy requirements mandated by the state of Kansas.

During the last decade, the region has experienced a surge of wind development, primarily due to the tax credits that are slated to begin phasing out in 2020. This escalation has resulted in the rise in wind energy from 556 MW interconnected to the Sunflower/Mid-Kansas system in 2008 to approximately 3,491 MW by the end of 2018. This equates to 297 percent more wind energy than the peak energy demand on the Sunflower/Mid-Kansas system. This overabundance of wind energy has caused Sunflower and Mid-Kansas to adapt to new ways of doing business.

Changes in Operations

Just a few years ago, Sunflower and Mid-Kansas supplied wholesale energy to their members, like Victory Electric, from their own fleet of generating resources powered by natural gas, coal and wind. Operations changed when the regional transmission organization, Southwest Power Pool, launched the Integrated Marketplace in 2014. With the integrated market, generation companies no longer generate energy just for their members. Instead, they sell generation from their resource fleet into an energy market that serves a 14-state region and take advantage of the market's competitive pricing to purchase energy.

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Energy Efficiency Tips of the Month

About 30 percent of a home's heating energy is lost through windows.

Adding window coverings to your home can reduce energy loss through windows, lower electric bills and improve comfort.

Check out the following tips from energy.gov to increase savings on your electric bill:

- **Install white window shades, drapes or blinds** to reflect heat away from the house. It is always best to install exterior shades whenever possible
- **Close curtains** on south and west-facing windows during the day.
- **Install awnings** on south and west-facing windows to create shade.

Visit energy.gov and follow Victory Electric for more tips to beat the peak this summer and save on your electric use.

Happy Father's Day

Father's day is Sunday, June 17. Victory Electric wishes a great day to all the heros, protectors, providers and role models in whatever form you play the role. Happy Father's Day!

VECTEEZY

Members Win FREE CFL

Every month Victory Electric gives away free CFL light bulbs to members. ***This month's lucky winners are...***

DON ANDREWS, JOSEPH P. GONZALEZ, CALEB KISNER, MELVIN MCCARTY and **REX SCHOEN.** Come by Victory Electric's office to get your free compact fluorescent light bulb (CFL). Congratulations winners!

Fifth-Graders Visit Victory Electric

Mrs. Henry's fifth grade class learn about the digger truck the linemen use on a daily basis.

Cimarron Elementary students visited Victory Electric as part of the school's Career Camp.

Career Camp helps teach fifth-grade students about different types of jobs. "Victory Electric was chosen because students had an interest in the electrical department from our 'Day on the Farm' activity where Victory Electric showed the importance of line safety," said Ellen Henry, fifth grade teacher.

"We hope to spark interest to help students not only succeed in school, but also to help them succeed in life and have passion and drive to always be a better person," Henry said.

The teachers helped expose students to nearly 40 careers based on the students' interests in Cimarron and the neighboring communities.

Students toured the office and met with the employees of member services, communications, accounting, information technology and engineering.

"Teaching kids about cooperatives and how we operate is just as important as safety," said Mikey Goddard, vice president of safety. "As a community partner, knowing there are career options at the local cooperative hopefully increases students' interest."

Victory Electric was glad to host the Cimarron Elementary fifth-graders. The safety demonstration is available year-round to any group or organization that may be interested. For more information or to schedule a safety demonstration, call Mikey Goddard at 620-227-2139 during regular business hours.

Teaching kids about cooperatives and how we operate is just as important as safety. As a community partner, knowing there are career options at the local cooperative hopefully increases students' interest.

Henry Promoted to Vice President


Rob Henry

Victory Electric is pleased to announce **ROB HENRY** as vice president of engineering.

He was hired in 2007 as a third class meterman and then moved to manager of substations in 2009.

Henry earned his associates degree and is currently working on his bachelor's degree in business administration from Fort Hays State University through online courses.

Prior to working at Victory Electric Henry worked as a production technician for FPL Energy Services wind tower sites.

When Victory Electric acquired Aquila, Henry started the substation department.

"We went from 16 substations to more than 50," Henry said. "We needed someone who could keep documentation and do the proper testing. I just ran with it."

Henry's knowledge also led to the creation of Victory Electric's supervisory control and data acquisition (SCADA) system.

"The software was purchased, and I created the system with the help of substation department members and others," Henry said. "It was project that helped the cooperative is many ways."

Henry's knowledge and skills earned him the job as the vice president of engineering. "We have skilled people who already work in the cooperative," said Shane Laws, Victory Electric CEO. "I know Rob is going to make a great addition to the leadership team at Victory Electric."

In his new position, Henry's primary role is to maintain the cooperative's electrical system model, including mapping, line design and substation placement. He will also plan, manage and direct the cooperative's engineering department and much more.

"I am excited and look forward to learning all I can," Henry said.

Henry is a Dodge City native. He and wife Tami have two children; Jade and Wyatt. Henry enjoys tinkering in the shop, camping, fishing, gardening and spending time with his family.

Victory Electric congratulates Rob on his promotion and know he will do great things for our members and the cooperative.

Victory Electric Hires New Accountant


Jesssica Garcia

Victory Electric is pleased to welcome **JESSICA GARCIA** as an accountant.

Garcia attended Kansas State University and graduated with her bachelor's degree in accounting and finance in 2013.

"I am excited about being here," Garcia said. "I have heard great things about Victory Electric."

Garcia joins us from Kennedy McKee where she served as a staff accountant.

Garcia is a Dodge City native. She enjoys learning to golf and walking her two dogs: a rescue dog and a mini aussie. Garcia also enjoys traveling to Kansas City to see her brother and nephew.

As an accountant at Victory Electric, she will compile receipts, reconcile bank accounts, complete monthly financial statements and board reports, and much more.

Victory Electric looks forward to having Jessica on our team!

When you see Jessica, help us welcome her to the cooperative family.

Victory Electric Wins National Communications Awards

Shane Laws, CEO, and Jerri Imgarten, vice president of communications, receives two Spotlight on excellence awards.

JERRI IMGARTEN, vice president of communications, received two Spotlight on Excellence awards from the National Rural Electric Cooperative Association (NRECA). She received the Gold award for "Best Graphic Design" for the T-shirt she designed for the 2017 Lineman Rodeo, and she received the Silver award in the same category for her 2017 Dodge City Days T-shirt design.

The Spotlight on Excellence award program was created by the National Rural Electric Cooperative Association in 1987 to recognize the top-rated communication and marketing efforts by electric cooperatives. Sixteen categories are recognized, including writing, design, overall publication and digital media.

Victory Electric competed with other cooperatives our size for the award. More than 770 entries were submitted for the program's 30th year.

Imgarten has won Spotlight on Excellence Awards in the past for her graphic design entries.

Wind Buildout Brings Changes

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The abundance of wind energy often creates market conditions in which demand for fossil-fuel generation is sporadic. Not only do the generating plants ramp up and down to follow the fluctuation of wind, but they are also often operated at reduced levels of production or even stand idle to make way for wind energy.

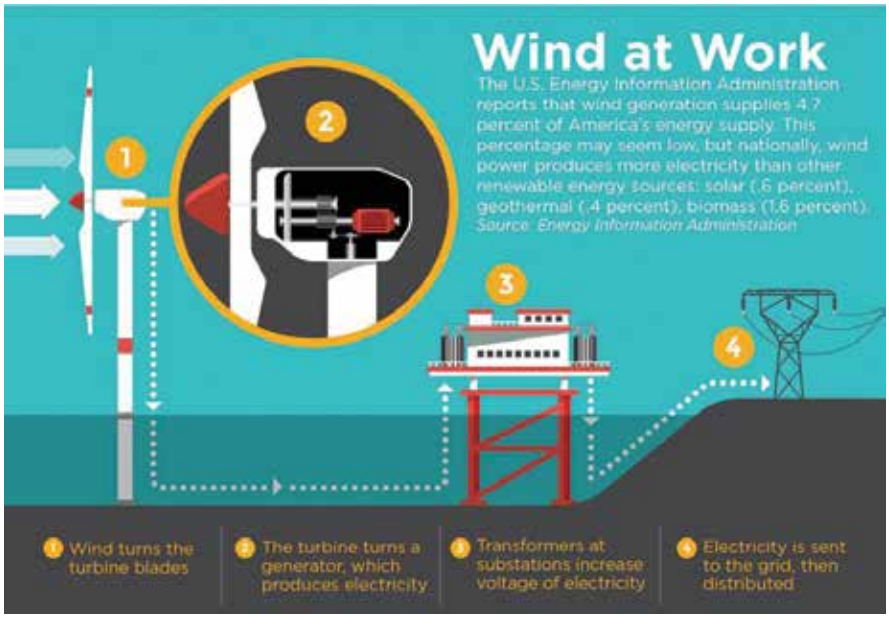
To accommodate to the fluctuation of wind and provide ramping support for the Southwest Power Pool (SPP), Sunflower's 360-MW coal-fired unit at Holcomb and gas-fired internal combustion engines and turbines often cycle from minimum to maximum load causing the units to start more frequently, typically with short run times, which has lead to maintenance issues that weren't as prevalent when these units operated more consistently.

The availability of traditional dispatchable generation, such as coal and natural gas, remains necessary to ensure that reliable electricity is always available to our members. However, units operate in a manner in which they were not intended causes costly mechanical issues. In addition, no matter the level of operation, staff must remain on hand to maintain each generation unit or operate it when it receives SPP's notification to run.

Focus on Transmission

The energy produced by each wind farm requires adequate transmission infrastructure to carry it from its point of origin to where it is needed. When sufficient transmission capacity is not available to support the flow of power, the result is transmission congestion, which can cause energy price volatility in the integrated market, impair grid reliability, and make an area more vulnerable to outages.

Some solutions to congestion include transmission construction and upgrades, which come at a significant cost to energy ratepayers. To keep electric rates as reliable and affordable as possible, we consider all options to mitigate transmission problems, such as working with other utilities to share costs on transmission projects, analyzing the need for additional transmission, and studying alternative solutions such as generator modifications and batteries that are less expensive than new transmission.



Rate Pressures Caused by Wind

With wind energy, it is challenging to balance energy supply and demand. There is substantially more wind generation than demand for energy, also known as 'load.' Because wind typically blows the most when we have the lowest energy demand, it's not uncommon to have wind generation injected into our system almost triple the amount of load we are serving from the system.

When this happens, the principles of supply and demand kick in. When there is more energy being supplied than there is demand to consume it, the excess energy has to be exported. This export energy flows on transmission lines that were designed to serve rural western Kansas load, not to export substantial amounts of wind energy to other parts of the country. When flows begin to approach the design limitations of the transmission facilities, the lines are said to be "congested."

The integrated market uses a pricing method in an attempt to relieve congestion. Energy prices on the upstream side of the congestion are lowered to encourage generators to produce less, while energy prices on the downstream side of the congestion are raised to encourage generators to produce more. Because wind producers receive a production tax credit on all energy produced, energy prices often have to drop to negative values before wind generators respond and reduce output. For buyers, the drop in the price of energy is good. For those who have energy to sell, the depressed pricing hurts the bottom line.

Like every other energy resource, wind energy has its pros and cons. Victory Electric and our power providers are not fuel biased; we are member biased. Each and every day we strategize about the best way to utilize our assets in order to provide our members with the best service possible.

Thanks, Shane

Brent Cormany plants as the sun sets on his family's farm.

RACHELLE CORMANY

VICTORY ELECTRIC'S SAFETY SHARE

Stay Focused on Safety During Planting

During plating season, many farmers reap the benefits of advancement in agricultural technology. With the help of GPS auto-steer devices, farmers are able to decrease driver error and maximize productivity. Yet despite these advances, safety risks remain. To help farmers stay out of harm's way, Victory Electric shares tips for a safe plating season.

GPS with auto-guidance provides farmers with real-time location data, which can be used for crop planning, map making, navigation assistance and machinery guidance. During planting, this technology allows drivers to have their hands off the steering wheel as the planter maneuvers itself through the field. Thanks to this technology, farmers can more easily and efficiently maintain accuracy even during low-light conditions, which enhances productivity.

"One critical part of safety around electricity is awareness," said Mikey Goddard, vice president of safety. "It's important to remember that farm machinery is vulnerable to hitting power lines because of its large size, height and extensions. Being aware of the location of overhead power lines and planning a safe equipment route can help reduce accidents."

In equipment with auto-guidance systems, less focus is needed on steering, which may lead some drivers to think that they do not need to be as aware of navigation issues. However, even while using a GPS with auto-steering, farm workers need to keep safety in mind and stay focused on their surroundings.

Putting safety first requires alertness, focus and knowledge of potential hazards and safety steps. Varying pass-to-pass accuracy levels and potential issues, such as power poles not being correctly plotted in the system, reinforce the need for drivers to stay focused on the location of the farm equipment while in the field and to be ready to take action if necessary.

Regardless the technology used on the farm, keep the following electrical safety guidelines in mind:

- Use a spotter when operating large machinery near power lines.
- Keep equipment at least 10 feet from power lines—at all times, in all directions.
- Look up and use care when moving any equipment such as extending planter guides.
- Inspect the height of farm equipment to determine clearance.
- Always set extensions to the lowest setting when moving loads to prevent contact with overhead power lines.
- Never attempt to move a power line out of the way or raise it for clearance.
- If a power line is sagging or low, contact Victory Electric.

If your equipment does make contact with a power line, do not leave the cab. Immediately call 911, warn others to stay away and wait for the utility crew to cut the power.

The only reason to exit equipment that has come into contact with overhead lines is if the equipment is on fire, which is rare. However, if this is the case, jump off the equipment with your feet together and without touching the ground and machinery at the same time. Then, still keeping your feet together, hop to safety as you leave the area.

Food Drive Benefits Veterans for Fourth Summer

Nearly 200 members call Fort Dodge their home, and for the fourth year Victory Electric members will help stock the food pantry of Nimitz Hall.

Founded in 1864, Fort Dodge's primary purpose was to protect the Santa Fe Trail travelers between Fort Larned and Fort Lyon until January 1980. Since then, Fort Dodge has helped veterans by serving as the Kansas State Soldiers Home.

To help stock the pantry, Victory Electric is hosting the "Vittles for Vets" food drive.

"Our veterans have given so much of themselves for our country. Now it is time again to give back to them," said Shane Laws, CEO of Victory Electric. "We hope our members will again embrace the program and donate to the cause."

The idea was brought to Victory Electric in 2015 by Dodge City VFW Quartermaster Jim Massey. "I was a nurse at Fort Dodge for four years and since then have seen a growing need for a food pantry. Victory Electric was a community partner who I thought could help." The food pantry has small items aimed at primarily helping the veterans living in the cottages of Fort Dodge.

Victory Electric will award six individual $100 bill credits to those who donate to Vittles to Vets. For every three items you donate, you will be entered for a chance to win a $100 bill credit. Drawings will be held on June 28, July 26 and August 30 (two individual $100 bill credits will be awarded at each drawing).

"For veterans to get the things they need to make simple meals or have a snack is big. Small cans provide the veterans with meals without the food going waste." Massey said. "These veterans have dedicated their lives for this country. We want to help them anyway we can."

Massey is a 20-year Army veteran who served the country from 1958 to 1978. "I have been in combat and worked on these men," Massey said. He worked as a nurse inside of the Iron Curtain of Berlin and as a combat nurse in Vietnam. "They don't need much, just the necessities and some company."

The Dodge City VFW helps veterans with things they need financially, mentally and physically. "All veterans are my brothers and sisters no matter when or where they served," Massey said. "That's why I like the food pantry. It provides for my brothers and sisters."

The food pantry is located in the clothing store at Nimitz Hall and provides canned items, sugar free gelatins and pudding cups, and other non-perishable food. The pantry helps veterans who are unable to get out and grocery shop or those who need something quick.

One of the seven cooperative principles is the concern for community. The "Vittles for Vets" food drive is a great way to stay engaged in our community and help those who fought for our freedom.

Don't forget to bring you donations to Victory Electric's office during regular business hours from June to August for a chance to win a $100 bill credit.

Thank you to our members who have donated the previous years and we look forward to making a difference this year.

Donate for a Chance to Win a $100 Bill Credit

For every three items you donate to Vittles for Vets, you will be entered for a chance to win $100 bill credit. Victory Electric will award two individual $100 bill credits at each drawing.

Drawings Will be Held On:

- June 28
- July 26
- August 30

How to Donate

Bring your Vittiles for Vets donation items to Victory Electric's office during regular business hours from June to August.

Powering Up After an Outage

When the power goes out, we expect it to be restored within a few hours. But when a major storm or natural disaster causes widespread damage, extended outages may result. Our line crews work long, hard hours to restore service safely to the greatest number of consumers in the shortest time possible. Here's what's going on if you find yourself in the dark:

1. High-Voltage Transmission Lines

Transmission towers and cables that supply power to transmission substations (and thousands of members) rarely fail. But when damaged, these facilities must be repaired before other parts of the system can operate.

2. Distribution Substation

A substation can serve hundreds or thousands of consumers. When a major outage occurs, line crews inspect substations to determine if problems stem from transmission lines feeding into the substation, the substation itself or if problems exist further down the line.

3. Main Distribution Lines

If the problem cannot be isolated at a distribution substation, distribution lines are checked. These lines carry power to large groups of consumers in communities or housing developments.

4. Tap Lines

If local outages persist, supply lines (also known as tap lines) are inspected. These lines deliver power to transformers, either mounted on poles or placed on pads for underground service, outside businesses, schools and homes.

5. Individual Homes

If your home remains without power, the service line between a transformer and your residence may need to be repaired. Always report an outage to help line crews isolate local issue.

SUMMER FUN WORD SEARCH

Energy Explorers

Summer is the best time of the year! Can you find all the words associated with summer fun in the puzzle below? Use the word bank for help.

T	U	Q	R	O	O	C	P	Y	R	I	K	F	G	N
X	G	H	M	C	W	Y	E	H	C	U	A	S	K	F
S	E	T	G	I	C	I	L	E	J	P	S	A	S	Q
Y	A	E	E	Q	D	I	C	G	F	I	J	F	H	Q
N	B	O	H	F	I	R	Q	N	M	V	O	I	C	Y
Y	Z	P	J	S	E	H	W	O	W	T	T	N	A	I
L	R	K	P	A	U	O	X	D	W	D	Z	E	E	U
S	W	I	M	M	I	N	G	P	O	O	L	F	B	V
C	W	F	D	T	L	R	S	H	G	O	U	L	T	K
Q	I	T	H	X	W	Q	N	C	R	H	H	I	C	P
Y	B	N	A	M	O	Z	F	K	R	W	E	E	H	D
X	O	U	C	Z	I	N	K	V	D	E	J	S	M	H
Z	J	Z	I	I	F	U	M	T	L	J	E	P	G	T
U	K	T	R	X	P	K	U	U	L	O	H	N	R	W
Q	Y	Z	L	N	G	Q	U	S	G	G	K	A	C	V

WORD BANK

BEACH
BARBECUE
BIKE RIDE
ICE CREAM
PICNIC
SUNSCREEN
SWIMMING POOL