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PRAIRIE LAND
ELECTRIC COOPERATIVE

NEWS

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POWER LINE ISSUES

Call 800-577-3323 to report outages and other power line issues.

POWER
to make life better

Behind the Cost of Power | Part 1

Understanding the cooperative difference

BY STEVE EPPERSON, CEO, SUNFLOWER ELECTRIC POWER CORPORATION

CO-AUTHORED BY KIRK GIRARD, CEO, PRAIRIE LAND ELECTRIC COOPERATIVE

For many families and businesses, monthly expenses have become harder to manage. Groceries, fuel, insurance, housing, and nearly every other essential service have experienced rising costs. Electricity is no exception.

We know higher electric bills matter. They affect family budgets, farms, businesses, and communities across rural Kansas. That is why Prairie Land and its wholesale power supplier, Sunflower Electric Power Corporation, are committed to helping you better understand the factors shaping the cost of electricity and the work happening behind the scenes to manage those pressures responsibly.

This article is the first in a series that explains what goes into the cost of power, the challenges utilities across the country face, and how the cooperative model continues to put members' interests first. With the electric industry evolving rapidly and many factors remaining uncertain, we are not intending

to predict future rate changes. We simply want to give you a clearer picture of the pressures affecting electricity costs and the work we do to keep power safe, reliable, and competitively priced.

A PARTNERSHIP BUILT TO SERVE YOU

As members, many of you are familiar with your local electric cooperative, but fewer know about the integral partnership that helps ensure the delivery of electricity to homes, farms, schools, hospitals, and businesses across central and western Kansas. We each focus on different parts of the electric grid sys-

Continued on page 12B ▶



Steve Epperson



Kirk Girard

**SHARE YOUR OPINION –
TAKE OUR MEMBER SURVEY**

Please share your opinion through this short survey as Prairie Land evaluates its member marketing and communication efforts and works to strengthen how we connect with our members and communities.



Behind the Cost of Power | Part 1 Continued from page 12A ►

tem, but we share the same purpose of serving our members and local communities reliably and responsibly.

Prairie Land specializes in serving members directly by maintaining local distribution lines, restoring outages, and providing the service and support you depend on every day. Sunflower's role as the wholesale power supplier is different but closely connected. As a generation and transmission (G&T) utility responsible for producing and transmitting high-voltage electricity, Sunflower is owned and governed by six distribution electric cooperatives, including Prairie Land, and one wholly owned subsidiary. Together, these member utilities serve communities in 58 counties across central and western Kansas.

When making power supply decisions, Sunflower's board of directors is uniquely positioned to understand and respond to your local community needs because it's made up of two representatives from each of its six member cooperatives. These representatives include a trustee from Prairie Land who was democratically elected to represent and speak on behalf of the cooperative's membership. The second representative is CEO Kirk Girard. This unique, shared governance ensures local voices help guide long-term decisions about power supply, wholesale electric rates, transmission, and reliability at every level of the electric system.

Our partnership matters because de-

Across the country, the cost of building, maintaining, and expanding the electric grid system is increasing.

cisions are made locally and collaboratively. We are not-for-profit cooperatives, and any margins generated are ultimately reinvested into the system or returned in ways that benefit members like you. That cooperative business model creates an important layer of accountability that keeps the focus on long-term reliability, responsible planning, and protecting the interests of the people we serve.

UNDERSTANDING THE COST OF ELECTRICITY

One of the most common questions members ask is: "What exactly am I paying for on my electric bill?" While every utility is different, on average, about 58 cents of every dollar on Prairie Land's electric bill is tied to wholesale power generation and transmission costs, the portion managed by Sunflower. The remaining portion supports Prairie Land's operating, infrastructure, and service costs required to safely deliver electricity to homes and businesses, as well as the collection of other transaction taxes and fees on behalf of local entities.

That distinction is important because electricity is supported by an enormous interconnected system that must function every second of every day. Power plants, transmission lines, substations, poles, wires, technology systems, and skilled employees all work together to ensure electricity is available whenever it is needed.

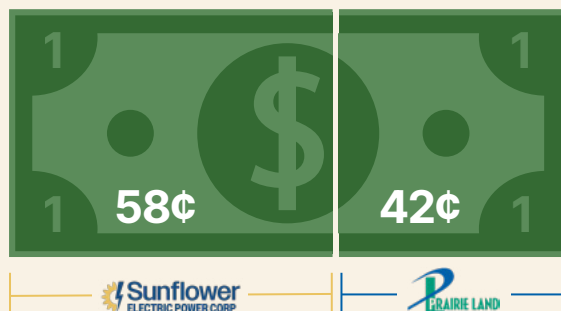
Across the country, the cost of building, maintaining, and expanding the electric grid system is increasing. Demand for

Power Cost *breakdown*

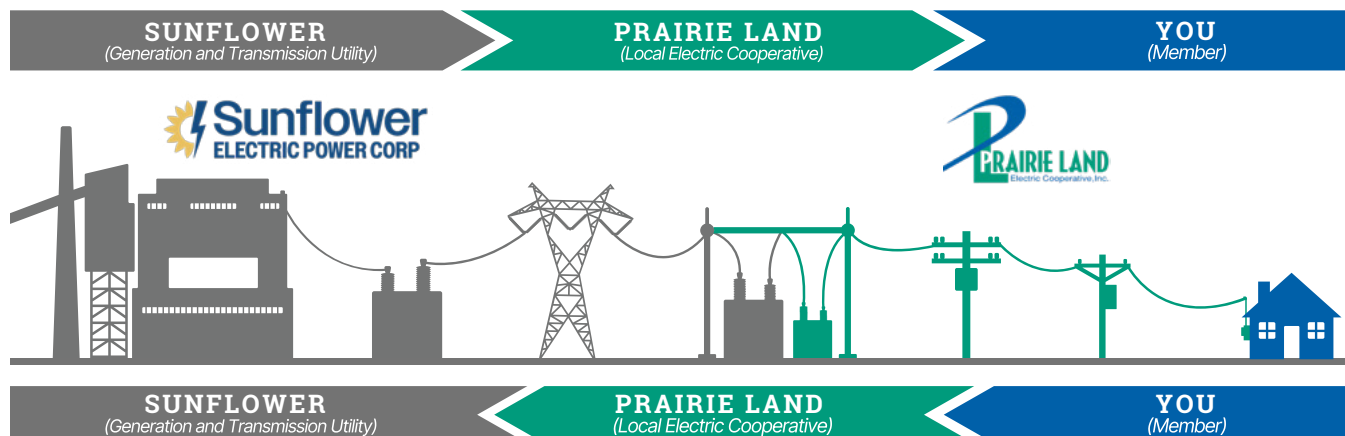
For every dollar you pay toward your electric bill, 58 cents is attributed to the wholesale cost of power from our power supplier, Sunflower Electric Power Corporation.

It covers the cost of generating electricity, transmitting it to Prairie Land, and adjusting for changes in fuel prices and market conditions.

The other 42 cents stays with Prairie Land to support cooperative operating, infrastructure, and service costs required to safely deliver electricity to homes and businesses, as well as the collection of other transaction taxes and fees on behalf of local entities.



Flow of Power / Affordability ►



◀ Cooperative Ownership / Accountability

electricity is growing at a pace the industry has not experienced in decades as homes, businesses, technology, and manufacturing become increasingly electrified. Utilities nationwide are also replacing aging infrastructure while simultaneously building additional generation and transmission resources to maintain reliability and meet any future demand for electricity.

At the same time, critical electric grid equipment, including transformers, breakers, switchgear, and other specialized materials, is becoming more expensive and increasingly difficult to obtain in a timely manner due to nationwide supply chain constraints and growing demand. These are not challenges unique to Sunflower. G&T utilities across the country are navigating many of the same challenges.

AFFORDABILITY AND ACCOUNTABILITY GO HAND IN HAND

As we discuss the cost of electricity, it is important to recognize something else: accountability. At Sunflower, we often describe the electric system as a partnership where electricity flows in one direction from generation facilities through the transmission system to Prairie Land and ultimately to your home, while cooperative membership and accountability flow in reverse. The cooperative structure creates a chain of ownership from you to Prairie Land and from Prairie Land to Sunflower.

As a member and an owner, this means the people making decisions about your power supply are held directly accountable to you for

ensuring decisions across the entire electric system are made with the long-term interests of all members in mind.

We know rising costs create concern, as we share many of those same concerns. The responsibility to provide reliable electricity at the lowest cost is not something we take lightly. That is why our focus is not simply on reacting to industry changes but actively planning for them. Every day, Sunflower and its member utilities work together to operate efficiently, plan responsibly, advocate for fair policies, and pursue strategies that help manage long-term cost pressures while maintaining reliable service.

LOOKING AHEAD

The electric industry is changing rapidly, and many of the forces shaping electricity costs are complex. Over the next year, we will take a deeper dive into the major factors influencing the cost of electricity and the opportunities and challenges ahead. Future articles will discuss topics such as growing energy demand, regional transmission expansion, supply chain challenges, infrastructure investment, economic growth, and the steps Sunflower and its members are taking to help manage costs and maintain reliability for the long term.

Through it all, one thing remains unchanged: the cooperative mission to serve members, strengthen communities, and provide reliable electricity as responsibly and efficiently as possible. That mission is shared by Sunflower and Prairie Land, and it continues to guide every decision we make on your behalf.

[We] are committed to helping you better understand the factors shaping the cost of electricity and the work happening behind the scenes to manage those pressures responsibly.



Megan Heier

PRAIRIE LAND WELCOMES HEIER TO STAFF

MEGAN HEIER recently joined Prairie Land as the human resources/payroll specialist. Originally from Grainfield and now residing in Norton, Megan supports employee services and payroll functions while helping ensure smooth day-to-day operations. Outside of work, she enjoys playing volleyball, gardening, and spending time watching crime documentaries and reality TV.



Staying Prepared

Questions about Southwest Power Pool's Energy Emergency Alerts? Scan the QR code to learn:

- what happens during an EEA
- how Prairie Land responds
- what members can expect when electric grid conditions become strained



TIPS TO AVOID ENERGY SCAMS

Never make a utility payment to anyone who calls, texts, or emails you demanding immediate payment. While Prairie Land Electric Cooperative may call to follow up on a past-due bill, we will always send a written disconnect notice by mail first.

If you're ever unsure, call us directly at 800-577-3323 or visit our website to verify your account status.

STAY ALERT. STAY SAFE.



SAFETY TIP

Keep TVs, lamps and other heat-producing items away from your thermostat. They can affect the temperature reading and cause your cooling system to run longer than needed.

SOURCE: WWW.SAFEELECTRICITY.ORG

