

2024

# ANNUAL Report



Kansas Electric Power Cooperative, Inc.

## GUIDING PRINCIPLES

**SAFETY:** We are devoted to a culture of safety to assure an accident-free, secure, and healthy work environment.

**INNOVATION:** We promote continuous learning, development, and creative thinking to encourage innovative, proactive, cost-effective, and technologically relevant business and energy solutions.

**ENGAGEMENT:** We strive to provide a positive, professional, and respectful work environment for our employees and members, and we are committed to building relationships based on genuine caring and understanding.

**INTEGRITY:** We expect our team to be completely transparent, open to new ideas, honest, trustworthy, fully accountable, ethical, and to do the right thing for our members, our industry partners, the general public, and each other.

**FINANCIAL RESPONSIBILITY:** We strive to provide power supply, support, and services to our members at the lowest possible cost, consistent with sound business practices, board policies, and cooperative principles.

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## OUR PURPOSE

KEPCo strives for excellence in providing safe, reliable, economical, and environmentally responsible power supply, exceptional support, and innovative services to our members and the Kansans they serve.



**Kevin Noblet**  
Executive Vice  
President  
& CEO



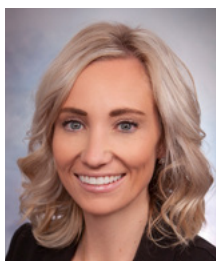
**Mark Barbee**  
Senior Vice President &  
Chief Operating Officer



**Susan Cunningham**  
Senior Vice President &  
General Counsel



**Coleen Wells**  
Senior Vice President &  
Chief Financial Officer



**Stephanie Anderson**  
Finance & Benefits  
Analyst III



**Lindsay Clark**  
Administrative  
Assistant



**Jerad Crotinger**  
Senior Operations  
Technician - Topeka



**Chris Davidson**  
Manager of  
Engineering



**Terry Deutscher**  
Manager, SCADA &  
Meter Maintenance



**Mark Doljac**  
Executive Director,  
Rates & Planning



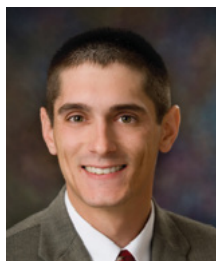
**Rebecca Fowler**  
Director, Regulatory  
Affairs



**Carol Gardner**  
Operations Analyst III



**Shawn Geil**  
Executive Director,  
Technical & Energy  
Services



**Robert  
Hammersmith**  
Senior SCADA/  
Metering Technician  
- Salina



**Kristina Kuebler**  
Operations Analyst I



**Adam Lee**  
Senior SCADA/  
Metering Technician -  
Hutchinson



**Matt Ottman**  
Information Systems  
Specialist III



**Julie Spielman**  
Finance & Accounting  
Specialist III



**Claudine Stueve**  
Executive Assistant  
& Manager of Officer  
Services



**Phil Wages**  
Director, External  
Affairs



**Eric Wylie**  
Senior Engineer



**Luke Zahner**  
Engineer II

## MESSAGE FROM THE BOARD PRESIDENT AND EXECUTIVE VICE PRESIDENT/CEO

# A Year of Resilience, Progress, Continued Commitment to Reliable Power



**CHUCK GOECKEL**  
Board President



**KEVIN NOBLET**  
Executive  
Vice President & CEO

It is with great pride and appreciation that we present this year's annual report on behalf of Kansas Electric Power Cooperative (KEPCo). As we reflect on 2024, we recognize it as a year defined by change, resilience, and progress. Despite the challenges and transitions, our unwavering focus remained on delivering safe, reliable, and affordable power to our members.

This year marked a pivotal moment in KEPCo's journey. With transitional leadership in place for most of the year, we embraced both continuity and transformation—honoring our strong foundation while assessing initiatives that prepare us for the future. The collaboration, innovation, and dedication of our board of trustees, staff, and members have been essential in navigating this transition and positioning KEPCo to meet the challenges and opportunities of a rapidly evolving industry under new leadership.

### OPERATIONAL EXCELLENCE AND SAFETY

In 2024, KEPCo achieved its highest ranking among G&T cooperative peers. While we will always strive for continuous improvement, this ranking reflects the measurable progress we've made in performance and operational excellence.

One of our most important commitments is to safety and security. We are proud to report that in 2024, KEPCo experienced zero recordable or lost-time safety incidents and zero cybersecurity breaches. These achievements are a testament to the vigilance and professionalism of our team, as well as our culture of accountability.

### FINANCIAL HEALTH

Our financial health remains strong. We completed KEPCo's first comprehensive cost of service study in 14 years, an essential step toward ensuring that we recover costs fairly and are prepared for potential new large loads and other emergent industry trends. KEPCo's rates have remained relatively stable, with the average member rate approximately 2.7% higher than this time last year—an outcome achieved despite a volatile market and rising costs in many sectors.

As planned, we allocated \$12.1 million in Margin Stabilization Adjustment credits to our members in

2024. These credits directly support our members by helping to manage cost impacts, reinforcing our commitment to financial stewardship. We also finished the year with a healthy cash position and met all lender requirements, maintaining a solid equity-to-asset ratio.

We also issued a request for proposals to assist in updating KEPCo's financial plan, ensuring our strategies remain relevant and forward-looking.

KEPCo Services, Inc., KEPCo's wholly owned, for profit engineering subsidiary, has continued to provide exceptional engineering services to both members and non-member cooperatives, delivering technical excellence while contributing positively to KEPCo's financial position.

### STRATEGIC ENERGY PLANNING AND RESOURCE DEVELOPMENT

Looking toward our long-term energy strategy, we completed the development of a comprehensive Integrated Resource Plan for KEPCo on a total company basis. This plan is designed to guide our decision-making and investments in generation resources and energy procurement, ensuring we can meet our members' needs well into the future.

In 2024, KEPCo executed a Power Purchase Agreement for 25 megawatts of solar power. With commercial operation anticipated by December 31, 2026, this project will provide capacity and valuable peak energy while representing a key step toward enhancing our energy mix with an additional sustainable resource that helps diversify our generation portfolio.

### COLLABORATION

We remain committed to cultivating strategic partnerships that serve our members' interests and strengthen KEPCo's long-term stability. As part of this



effort, we continue to actively assess our current and future power supply needs and explore collaborative opportunities with a range of potential partners.

We also deepened our collaboration with municipal agencies, enabling us to share resources, reduce costs, and strengthen advocacy efforts across shared areas of concern.

## ENGAGEMENT

A Member Engagement Committee was created by the board to explore and recommend new programs and services that KEPCo can provide to support our members' evolving needs. This is just one of the many ways we are working to increase responsiveness and value for our members.

## INVESTING IN RURAL KANSAS

In 2024, five Rural Economic Development Loan and Grant (REDLG) program applications were submitted to USDA. Four of the applications were selected for funding this year, resulting in approximately \$3.1 million in capital investment and the creation of 82 new jobs in rural Kansas. The fifth application was also selected and will be funded in 2025. KEPCo's assistance with this program demonstrates our continued focus on economic development and community growth.

## CYBERSECURITY ENHANCEMENTS

KEPCo has made significant strides in enhancing our cybersecurity posture. We developed a new cybersecurity handbook that is nearly complete, and it will serve as a critical tool in safeguarding our systems, infrastructure, and data.

Additionally, a member of KEPCo's IT staff earned the Certified Information Security Systems Professional (CISSP) certification. CISSP is an independent information security certification granted by the International Information System Security Certification Consortium. This certification is recognized globally and is designed to validate an individual's expertise in information security.

## RESOURCE PERFORMANCE

Our generation resources operated safely, cost-effectively, and reliably in 2024. Highlights include:

- The Wolf Creek Nuclear Generating Station successfully and timely completed refueling outage 26. Wolf Creek employees, with the assistance of supplement workers, performed nearly 10,000 scheduled maintenance activities to ensure continued safe and reliable nuclear generation.

**As we look to 2025 and beyond, we remain focused on building a cooperative that is resilient, innovative, and prepared for the future.**

- Iatan 2 successfully completed a spring maintenance outage earlier than planned. Iatan 2 continued to operate flexibly, alternating between online and offline status depending on Southwest Power Pool's (SPP) needs and market conditions. Iatan 2 had an Equivalent Availability Factor of 85.29%, which exceeded the five-year industry average for similarly sized coal units.
- Phase 2 of the Sharpe Station controls upgrade project was completed in 2024. All ten units were available to operate when committed by SPP.
- Prairie Sky solar continued to perform well, with production consistently at or near forecasted levels.
- Despite initially dry conditions to start the year, KEPCo received its full allocations of hydropower from the Southwestern Power Administration and the Western Area Power Administration.
- KEPCo's remaining requirements are supplied by power purchase agreements.

KEPCo has built a diverse generation portfolio. Our combined owned and purchased power provides us with power from nuclear, hydro, coal, wind, natural gas, diesel, and solar resources. In 2024, more than 67% of our energy needs were supplied by non-greenhouse gas emitting resources.

## LOOKING AHEAD

As we look to 2025 and beyond, we remain focused on building a cooperative that is resilient, innovative, and prepared for the future. We are proud of what KEPCo has accomplished this year, and we are excited for what lies ahead. Together with our board, staff, and partners, we are committed to continuing our tradition of excellence while adapting to new challenges and opportunities.

Thank you for your trust, support, and engagement. It is an honor to serve you.

With gratitude,

**CHARLES GOECKEL**  
PRESIDENT, BOARD OF TRUSTEES

**KEVIN NOBLET**  
EXECUTIVE VICE PRESIDENT & CEO



# Board of Trustees



**Dennis Svanes**  
4 Rivers Electric Cooperative, Inc.  
Trustee, Manager



**Tom Ayers**  
4 Rivers Electric Cooperative, Inc.  
Alternate Trustee



**Larry Froese**  
Ark Valley Electric Cooperative Assn., Inc.  
Trustee



**Jackie Holmberg**  
Ark Valley Electric Cooperative Assn., Inc.  
Alternate Trustee, Manager



**Kevin Brownlee**  
Butler Electric Cooperative Assn., Inc.  
Trustee, Manager



**Ron Oelkers**  
Butler Electric Cooperative Assn., Inc.  
Alternate Trustee



**Dan Hubert**  
Caney Valley Electric Cooperative Assn., Inc.  
Trustee



**Allen Zadorozny**  
Caney Valley Electric Cooperative Assn., Inc.  
Alternate Trustee, Manager



**Charles Goeckel**  
Flint Hills Rural Electric Cooperative Assn., Inc.  
Trustee, Manager



**Terry Olsen**  
Flint Hills Rural Electric Cooperative Assn., Inc.  
Alternate Trustee



**Chris Parr**  
FreeState Electric Cooperative, Inc.  
Trustee, Manager



**Mark Wulfsuhle**  
FreeState Electric Cooperative, Inc.  
Alternate Trustee



**Paul Wilson**  
Rolling Hills Electric Cooperative, Inc.  
Trustee



**Jason Rabe**  
Rolling Hills Electric Cooperative, Inc.  
Alternate Trustee, Manager



**Gene Scheer**  
Sedgwick County Electric  
Cooperative Assn., Inc.  
Trustee



**Scott Ayres**  
Sedgwick County Electric  
Cooperative Assn., Inc.  
Alternate Trustee, Manager



## EXECUTIVE COMMITTEE

**CHARLES GOECKEL**  
President

**LORI JONES**  
Vice President

**BRYAN COOVER**  
Secretary

**CHRIS PARR**  
Treasurer

**KEVIN BROWNLEE**  
Committee Member

**MARK SCHEIBE**  
Committee Member

**KIRK THOMPSON**  
Committee Member



**Mike Morton**  
Bluestem Electric Cooperative, Inc.  
Trustee, Manager



**Gary Buss**  
Bluestem Electric Cooperative, Inc.  
Alternate Trustee



**Kevin Compton**  
Brown-Atchison Electric Cooperative Assn., Inc.  
Trustee



**Michael Volker**  
Brown-Atchison Electric Cooperative Assn., Inc.  
Alternate Trustee, Manager



**Kirk Thompson**  
CMS Electric Cooperative, Inc.  
Trustee, Manager



**Mick Johnson**  
CMS Electric Cooperative, Inc.  
Alternate Trustee



**Ken Hedberg**  
DSO Electric Cooperative, Inc.  
Trustee



**Tim Power**  
DSO Electric Cooperative, Inc.  
Alternate Trustee, Manager



**Mark Scheibe**  
Heartland Rural Electric Cooperative, Inc.  
Trustee, Manager



**H.H. Stockebrand**  
Heartland Rural Electric Cooperative, Inc.  
Alternate Trustee



**Lori Jones**  
Ninnescah Rural Electric Cooperative Assn., Inc.  
Trustee



**Teresa Miller**  
Ninnescah Rural Electric Cooperative Assn., Inc.  
Alternate Trustee, Manager



**John Schon**  
Sumner-Cowley Electric Cooperative, Inc.  
Trustee



**Coni Adams**  
Sumner-Cowley Electric Cooperative, Inc.  
Alternate Trustee, Manager



**Bryan Coover**  
Twin Valley Electric Cooperative, Inc.  
Trustee



**Angie Erickson**  
Twin Valley Electric Cooperative, Inc.  
Alternate Trustee, Manager

# KEPCo Board Selects CEO

In December 2024, the KEPCo board of trustees concluded an extensive nationwide search by selecting Kevin Noblet as the new executive vice president & CEO. Noblet replaced Steven O. Foss, who served as KEPCo's interim EVP & CEO since March 2024.

Noblet brings over 25 years of experience in the electric utility industry, most recently serving as the president of the central region at Liberty Utilities. His extensive background in utility operations, with a focus on generation, transmission, and distribution engineering and planning, as well as power supply, safety, and customer service, positions him well to lead KEPCo in a rapidly evolving utility environment. Noblet holds degrees in electrical engineering and physics, a master's degree in business administration, and is a licensed professional engineer.

"We are excited to welcome Kevin as our new CEO," said Charles Goeckel, KEPCo's board president. "His proven track record in the electric utility industry, paired with his deep understanding of the technical and operational aspects of the business, makes

him an ideal fit for KEPCo.

The electric industry is currently facing significant challenges, not least of which is the unprecedented increase in generation and transmission costs. Kevin's expertise in generation and transmission planning, coupled with his executive leadership experience, will be instrumental in advancing our mission to provide safe, reliable, and affordable power to our members."

Goeckel extends his sincere thanks to Steve Foss for his assistance in helping the board navigate the CEO search process and leading KEPCo during the transition.

Noblet officially assumed the role of EVP & CEO on January 14, 2025.



**KEVIN NOBLET**

## KEPCO ELECTS BOARD OFFICERS

The KEPCo board of trustees comprises a trustee representative and an alternate from each of KEPCo's 16 member cooperatives. The board annually elects seven trustee representatives to serve as its executive committee, four board officers and three additional members.

At the November 2024 KEPCo board meeting, Chuck Goeckel was unanimously elected as board president. Goeckel is the general manager of Flint Hills Rural Electric Cooperative Assn., Inc. in Council Grove. Other officers elected were Vice President Lori Jones, trustee of Ninnescah Rural Electric Cooperative Assn., Inc. in Pratt; Secretary Bryan Coover, board president of Twin Valley Electric Cooperative, Inc. in Altamont; and Treasurer Chris Parr, CEO of FreeState Electric Cooperative, Inc. in Topeka and McLouth.

The following individuals were elected to fill three additional positions on the executive committee: Kevin Brownlee, CEO of Butler Electric Cooperative Assn., Inc. in El Dorado; Mark Scheibe, CEO of Heartland Rural Electric Cooperative, Inc. in Girard; and Kirk Thompson, manager of CMS Electric Cooperative, Inc. in Meade.



**CHUCK GOECKEL**  
President



**LORI JONES**  
Vice President



**BRYAN COOVER**  
Secretary



**CHRIS PARR**  
Treasurer





# Wolf Creek Refueling Outage 26

The Wolf Creek Nuclear Generating Station successfully completed refueling outage 26 during the period March 28 to May 11, 2024.

## WHAT IS A REFUELING OUTAGE?

A refueling outage is a scheduled shutdown of a nuclear power plant that occurs every 18 months. The purpose of the outage is to replace used – or “spent” – nuclear fuel and perform maintenance that cannot be carried out when the plant is operating. Approximately one-third of the fuel is replaced each refueling outage. The removed fuel is then stored in a fuel pool, and the remaining two-thirds of the fuel is repositioned inside the core, along with new fuel, to optimize its burn-up or consumption.

The fuel used in nuclear reactors is made up of small ceramic pellets of low-enriched uranium oxide referred to as Uranium 235. The fuel pellets, which are about the size of a pencil eraser, are stacked vertically and encased in metal rods. The 13-foot-long metal fuel rods are bundled together to form a fuel assembly, which contains ~270 rods. In total, there are 193 fuel assemblies in Wolf Creek’s reactor core.

Over time, a fuel assembly’s energy is depleted, which necessitates replacement. The spent fuel has typically been used in the reactor for 3 years (two 18-month cycles) or four and a half years (three 18-month cycles) before it is permanently removed. At Wolf Creek, the spent fuel is stored in the fuel pool until it is moved to long-term on-site dry cask storage. Wolf Creek began using the dry cask storage process in 2022. Spent fuel will be loaded in dry casks every three to five years to keep pace with usage.

During a refueling outage, plants will optimize downtime by scheduling facility upgrades, repairs, and other maintenance work while the nuclear reactor is offline, including maintenance on the reactor core itself and other activities that cannot be performed during normal operation.

Refueling outages are timed to occur in the spring or fall, corresponding to the 18-month fuel cycle. The timing matches the lost production period with the lowest seasonal demand for electricity, allowing the plants to be offline for maintenance and refueling without significantly impacting the power grid during peak usage periods.

## IS THERE ANY OVERSIGHT DURING A REFUELING OUTAGE?

Throughout the entire refueling process at a nuclear plant, the Nuclear Regulatory Commission’s (NRC) resident on-site inspectors monitor all activities to ensure that they are safely being performed as part of their normal oversight functions. Wolf Creek has two full-time NRC inspectors that work at

the plant. There are other NRC outage inspections that are performed by inspectors who come to the station specifically for outage observations. Additionally, the plant collects data and submits reports to the NRC throughout the outage.

## WHAT HAPPENS DURING A TYPICAL OUTAGE AT WOLF CREEK?

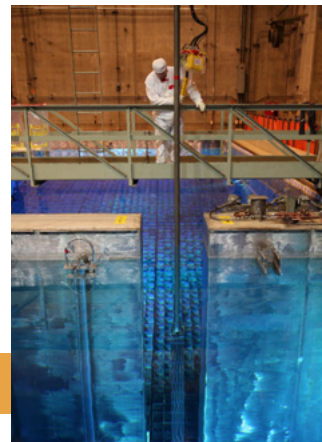
While the plant is offline, Wolf Creek personnel perform approximately 9,000 scheduled maintenance activities while working 24 hours a day, 7 days a week. Maintenance activities can range from minor repairs and inspections to major modifications and replacements. To accomplish these tasks, several hundred supplemental workers with specialty skills are brought to Wolf Creek for each refueling outage.

## REFUELING OUTAGE 26

Refueling outage 26 lasted 44 days. Approximately 700 supplemental workers were mobilized to assist and support Wolf Creek staff in the refueling, as well as completing 9,850 work activities. In total, 165,080 work hours were logged over the 44 days. “Completing this refueling outage safely, on time, and under budget is a testament to the staff’s dedication, planning, expertise, and teamwork,” said Cleve Reasoner, Wolf Creek Chief Nuclear Officer & CEO. “Every person involved — from operations and maintenance to engineering and support staff to our contract workers — played a vital role in achieving the positive results. This success reflects our commitment to operational excellence, regulatory compliance, and our mission to ‘run the plant well’ to deliver clean, reliable energy to communities across the state.”

The outage maintenance activities included steam generator work, removal of the core barrel from the reactor for inspection, replacement of the start-up transformer, and switchyard work, to name a few. In addition, there were several emergent issues that resulted in repairs. Emergent repairs are a natural outcome of performing periodic inspections and are designed to ensure upkeep of the equipment to better position the plant for reliable operation during the next cycle and future cycles to come.

Proudly, KEPCo is a 6% owner of Wolf Creek, the state’s only nuclear power plant.



## GOVERNMENT AFFAIRS

# State and Federal Advocacy

KEPCo's advocacy efforts at the state and federal levels play a central role in supporting our mission to provide safe, reliable, and affordable energy to our member cooperatives. As a member-owned electric cooperative, KEPCo has the responsibility to ensure the collective interests and positions of KEPCo and its members are protected in state and federal legislative and regulatory proceedings and at other industry-related forums.

### KANSAS STATE LEGISLATURE

In recent years, legislative focus in Kansas has been on retail rates. In 2024, the emphasis shifted towards reliability and resource adequacy. Notably, the legislature passed House Bill 2527, a comprehensive bill that includes several measures designed to promote continued operation of baseload generating plants in Kansas.

The new law allows utilities to recover costs associated with operating nuclear and coal-fired facilities that are either offline during normal conditions or operating at low-capacity factors. The new law also prohibits the state corporation commission from authorizing the early retirement of generating facilities unless certain requirements are met, including demonstration of the utility's continued ability to meet current and anticipated resource adequacy requirements of the Southwest Power Pool.

Because of the reliability and resource adequacy protections, Kansas electric cooperatives testified in support of House Bill 2527.

### DAY AT THE CAPITOL

Each year, Kansas electric cooperatives participate in the "Day at the Capitol," an event that facilitates direct interaction between cooperative representatives and Kansas legislators. This initiative allows KEPCo and our member cooperatives to share valuable insights and firsthand experiences on legislative topics under discussion.

During this year's event, KEPCo's government affairs team held productive meetings with the House Energy, Utilities, and Telecommunications Committee Chairman and the Senate Utilities Committee Chairman to discuss key bills being reviewed by both committees. Additionally, KEPCo provided a comprehensive presentation to the Senate Utilities Committee, highlighting our diverse power supply, the critical need for reliable and affordable electric service, particularly in the rural parts of the state, and other issues currently impacting cooperatives.

Phil Wages, Director of External Affairs, expressed gratitude for the chance to highlight the dedication of electric cooperatives in delivering safe, reliable, and affordable energy to rural Kansans. "Given the bitterly cold temperatures brought about by the recent polar vortex, I appreciated the opportunity to emphasize the need for a diverse generation mix in the state that includes reliable, dispatchable baseload generation to combat the extreme heat and cold," said Wages. "This opportunity underscored the importance of the reliability-related bills under review this session."

### NRECA LEGISLATIVE CONFERENCE

In April, KEPCo's government affairs team participated in the National Rural Electric Cooperative Association's (NRECA) annual legislative conference in Washington, D.C. KEPCo joined a group of 15 Kansas electric cooperative

representatives among approximately 1,300 attendees from across the country. The conference featured updates from NRECA and key government agency staff on priority issues affecting electric cooperatives and provided a platform for industry representatives to voice their concerns to congressional leaders.

The priority issues discussed with the Kansas congressional delegation this year included:

#### ► **OPPOSITION TO EPA'S PROPOSED POWER PLANT RULE** — The

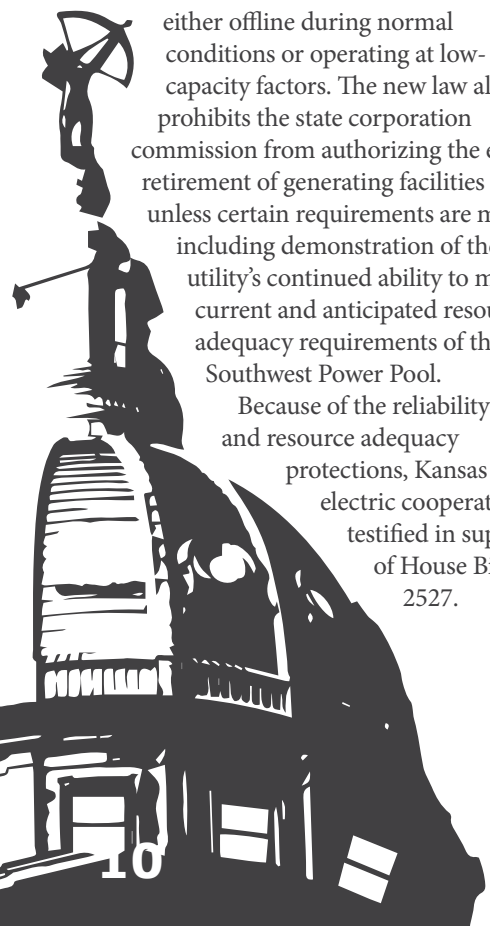
Environmental Protection Agency's proposed power plant rule requires stringent emissions controls at coal and natural gas power plants that are based on technologies that are neither ready for wide-scale use nor currently commercially available, such as carbon capture and hydrogen generation. Kansas electric cooperatives oppose this proposed rule because it threatens electric reliability.

#### ► **CONTINUED SUPPORT AND FUNDING FOR THE USDA NEW ERA PROGRAM** — Co-ops rely on

robust funding for U.S. Department of Agriculture programs that support rural economic development, infrastructure improvements, and broadband. The Kansas electric cooperatives want to ensure that funding remains strong, urging our congressional leaders to not make any cuts to the newly created Empowering Rural America (New ERA) program, which provides \$9.7 billion in grants and loans to co-ops for new and innovative clean energy systems.

#### ► **OPPOSITION TO DOE'S TRANSFORMER RULE** — The

Kansas electric cooperatives support a bipartisan Senate bill to effectively override a proposed Department of Energy rule that would force co-ops to wait even longer to get the distribution transformers they need to modernize their systems and help communities



recover from disasters. The current version of DOE's rule requires all distribution transformer cores to be made with amorphous steel by as early as 2027, even though there is only one small domestic producer of that type of steel.

#### ► **OPPOSITION TO NEW POLE ATTACHMENT REGULATIONS —**

Electric poles are important to efforts to deploy rural broadband. However, legislative and regulatory proposals to give communications providers access to co-ops' electric poles can jeopardize safety and reliability while driving up costs for rural electricity. The Kansas electric cooperatives oppose attempts to open access to co-op power poles as an effort to force not-for-profit co-ops to subsidize for-profit internet providers, while at the same time putting the co-ops' transmission and distribution systems at risk.

The NRECA annual legislative conference is the largest electric cooperative grassroots event in the nation's capital.

#### **CO-OPS VOTE**

Engaging in grassroots advocacy closer to home, KEPCo staff participated in six Co-ops Vote events from October through December. These events, attended by state legislators and government officials from districts served by electric cooperatives, are part of a non-partisan initiative by America's Electric Cooperatives. The goal is to strengthen the political influence of electric cooperatives through relationship building and voter engagement.

In collaboration with our member cooperatives, these events educate and engage legislators, government officials, and co-op staff about issues important to electric cooperatives and the communities they serve, such as ensuring continued access to reliable and affordable electricity and highlighting the contributions of co-ops within their rural communities.

Through participation in Co-ops Vote events and other advocacy efforts, KEPCo proudly earned the 5-Star Co-op designation for 2024-2025.



## **GENERATING SAFETY**

KEPCo's comprehensive safety program not only safeguards its employees but also boosts productivity, reduces costs, and fosters a positive workplace environment. By prioritizing safety excellence, KEPCo has developed a strong safety culture. This level of excellence is achieved through significant investments in improving processes, conditions, and behaviors that enhance safety performance.

All employees are required to regularly complete extensive training programs and continuous education initiatives focused on physical safety and cybersecurity. These educational opportunities enable employees to identify and eliminate workplace conditions or practices that could lead to work-related injuries or illnesses and identify cyber attempts that could compromise the company or their own personal data.

To augment KEPCo's robust cybersecurity platform, Matt Ottman, KEPCo Information Specialist III, earned the prestigious Certified Information Security Systems Professional (CISSP) certification. Recognized as a gold standard for IT and cybersecurity professionals, the CISSP certification demonstrates expertise in designing, implementing, and managing enterprise cybersecurity programs. It also validates deep technical and managerial knowledge across various domains, including security and risk management, asset security, security architecture, communication and network security, identity and access management, security assessment and testing, security operations, and software development security.

"KEPCo's Safety Committee works diligently year-round to ensure our staff receives the education, training, and hands-on learning experiences necessary to create a safe and productive work environment. As a result of our employees' dedication to safety, I am pleased to report that KEPCo did not experience any lost time accidents or cybersecurity incidents in 2024," said Mark Barbee, Senior Vice President & Chief Operating Officer.



To augment KEPCo's robust cybersecurity platform, Matt Ottman, KEPCo Information Specialist III, earned the prestigious Certified Information Security Systems Professional (CISSP) certification

**KEPCo's Safety Committee works diligently year-round to ensure our staff receives the education, training, and hands-on learning experiences necessary to create a safe and productive work environment.**



## 7 CO-OP PRINCIPLES

### **1 VOLUNTARY AND OPEN MEMBERSHIP —**

Co-ops are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

**2 DEMOCRATIC MEMBER CONTROL —** Co-ops are organizations owned and controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In co-ops, members have equal voting rights (one member, one vote).

**3 MEMBER ECONOMIC PARTICIPATION —** Members contribute equitably to, and democratically control, the capital of their co-op. They usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing the co-op, setting up reserves, benefiting members in proportion to their transactions with the co-op, and supporting other activities approved by the membership.

**4 AUTONOMY AND INDEPENDENCE —** Co-ops are self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-op autonomy.

**5 EDUCATION, TRAINING AND INFORMATION —** Co-ops provide education and training for their members, elected representatives, managers and employees so they can contribute effectively to the development of their co-ops.

**6 COOPERATION AMONG CO-OPS —** Co-ops serve their members most effectively and strengthen the co-op movement by working together through local, national, regional and international structures.

**7 CONCERN FOR COMMUNITY —** While focusing on member needs, co-ops work for the sustainable development of their communities through policies accepted by their members.

## CHARITABLE GIVING

### KEPCo Demonstrates Concern for Community

KEPCo has a long-standing tradition of supporting local and regional charitable organizations through its Charitable Giving Program and employee volunteer activities. This commitment to charitable giving and volunteerism fosters employee engagement and integrates essential values into KEPCo's corporate culture. KEPCo's charitable support efforts also exemplify the Seventh Cooperative Principle, Concern for Community, recognizing that at their core, electric cooperatives are neighbors serving neighbors.

In 2024, KEPCo and KEPCo staff, together with a matching contribution from CoBank, donated over \$30,000 to various local and regional charities. The organizations selected by KEPCo staff included the Topeka Rescue Mission, Court Appointed Special Advocates, Ronald McDonald House, Harvesters, Salvation Army, TARC, Osage County Help House, The Project 2 Restore, The Street Dog Coalition, and the Cat Association of Topeka. Additionally, staff members adopted three local senior adults during the Christmas season through the United Way Christmas Bureau.

"Donating to charitable organizations and adopting individuals or families during the Christmas season is incredibly important because it allows us to extend a helping hand to those who are in need. It brings a sense of community and compassion, reminding us that we can make a real difference in people's lives," said Lindsay Clark, Administrative Assistant and co-organizer of KEPCo's charitable activities. "Our hope is that our contributions will bring joy to our adoptees, making their Christmas a little brighter."

**Our hope is that our contributions will bring joy to our adoptees, making their Christmas a little brighter.**



## ECONOMIC DEVELOPMENT



Committed to the future of rural communities.

### KSI Engineering Committed to High Value Service and Creative Solutions

KEPCo Services, Inc. (KSI) completed its 27th year of operations. Established in 1997 as a wholly owned, for-profit subsidiary of KEPCo, KSI offers a comprehensive range of technical and engineering services to both member and non-member cooperatives seeking engineering consulting services and support. KSI's mission is to provide value-added engineering services that creatively and sustainably meet their clients' goals and objectives.

KSI blends a rich tradition of technical support with innovative electrical engineering solutions, tailored to the needs of electric cooperatives in a dynamic industry. KSI has developed an extensive portfolio of services that are executed by a team of experienced professional engineers who possess a deep understanding of the specific needs of electric cooperatives. Engineering services offered include construction work plans, sectionalizing studies, distributed generation interconnection evaluations, arc hazard assessments, spill prevention control and countermeasure plans, substation design, and work order inspections, to name a few.

With an extensive knowledge of generation, transmission, and distribution systems, KSI is dedicated to addressing the unique challenges faced by electric cooperatives and is committed to providing high-value, professional services that are both efficient and cost-effective.

In 2024, KSI participated in projects for 13 KEPCo members and one non-member cooperative, including spill plan updates, arc hazard inspections, construction work plans, work order inspections, load forecasts, load studies, solar minimum load studies, and sectionalizing studies, among others.

**Additional information about KSI and a description of KSI's current engineering services are available at [www.kepcos.org/ksi](http://www.kepcos.org/ksi).**

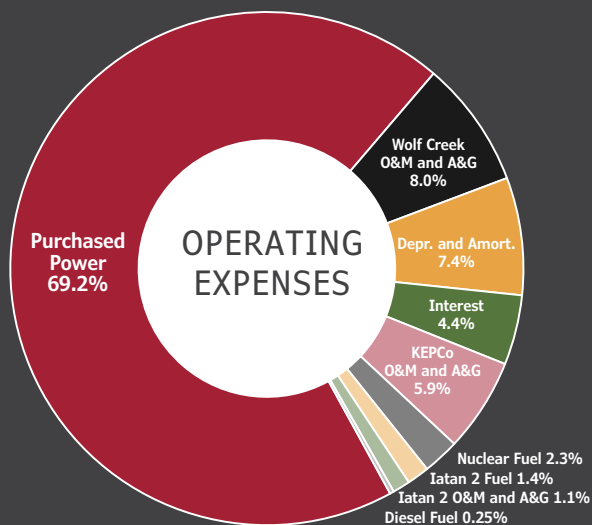


The USDA Rural Economic Development Loan and Grant (REDLG) program plays a significant role in fostering economic growth and improving the quality of life in rural Kansas communities. The program provides zero-interest loans for projects that will create and retain employment in rural areas. This financial support can attract new businesses to rural areas, encourage existing businesses to expand, and create new employment opportunities for rural residents. "Access to zero-interest loans through the REDLG program provides financial stability for rural businesses and projects, which aids long-term planning and development, allowing business and communities to invest in their future with confidence," said Susan Cunningham, Senior Vice President & General Counsel.

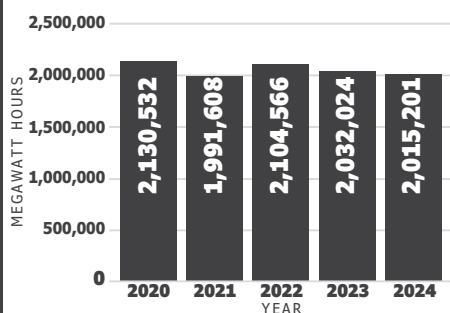
In 2024, five REDLG applications were submitted to USDA with the assistance of Phil Wages. Four of the applications were selected for funding this year, totaling \$3,093,000 in capital infusion and 82 new jobs in rural Kansas, plus an additional \$18,282,000 in supplemental financing for the four projects. The fifth application was selected for funding in February 2025.

The investments made in rural Kansas through the USDA REDLG program this year underscore its critical role in driving economic development within and around our member cooperative service areas. For rural communities to thrive, it is essential to create and maintain quality jobs and services, whether through new business ventures or the growth of existing businesses. The REDLG program provides an important financing mechanism that allows rural businesses to access affordable loans, ensuring the economic vitality of rural Kansas.

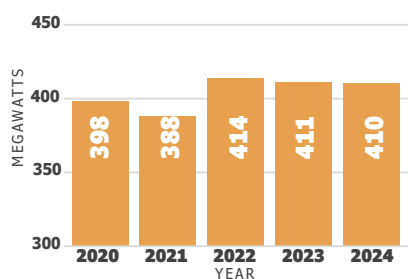
## OPERATING STATISTICS



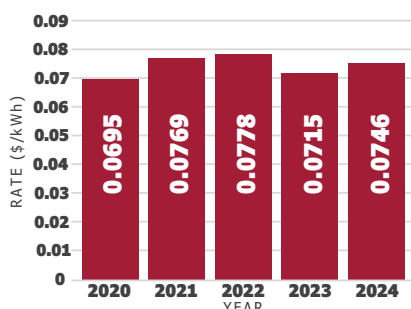
### ANNUAL ENERGY SALES TO MEMBERS



### ANNUAL COINCIDENT PEAK DEMAND

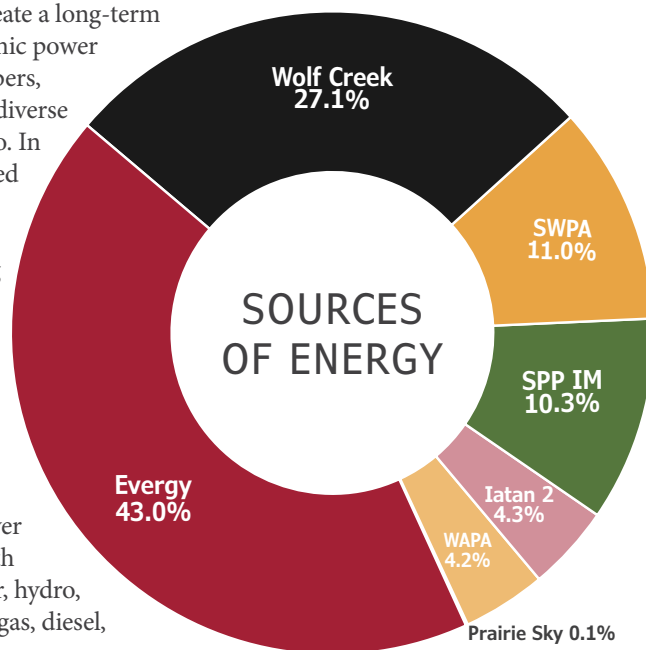


### ANNUAL AVERAGE MEMBER RATE



## Our Diverse Power Supply

In an effort to create a long-term reliable and economic power supply for its members, KEPCo has built a diverse generation portfolio. In addition to its owned generation and long-term hydro KEPCo's remaining requirements are supplied by power purchase agreements and include base, peaking power KEPCo's owned and purchased power provide KEPCo with power from nuclear, hydro, coal, wind, natural gas, diesel, and solar resources.



### KEPCO'S RESOURCES INCLUDE:

- **100 MEGAWATTS** of hydropower purchases from the Southwestern Power Administration
- **70 MEGAWATTS** of owned generation from the Wolf Creek Generating Station
- **31 MEGAWATTS** of owned generation from the Iatan 2 Generating Plant
- **20 MEGAWATTS** of peaking power from the Sharpe Generating Station
- **13 MEGAWATTS** of hydropower purchases from the Western Area Power Administration
- **1 MEGAWATT** of solar power from the Prairie Sky Solar Farm
- **POWER PURCHASE AGREEMENTS** KEPCo's remaining requirements are supplied by power purchase agreements.

As part of its power supply strategy, KEPCo seeks to maintain a diversified and balanced power supply through a mix of owning generation when prudent, purchasing power using a combination of long- and short-term contracts, adding renewables when cost effective, and incorporating demand side technology in power supply planning processes through member load management programs. Approximately 67% of KEPCo's current power supply portfolio is from non-greenhouse gas emitting resources.



INDEPENDENT AUDITOR’S REPORT

BOARD OF TRUSTEES KANSAS ELECTRIC POWER COOPERATIVE, INC., TOPEKA, KANSAS

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the consolidated financial statements of Kansas Electric Power Cooperative, Inc. (Cooperative) and its wholly owned subsidiary, which comprise the consolidated balance sheets as of December 31, 2024 and 2023 and the related consolidated statements of margin and comprehensive income, patronage capital, and cash flows for the years then ended and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Cooperative and its wholly owned subsidiary, as of December 31, 2024 and 2023, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

BASIS FOR OPINION

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States (Government Auditing Standards). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Cooperative and its wholly owned subsidiary and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cooperative’s ability to continue as a going concern within one year after the date that these consolidated financial statements are available to be issued.

AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and,

therefore, is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- ▶ Exercise professional judgment and maintain professional skepticism throughout the audit.
- ▶ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Cooperative’s internal control. Accordingly, no such opinion is expressed.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- ▶ Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cooperative’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with Government Auditing Standards, we have also issued our report dated April 8, 2025 on our consideration of the Cooperative’s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Cooperative’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Cooperative’s internal control over financial reporting and compliance.

OKLAHOMA CITY, OKLAHOMA APRIL 8, 2025

## About KEPCo

Kansas Electric Power Cooperative, Inc. (KEPCo), headquartered in Topeka, Kansas, was incorporated in 1975 as a not-for-profit generation and transmission cooperative (G&T). It is KEPCo's responsibility to provide safe, reliable, and affordable power supply to its 16 distribution electric cooperative members.

In addition to its core mission of procuring power supply, KEPCo also provides its members with related programs and services, such as assisting with rural economic development, offering electric appliance rebates, preparing load and power cost forecasting, and developing system enhancement projects, among other activities to support our members' evolving needs.

Governed by a 16-member board of trustees, KEPCo's members collectively serve over 75,000 consumer-members in the eastern two-thirds of Kansas, which represents nearly 200,000 rural Kansans. The board establishes policies, provides direction, and acts on issues that often include recommendations from board committees and KEPCo staff. The board also elects a seven-person executive committee, which includes the president,

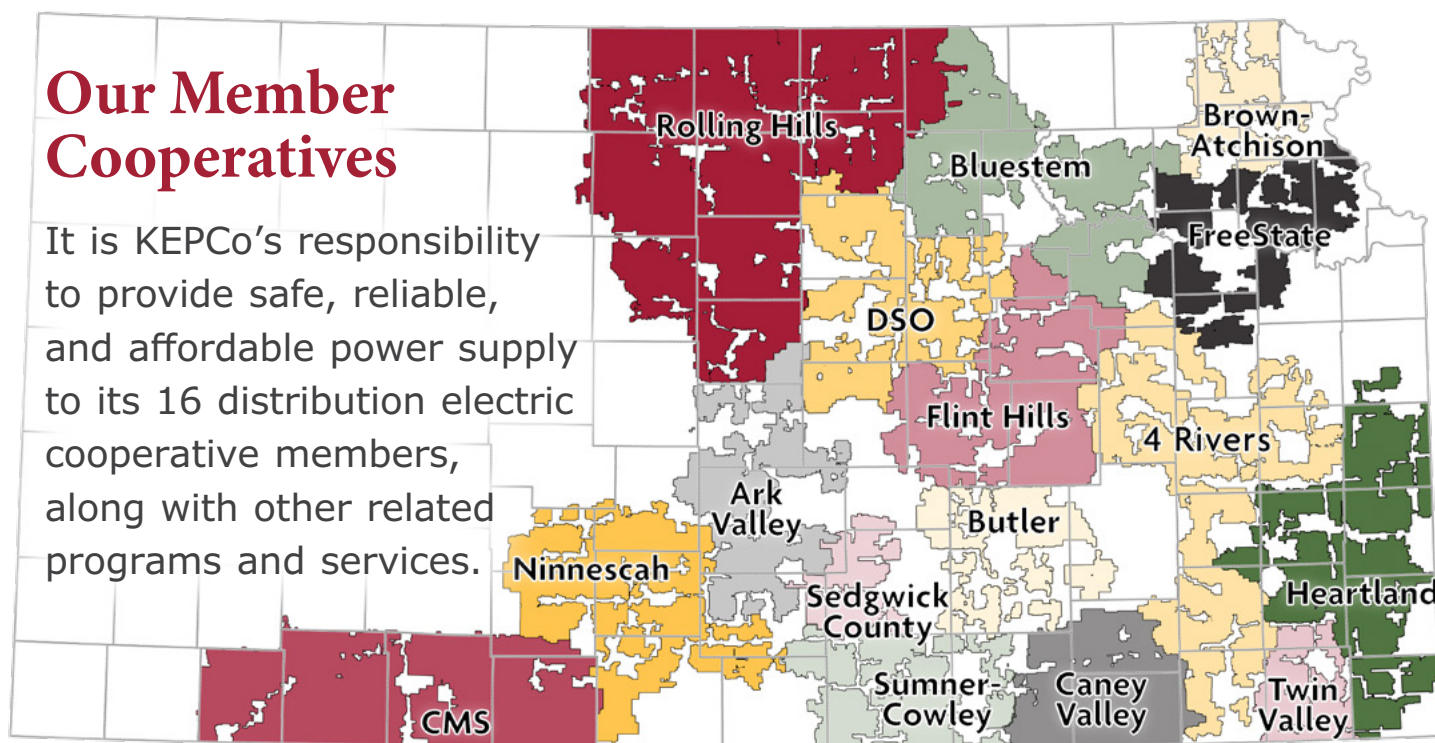
**KEPCo strives for excellence in providing safe, reliable, economical, and environmentally responsible power supply, exceptional support, and innovative services ...**

vice president, secretary, treasurer, and three additional members.

KEPCo's power supply resources consist of 70 MW of owned generation from Wolf Creek Generating Station, 31 MW of owned generation from Iatan 2 Generating Plant, 20 MW of owned generation from Sharpe Generating Station, hydro allocations consisting of 100 MW from the Southwestern Power Administration and 13 MW from the Western Area Power Administration, 1 MW of owned generation from Prairie Sky Solar Farm, and the remaining requirements supplied by power purchase agreements.

## Our Member Cooperatives

It is KEPCo's responsibility to provide safe, reliable, and affordable power supply to its 16 distribution electric cooperative members, along with other related programs and services.





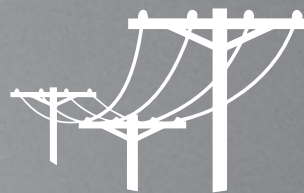
**49**

**YEARS OF  
OPERATION**



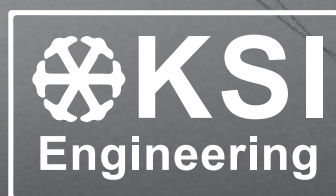
**22**

**EMPLOYEES**



**16**

**MEMBER CO-OPS**



**27**

**YEARS WITH  
KSI ENGINEERING**



**67%**

**APPROXIMATELY  
GENERATION FROM  
NON-GREENHOUSE  
GAS EMITTING  
SOURCES**





600 SW CORPORATE VIEW  
TOPEKA, KS 66615



[WWW.KEPCO.ORG](http://WWW.KEPCO.ORG)



785-271-4800



**Kansas Electric Power Cooperative, Inc.**