



# KMU DISPATCH

NOV 24, 2021

## FEDERAL ENERGY REGULATORY COMMISSION (FERC)

### FERC Issues Final Report on Winter Storm Uri

The Federal Energy Regulatory Commission (FERC) and the North American Electric Reliability Corporation (NERC) issued their final report examining the impact the February 2021 freeze had on the bulk electric system in Texas and other parts of the South-Central United States. The 300+ page analysis underscores preliminary recommendations that the two agencies released earlier this fall. The final report includes additional details regarding the need to strengthen rules for cold weather preparedness and coordination to prevent a recurrence of last winter's blackouts.

In February 2021, Winter Storm Uri caused numerous outages, derates or failures to start at electric generating plants scattered across the region. The Texas grid operator (Electric Reliability Council of Texas or ERCOT) ordered a total of 20,000 MW of rolling blackouts in an effort to prevent grid collapse, representing the largest manually controlled load shedding event in U.S. history. More than 4.5 million people in Texas lost power – some for as long as four days.

In Kansas, municipal natural gas utilities were extremely hard hit by a stratospheric increase in the cost of natural gas to heat homes during the February cold weather event. Many municipal electric and natural gas utilities will take years to pay off the costs of Winter Storm Uri.

“The final report on Winter Storm Uri is a sobering analysis that highlights the significant work that needs to be done. I previously committed to take the recommendations seriously, and I plan to do exactly that,” FERC Chairman Rich Glick said. “The devastating effects of extreme cold on our bulk power system’s ability to operate in 2011 and now, 2021, must not be allowed to happen again. We have a duty to protect the bulk power system and public safety and we will do just that.”

“Extreme weather events, such as the one in February 2021, are unfortunately becoming more commonplace and the electricity ecosystem needs to come together to plan for and prepare to operate under more extreme, longer duration, and wide area weather events,” NERC President and Chief Executive Officer Jim Robb said. “The FERC-NERC-Regional Entity Staff Report also highlights the need for substantially better coordination between the natural gas system and the electric system to ensure a reliable supply that nearly 400 million people across North America depend upon to support their way of life.”



The final report noted a critical need for stronger mandatory electric reliability standards, particularly with respect to generator cold weather-critical components and systems. Notably, a combination of freezing issues (44.2 percent) and fuel issues (31.4 percent) caused 75.6 percent of the unplanned generating unit outages, derates and failures to start. Of particular note, protecting just four types of power plant components from icing and freezing could have reduced outages by 67 percent in the ERCOT region, 47

[see FINAL REPORT ON WINTER STORM URI on page 2](#)



## FINAL REPORT ON WINTER STORM URI (continued)

percent in the Southwest Power Pool (SPP) and 55 percent in the Midcontinent Independent System Operator South (MISO) regions.



Natural gas-fired units represented 58 percent of all generating units experiencing unplanned outages, derates or failures to start. The remaining portion was comprised of wind (27 percent), coal (6 percent), solar (2 percent) and other generation types (7 percent), with four nuclear units making up less than 1 percent.

Today's final report provides more details:

- 81 percent of freeze-related generating unit outages occurred at temperatures above the units' stated ambient design temperature.
- 87 percent of unplanned generation outages due to fuel issues were related to natural gas, predominantly related to production and processing issues, while 13 percent involved issues with other fuels such as coal or fuel oil.

- Natural gas fuel supply issues were caused by natural gas production declines, with 43.3 percent of natural gas production declines caused by freezing temperatures and weather, and 21.5 percent caused by midstream, wellhead or gathering facility power losses, which could be attributed either to rolling blackouts or weather-related outages such as downed power lines.
- The Final Report includes 28 formal recommendations that seek to prevent a recurrence of the failures experienced during the February 2021 cold weather event. These recommendations include important revisions to the NERC Reliability Standards surrounding generator winterization and gas-electric coordination.

Additional recommendations are included regarding topics such as cold weather impacts on mechanical and electrical components, utilization of weather forecasts to better predict electric demand, and increasing the ability to rotate rolling blackouts, amongst other recommendations. The report also encourages additional study of the ERCOT system's reliability issues, guidance on identification of natural gas infrastructure for protection from rolling blackouts, and additional ways to address natural gas fuel supply shortfalls during extreme cold weather events.

The full report is available [here](#).

## KANSAS CORPORATION COMMISSION (KCC)

### KCC Weighs In on Evergy Sustainability Transformation Plan (STP)

In an order issued yesterday morning, the Kansas Corporation Commission (KCC) noted concerns with Evergy's Sustainability Transformation Plan (STP) and added reporting requirements to evaluate whether the STP is making progress toward regionally competitive rates and reliable electric service.



The KCC order – according to the agency – does not attempt to decide the merits of the program or associated investments as those issues will be decided in Evergy's future rate cases. However, the Commission did outline the following questions and concerns:

- How will the costs associated with the STP impact rates? It is important to achieve and maintain regionally competitive retail rates, and it is unclear at this time whether the STP improves or worsens the trajectory of rates.
- More transparency is needed on Evergy's projections of future spending increases. The original STP envisioned \$8.9 billion in capital expenditure spending from 2020 through 2024. However, in its September 21, 2021 Investor Presentation, Evergy extended its projections

[see KCC WEIGHS IN ON STP on page 3](#)



## KCC WEIGHS IN ON STP (continued)

through 2025, increasing its proposed 5-year spending to \$10.4 billion.

- The Commission remains concerned over Elliott Management’s role in encouraging and developing the STP, noting that as a regulated utility, Evergy should not prioritize shareholder interests to the detriment of ratepayer interests.
- Evergy developed the plan after entering into an agreement with Elliott Management to increase shareholder values through a standalone plan to cut expenses and increase capital expenditures, or a merger transaction. In response, the Commission opened a general investigation to protect the interests of ratepayers and provide KCC staff, stakeholders and Evergy an opportunity

to collaborate and evaluate the STP. Four informational workshops were held, and 1,472 members of the public submitted comments.

The order directs Evergy to explain the increased spending in its 5-year projections and the impact it will have on rates in a Capital Plan filing due on February 28, 2022. In addition, Evergy is required to file reports on its key performance indicators so the Commission can determine if the company is executing the STP successfully and making progress toward regionally competitive rates and reliable electric service.

The KCC order can be viewed [here](#).

## RURAL COMMUNITY ASSISTANCE PARTNERSHIP (RCAP) | AMERICAN WATER WORKS ASSOCIATION (AWWA)

### RCAP/AWWA Workshop Coming Up on November 30<sup>th</sup>

Workshop registration is now open for the *Small System Operator Training: Achieve and Maintain Compliance with SDWA*. The event will take place on **Tuesday, November 30<sup>th</sup>** from **9 a.m. to 3:30 p.m. in Independence, KS**.

This training will include LCR & RTCR overviews, updates, and compliance, including site sample plans, sample locations, materials evaluations, and certification on deliveries. CT positives will be discussed, understand real detects versus sampling issues. Main breaks and cross connection threats will be reviewed, providing a better understanding as to how these events can compromise water quality within your distribution system. There is also a hands-on sampling lab component to this workshop, giving attendees an understanding of proper procedures and technique demonstrations, followed by actual attendee sample collection. Other areas of instruction will include Data Collector, Level 1 Assessments, repeat samples, and the Groundwater Rule.



The event is provided at **no cost** and lunch will be provided on-site. **Five CEU’s are available** for operators that would like to take advantage of this learning opportunity.

This training is offered through a no cost contractual agreement between the Kansas Department of Health and Environment (KDHE), Public Water Supply Capacity Development Program, using the State Revolving Fund Set-aside, and Kansas Municipal Utilities (KMU). It is also provided in cooperation with the Kansas Section of the American Water Works Association (AWWA) and Midwest Assistance Program (MAP), an RCAP network member.

Registration is available at the link [here](#).



# PANDEMIC ASSISTANCE DRINKING WATER AND WASTEWATER FUNDING AVAILABLE



## Details:

The Emergency Water Assistance Program (EWAP) **provides payments to restore or prevent disconnection** of drinking water and wastewater services

Eligible Kansas households are those with a combined gross income **equal to or less than 150 percent** of Federal Poverty Level

Funding available: **\$9 million**

**DCF, not the water vendor,** will accept applications from households **beginning Dec. 1**

EWAP is a separate benefit from LIEAP

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Contact the Emergency Water Assistance Program with questions:

✉ [DCF.EWAP@ks.gov](mailto:DCF.EWAP@ks.gov)

## *Your partnership is vital!*

### Emergency Water Assistance Program (EWAP)

Authorized by the American Rescue Plan of 2021 and the Consolidated Appropriations Act of 2021, qualifying Kansas households may have drinking water and wastewater service reconnected or prevented from being disconnected.

Kansas is required to make payments directly to the public water utility vendor. Water vendors must be an authorized payee in the State of Kansas payment system. To do so, the vendor must provide the following to DCF:

- W-9
- Signed vendor agreement
- DA-130, if direct deposit is preferred

DCF will accept applications and coordinate payment on behalf of eligible households, not the water vendor.

### One-stop resource center

Visit [www.DCF.KS.gov/EWAP](http://www.DCF.KS.gov/EWAP) to:

- Download materials
- Watch recorded virtual information session
- Review frequently asked questions



#### FEDERAL ENERGY REGULATORY COMMISSION (FERC)

## New FERC Commissioner Confirmed

Willie Phillips Jr. was confirmed on November 16<sup>th</sup> to fill an open seat on the Federal Energy Regulatory Commission (FERC).

According to a White House announcement on his nomination, Philips has more than 20 years of legal expertise and has worked both as a regulator and in private practice. Most recently, he was a utility regulator for the District of Columbia in Washington, D.C.

Testifying before Congress in mid-October, Phillips said he would try to seek “balance” between reliability, affordability, and sustainability. “I believe that climate change is real. I believe that we have a moral and ethical

obligation to address it,” he said. “We have to have balance in our approach.”

The confirmation of Phillips gives FERC a full complement of five commissioners and gives Democrats a 3-2 majority on the panel.

FERC cannot have more than three regulators belonging to the same political party. His term expires June 30, 2026.



#### KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT (KDHE)

## Governor Announces Departure of Secretary of Health and Environment Lee Norman

Governor Laura Kelly today announced the departure of the Kansas Department of Health and Environment (KDHE)



Secretary Lee Norman. KDHE Deputy Secretary Ashley Goss will serve as Acting Secretary until a permanent candidate is appointed.

Dr. Norman has served as the KDHE Secretary since Governor

Kelly took office in 2019. Kelly is expected to name a new candidate for health secretary in the coming weeks, ahead

of the start of the regular session in January.

Before joining the Office of Governor Laura Kelly, Norman had a distinguished career in the United States Air Force as a family physician, flight surgeon, and combat medicine instructor. Dr. Norman has served as a chief medical officer for over 26 years, most recently at the University of Kansas Health System and before that the Swedish Health System in Seattle, beginning in 1991.



## EVENT CALENDAR

**November 30, 2021**

**LCR Updates and Distribution  
Systems Rules**

Independence, Kansas

**December 7-9, 2021**

**Transformer Connections Workshop**

McPherson, Kansas

**December 7, 2021**

**Asset Management AM Kan Work!  
Workshop**

Wamego, Kansas

**December 8, 2021**

**Rates & Financial Planning Workshop**

Wamego, Kansas

**December 8, 2021**

**KanCap Elected Officials Training**

Wamego, Kansas

**December 14, 2021**

**Emergency Response Planning for  
Water Utilities**

McPherson, Kansas

**December 15, 2021**

**Rates & Financial Planning Workshop  
(Online Training)**

Virtual

**January 18, 2022**

**Asset Management AM Kan Work!  
Workshop**

Eureka, Kansas

**January 19, 2022**

**Rates & Financial Planning Workshop**

Eureka, Kansas

**January 19, 2022**

**KanCap Elected Officials Training**

Eureka, Kansas

**January 25, 2022**

**Water Rate Checkup Tool Workshop**

Chanute, Kansas

**February 1, 2022**

**Water Loss & Sustainable Utility  
Management**

Medicine Lodge, Kansas

**February 8, 2022**

**Operations & Technical Conference**

McPherson, Kansas

**February 10, 2022**

**KanCap Elected Officials Training**

Great Bend, Kansas

**February 10, 2022**

**Leadership Seminar**

McPherson, Kansas

**February 15, 2022**

**Asset Management AM KanWork!  
Workshop**

Atchison, Kansas

**February 16, 2022**

**Rates & Financial Planning Workshop**

Atchison, Kansas

**February 21, 2022**

**Mobile Crane Operator Certification**

McPherson, Kansas

**February 22, 2022**

**Water Rate Checkup Tool Workshop**

Junction City, Kansas

## CAREER CENTER

**JOURNEYMAN ELECTRIC LINEMAN**

City of Gardner

**MAINTENANCE WORKER-LINE**

City of Gardner

**MANAGEMENT ASSISTANT  
(CITY MANAGER DEPARTMENT)**

City of Arkansas City

**CHIEF OPERATOR - WASTEWATER**

City of Gardner

**SENIOR STAFF ENGINEER - PUBLIC WORKS**

City of Gardner

**POWER PLANT PRODUCTION MANAGER**

Auburn BPW, Auburn, NE

**STORMWATER MANAGEMENT COORDINATOR/  
GIS TECHNICIAN**

City of Ottawa

**WATER TREATMENT LAB DIRECTOR**

City of Wichita

**COUNTY ADMINISTRATOR**

Barton County, KS

To post a classified ad to our Career Center page,  
please email text to [kmu@kmunet.org](mailto:kmu@kmunet.org).

**CAREER CENTER**