



CFC Solutions News Bulletin | May 21, 2012 | Vol. 14, No. 21

## NCSC Leads \$100 Million Mid-Kansas Syndication

The National Cooperative Services Corporation (NCSC) recently acted as lead lender in a \$100 million syndicated credit facility for Mid-Kansas Electric Company, LLC. CFC was the lead arranger of the transaction and will serve as administrative agent for the three-year unsecured revolving credit facility.



“NCSC’s and CFC’s detailed understanding of our operational needs and business structure—as well as their credibility with market participants—once again proved to be tremendously valuable to us,” said Stuart Lowry, Mid-Kansas president and CEO.

Mid-Kansas will use the funds for general corporate purposes such as investment in generation and transmission assets, other capital expenditures, and the issuance of letters of credit.

“We were very pleased to be able to lead this successful transaction, which represents Mid-Kansas’ first deal in the broad syndicated loan market,” CFC Senior Vice President and Treasurer Andrew Don said. “In addition, we were able to close this transaction within a month of launch, compared to a more typical six- to eight-week timeframe. The timing better met Mid-Kansas’ needs, which was our top priority.”

Hays, Kan.-based Mid-Kansas, an NCSC member, is owned by five Kansas electric distribution cooperatives and one wholly owned subsidiary.

“This facility will be a valuable tool as we build, replace and repair the generation and transmission assets that ultimately serve the needs of our members and those they serve,” Lowry said.

The syndication marked the first of its kind for Mid-Kansas, which was formed in 2005 when its member cooperatives banded together to acquire the assets of investor-owned utility Aquila, Inc.

CFC supported the acquisition and NCSC provided 100 percent of the acquisition financing, which ultimately provided more than 71,000 consumers with electric cooperative service. Mid-Kansas was fully operational by 2007, and Sunflower Electric Power Corporation maintains and operates the Mid-Kansas system.

Mid-Kansas owners include Lane-Scott Electric Cooperative, Prairie Land Electric Cooperative, Southern Pioneer Electric Company (a wholly owned subsidiary of Pioneer Electric Cooperative), Victory Electric Cooperative Association, Western Cooperative Electric Association and Wheatland Electric Cooperative. The coalition also owns Sunflower Electric.

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*This article first appeared in Solutions News Bulletin, the weekly newsletter for member-owners of the National Rural Utilities Cooperative Finance Corporation (CFC).*