

# LPEA June 2023 DIVISION DASHBOARDS



New construction at Loma Linda in Pagosa Springs

# Key Performance Indicators

| Attribute                  | Metric  | YTD Goal   | YTD Actual | Status |
|----------------------------|---|------------|------------|--------|
| Safety                     | Average Safety Meeting Attendance (%)                               | >= 80.00   | 98.45      | ✓      |
| Reliability                | System Average Interruption Duration Index (SAIDI, minutes)         | < 60.000   | 53.053     | ✓      |
|                            | System Average Interruption Frequency Index (SAIFI, outages/member) | < 1.000    | 0.561      | ✓      |
| Finance                    | Financial Health Score  | >= 100.00  | 362.37     | ✓      |
|                            | YTD Operating Margin (% of Revenue)                                 | >= 2.0     | 7.59       | ✓      |
|                            | Cash Reserves (% of Operating Costs)                                | 12 - 20    | 8.99       | !      |
|                            | Debt Financing (% of Equity)  | <= 100     | 68.23      | ✓      |
|                            | Modified Debt Service Coverage (MDSC)                               | >= 1.35    | 4.5        | ✓      |
|                            | Operating Times Interest Earned Ratio (OTIER)                       | >= 1.50    | 3.57       | ✓      |
|                            | Equity (%)  | 40 - 55    | 53.72      | ✓      |
| Beneficial Electrification | BE Sales (kWh)  | >= 100,000 | 109,103    | ✓      |
| Information Technology     | Average Critical System Uptime (%)                                  | >= 99.9    | 99.977     | ✓      |



Meeting or exceeding performance goal



Monitoring performance



Not on track to meet performance goal

Date Range: 01/01/2023 - 06/30/2023

Definitions of attributes can be found at the end of this report.



## **TARGET: EXPERIENCE NO LOST-TIME INCIDENTS OR ACCIDENTS**

- ✗ 1 Lost Time Employee Injury. A shoulder injury was sustained by a lineworker when removing a downed tree on a Bayfield line on June 6, 2023.

## **TARGET: 100% OF DEPARTMENTS USE DATA ANALYTICS TO IMPROVE DECISION MAKING**

- ✓ Total cyber incidents: 0
- ✓ The Member Services team began collecting data in January to analyze members' communication preferences in arranging disconnects, connections, and transfer requests. We are now seeing clear trends in how our members seek assistance in their preferred mode of communication (calling in or using Smarthub). We will be able to see where to place more resources and energy with further data collection.
- ✓ Rebuilt and updated one of our data collection and analysis software programs to provide increased data collection and analytics. Increased data provides more information into our operations, improving our processes and procedures. This will allow us to improve reliability and restoration times.

## **TARGET: ACHIEVE 100% REGULATORY COMPLIANCE**

- ✓ The Grid Solutions team completed 3 required NERC compliance studies including transmission operations, protection system, misoperation, and facility interconnection.



Lines near Lake Nighthorse



# Keep the lights on



## TARGET: COMPLY WITH LPEA'S WILDFIRE MITIGATION PLAN

- ✓ Replaced 10 reject poles, installed 7 raptor protects, and tree trimmed 22 miles. We are at 146% of our year-end goal for poles replaced, 30% for raptor protects, and 41% for miles of tree trimming.
- ✓ Installed 2 new Vipers and Fire Mitigation settings that are being used during recent Red Flag Warning days. We initiated proactive communications advising members of the fire settings and due to the red flag warnings, they may see longer or more frequent outages, in an effort to reduce the potential of fire hazard. These settings will impact our SAIDI and SAIFI numbers for the worse, but this effort is to protect life and property.
- ✓ Coordinated with fire authorities on three wildfires. We deenergized a section of line for three days on the Chris Mountain Fire for the safety of fire crews.

## TARGET: COMPLETE THE 2023 BUDGETED CAPITAL PROJECTS

- ✓ As of the end of May, 22% of our budget has been spent and 35% of the work has been complete. Design work is on track for establishing solid estimates for the 2024 construction budget. We have had two very large new customer jobs that have diverted some resources from system improvement jobs, but we will have a second contract crew working soon.

## TARGET: ACHIEVE SAIDI/SAIFI TARGETS

- ✓ Restored 77 unplanned outages. 13 were member caused, 36 due to high winds and lightning, and 6 were bad underground cable.



Our Meter Technician replacing a faulty meter above Smelter

# Source clean, local, low-cost power



## **TARGET: CONTINUE TO MAKE PROGRESS ON LPEA'S 3-PRONGED POWER SUPPLY STRATEGY**

- ✓ LPEA has entered into a service agreement with FTI Consulting for market insight and evaluation of Partial and Full Buy Out options. More details will be discussed during Executive Session.

## **TARGET: CONTINUE TO PURSUE LOCAL CLEAN POWER PROJECTS**

- ✓ LPEA successfully received permitting approval from La Plata County to allow the Sunnyside Solar project to move forward.





# Be a trusted community partner



## TARGET: CREATE TRAINING AND EDUCATION PROGRAMS FOR KEY STAKEHOLDERS WITH REGULAR TOUCHPOINTS

- ✓ LPEA hosted a heat pump contractor training seminar on June 6th and 7th. This was a 2-day training course designed to dive into heat pump system design. This event was attended by 13 installers from both Durango and Pagosa Springs.



Local contractors in attendance for a Heat Pump Training

- ✓ LPEA sponsored the attendance of 4 students at NRECA's Electric Cooperative Youth Tour in Washington, D.C. from June 12 - June 18, 2023. Of the students sent from Colorado, our own Ethan McGuinness was elected to represent Colorado on the Youth Leadership Council. This means he will be performing community work during the year and will go on to represent Colorado at the NRECA Annual Meeting in San Antonio March 1-6, 2024. One requirement of this position is make a presentation to the LPEA board next year. Find more details [here](#).



Colorado students at the Electric Cooperative Youth Tour in D.C.

# Maintain strong financial health



## **TARGET: OPERATING MARGIN AT 2%**

- ✓ 7.59% YTD – Very high margins due to strong winter sales and continuing cost controls.

## **TARGET: CASH RESERVES AT 12-20%**

- ! 8.99% YTD – Cash was under the board's target at the end of June due to the capital credit retirement of \$3.5m. We anticipate that the cash balance will be back to 12% by the time of the board meeting.

## **TARGET: EQUITY PERCENTAGE IS 40-55%**

- ✓ 53.72% YTD – Decrease from prior month due to capital credit retirement in June.

## **TARGET: LONG-TERM DEBT IS LESS THAN 100% OF EQUITY**

- ✓ 68.23% YTD – Long-Term Debt reduced by \$4m since January 1st.

## **TARGET: MDSC IS GREATER THAN OR EQUAL TO 1.35 (DEBT COVENANT)**

- ✓ 4.5% YTD – Very high winter margins due to strong sales and cost controls, pole attachment revenue in May.





# Prepare for the future



## TARGET: WIN GRANT FUNDS TO SUPPORT LPEA INITIATIVES

- ✓ Grant tracking:  
Awarded: 1 = \$240,000  
Applied: 6 = \$17 million  
Lost: 2
- ✓ LPEA diligently worked on submitting a USDA PACE funding request for a solar plus storage project, to be submitted in July.

## TARGET: CONTROL 3,000 KW OF DISTRIBUTED ENERGY RESOURCES (DERs)

- ✓ LPEA now has 2,976 kW of DER assets under its control which is an increase of 149 kW over last month.



New pole construction with a local trotting by