

LPEA JUNE 2024 DIVISION DASHBOARDS



LPEA will be celebrating it's 85th year in service in 2024



KEY PERFORMANCE INDICATORS

| Attribute | Metric | Goal | Actual | Status |
|----------------------------|---|------------|---------|--------|
| Safety | Average Safety Meeting Attendance (%) | >= 80.00 | 98.00 | ✓ |
| Reliability* | System Average Interruption Duration Index (SAIDI, minutes) | < 100.00 | 38.45 | ✓ |
| | System Average Interruption Frequency Index (SAIFI, outages/member) | < 1.00 | 0.49 | ✓ |
| Finance | Financial Health Score | >= 100.00 | 239.78 | ✓ |
| | YTD Operating Margin (% of Revenue) | >= 2.5 | 5.6 | ✓ |
| | Cash Reserves (% of Operating Costs) | 12 - 20 | 17 | ✓ |
| | Debt Financing (% of Equity) | <= 100 | 64 | ✓ |
| | Modified Debt Service Coverage (MDSC) | >= 1.35 | 2.69 | ✓ |
| | Equity (%) | 40 - 55 | 54 | ✓ |
| Beneficial Electrification | BE Sales (kWh) | >= 127,000 | 133,050 | ✓ |
| Information Technology | Average Critical System Uptime (%) | >= 99.9 | 100.00 | ✓ |

✓ Meeting or exceeding performance goal

! Monitoring performance

✗ Not on track to meet performance goal

Chart date range: 01/01/2024 - 06/30/2024

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

*Reliability is measured cumulatively over the year. The 100 minute target is our annual goal and is not monthly.

BE SAFE AND EXCELLENT IN ALL WE DO

TARGET: EXPERIENCE NO LOST-TIME INCIDENTS OR ACCIDENTS

- ✓ No lost-time events.
- ✓ LPEA's rodeo team placed 3rd in Hurtman Rescue at Utah's Lineman Rodeo.
- ✓ One minor vehicle incident and one employee injury (bicep tendon), but neither led to lost time.

TARGET: ACHIEVE 100% REGULATORY COMPLIANCE

- ✓ LPEA's health and welfare plan's Summary Annual Report has been filed with the U.S. Department of Labor's Employee Benefits Security Administration, as mandated by the Employee Retirement Income Security Act of 1974.

TARGET: EXPERIENCE NO CYBER INCIDENTS THAT DISRUPT BUSINESS PROCESSES

- ✓ No cyber incidents.
- ✓ LPEA successfully achieved all 10 goals of NRECA's RC3 program, establishing a baseline cybersecurity level according to NRECA standards and earning recognition at NRECA's Co-Op Cyber Tech conference.

TARGET: COMPLETE 5 MAJOR CONTINUOUS IMPROVEMENT PROJECTS

- ✓ **Cost-of-service study**
 - LPEA has chosen the vendor for conducting the study.



LPEA's rodeo team placed 3rd in Hurtman Rescue at Utah's Lineman Rodeo.

KEEP THE LIGHTS ON

TARGET: COMPLY WITH LPEA'S WILDFIRE MITIGATION PLAN

- ✓ Crews replaced 11 poles, completed 5 raptor protections, and continued to install fiber towards Vallecito for Viper recloser control.

TARGET: MEET 2024 CAPITAL PROJECT'S SCHEDULE AND BUDGET

- ✓ As of the end of June, 46% of the Capital Projects Budget work has been completed. Durango West is nearing completion, Lake Forest, Electra Lake, Yucca Estates, and Turtle Lakes are all underground projects in process. Right-of-Way (ROW) clearing for the Bayfield to Pagosa transmission line continues.

TARGET: ACHIEVE SAIDI/SAIFI TARGETS

- ✓ Met SAIDI and SAIFI goals for June.
- ✓ Crews responded to 90 unplanned outages primarily caused by thunderstorms.
- ✓ Crews responded to 4 vehicle hit power poles.

SOURCE CLEAN, LOCAL, LOWEST REASONABLE COST POWER

TARGET: CONTINUE TO MAKE PROGRESS ON LPEA'S POWER SUPPLY STRATEGY

- ✓ Update to be given in executive session.

TARGET: CONTINUE TO PURSUE LOCAL, CLEAN POWER PROJECTS

- ✓ Energized testing was completed at the Sunnyside Solar facility in preparation for the array to be turned on in July.
- ✓ LPEA hosted a ribbon-cutting event at the Sunnyside Solar array to celebrate the partnerships and local collaboration that contributed to the completion of this project.

BE A TRUSTED COMMUNITY PARTNER

TARGET: ACHIEVE IMPROVEMENT IN OVERALL MEMBER SATISFACTION

- ✓ Jon Kenney conducted a webinar for 24 LPEA members on the benefits of Heat Pump Water Heater technologies.
- ✓ Emily Missildine and Steve Smith hosted a webinar on the Sunnyside Solar program, detailing enrollment procedures. It attracted 222 registrations, with 63 members attending.

TARGET: STRENGTHEN PARTNERSHIPS AND INCREASE STAKEHOLDER ENGAGEMENT

- ✓ Following the biannual solar installers meeting conducted by Steve Smith and Cassie Klausner from LPEA, which focused on Tesla inverters and adjustments to areas where interconnection limits are in place, 17 additional members were able to come off the solar interconnection waitlist.

TARGET: POSITION LPEA AS AN INDUSTRY LEADER THROUGH PUBLIC AND MEMBER ENGAGEMENT

- ✓ Graham Smith and Cassie Klausner attended the Southwest Colorado Geothermal Summit.
- ✓ Kevin Camp and Alex Motler attended Northwestern Colorado's Energy Summit and Joint Organizations Leading Transition (NPAC-JOLT) Conference.

TARGET: IMPROVE TWO-WAY COMMUNICATION WITH OUR MEMBERS

- ✓ LPEA launched chat services via SmartHub, offering members another way to connect with a Member Service Representative alongside phone and email.

BE A TRUSTED COMMUNITY PARTNER

PHOTOS FROM THE MONTH OF JUNE



LPEA staff Kevin Camp and Alex Motler at the NPAC-JOLT conference.



LPEA Board of Directors and key staff at the Sunnyside Ribbon Cutting.



Stakeholders signed a solar panel display at the Sunnyside Ribbon Cutting.

MAINTAIN STRONG FINANCIAL HEALTH

TARGET: OPERATING MARGIN AT 2.5%

✓ 5.6% YTD - Better than budget revenue performance and effective expense management kept this goal on target for June.

TARGET: CASH RESERVES AT 12-20%

✓ 17% - We continue to meet this goal for June.

TARGET: EQUITY PERCENTAGE IS 40-55%

✓ 54% - We continue to meet this goal for June.

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

✓ 64% - We continue to meet this goal for June.

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

✓ 2.69 YTD - We continue to meet this goal for June.

PREPARE FOR THE FUTURE

TARGET: DEVELOP PARTNERSHIPS TO ACHIEVE LPEA'S BROADBAND GOAL

- ✓ No updates.

TARGET: GROW DER PROGRAMS TO AVOID EXPENSIVE PEAK POWER AND OVERBUILDING INFRASTRUCTURE

- ✓ The vendor of LPEA's operational awareness platform doubled the predictive accuracy of their peak forecasting algorithm and significantly reduced its testing error percentage.

TARGET: PURSUE AND IMPLEMENT GRANTS TO SUPPORT LPEA INITIATIVES

- The United States Department of Agriculture (USDA) has informed LPEA that the New Energy Risk Assessment (New ERA) grant will not be awarded. There may be reductions in funding, and it remains uncertain how many projects will receive funding.
- LPEA has submitted its first invoice for the Southern Ute Indian Tribe (SUIT) TripSaver resiliency grant.
- The Least Cost Optimal Distribution Grid Expansion (LODGE) grant has been scoped to include analysis on the impacts of backfeeding through substations, and LPEA has provided them with necessary data. Their work is currently in progress.
- We are still awaiting the Powering Affordable Clean Energy (PACE) loan documents and approval to commence work on the Wildfire Assessment and Resilience (WARN) projects.

GRANT TRACKING (JAN 2023 - NOW):

(*"NEW"* indicates a month-over-month change)

Awarded to LPEA: 4 = \$7,630,000

- USDA PACE grant for 5MW solar+storage.
- TripSaver resiliency grant with the Southern Ute Indian Tribe (SUIT).
- U.S. Department of Energy (DOE) wildfire resilience grant for undergrounding.
- Rural and Municipal Utility Cybersecurity (RMUC) Program Act 1 Phase 1 prize for investing in our cybersecurity efforts.

Awarded to others with LPEA: 2 = \$700,000

- Beneficial Electrification Leagues of Colorado (BELCO) for state-wide BE program development.
- Pagosa to Durango transit grant.

Grants pending: 0

Grants in progress: 1

- Grid Resilience and Innovation Partnerships (GRIP2) - Climate Risk-Optimized DER Deployment.