

LPEA JULY 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	97.71	✓
Reliability*	System Average Interruption Duration Index (SAIDI, minutes)	< 100.00	49.30	✓
	System Average Interruption Frequency Index (SAIFI, outages/member)	< 1.00	0.62	✓
Finance	Financial Health Score	>= 100.00	220.45	✓
	YTD Operating Margin (% of Revenue)	>= 2.5	5	✓
	Cash Reserves (% of Operating Costs)	12 - 20	12	✓
	Debt Financing (% of Equity)	<= 100	63	✓
	Modified Debt Service Coverage (MDSC)	>= 1.35	2.60	✓
	Equity (%)	40 - 55	54	✓
Beneficial Electrification	BE Sales (kWh)	>= 148,000	147,080	!
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 - 07/31/2024

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 in July.
- ✓ Upgraded employee badge system in Pagosa Springs and added three badge readers on doors in Durango for increased physical security.

TARGET: ACHIEVE 100% REGULATORY COMPLIANCE

- ✓ Conducted a safety walk-through of our Pagosa Springs facilities with our workers' compensation insurance carrier. The representative was impressed with the facility's organization and safety measures.

TARGET: EXPERIENCE NO CYBER INCIDENTS THAT DISRUPT BUSINESS PROCESSES

- ✓ No cyber incidents in July.
- ✓ Deployed a third factor of authentication for all Virtual Private Network (VPN) users to meet new requirements and maintain critical cyber insurance coverage.

TARGET: COMPLETE 5 MAJOR CONTINUOUS IMPROVEMENT PROJECTS

- ✓ **Cost-of-service study**
 - This project kicked off with the selected vendor partner.

KEEP THE LIGHTS ON

TARGET: COMPLY WITH LPEA'S WILDFIRE MITIGATION PLAN

- ✓ Crews replaced 11 poles by helicopter. The helicopter work was done in Durango neighborhoods Smelter and Rafter J and the poles were set in 1 hour 45 minutes.

TARGET: MEET 2024 CAPITAL PROJECT'S SCHEDULE AND BUDGET

- ✓ As of the end of July, 49% of the Capital Projects Budget work has been completed. This is only a marginal increase over last month due to permitting roadblocks with the State Historic Preservation Office (SHPO).
 - Durango West II Cable Replacement project is complete, and reclamation has begun.
 - Lake Forest Cable Replacement, Electra Lake Single to 3 Phase, Yucca Estates Cable Replacement, Turtle Lake Single to 3 Phase, Meadows Single to 3 Phase, and Jack's Pasture Cable Replacement projects are in progress.

TARGET: ACHIEVE SAIDI/SAIFI TARGETS

- ✓ Met SAIDI and SAIFI goals for July. SAIDI continues to increase primarily due to planned outages. The majority have been for make ready poles and the drive for additional fiber on our poles to help extend broadband to more members.
- ✓ Crews responded to 87 unplanned outages. The majority were due to lightning strikes throughout the service territory.

SOURCE CLEAN, LOCAL, LOWEST REASONABLE COST POWER

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

- ✓ Started initial departure negotiations with Tri-State as required by the Federal Energy Regulatory Commission's (FERC) Contract Termination Payment (CTP) order within 180 days of filing the unconditional notice of withdrawal.

TARGET: CONTINUE TO PURSUE LOCAL, CLEAN POWER PROJECTS

- ✓ Graham Smith, Dan Harms, and Steve Smith met with National Renewable Energy Laboratory (NREL) to discuss potential hosting capacity and energy burden studies.
- ✓ Launched applications for the Sunnyside Community Solar subscription program.

BE A TRUSTED COMMUNITY PARTNER

TARGET: ACHIEVE IMPROVEMENT IN OVERALL MEMBER SATISFACTION

- ✓ No updates in July.

TARGET: STRENGTHEN PARTNERSHIPS AND INCREASE STAKEHOLDER ENGAGEMENT

- ✓ Conducted our second annual Health & Safety Day at the Durango campus. All employees spent the day together, immersing themselves in the presentations, which were all conducted by local providers and agency representatives including the Colorado State Patrol, Durango Police Department, Durango Fire Department, Colorado Parks and Wildlife, Cybersecurity and Infrastructure Security Agency, United States Forest Service, Pinnacol Assurance, Pause Fitness & Nutrition, and Pura Vida Healthcare. The day kicked off with a visit from the regional Special Weapons and Tactics team, including a demonstration of their armored vehicle.
- ✓ Partnered with the Four Corners Office for Resource Efficiency (4CORE) and hosted a webinar and an in-person application event in Durango supporting members interested in the income-qualified and/or general membership programs for Sunnyside Community Solar.

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

- ✓ Graham Smith attended the distributed energy resources (DER) Business Model Development workshop presented by NREL.
- ✓ Hosted our first open house on Beneficial Electrification (BE), highlighting various current electrification technologies and featuring a presentation on our advanced situational awareness platform.
- ✓ Hosted an arc demo for the Boys & Girls Club Summer Camp.

TARGET: IMPROVE TWO-WAY COMMUNICATION WITH OUR MEMBERS

- ✓ No updates in July.

MAINTAIN STRONG FINANCIAL HEALTH

TARGET: OPERATING MARGIN AT 2.5%

✓ 5.0% YTD - Operating margins were flat to budget and as such, we continue to meet this goal for July.

TARGET: CASH RESERVES AT 12-20%

✓ 12% - We continue to meet this goal for July.

TARGET: EQUITY PERCENTAGE IS 40-55%

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

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

✓ 63% - We continue to meet this goal for July.

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

✓ 2.60 YTD - We continue to meet this goal for July.

PREPARE FOR THE FUTURE

TARGET: DEVELOP PARTNERSHIPS TO ACHIEVE LPEA'S BROADBAND GOAL

- ✓ No updates in July.

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

- ✓ No updates in July.

TARGET: PURSUE AND IMPLEMENT GRANTS TO SUPPORT LPEA INITIATIVES

- ✓ Signed the AH140 Powering Affordable Clean Energy (PACE) Loan Commitment documents for 5 MW of solar power and 5 MW of energy storage. We are still waiting for the official loan documents to finalize the commitment.
- ✓ We are waiting for our notice to proceed with the Wildfire Assistance and Resilience Network (WARN) grant, which will fund the conversion of about 3 miles of old overhead power lines to new underground cable.

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

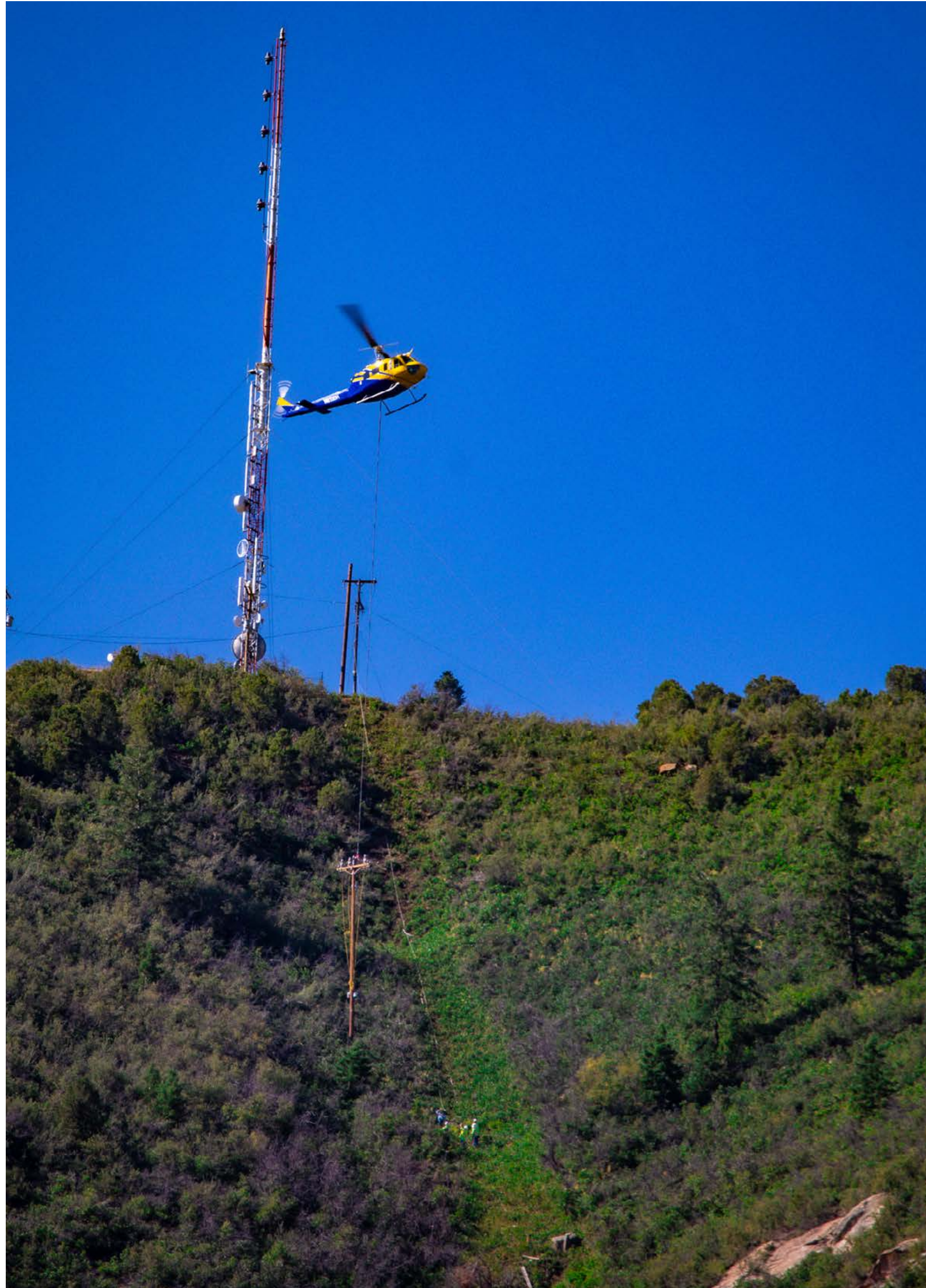
- Beneficial Electrification Leagues of Colorado (BELCO) for state-wide BE program development.
- Pagosa to Durango transit grant.

Grants pending: 0

Grants in progress: 1

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

PHOTOS FROM THE MONTH OF JULY



Helicopter pole placement on Smelter.



LPEA Intern Katie Killinen and staff John Keating assist with the helicopter pole placement.



LPEA staff learns about rapid response tactics from the La Plata County Sheriff's Department.



Outside set up for the BE Event.