

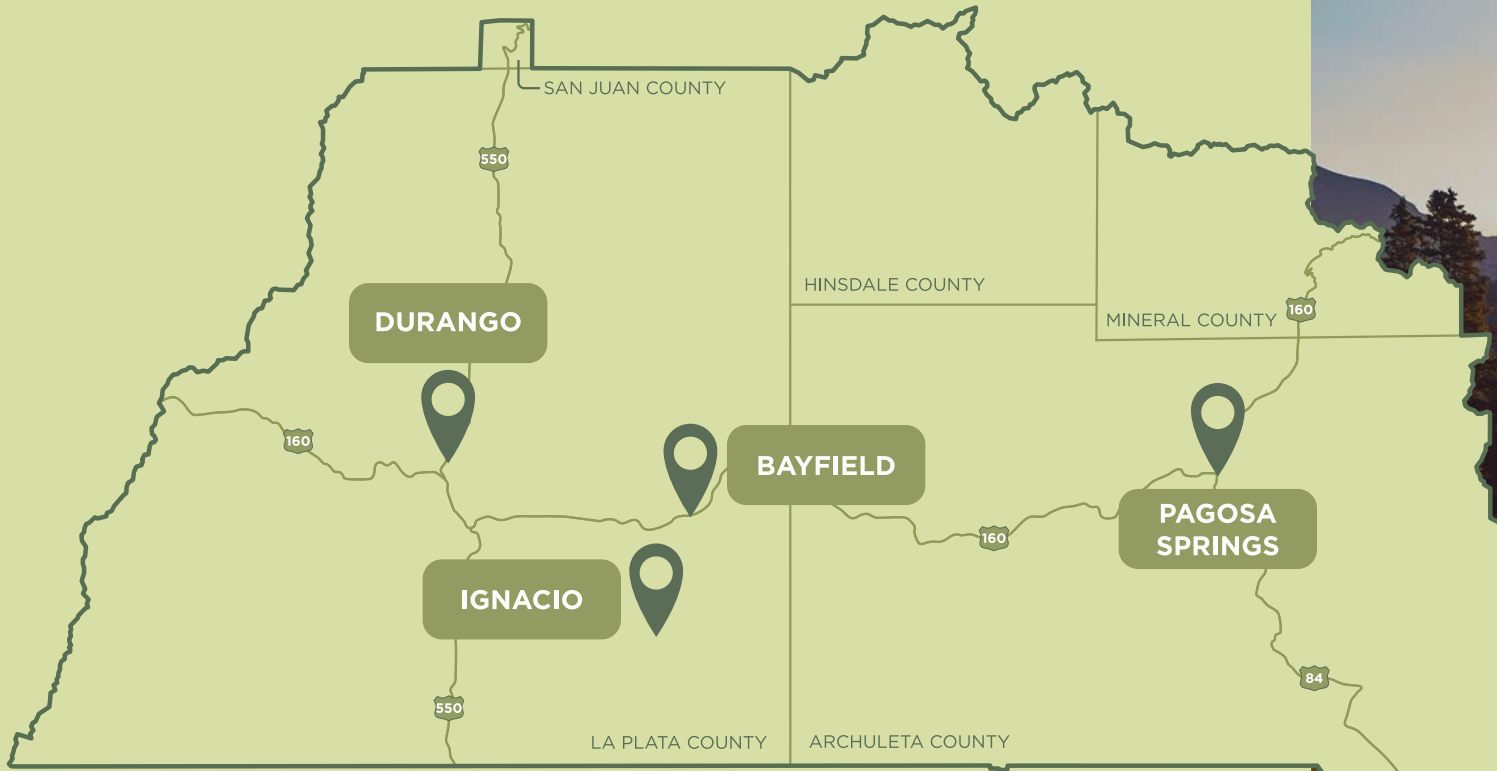
2023 LPEA ANNUAL REPORT

lpea.coop | (970) 247-5786



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COMPANY FACTS

36,280
MEMBERS

3,789
MILES OF LINE

48,912
METERS

121
EMPLOYEES


205
MILES OF
TRANSMISSION
LINE

\$112,555,013
ANNUAL
OPERATING
REVENUE

694 KWH
AVG MONTHLY
RESIDENTIAL
USE

\$111.51
AVG MONTHLY
RESIDENTIAL
BILL





LA PLATA ELECTRIC ASSOCIATION: LIGHTING UP THE SOUTHWEST.

For nearly 85 years, LPEA has lit up southwest Colorado with the power of community and cooperation.

Established in 1939 when neighbors banded together to bring electricity to rural areas through the Rural Electrification Act (REA), LPEA is a not-for-profit, member-owned electric distribution cooperative serving La Plata, Archuleta, and segments of Hinsdale, Mineral, and San Juan counties. LPEA is the sixth largest of 22 cooperatives in Colorado, serving over 36,000 members, more than 48,000 electric meters, and 3,531 square miles of service territory. LPEA is governed by a 12-member Board of Directors, with annual elections. Tri-State Generation and Transmission (TSGT) supplies 95% of the power we deliver to our members, with the remaining 5% being generated locally.

Discover how we're powering tomorrow, today, at lpea.coop.

LETTER TO OUR MEMBERS: FROM YOUR CEO AND BOARD PRESIDENT

JESSICA MATLOCK, CEO

TED COMPTON, BOARD PRESIDENT



As we reflect on 2023, we are proud to share that LPEA not only continued to provide dependable service but also made significant strides in shaping our future. We focused on enhancing our power supply strategy to gain greater local control over our energy portfolio, aligning more closely with the cooperative principles of autonomy and independence. We explored several avenues to increase flexibility within our existing wholesale contract while also evaluating the potential for a partial or complete departure. Our careful analysis of our options remained crucial to delivering reliable, affordable, and low-carbon power to our members in the years to come.

Our strategic vision marries our enduring strengths with modern innovation. While remaining committed to providing reliable and cost-effective service, we also embraced new technologies and sustainable practices. Despite the challenges posed by inflationary pressures, we successfully maintained our rates for the third consecutive year.

Notably, we completed construction of Sunnyside, our first community solar array, bringing clean, local energy to our members. We also made substantial investments in distributed energy

resources (DER), advanced beneficial electrification (BE), and ongoing fire mitigation projects.

As we look ahead to 2024, we eagerly anticipate the celebration our 85th anniversary. This milestone honors our rich history and renews our commitment to ensuring that our energy future is aligned with the needs and aspirations of our members and community.

We look forward to advancing together into our next chapter.

-Jessica Matlock & Ted Compton

A note from Ted: I would like to acknowledge that, although Jessica has moved on from her role as the CEO of LPEA, her dedication and service to our cooperative has been invaluable. On behalf of the LPEA Board of Directors, I want to express my deepest gratitude for her significant contributions during her nearly five years with us. I am excited about the opportunities that lie ahead for our cooperative and look forward to a bright future.

LPEA'S NORTH STAR: OUR PRIORITY COMPASS

In this report, we update you on our North Star, a framework of six priority areas guiding our work from 2021-2025.



MISSION

La Plata Electric Association, Inc. provides its members safe, reliable electricity at the lowest reasonable cost while being environmentally responsible.

VISION

Shaping the future by building trustworthy community partnerships as an innovative, forward-thinking industry leader, delivering excellence in our member-owned cooperative.

LEADERSHIP TEAM

Left to right, top: Patrick Berry (VP of Finance), Elizabeth Howe (VP of Business Services), Jessica Matlock (CEO).
Left to right, bottom: Dan Harms (Executive VP of Grid Solutions), Janelle Thunstrom (Executive Assistant), Amanda Anderson (Strategic Communications Officer), Drew Timmerman (VP of IT), Jerry Sutherlin (VP of Operations), Graham Smith (General Counsel).



BOARD OF DIRECTORS: MEMBER DRIVEN LEADERSHIP

STRATEGIC GOALS:

- LPEA will strive to reduce its carbon footprint by 50% from 2018 levels by the year 2030 while keeping members' cost of electricity lower than 70% of its Colorado cooperative peers.
- LPEA will pursue a funding and partnership strategy that will enable broadband connections to its membership by 2030 without increasing electric rates to do so.

DISTRICT 1: ARCHULETA COUNTY



HOLLY METZLER

COLORADO RURAL ELECTRICAL
ASSOCIATION (CREA)
REPRESENTATIVE



NICOLE PITCHER

ROUND UP FOUNDATION



KIRSTEN SKEEHAN

BOARD VICE PRESIDENT

DISTRICT 2: SOUTH & WEST LA PLATA COUNTY



DAN HUNTINGTON



JOHN LEE JR.

SECRETARY



KOHLER MCINNIS

TRI-STATE REPRESENTATIVE

The LPEA Board of Directors, elected by cooperative members, plays a crucial role in shaping the cooperative's strategic vision and policies. Comprising of 12 directors—three from each of the four districts—the Board oversees LPEA's not-for-profit operations. They set policies, provide goals and objectives, and ensure reliable service for members across five counties.

Each year, four directors are elected at the LPEA Annual Meeting to serve three-year terms, with no term limits. Attuned to the priorities of smaller communities often overlooked by for-profit utilities, the LPEA Board brings local insights and accountability to ensure responsible resource management. Their governance focuses on delivering essential electricity and supporting community growth across the unique and diverse landscape of Southwest Colorado.

DISTRICT 3: CITY OF DURANGO



TED COMPTON

BOARD PRESIDENT

DISTRICT 4: NORTH & EAST LA PLATA COUNTY



DAVID LUSCHEN

WESTERN UNITED
REPRESENTATIVE
ROUND UP FOUNDATION



RACHEL LANDIS



TIM WHEELER

TREASURER
FASTTRACK REPRESENTATIVE



JOE LEWANDOWSKI



JOHN WITCHEL

NORTH STAR: BE SAFE AND EXCELLENT IN ALL WE DO

“I WANT TO THANK YOU FOR GOING ABOVE AND BEYOND, YOUR PROFESSIONALISM, AND CUSTOMER SERVICE.”

- ANONYMOUS MEMBER

PRIORITIZING SAFETY LPEA TAKES FOURTH AT INTERNATIONAL LINEMAN'S RODEO

Our lineworkers achieved a notable fourth place in the Rural Electrical Association (REA) division at the International Lineman's Rodeo. With approximately 1,400 competitors, our three-person journeyman team— pictured below: Clinton Peak, Evan Moore, and John Keating—excelled, achieving perfect scores in all five events. They were also the top team from Colorado's cooperatives.



PRIORITIZING SAFETY HEALTH & SAFETY DAY

We proudly hosted our inaugural Health & Safety Day, dedicated to ensuring the well-being of our staff. This event brought together key stakeholders, including first responders and healthcare professionals, to provide essential information and training. A highlight of the day was the impressive demonstration by Search and Rescue, who flew their helicopter to our headquarters in Durango. This hands-on experience enhanced our staff's understanding of emergency protocols and underscored our commitment to their health and safety. By prioritizing our team's well-being, we ensure they are well-prepared to deliver exceptional service to our members 365 days a year, 24 hours a day, rain or shine.



DEPARTMENT TARGETS:



EXPERIENCED TWO LOST-TIME INCIDENTS OR ACCIDENTS. (GOAL: ZERO)



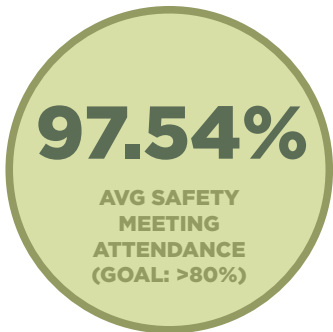
ACHIEVED 100% REGULATORY COMPLIANCE (GOAL: 100%)



100% OF DEPARTMENTS USED DATA ANALYTICS TO IMPROVE DECISION MAKING (GOAL: 100%)



EXPERIENCED NO CYBER INCIDENTS THAT DISRUPTED BUSINESS PROCESSES (GOAL: ZERO)



PRIORITIZING SAFETY CYBERSECURITY ADVANCEMENTS

Safeguarding our systems and members from cyberattacks remains a top priority. This year, we took significant steps to enhance our cybersecurity posture by completing a comprehensive cyber risk assessment. Additionally, we conducted a tabletop exercise to evaluate and strengthen our incident response and readiness. These efforts are part of our ongoing commitment to ensuring robust protection against emerging cyber threats.

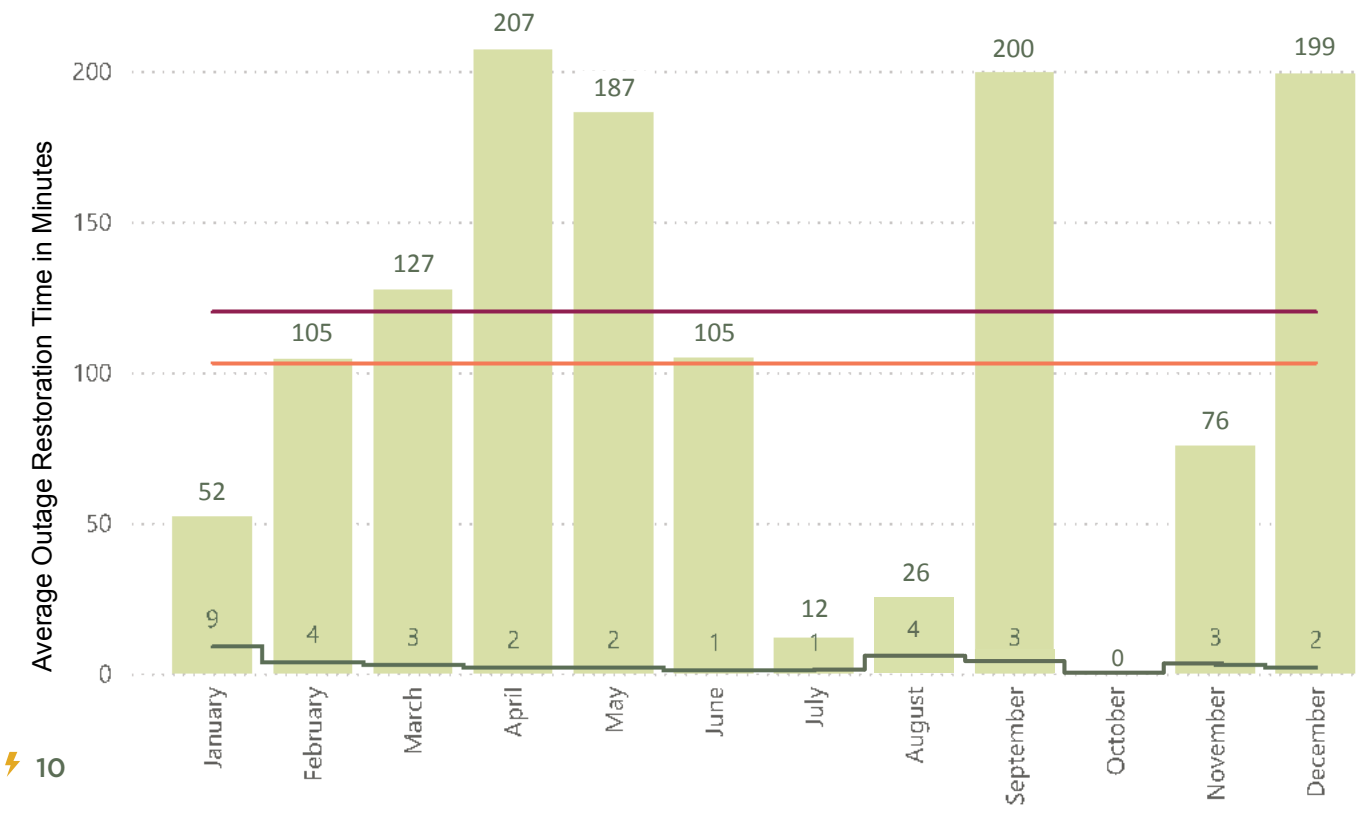
“REALLY, I JUST WANT TO SAY THANK YOU! WELL DONE! YOU GOT US THROUGH A BIG STORM AND NO OUTAGES! THAT IS COMMENDABLE!”

- CARRIE B.



MAJOR OUTAGE RESTORATION TIME

● Average Outage Restoration Time ● 2023 Goal 120 min ● 2023 YTD 103 min ● Outage Count



NORTH STAR: KEEP THE LIGHTS ON

12.5
MILES OF LINE
REPLACED

77
BROKEN
CROSSARMS
REPLACED

125
RAPTOR
PROTECTION
ADDED

128
REJECT POLES
REPLACED

10
MAJOR CAPITAL
PROJECTS
COMPLETED

3
VIPERS
INSTALLED

0.911
AVG OUTAGES
PER MEMBER

SYSTEM AVERAGE INTERRUPTION FREQUENCY INDEX (SAIFI)

This index indicates how often the average customer experiences a sustained interruption over a predefined period of time. The 2023 target was <1.000.

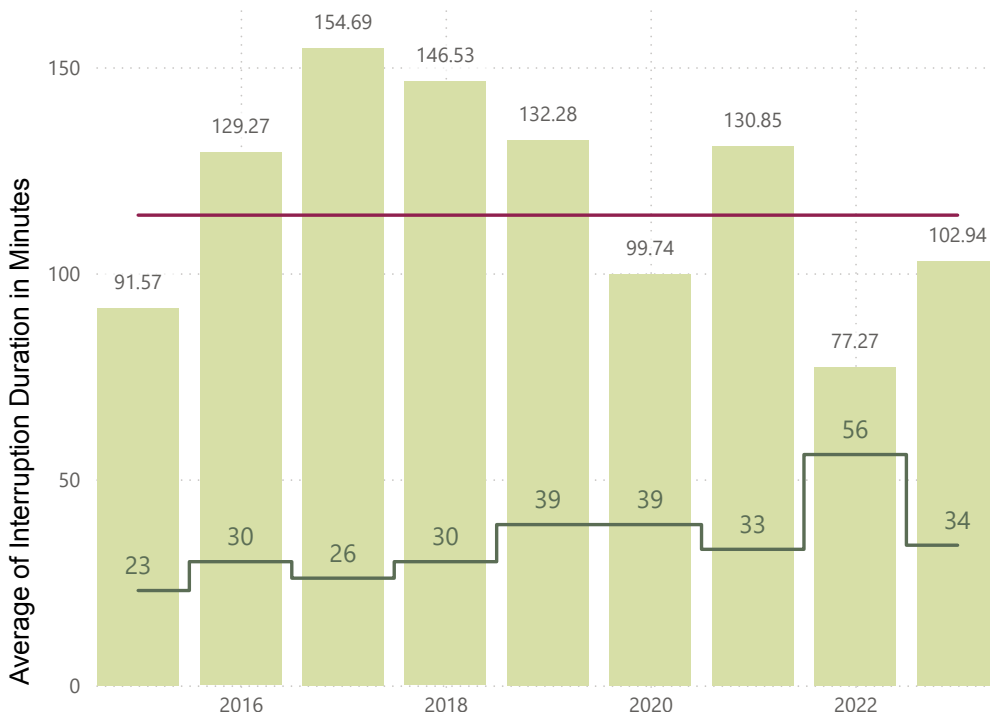
82.94
AVG OUTAGE
DURATION BY
MINUTES

SYSTEM AVERAGE INTERRUPTION DURATION INDEX (SAIDI)

This index indicates the total duration of interruption for the average customer during a predefined period of time. It is commonly measured in customer minutes or customer hours of interruption. The 2023 target was <60.000.

MAJOR OUTAGE RESTORATION TIME (NO MED)

● Average of Interruption Duration ● 10 Yr Avg ● Outage Count



102.94
2023 Average Restoration Time (No MED)
in Minutes

A Major Event Day (MED) is when power outages are much worse than usual. We measure this using SAIDI, which tracks how long the average customer is without power.

“ MY WIFE AND I ARE SENIOR CITIZENS AND HAVE GREATLY APPRECIATED LPEA’S RAPID RESPONSES TO THE RECENT POWER OUTAGES DUE TO THE HEAVY WET SNOWFALLS WE’VE HAD. ”

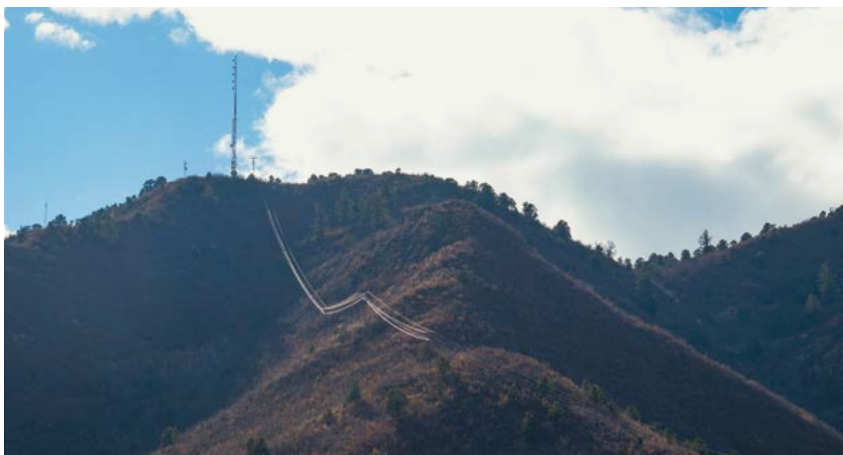
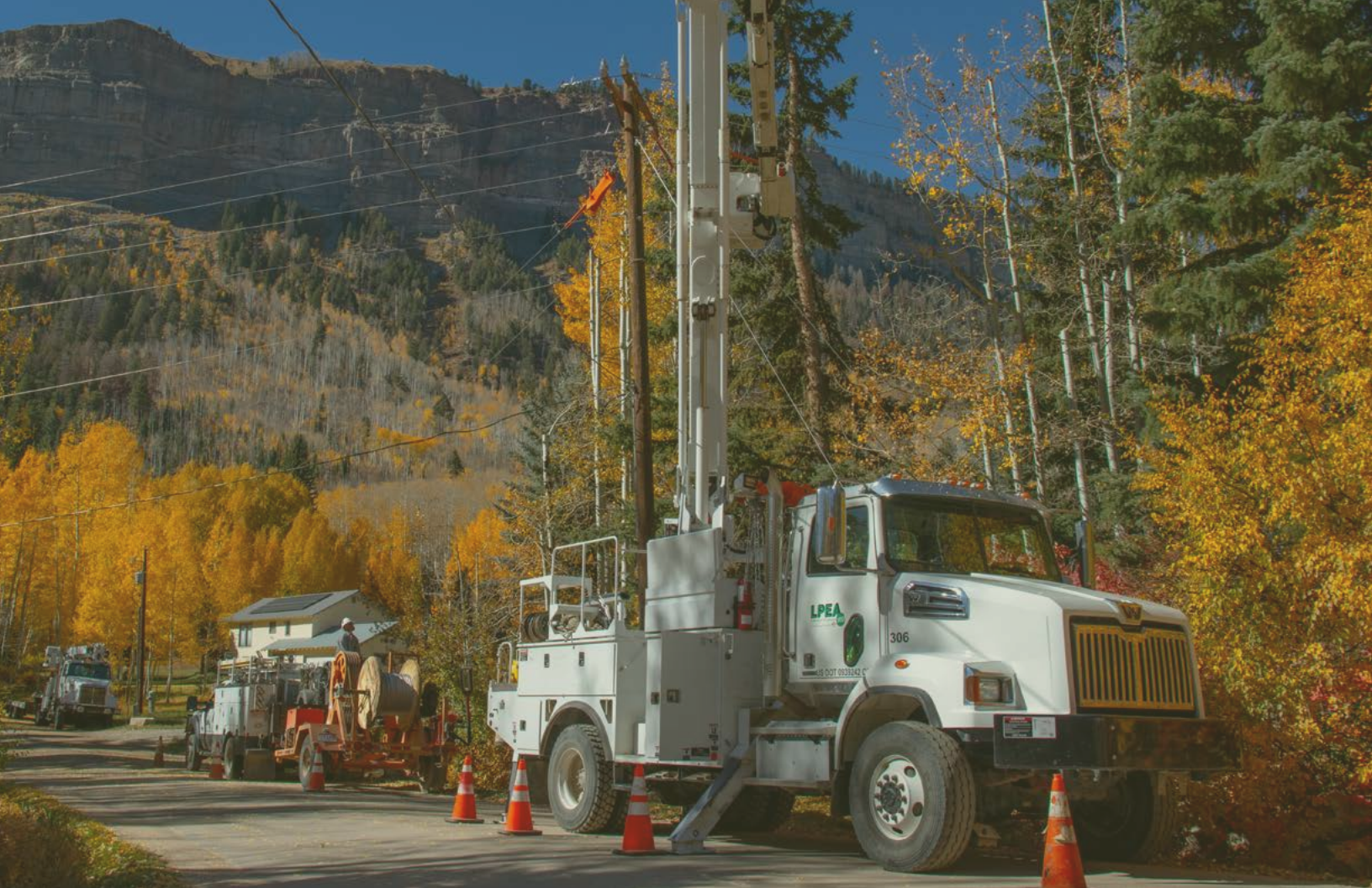
- ANONYMOUS MEMBER



PRIORITIZING SAFETY GLOVE BAG DECORATING

To promote a strong safety culture, we introduced a program encouraging lineworkers’ families to decorate their glove bags—the specialized bags used to house rubber gloves for handling live electrical lines. Spouses, children, and other family members contributed to this initiative, creating colorful, personalized bags. This initiative aimed to reinforce the connection between lineworkers and their loved ones, serving as a daily reminder of the importance of safety. By involving families, we strengthened our safety culture and emphasized the importance of vigilance in protecting both lineworkers and their families.





FUTURE FACING UPDATES **WILDFIRE MITIGATION**

A key part of deploying our wildfire mitigation strategy was done through Vegetation Management program. Our team trimmed and removed vegetation around power lines to prevent contact and reduce wildfire risks. We worked with local forestry experts to prioritize trimming based on species and growth. Building on the success of our 2022 pilot project, we brought our drone program in-house with the purchase of two drones. We have one licensed pilot and plan to certify additional employees to enhance line patrols and help to focus maintenance efforts. We also invested in infrastructure inspections, repairs, and upgrades, using resilient materials and advanced technologies like grid automation. This multifaceted approach aims to improve reliability and minimize wildfire risks during severe seasons.

Pictured: The before and after of mitigation work on Smelter Mountain in Durango.

NORTH STAR: SOURCE CLEAN, LOCAL, LOW-COST POWER

IMPACT PROJECT

SUNNYSIDE COMMUNITY SOLAR

We completed construction of the Sunnyside Solar Array, our first cooperative-owned community solar project. Sunnyside Community Solar, built by Durango-based Konisto Companies, LLC, features a state-of-the-art array consisting of 3,623 solar panels on a 9-acre site. This project is designed to power 600 homes and businesses annually, underscoring our commitment to local, clean energy solutions.

Community solar projects generate electricity from sunlight, which flows through a meter to the utility grid. Community solar subscribers, including households, businesses, or any other electricity customer, pay for a share of the electricity generated by the community solar project. For renters, low-to-moderate-income (LMI) households, and many local businesses, community solar allows customers to realize the financial benefits of clean energy without owning a property or the upfront costs for solar.

The community solar subscription program is scheduled to launch summer 2024 and will include income-qualified and general membership options.



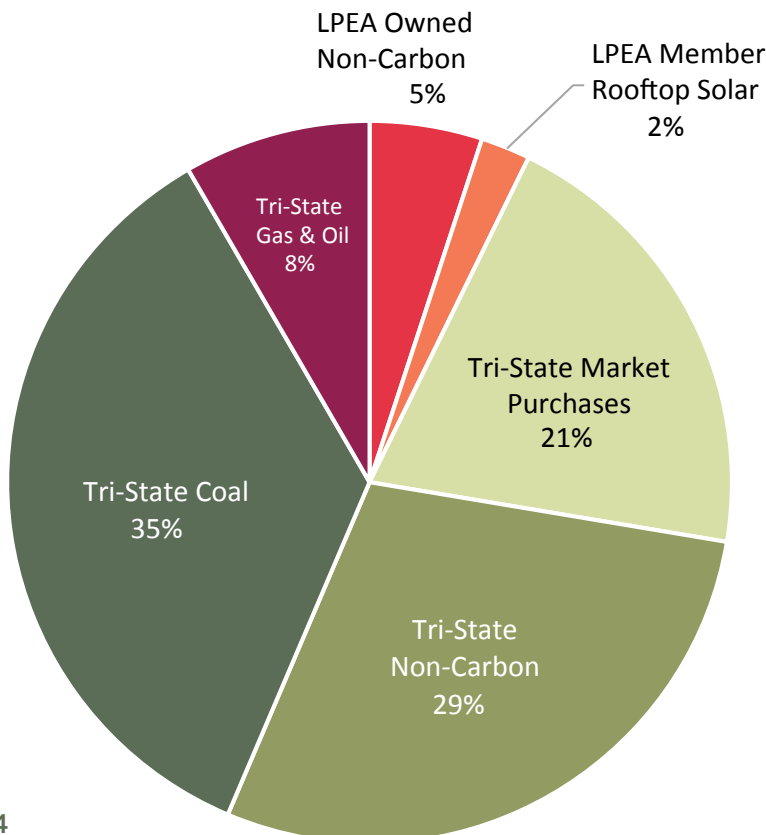
2.125
MW DC



1.7
MW AC



600
HOMES
POWERED
ANNUALLY



ENERGY RESOURCE MIX

- Tri-State Coal
- Tri-State Non-Carbon
- Tri-State Market Purchases
- Tri-State Gas & Oil
- LPEA Owned Non-Carbon
- LPEA Member Rooftop Solar



DRIVING FORWARD

POWER SUPPLY

The power supply encompasses the generation, transmission, and delivery of electricity from the initial source to the end-user. For us, this means securing 95% of electricity from wholesaler Tri-State, which generates and transmits the electricity that we then distribute to our members.

In 2023, we advanced our three-pronged strategy, which includes the evaluation of the following options: staying with Tri-State while seeking increased contract flexibility, fully exiting the contract, and pursuing a partial contract departure. Without the ability to rework our restrictive and outdated contract with Tri-State, which runs through the year 2050, we have been unable to have control over our rates or to seek new clean energy opportunities and to bring those benefits to the local community.

We are exploring an exit from Tri-State for three main reasons: our right to explore all beneficial options for our members, concerns over unpredictable rates, and a desire for greater local control over our energy resources. Initial concerns prompting this review included Tri-State's coal-heavy energy portfolio and the limitation of only being able to generate 5% of our power from local renewable sources.

In December, the Federal Energy Regulatory Commission (FERC) determined that an adjusted version of the Modified Balance Sheet Approach (BSA), issued by the Administrative Law Judge (ALJ) in September 2022, is "just and reasonable and not unduly discriminatory or preferential," with additional clarifications and modifications. This provided us with information on what a full departure would look like.

These steps reflect our ongoing commitment to optimizing our power supply strategy and ensuring flexibility in meeting our members' needs.

“THANK YOU AGAIN FOR GIVING MY CLASS AND I THE OPPORTUNITY TO VISIT THE BUSINESS AND TO HEAR SOME MEANINGFUL STORIES...WE APPRECIATE EVERYTHING YOU DO FOR OUR COMMUNITY.”

- VONTRESSA W.

COMMUNITY OUTREACH PROGRAMS



YOUTH DEVELOPMENT PROGRAMS



COMMUNITY SPONSORSHIPS



COMMUNITY ENGAGEMENT EVENTS



COMMUNITY SERVICE PROGRAMS



ROUND UP FOUNDATION



LPEA ROUND UP FOUNDATION



Mission: To advance and support causes within LPEA's service territory to improve the quality of life in our community.

If you'd like to "Round Up" your bill visit:
lpea.coop/round-up

Pictured: CEO Matlock gave the commencement address at Durango High School.

NORTH STAR: BE A TRUSTED COMMUNITY PARTNER

INVESTING IN COMMUNITIES

\$64,872

74 LOCAL SCHOOLS AND NON-PROFITS RECEIVED SPONSORSHIPS FOCUSING ON SCIENCE, TECH, ENGINEERING, & MATH (STEM), ATHLETICS, AND NURTURING THE POTENTIAL OF YOUNG PEOPLE.

\$100,000

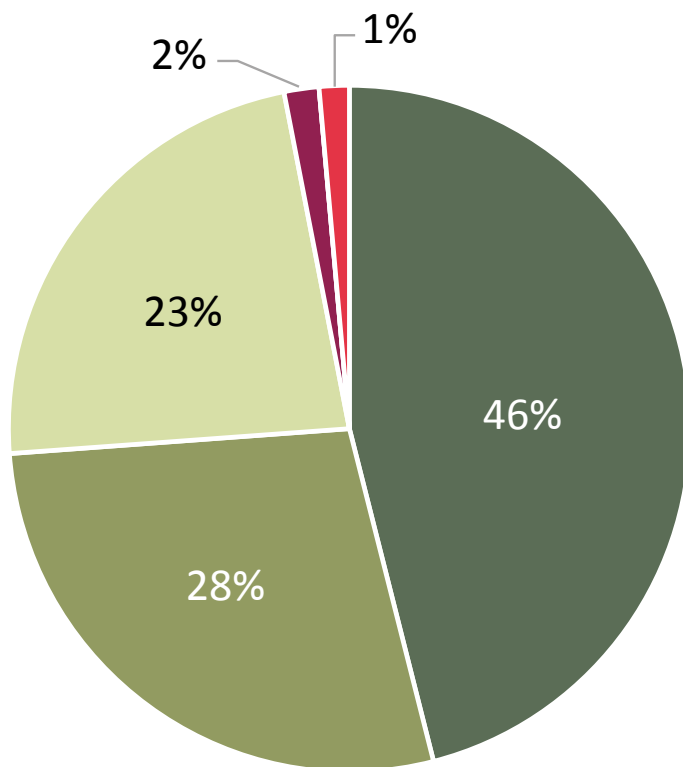
7 SCHOLARSHIPS TO HIGH SCHOOLERS TO SUPPORT CONTINUING EDUCATION RELATED TO A CAREER IN RURAL ELECTRIC COOPERATIVES.

\$146,898

48 NON-PROFIT ORGANIZATIONS RECEIVED GRANTS FROM THE LPEA ROUND UP FOUNDATION.



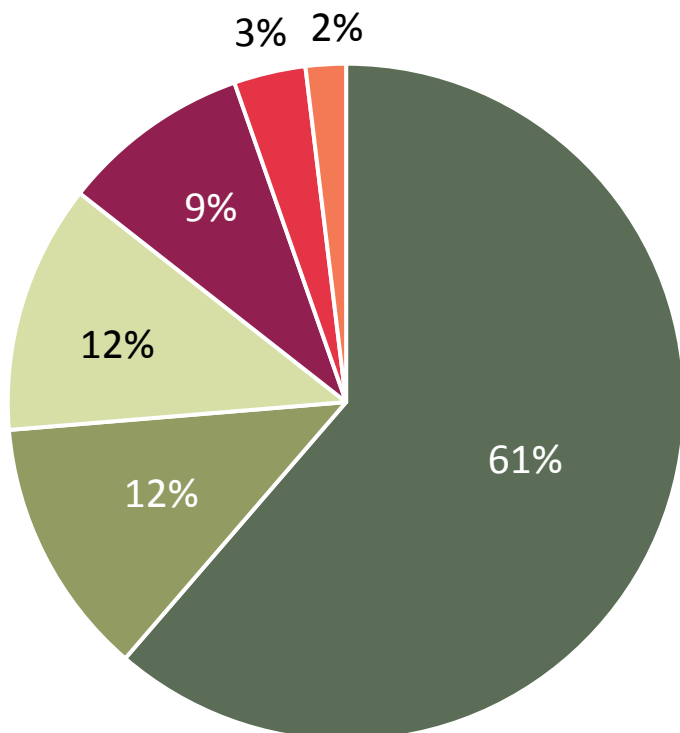
NORTH STAR: MAINTAIN STRONG FINANCIAL HEALTH



REVENUE

- Residential
- Small Commercial
- Large Commercial
- Other Operating Revenue
- Other Allocation & Income

Note: We did not receive any patronage capital from Tri-State in 2023.



EXPENSES

- Cost of Power
- Administrative Costs
- Operating Costs
- Plant Costs
- Cost of Borrowing
- Operating Margins

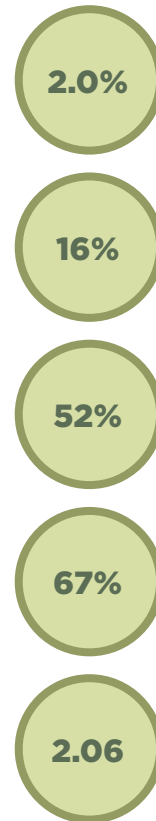
Note: Percentages may not sum to 100% due to rounding. The underlying data is calculated to two decimal places, which accounts for the remaining 1%.

KEY PERFORMANCE INDICATORS

TARGET

2023 YTD

- ✓ OPERATING MARGIN AT 2%
- ✓ CASH RESERVES AT 12-20%
- ✓ EQUITY PERCENTAGE IS 40-55%
- ✓ LONG-TERM DEBT IS LESS THAN 100% OF EQUITY
- ✓ MODIFIED DEBT SERVICE COVERAGE (MDSC) IS GREATER THAN OR EQUAL TO 1.35 (DEBT COV'T)



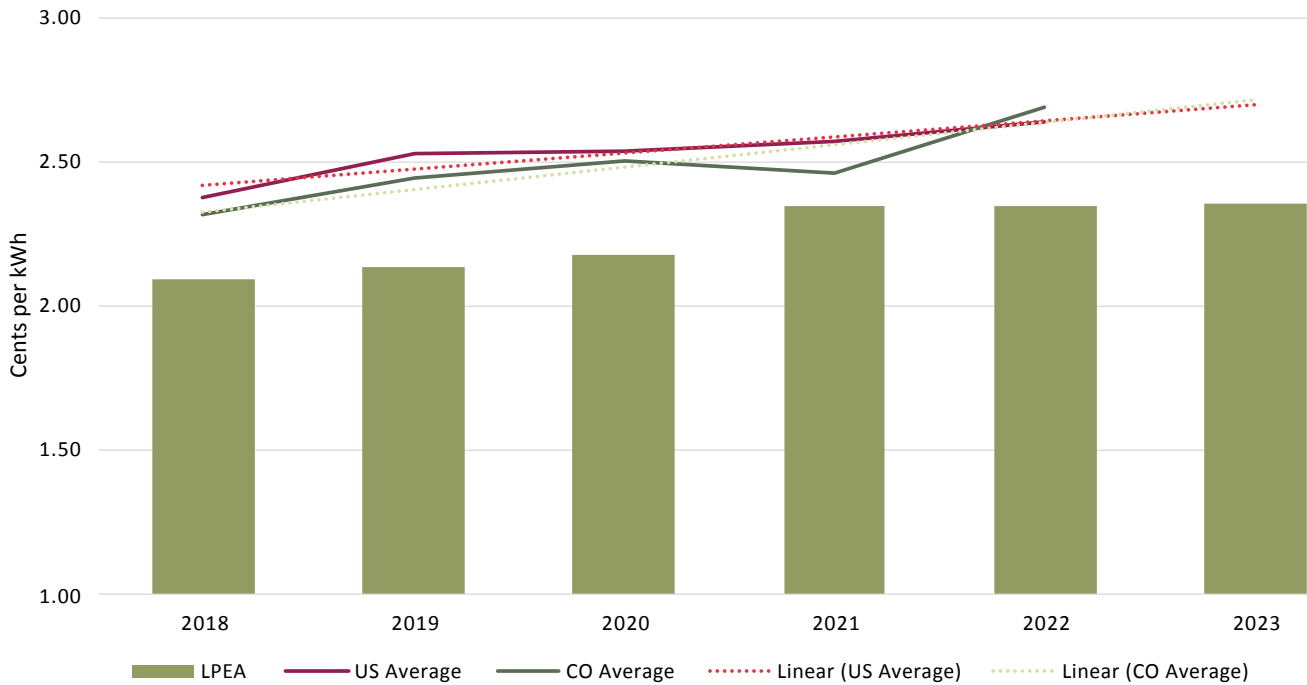
WHERE YOUR DOLLAR GOES



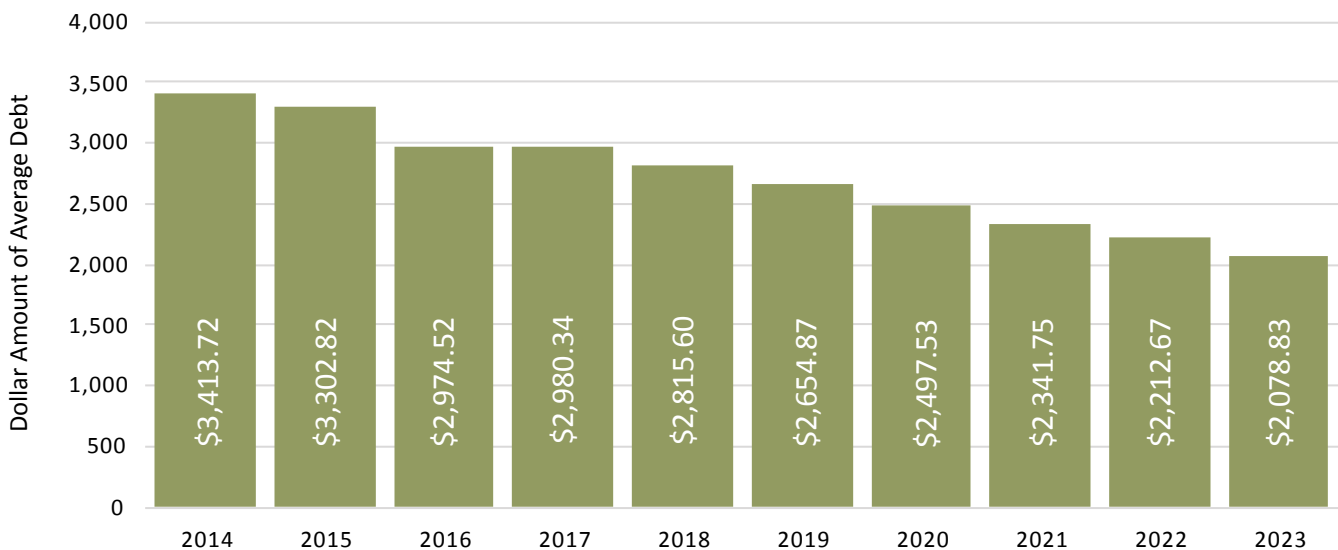
MAINTAIN STRONG FINANCIAL HEALTH (CONT.)

CONTROLLABLE COSTS PER KWH SOLD

This chart shows the money we spend to bring electricity to our members compared to national and state averages. These are costs that we can control and do not include our largest expense, the cost of power from our wholesaler Tri-State. We have maintained our costs lower than the national average despite inflationary pressure through strong fiscal responsibility on controllable costs and seeking efficiencies.



LONG-TERM DEBT PER MEMBER



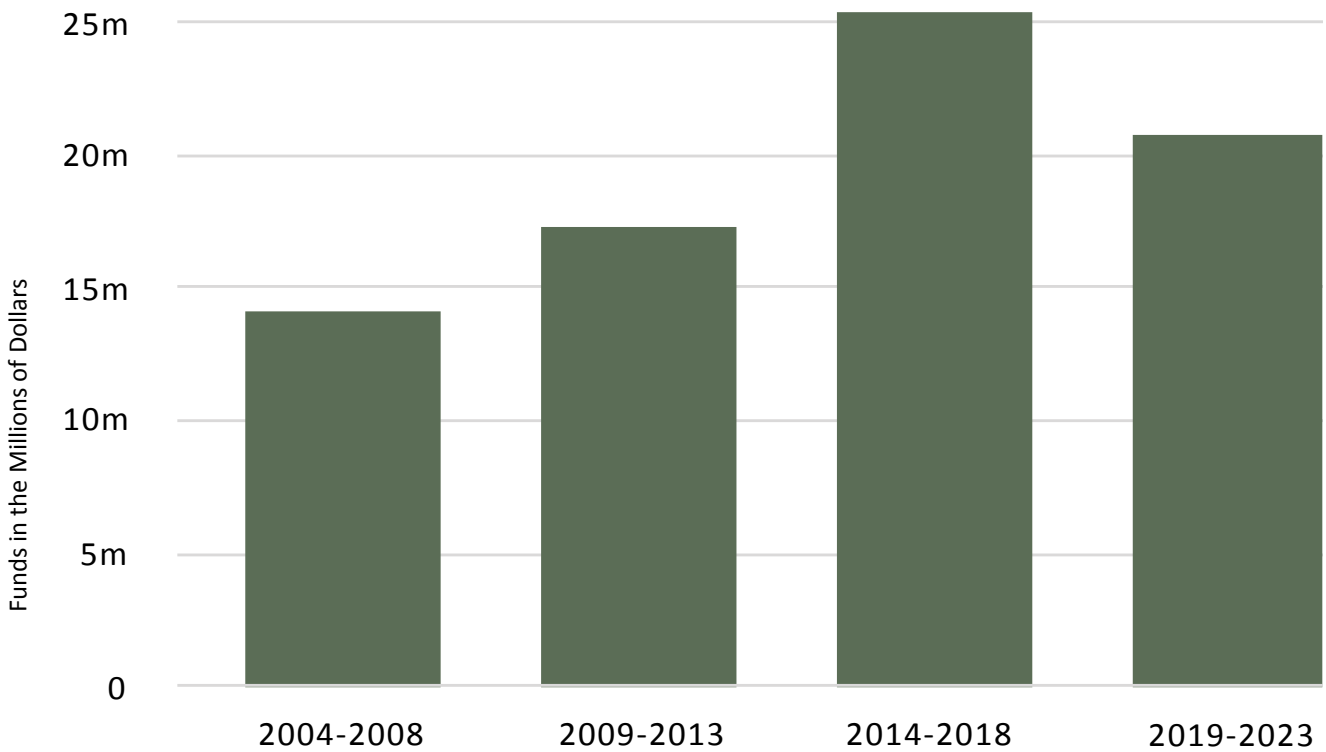


\$3M

**RETIRED
CAPITAL
CREDITS**

In July, people who were members of LPEA in 2001 and 2002 received Capital Credit refunds calculated based on the amount of electricity they used in those years. Because we are a cooperative and a not-for-profit utility delivering electric services to its members at cost, any payments made by members over what is needed to provide their electric service are placed into a Capital Credit account in each member's name (kind of like a savings account). When we are financially able, those Capital Credits are returned to members.

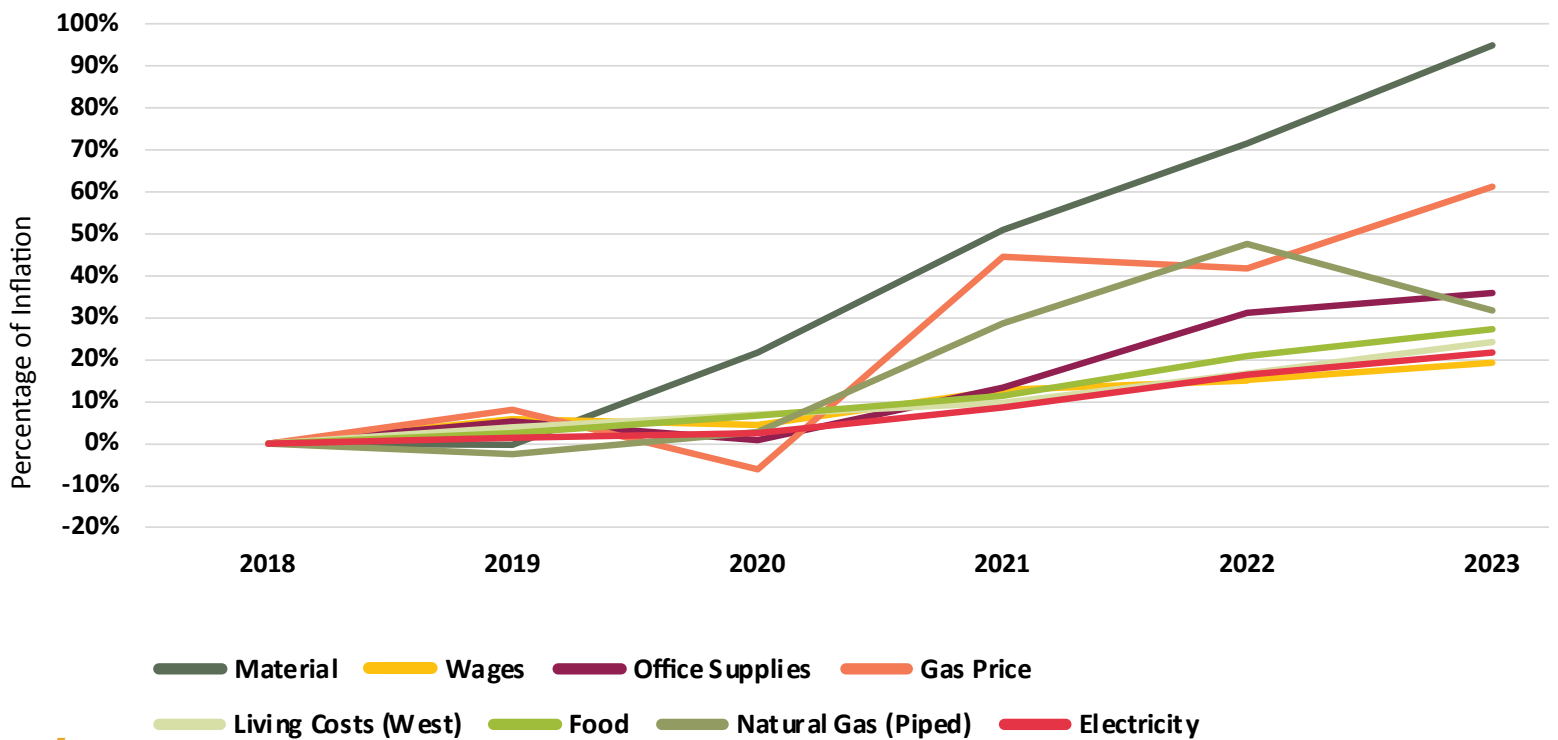
2004 - 2023 CAPITAL CREDITS PAID TO MEMBERS



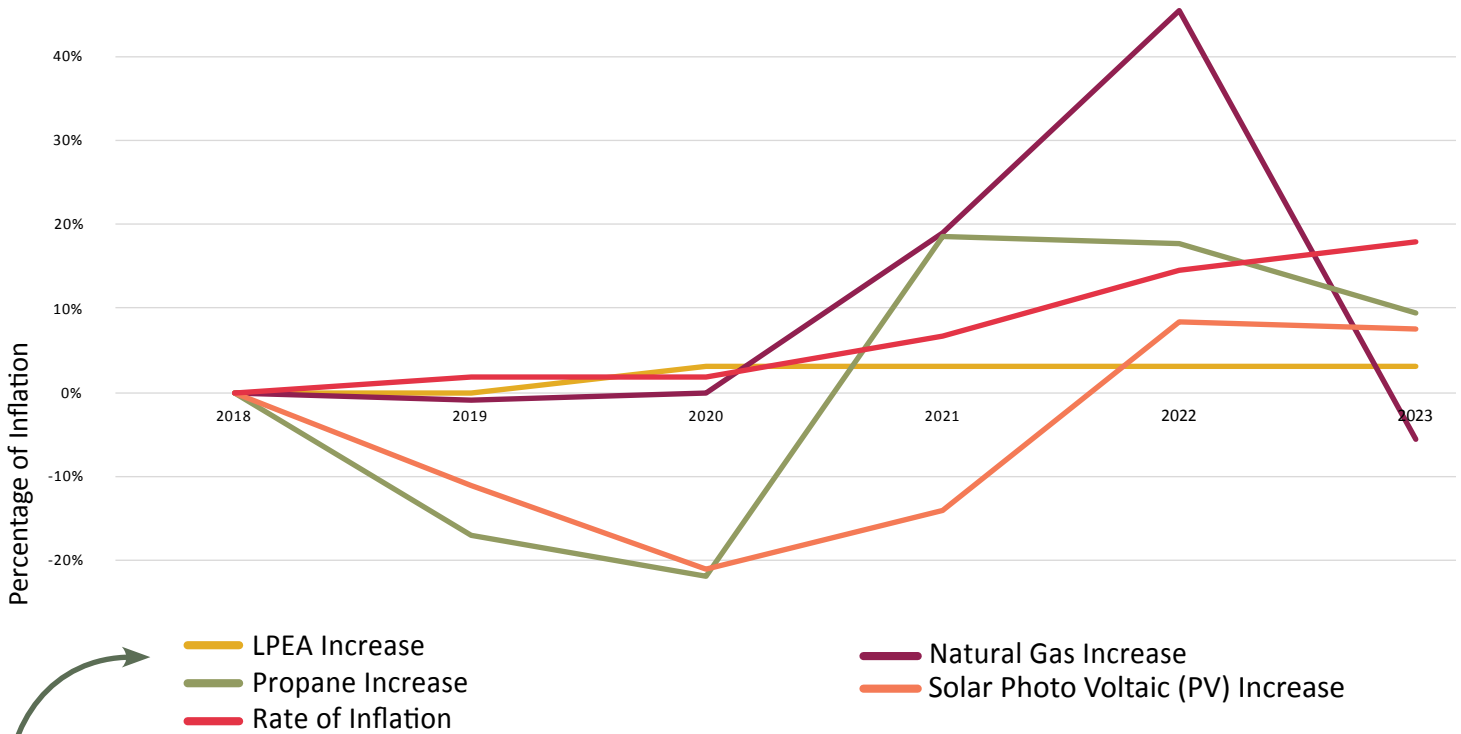
NORTH STAR MAINTAIN STRONG FINANCIAL HEALTH (CONT.)



INFLATION IN SUPPLY CHAIN



FIVE-YEAR CUMULATIVE INFLATION



COMBATING INFLATION

In 2023, we did not raise rates for the third year in a row, keeping local electricity rates stable while prices for other sources of energy have dramatically increased. As shown in the chart above, LPEA's percentage of inflation has remained historically low compared to other energy sources.

3

YEARS NO RATE INCREASE

RATES OF INFLATION IN THE ELECTRIC INDUSTRY: 2023 VERSUS 2018 PRICES

↑ 157%
Electric Poles

↑ 100%
Crossarms

↑ 218%
Copper Wire

↑ 193%
Overhead Conductor

↑ 169%
Bucket Trucks

↑ 158%
Underground Cable

↑ 181%
Overhead Transformers

↑ 195%
PVC Pipe

FINANCIAL STATEMENT

BALANCE SHEET

DESCRIPTION	2023	2022
ASSETS		
UTILITY PLANT & NONUTILITY PLANT, NET	\$ 166,437,144	\$ 170,332,959
INVESTMENTS, AT COST; OTHER ASSETS AND OTHER PROPERTY	\$ 77,427,977	\$ 79,480,192
CURRENT ASSETS		
CASH & CASH EQUIVALENTS	\$ 15,951,375	\$ 14,859,146
CERTIFICATE OF DEPOSIT	-	\$ 521,000
MARKETABLE SECURITIES	-	\$ 1,740,335
ACCOUNTS RECEIVABLE, LESS ALLOWANCE FOR DOUBTFUL ACCOUNTS; 2022: \$77,065 & 2021: \$91,849	\$ 13,016,366	\$ 12,956,968
CONTRACT ASSETS	-	\$ 10,595
MATERIALS & SUPPLIES	\$ 4,197,459	\$ 3,157,495
PREPAYMENT & OTHER ASSETS	\$ 561,456	\$ 1,000,830
TOTAL CURRENT ASSETS	\$33,726,655	\$ 34,246,369
DEFERRED DEBTS		
REGULATORY ASSETS & RIGHTS-OF-WAY	\$ 4,525,325	\$ 4,819,003
OTHER	\$ 3,581,405	\$ 91,843
	\$ 8,106,730	\$ 4,910,846
TOTAL ASSETS	\$ 285,698,506	\$ 288,970,366
LIABILITIES & EQUITIES		
EQUITIES		
PATRONAGE CAPITAL	\$ 149,741,068	\$ 148,723,107
DONATED CAPITAL	\$ 37,514	\$ 26,242
TOTAL ASSOCIATION EQUITIES	\$ 149,778,582	\$ 148,749,349
NONCONTROLLING INTEREST	-	\$ 2,704,226
TOTAL MARGINS & EQUITIES	\$ 149,778,582	\$ 151,453,575
LONG TERM DEBT	\$ 96,248,638	\$ 101,281,694
CURRENT LIABILITIES		
CURRENT MATURITIES LONG-TERM DEBT	\$ 4,233,988	\$ 5,490,651
ACCOUNTS PAYABLE	\$ 7,568,460	\$ 7,425,212
CONTRACT LIABILITIES	-	\$ 12,107
ACCRUED EXPENSES	\$ 3,848,875	\$ 4,305,856
ACCRUED TAXES	\$ 1,685,390	\$ 1,648,751
CONSUMER DEPOSITS	\$ 620,056	\$ 701,346
TOTAL CURRENT LIABILITIES	\$ 17,956,769	\$ 19,583,923
DEFERRED CREDITS	\$ 21,714,516	\$ 16,651,174
TOTAL LIABILITIES & EQUITY	\$ 285,698,506	\$ 288,970,366

FINANCIAL STATEMENT

STATEMENT OF OPERATIONS (PROFIT & LOSS)

DESCRIPTION	2023	2022
OPERATING REVENUE		
ELECTRIC ENERGY REVENUE & GROSS SALES	\$ 111,613,160	\$ 109,513,910
MISCELLANEOUS REVENUE	\$ 941,853	\$ 860,661
TOTAL OPERATING REVENUE	\$ 112,555,013	\$ 110,374,571
OPERATING EXPENSES		
COST OF POWER & GOODS SOLD	\$ 69,019,612	\$ 68,506,034
TRANSMISSION	\$ 707,456	\$ 712,875
DISTRIBUTION	\$ 7,647,529	\$ 7,613,542
MAINTENANCE OF DISTRIBUTION PLANT	\$ 3,182,605	\$ 3,976,389
ACCOUNTING & COLLECTION EXPENSES	\$ 1,407,724	\$ 1,411,536
OTHER CUSTOMER EXPENSES	\$ 3,090,091	\$ 3,133,230
ADMINISTRATIVE & GENERAL	\$ 6,866,216	\$ 6,105,436
DEPRECIATION & AMORTIZATION	\$ 10,199,895	\$ 9,961,768
TOTAL OPERATING EXPENSES	\$ 102,121,128	\$ 101,420,810
OPERATING MARGINS BEFORE FIXED CHARGES	\$ 10,433,885	\$ 8,953,761
FIXED CHARGES		
LESS INTEREST ON LONG-TERM DEBT	\$ 3,861,659	\$ 4,169,384
OPERATING MARGINS AFTER FIXED CHARGES	\$ 6,572,226	\$ 4,784,377
GENERATION & TRANSMISSION & OTHER CAPITAL CREDITS	\$ 915,922	\$ 1,050,130
OPERATING MARGINS	\$ 7,488,148	\$ 5,834,507
NONOPERATING MARGINS		
INTEREST INCOME	\$ 457,769	\$ 277,464
OTHER REVENUE	(\$ 4,303,753)	(\$ 2,598,673)
TOTAL NONOPERATING MARGINS	(\$ 3,845,984)	(\$ 2,321,209)
NET MARGINS BEFORE INCOME TAXES	\$ 3,642,164	\$ 3,513,298
PROVISIONS FOR INCOME TAXES	-	-
NET ACTIVITY FROM DISCONTINUED OPERATIONS	\$ 196,356	\$ 110,716
NET MARGINS	\$ 3,838,520	\$ 3,624,014
LESS NET MARGINS ATTRIBUTABLE TO NONCONTROLLING INTEREST	\$ 46,635	\$ 34,486
NET MARGINS ATTRIBUTABLE TO THE ASSOCIATION	\$ 3,791,885	\$ 3,589,528

Note: Percentages may not sum to 100% due to rounding. The underlying data is calculated to two decimal places, which accounts for the remaining 1%. The 2022 presentation has been adjusted to account for the sale of FastTrack Communications in November.



150

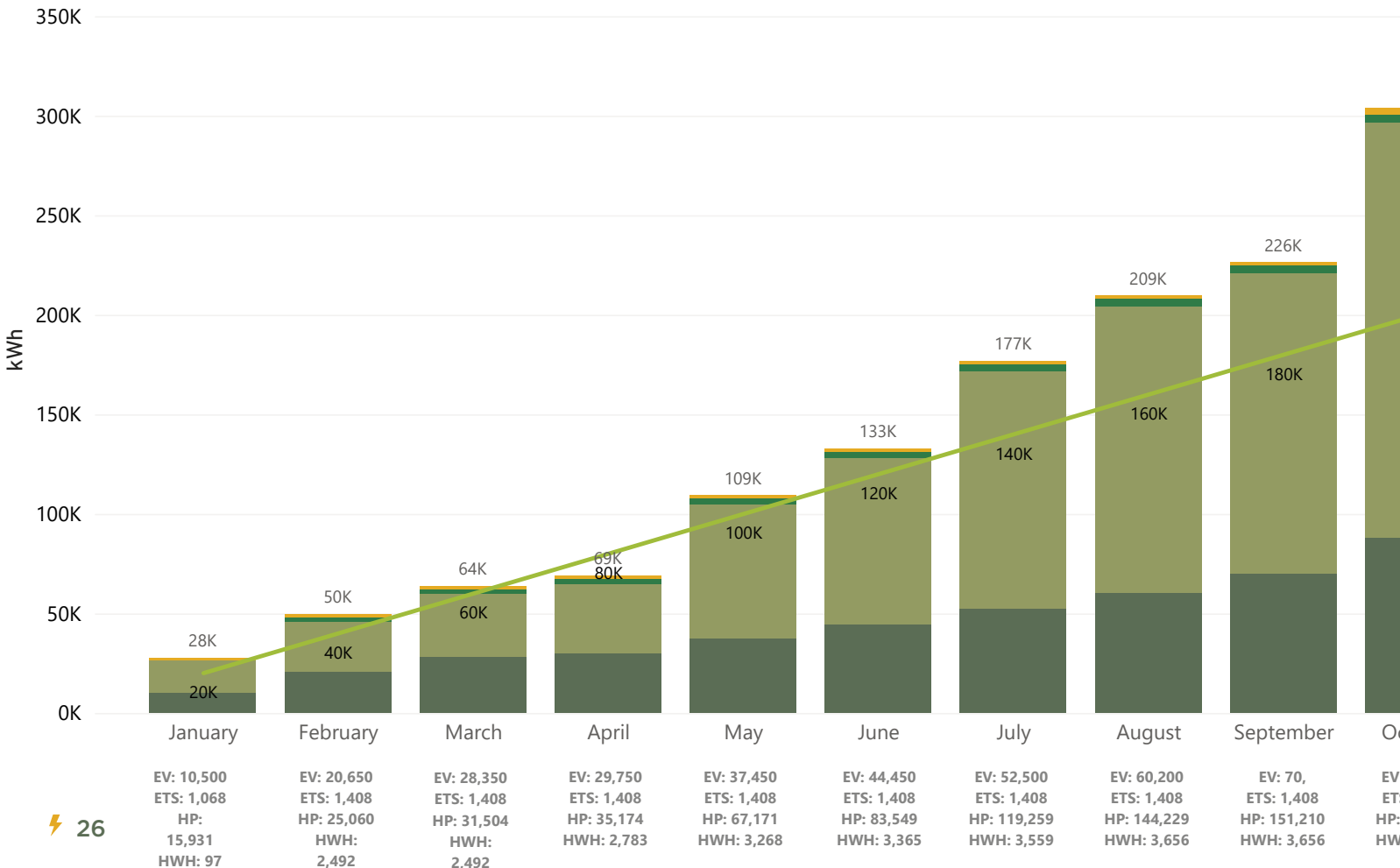
EVS IN OUR DER PROGRAM

DISTRIBUTED ENERGY RESOURCES (DER)

We exceeded our goal for actively managed Distributed Energy Resources (DER) by bringing total assets online up to 3,473 kW, exceeding our year-end target of 3,000 kW by 16%. This helps us manage our peak loads and brings the overall cost of power down for all members.

CUMULATIVE BENEFICIAL ELECTRIFICATION SALES

● EV kWh ● Heat Pump kWh ● Hybrid Water Heater kWh ● ETS kWh ● Goal

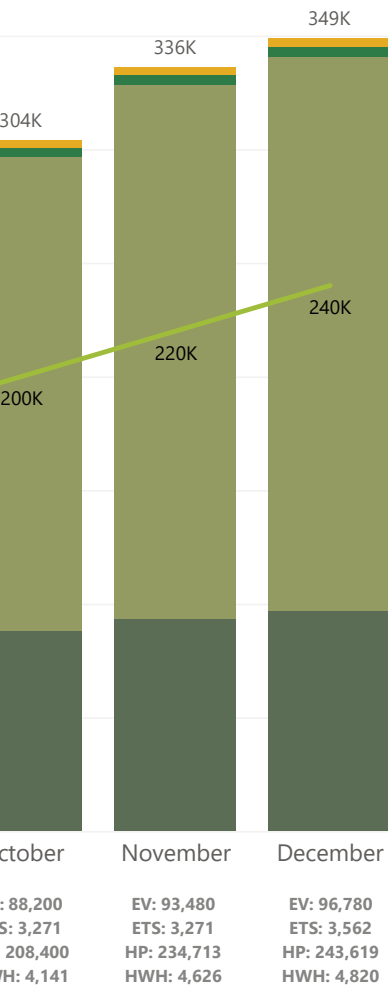


~750

EVS IN OUR SERVICE TERRITORY

150%

BE SALES SURPASSED IN OUR AREA



NORTH STAR: PREPARE FOR THE FUTURE



POWERING OUR COMMUNITY BENEFICIAL ELECTRIFICATION

For electrification to be considered beneficial, it must meet one or more of the following conditions without adversely affecting the other two: saves consumers money over the long run, enables better grid management, and reduces negative environmental impacts.

We completed three beneficial electrification (BE) all-electric demonstration sites to show the feasibility of various technologies including the control of home energy storage and heat pumps. This was done in conjunction with Habitat for Humanity and community workforce housing efforts.

In addition to these demonstrations, we held five member and contractor workshops to inform attendees about proper installation and impacts of BE.

BENEFICIAL ELECTRIFICATION (BE) TERMS:

- EV: ELECTRIC VEHICLE
- ETS: ELECTRIC THERMAL STORAGE
- HP: HEAT PUMP
- HWH: HYBRID WATER HEATER

FUTURE FACING UPDATES

TARGET: DEVELOP PARTNERSHIPS TO ACHIEVE THE STRATEGIC BROADBAND GOAL

In partnership with La Plata County, Archuleta County, the Southern Ute Indian Tribe (SUIT), Region 9, and Region 10, we secured a Capital Projects Funding grant to establish a critical fiber path extending from Ignacio to Pagosa Springs. This fiber network will not only support our operational needs but also enhance connectivity and provide essential redundancy for Pagosa Springs. Additionally, it will benefit the rural communities of Arboles, Allison, and Tiffany by improving access and connectivity along the route.

FUTURE FACING UPDATES

TARGET: WIN GRANT FUNDS TO SUPPORT LPEA INITIATIVES

We landed a \$1.5 million grant from the U.S. Department of Energy, as part of the Wildfire Assessment and Resilience for Networks (WARN) project, to go towards undergrounding cable for wildfire resilience. This award is a game-changer in our mission to deliver top-notch, affordable, and clean electricity while turbocharging our grid's resilience.

With this funding, we're set to enhance our wildfire defense strategy. We'll roll out cutting-edge satellite imaging to expertly manage vegetation along power lines and convert high-risk overhead lines to underground. This effort will cut wildfire risks and enhance safety for our community.

\$1.94M
IN GRANTS
SECURED

\$1,740,000

TWO GRANTS
AWARDED TO LPEA

- TripSaver resiliency grant with the Southern Ute Indian Tribe (SUIT)
- U.S. Department of Energy (DOE) wildfire resilience grant for undergrounding cable

\$200,000

ONE GRANT AWARDED TO
OTHERS WITH HELP FROM LPEA

- Pagosa to Durango transit grant





LPEA
UNIT 347
L'S DGT 0039242 CO



MORE THAN POLES AND POWER LINES

We're people coming together, looking out for each other. Member-owned and member-governed, we put the unity back in community. From the sage hills of La Plata County to the snow-covered peaks in Archuleta County, LPEA has been there through it all - powering homes with affordable rates, investing in renewable energy, and building a better tomorrow. For nearly 85 years we've brought light where there was darkness, comfort amid the cold, and connected beautiful southwest Colorado. And that's something worth celebrating!

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LPEA
La Plata Electric Association, Inc.
A Touchstone Energy® Cooperative 



La Plata Electric Association, Inc. (LPEA) earns this award based on data modeled by the ACSI® in 2023. Award criteria are determined by the ACSI based on customers rating their satisfaction with LPEA in a survey independent of the syndicated ACSI Energy Utility Study. For more about the ACSI, visit www.theacsi.org/badges. ACSI and its logo are registered trademarks of the American Customer Satisfaction Index LLC.