

# LPEA SEPTEMBER 2024 DIVISION DASHBOARDS



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

**LA PLATA** 85  
YEARS  
ELECTRIC ASSOCIATION, INC.



# KEY PERFORMANCE INDICATORS

Attribute	Metric	Goal	Actual	Status
Safety	Average Safety Meeting Attendance (%)	>= 80.00	97.33	✓
Reliability*	System Average Interruption Duration Index (SAIDI, minutes)	< 100.00	56.47	✓
	System Average Interruption Frequency Index (SAIFI, outages/member)	< 1.00	0.73	✓
Finance	Financial Health Score	>= 100.00	178.58	✓
	YTD Operating Margin (% of Revenue)	>= 2.5	3.80	✓
	Cash Reserves (% of Operating Costs)	12 - 20	12	✓
	Debt Financing (% of Equity)	<= 100	63	✓
	Modified Debt Service Coverage (MDSC)	>= 1.35	2.58	✓
	Equity (%)	40 - 55	54	✓
Beneficial Electrification	BE Sales (kWh)	>= 190,000	207,366	✓
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 - 09/30/2024

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 in September.

## TARGET: ACHIEVE 100% REGULATORY COMPLIANCE

- ✓ Achieved 100% compliance in September.

## TARGET: EXPERIENCE NO CYBER INCIDENTS THAT DISRUPT BUSINESS PROCESSES

- ✓ No cyber incidents in September.
- ✓ Replaced aged hardware and updated underlying software that support virtual computing infrastructure. This improves performance and reliability for mission critical servers.
- ✓ Updated the multifactor authentication method used by contractors to remotely access LPEA's systems. This update utilizes a more modern and secure multifactor authentication protocol to protect against cybersecurity threats.

## TARGET: COMPLETE 5 MAJOR CONTINUOUS IMPROVEMENT PROJECTS

- ✓ **Cost-of-service study**
  - Submitted over 75% of requested data.

# KEEP THE LIGHTS ON

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

- ✓ Crews replaced 12 broken or reject poles and installed 5 raptor protections. Two broken poles were vehicle caused and 3 were broken from the storms.
- ✓ Vegetation management crews continue to focus on heavily overgrown areas on Spring Creek circuits up Florida Road.

## TARGET: MEET 2024 CAPITAL PROJECT'S SCHEDULE AND BUDGET

- ✓ As of the end of September, 65% of the Capital Projects Budget work has been completed.
  - Lake Forest Cable Replacement - Complete
  - Electra Lake - In progress
  - Lake Purgatory - In progress
  - Silverpick Line Rebuild - In progress
  - Bootjack - In progress
  - Lake Hatcher - In progress
  - Jack's Pasture Cable Replacement - In progress.10% will not be completed due to State Historic Preservation Office (SHPO) but is counteracted with work we moved ahead in schedule. 30% may not be completed in 2024 due to large project delays with Animas Valley, Trujillo Substation, and Durango Mesa.

## TARGET: ACHIEVE SAIDI/SAIFI TARGETS

- ✓ Met SAIDI and SAIFI goals for September.
- ✓ Crews responded to 65 unplanned outages. Heavy thunderstorms contributed to the majority of the problems.

# SOURCE CLEAN, LOCAL, LOWEST REASONABLE COST POWER

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

- ✓ LPEA took a significant step forward in its power supply strategy by announcing an agreement with Mercuria Energy America LLC (Mercuria) to secure reliable power supply following the termination of services from Tri-State, effective April 1, 2026. This strategic collaboration demonstrates LPEA's commitment to ensuring a smooth transition and maintaining a stable energy source for our members.

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

- ✓ Enrolled members in Sunnyside Community Solar subscriptions:
  - Offered 100% of the capacity for general membership subscriptions to the program and finalized 80% of agreements with 131 members still on the waiting list.
  - Offered 96% of the capacity for income qualified member subscriptions and finalized 69% of agreements.
- ✓ Initiated permitting and environmental work for the Powering Affordable Clean Energy (PACE) award from the United States Department of Agriculture.

# BE A TRUSTED COMMUNITY PARTNER

## TARGET: ACHIEVE IMPROVEMENT IN OVERALL MEMBER SATISFACTION

- ✓ Announced member focus group sessions.

## TARGET: STRENGTHEN PARTNERSHIPS AND INCREASE STAKEHOLDER ENGAGEMENT

- ✓ Hosted our annual meeting, bringing together members, staff, and key stakeholders in the electric cooperative community. The meeting featured updates on LPEA's 2023 achievements and future plans. Our Board of Director election results were also announced at this event.
- ✓ Kicked off our 85th anniversary and celebration by recognizing the Florida Grange #306 as our longest-standing member since 1939. In appreciation of their role in supporting our cooperative, LPEA presented a commemorative check at their annual pancake breakfast. This milestone reflects our long-standing commitment to community partnerships.

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

- ✓ The Colorado Chapter of Women in Energy held their Annual Luncheon to celebrate the 2024 Kelly de la Torre Scholarship Fund recipients on September 27th in Denver. Elizabeth Howe was one of four women in energy invited to share their inspiring story and offer a thought-provoking challenge for the chapter attendees to reflect on and embrace in their lives.
- ✓ Dominic May hosted a session at the Rocky Mountain Utility Exchange on Electric Vehicle (EV) charging in multifamily homes.
- ✓ Dominic also spoke on Virtual Power Plants (VPP) at a national Grid Forward (GridFWD) event where he connected with the CEO of the California Independent System Operator (CAISO), CEO of the Western Power Pool, and the COO of the Southwest Power Pool (SPP). These types of engagements greatly expand LPEA's positive reputation as an innovative industry leader and we are seeing tangible results.

## TARGET: IMPROVE TWO-WAY COMMUNICATION WITH OUR MEMBERS

- ✓ Announced Town Hall events for member engagement to occur in October.



Elizabeth speaking at WENCO.

# BE A TRUSTED COMMUNITY PARTNER

## PHOTOS FROM THE MONTH OF SEPTEMBER



LPEA held its Annual Meeting on September 18.



LPEA staff member Jon Kenney spoke with a member about electric vehicles.



LPEA honored its longest standing member, the Florida Grange, at their annual pancake breakfast.



Elections concluded at the Annual Meeting in September.



LPEA board members, staff, and co-op members engaged at the Annual Meeting.

# MAINTAIN STRONG FINANCIAL HEALTH

## **TARGET: OPERATING MARGIN AT 2.5%**

✓ 3.8% YTD - We are above target for September but moved down from the prior month.

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

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

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

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

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

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

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

✓ 2.58 YTD - We continue to meet this goal for September.

# PREPARE FOR THE FUTURE

## TARGET: DEVELOP PARTNERSHIPS TO ACHIEVE LPEA'S BROADBAND GOAL

- ✓ Continued to make progress on pole attachments:

OPERATING EXPENSES	SEPTEMBER
<b>NEW</b>	
WORK ORDERS	1
POLES	11
<b>IN DESIGN</b>	
WORK ORDERS	35
POLES	1,518
<b>RELEASED FROM ENGINEERING</b>	
WORK ORDERS	30
POLES	1,331
<b>IN CONSTRUCTION</b>	
WORK ORDERS	17
POLES	559
<b>COMPLETE</b>	
WORK ORDERS	7
POLES	157
<b>ABANDONED</b>	
WORK ORDERS	2
POLES	24
<b>TOTAL</b>	
WORK ORDERS	<b>92</b>
POLES	<b>3,600</b>

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

- ✓ No updates in September.

## TARGET: PURSUE AND IMPLEMENT GRANTS TO SUPPORT LPEA INITIATIVES

- ✓ Finalized plans to apply for the Innovative Queue Management Solutions (iQMS) for Clean Energy Interconnection and Energization funding opportunity in partnership with the National Renewable Energy Laboratory (NREL). This opportunity could lead to the development of a software tool to avoid prohibitively expensive custom assessments by quickly analyzing interconnection requests that have failed the initial screening process.

## 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: 2

- Grid Resilience and Innovation Partnerships (GRIP2) - Climate Risk-Optimized DER Deployment.
- Rural and Municipal Utility Cybersecurity (RMUC) Program Act 1 Phase 2 prize for investing in our cybersecurity efforts.