

LPEA APRIL 2025 DIVISION DASHBOARD





Key Performance Indicators

Be Safe And Excellent In All We Do

Keep The Lights On

Source Clean, Local, Lowest Reasonable Cost Power

Be A Trusted Community Partner

Maintain Strong Financial Health

Prepare For The Future

Appendix

KEY PERFORMANCE INDICATORS

Attribute	Metric	Goal	Actual	Status
Safety	Average Safety Meeting Attendance (%)	> = 80.00	98.00	✓
Reliability ¹	System Average Interruption Duration Index (SAIDI, minutes)	< 100.00	25.20	✓
	System Average Interruption Frequency Index (SAIFI, outages/member)	< 1.00	0.46	✓
Finance	Financial Health Score	> = 100.00	241.10	✓
	YTD Operating Margin (% of Revenue)	> = 3	5.5	✓
	Cash Reserves (% of Operating Costs)	12 - 20	4.95	!
	Debt Financing (% of Equity)	< = 100	59	✓
	Modified Debt Service Coverage (MDSC)	> = 1.35	2.68	✓
	Equity (%)	40 - 55	55	✓
Beneficial Electrification	BE Sales (kWh)	> = 84,000	108220	✓
Information Technology	Average Critical System Uptime (%)	> = 99.9	100.00	✓

✓ Meeting or exceeding performance goal

! Monitoring performance

✗ Not on track to meet performance goal

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

¹Reliability is measured cumulatively over the year. The 100 minute target is our annual goal and is not monthly.

The date range for this chart is 01/01/2025 - 04/30/2025.

BE SAFE AND EXCELLENT IN ALL WE DO

TARGET: ENSURE A CULTURE OF SAFETY WITH ZERO LOST-TIME INCIDENTS AND CONTINUOUS IMPROVEMENT IN SAFETY PROTOCOLS

- ✓ No lost-time incidents in April.
- ✓ Achieved 100% regulatory safety compliance in April.

TARGET: EXPERIENCE NO CYBER INCIDENTS THAT DISRUPT BUSINESS PROCESSES

- ✓ No cyber incidents in April.
- ✓ Deployed host-based firewalls on all workstations with centralized policy management.
- ✓ Migrated internal wi-fi to a more secure, certificate-based authentication mechanism.
- ✓ Implemented two-factor authentication (2FA) to our form building platform as an added step to protect internal data.



Emily Missildine and Josh Antal speak with a member at the Community Wildfire Workshop.

KEEP THE LIGHTS ON

TARGET: STRENGTHEN WILDFIRE PREVENTION AND GRID RESILIENCE THROUGH PROACTIVE MITIGATION STRATEGIES AND INFRASTRUCTURE ENHANCEMENTS

- ✓ Crews changed 28 poles and trimmed trees on 8 substation circuits throughout the service territory.

TARGET: LEVERAGE TECHNOLOGY TO IMPROVE OPERATIONAL SAFETY, EFFICIENCY, AND PROACTIVE MAINTENANCE

- ✓ Utilized technology to coordinate documentation and various forms of communication for internal emergency management.

TARGET: INVEST IN CAPITAL IMPROVEMENTS TO MODERNIZE THE GRID INFRASTRUCTURE, INCLUDING UPGRADES TO SUBSTATIONS, TRANSFORMERS, AND TRANSMISSION LINES

- ✓ Resumed work on the Lake Purgatory project, improving reliability, and bringing the subdivision up to our system design standards.

TARGET: ACHIEVE TARGETED IMPROVEMENTS IN RELIABILITY METRICS, REDUCING THE FREQUENCY AND DURATION OF OUTAGES THROUGH SYSTEM UPGRADES, PREVENTATIVE MAINTENANCE, AND ENHANCED EMERGENCY RESPONSE

- ✓ Exceeded SAIDI and SAIFI goals for April.
- ✓ Crews responded to 40 unplanned outages, mostly due to trees outside the right-of-way and small animals.

- ✓ Experienced 95 planned outages in April due to the increase in maintenance and make-ready jobs.
- ✓ Updated the Pine Valley, Falfa, and Bayfield reclosers (safety switches) per the ten-year preventative maintenance rotation.



Lineworkers in Pagosa Springs were honored and celebrated on Lineworker Appreciation Day, April 18.

SOURCE CLEAN, LOCAL, LOWEST REASONABLE COST POWER

TARGET: ADVANCE LOCAL CLEAN POWER PROJECTS BY SECURING NEW RENEWABLE ENERGY GENERATION OPPORTUNITIES, COLLABORATING WITH STAKEHOLDERS, AND ENSURING PROJECT FEASIBILITY

- ✓ LPEA was awarded a \$2.085 million grant through the Colorado Department of Local Affairs (DOLA) and the U.S. Department of Energy (DOE) to launch a new grid-edge battery storage project at the Shenandoah substation. Funded through DOLA's Microgrids for Community Resilience (MCR) Program and the federal Bipartisan Infrastructure Law, the Shenandoah project was selected through a highly competitive process.

TARGET: COMPLETE ENERGY TRANSITION

- ✓ Signed the Purchase and Sale agreement with Tri-State for transmission assets.
- ✓ Signed the Network Integration Transmission Service (NITS) and Notice of Assignment (NOA) agreements in preparation for joining the Southwest Power Pool (SPP) as required by the Open Access Transmission Tariff (OATT).
- ✓ Started construction on the communication line as part of LPEA's onboarding to Southwest Power Pool (SPP).



Students from Animas High School toured Sunnyside Solar and Vallecito Hydrostation.



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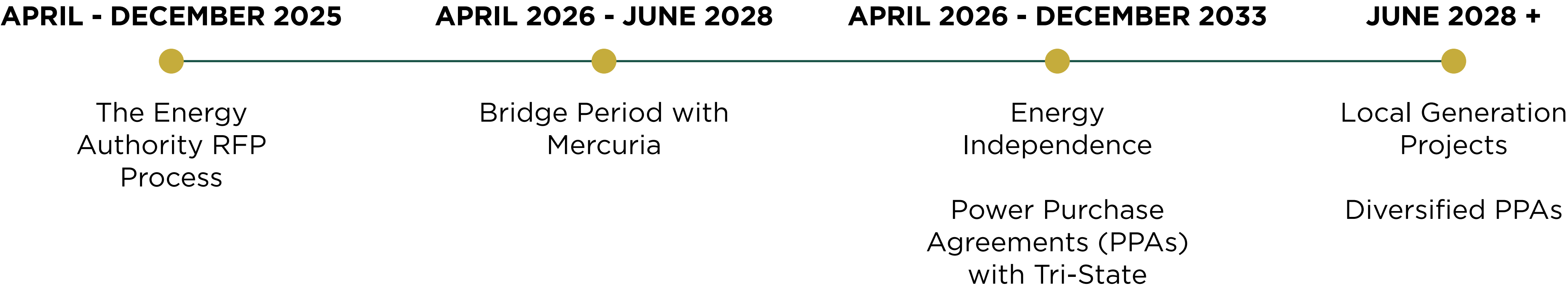
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THE ROAD AHEAD

community power

from LPEA



BE A TRUSTED COMMUNITY PARTNER

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TARGET: ACHIEVE IMPROVEMENT IN OVERALL MEMBER SATISFACTION

- ✓ The member services team successfully completed a large account-specific project which began in mid 2024. This involved converting nearly 2,000 accounts into stand-alone accounts. These owner/tenant accounts are now set up in alignment with industry best practices and function seamlessly, allowing stored payment methods on SmartHub and autopay updates are now enabled through the Interactive Voice Response (IVR).
- ✓ Emailed the Sunnyside Community Solar subscribers before they received their May bills to explain the changes they could expect to see with the subscription fee and new rates.

TARGET: STRENGTHEN COMMUNICATION WITH MEMBERS THROUGH MULTIPLE CHANNELS

- ✓ Published the first episode of a three-episode pilot podcast about LPEA's Time of Use program to engage with and educate members via a new channel.
- ✓ Launched the online voting option for the 2025 LPEA Board elections.
- ✓ Received and assembled a new table-top arc demonstration set for educating members on electric safety in the community. Emily Missildine and Josh Antal performed power safety demonstrations with the new set at the Fire Safety and Prevention day held at the La Plata County Fairgrounds.

TARGET: STRENGTHEN LPEA'S PRESENCE AND ENGAGEMENT WITHIN THE LOCAL COMMUNITY BY FOSTERING MEANINGFUL CONNECTIONS, PROMOTING SUSTAINABILITY EFFORTS, AND ENHANCING PUBLIC AWARENESS OF THE ENERGY TRANSITION AND EDUCATIONAL OUTREACH

- ✓ Chris presented "Powering our Community Through the Energy Association" at the Green Business Roundtable.
- ✓ Facilitated a field trip for Animas High School sophomores for their Energy Exploration unit to provide learning opportunities to the students on electromagnetic induction, circuits, efficiency, conversions, energy losses, substation design, transmission vs. distribution, and transformers.
- ✓ Jerry Sutherlin and the arc demo teams joined the Community Wildfire Workshop and spoke on LPEA's efforts in wildfire mitigation.
- ✓ Emily Missildine participated in an Energy Assistance Workshop hosted by Energy Outreach Colorado at the La Plata Family Centers Coalition. Emily spoke about LPEA's energy assistance program and offerings for income qualified members, including the Income-Qualified program for Sunnyside Community Solar, LPEA's funding of CARE, and the Giving Tree. She also provided education about the recent rate changes and how to manage Peak Demand charges, described different bill-pay options including Budget Billing and Prepay, while highlighting LPEA's rebate offerings.

(Continued on next slide)

BE A TRUSTED COMMUNITY PARTNER *(CONTINUED)*

CONTINUED: TARGET: STRENGTHEN LPEA'S PRESENCE AND ENGAGEMENT WITHIN THE LOCAL COMMUNITY BY FOSTERING MEANINGFUL CONNECTIONS, PROMOTING SUSTAINABILITY EFFORTS, AND ENHANCING PUBLIC AWARENESS OF THE ENERGY TRANSITION AND EDUCATIONAL OUTREACH

- ✓ Carrie Hugus attended the Fort Lewis College career fair to engage with students about the career opportunities available in the electric industry.
- ✓ Amanda Anderson and Gester Garcia spoke to students from the Fort Lewis College Springboard Fellows program.
- ✓ Chris and staff participated in the Durango Earth Day parade and staffed booths at both the Durango and Archuleta County Earth Day Events. They engaged members and fielded questions, mostly related to managing energy usage in a more efficient and sustainable manner.
- ✓ Kevin Camp attended and assisted with the Four Corners Office for Resource Efficiency (4CORE) and Durango Motor Company Earth Day Ride and Drive event to promote Electric Vehicle (EV) adoption. He interacted with about 20 attendees sharing information about EV incentives and charging options, and 1 person test drove the Mitsubishi PHEV.
- ✓ Jon Kenney provided an online Heat Pump Water Heater Quality Installer training for the New Buildings Institute. There were 24 attendees.
- ✓ Chris attended the Archuleta County Board of County Commissioners meeting.
- ✓ Chris met with the Fort Lewis College Presidential Finalist.

- ✓ Chris met with the La Plata Economic Development Alliance about an Early Childhood Investment Opportunity.
- ✓ Chris threw out the first pitch for Durango Baseball & Softball.

TARGET: IDENTIFY THE EVOLVING NEEDS OF THE MEMBERSHIP

- ✓ Chris engaged with members during the Coffee with Chris event in Pagosa Springs and Current Conversations events in Pagosa Springs and Ignacio.
- ✓ Chris met with the Archuleta County Sheriff.

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LPEA participated in Earth Day events in both Durango and Archuleta County.



MAINTAIN STRONG FINANCIAL HEALTH

KEY PERFORMANCE INDICATORS:

TARGET: OPERATING MARGIN AT 3%

✓ 5.50% YTD - This goal was met for April.

TARGET: CASH RESERVES AT 12-20%

! 4.59% YTD - Utilizing cash to finance elevated capital spending levels to avoid higher borrowing costs. We are reviewing the capital spending plan to bring the overall cash position up by year end.

TARGET: EQUITY PERCENTAGE IS 40-55%

✓ 55% - This goal was met for April.

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

✓ 59% - April saw a reduction in this ratio as no new debt was assumed and we made our quarterly scheduled debt service payment.

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

✓ 2.68 YTD - This goal was met for April.

TARGET: IMPLEMENT A COMPREHENSIVE FINANCIAL STRATEGY THAT ENSURES LONG-TERM SUSTAINABILITY BY OPTIMIZING COST STRUCTURES, SECURING DIVERSE FUNDING SOURCES, MAINTAINING HEALTHY FINANCIAL RATIOS, AND POSITIONING FOR FAVORABLE CREDIT RATINGS

- ✓ Met with the Cooperative Finance Corporation (CFC) in preparation for the contract termination payment (CTP) financing.
- ✓ Continued to make progress in preparing for credit rating.
- ✓ Continued to make progress on a long-term capital forecast.

PREPARE FOR THE FUTURE

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TARGET: POSITION LPEA FOR LONG-TERM GROWTH AND RESILIENCE THROUGH INNOVATIVE PROGRAMS, STRATEGIC PARTNERSHIPS, AND FORWARD-THINKING INVESTMENTS THAT OPTIMIZE THE GRID AND SUPPORT EVOLVING ENERGY NEEDS

- ✓ Chris attended the National Rural Electric Cooperative Association (NRECA) Legislative Conference and the Northwest Public Power Association (NWPPA) D.C. Rally in Washington D.C. where he met with key policy makers including Senators Micheal Bennet and John Hickenlooper and Representatives Jeff Hurd and Joe Neguse all from Colorado. Chris was among more than 2,000 co-op leaders gathered for the conference to engage key lawmakers and advocate for smart energy policies on Capitol Hill. Six members of Congress from both political parties addressed the conference, emphasizing the need for bipartisan energy solutions and pledging to work with co-ops to ensure reliable, affordable power.
- ✓ Chris participated in the preliminary discussion on Colorado Energy Planning Framework for public utilities.
- ✓ Submitted annual Southwest Power Pool (SPP) Renewal Credit Application.
- ✓ Attended the Sustainable Trades Workforce Partnership launch meeting.

TARGET: DEVELOP PARTNERSHIPS TO ACHIEVE THE BOARD'S BROADBAND GOAL

- ✓ Continued to make progress on pole attachments with 118 work orders and 4,522 poles.

TARGET: IDENTIFY AND SECURE GRANTS AND FUNDING OPPORTUNITIES TO SUPPORT KEY INITIATIVES THAT ADVANCE LPEA'S SUSTAINABILITY, INNOVATION, AND COMMUNITY ENGAGEMENT GOAL

- ✓ Resubmitted the Powering Affordable Clean Energy (PACE) grant application for Sunnyside II based on updated requirements.
- ✓ Secured \$2,085,000 through the Microgrids for Community Resilience (MCR) Grant Program for the Shenandoah Grid Edge Energy Storage project, contingent upon Department of Energy (DOE) approval. This project is for a 5 MW / 20 MWh battery at LPEA's Shenandoah Substation. It will be a turnkey project constructed, owned, and maintained by Convergent Energy and Power with a uniquely structured tolling agreement to LPEA.

TARGET: RESEARCH AND IMPLEMENT NEW TECHNOLOGIES AND STRATEGIES THAT OPTIMIZE LPEA'S GRID, IMPROVING RELIABILITY, EFFICIENCY, AND RESILIENCE TO MEET FUTURE ENERGY DEMANDS

- ✓ Submitted an application for a \$1 million grant for Project VALOR under the JARVIS (Joint Assessment of Resilience in Vulnerable Infrastructure Systems) program. This is phase one of program with Baringa, Argonne National Laboratory, and Lawrence Berkeley National Laboratory to develop a resilience risk assessment tool—aimed at transforming how small utilities like LPEA plan for extreme weather and strengthening our grid's reliability, efficiency, and resilience.

