

# LPEA JULY 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	96.86	✓
	Lost-time Incidents	0	0	✓
Reliability <sup>1</sup>	System Average Interruption Duration Index (SAIDI, minutes)	< 100.00	41.47	✓
	System Average Interruption Frequency Index (SAIFI, outages/member)	< 1.00	0.66	✓
Finance	Financial Health Score	> = 100.00	261.26	✓
	YTD Operating Margin (% of Revenue)	> = 3%	6.0 %	✓
	Cash Reserves (% of Operating Costs)	12 - 20	6.8	!
	Debt Financing (% of Equity)	< = 100	57	✓
	Modified Debt Service Coverage (MDSC)	> = 1.35	2.94	✓
	Equity (%)	40 - 55%	56%	✓
Beneficial Electrification	BE Sales (kWh)	> = 127,000	116,375	!
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.

<sup>1</sup>Reliability 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 - 07/31/2025.

# 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 July.
- ✓ Achieved 100% regulatory safety compliance in July.

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

- ✓ No cyber incidents in July.
- ✓ Ben Malone hosted three Artificial Intelligence (AI) workshops in order to help staff identify new opportunities to optimize work time and efficiency.



Elizabeth Howe participated in a panel discussion at the Northwest Public Power Association's (NWPPA) Women in Public Power conference.



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

- ✓ Crews changed 17 poles and installed 7 raptor protections throughout the service territory.

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

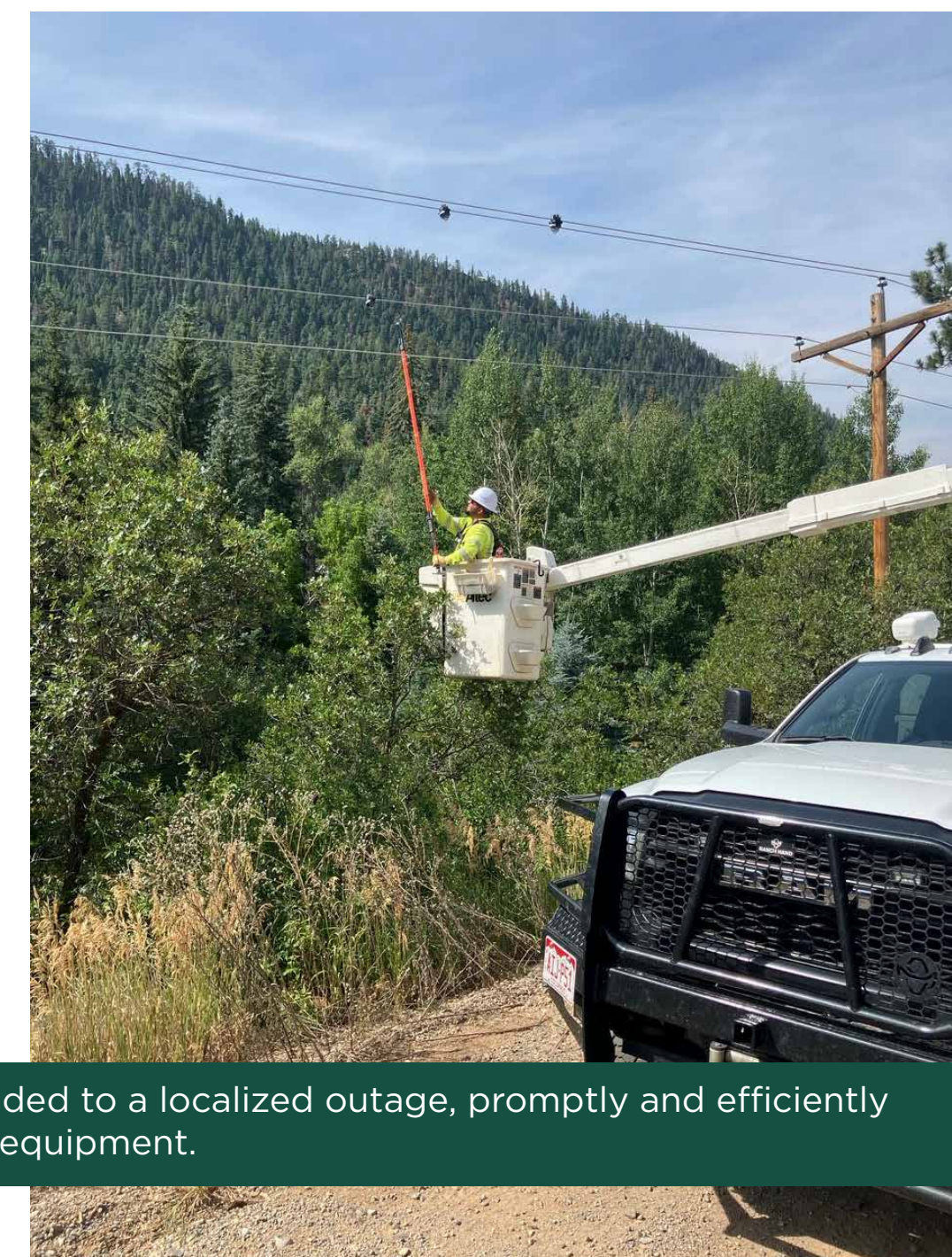
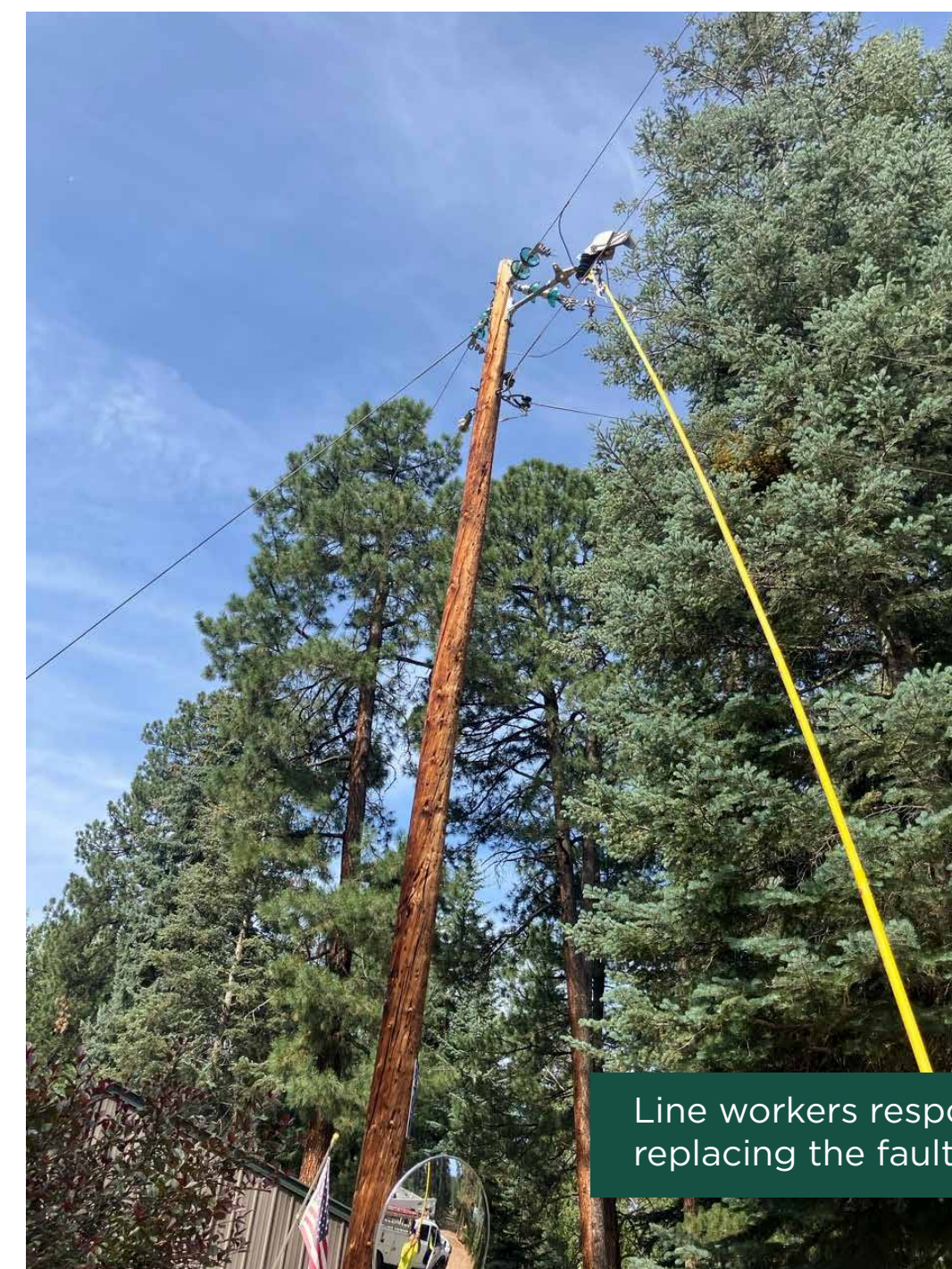
- ✓ Identified Red Flag Warnings via the Supervisory Control and Data Acquisition (SCADA) system and enabled the implementation of fire settings to mitigate fire ignition risk.

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

- ✓ Completed helicopter operations at Silverpick, just south of Purgatory Resort, to upgrade infrastructure from single phase to three phase for improved reliability. This work included replacing poles and pulling wire.
- ✓ Completed the Yucca Estates underground line replacement project, greatly improving reliability in the area.
- ✓ Completed installation of electric fencing on three additional substations. Five substations already have this fencing around the power transformer to deter animals from climbing on top and creating outages.

## 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 July.
- ✓ Crews responded to 75 unplanned outages, mostly due to wildlife encounters and high winds.



Line workers responded to a localized outage, promptly and efficiently replacing the faulty equipment.



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## APRIL VERSUS AUGUST



Completed the Los Ranchitos right-of-way clearing project which involved removing a total 409 trees and trimming 231 trees across a total of 10.31 acres in the Los Ranchitos subdivision. This neighborhood has experienced the most tree-related outages over the past five years compared to other subdivisions in our service territory.

This project was partially funded by a \$50,000 grant from the Colorado Department of Natural Resources through the Colorado Strategic Wildfire Action Program (COSWAP)



Chris inspecting the completed right-of-way clearing project in Los Ranchitos.



# KEEP THE LIGHTS ON

Crews completed helicopter-assisted pole and line replacements at Silverpick.

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# 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

- ✓ Chris met with the Colorado Energy Office to provide feedback on clean energy planning legislation.
- ✓ Completed the environmental review process in partnership with USDA for PACE award.
- ✓ Received additional power supply proposals.

## TARGET: COMPLETE ENERGY TRANSITION

- ✓ Signed a 10-year power purchase agreement (PPA) with Ptarmigan Resources and Energy Inc. For locally generated hydropower from Vallecito, reinforcing our commitment to clean, reliable, and community-focused energy.



Samuel Perry, Hydrowest, and Chris Hansen at an on-site meeting at Vallecito Hydrofacility.





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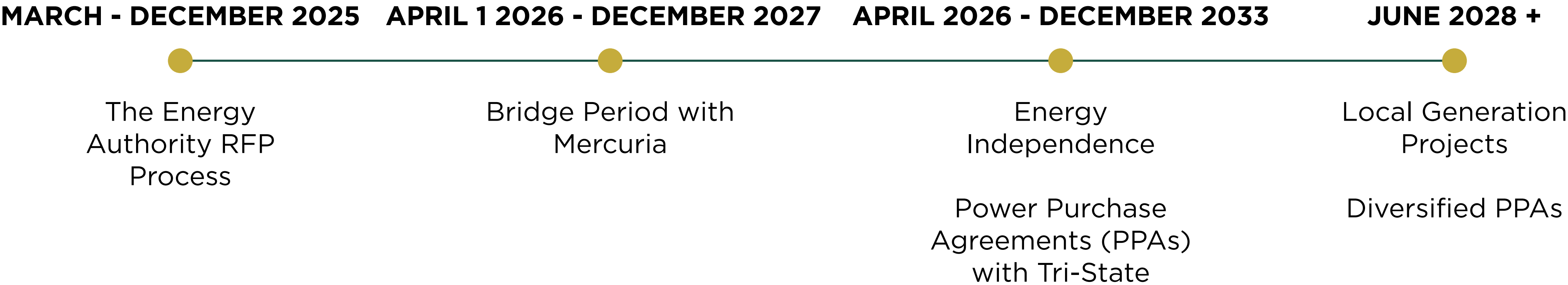
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# THE ROAD AHEAD

## community power

from LPEA





# BE A TRUSTED COMMUNITY PARTNER

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## TARGET: ACHIEVE IMPROVEMENT IN OVERALL MEMBER SATISFACTION

- ✓ Hosted a Beneficial Electrification (BE) Day on July 15 in our new BE space at the Durango HQ. Members joined two in-person sessions one afternoon (28 attendees) and one evening (5 attendees) to learn about BE and connect with our experts. Jon Kenney led the event, with support from the full GRIP team and other staff.

## TARGET: STRENGTHEN COMMUNICATION WITH MEMBERS THROUGH MULTIPLE CHANNELS

- ✓ Met with real estate groups in our service territory:
  - Chris presented to the Archuleta County and Pagosa Springs Area Association of Realtors, highlighting how LPEA is prepared to support future growth and development in Pagosa Springs.
  - Kevin Camp and Jon Kenney presented to realtors about our BE and rebate programs so they can better support clients interested in electrifying or remodeling during the home buying and selling process.

## WITHIN THE LOCAL COMMUNITY BY FOSTERING MEANINGFUL CONNECTIONS, PROMOTING SUSTAINABILITY EFFORTS, AND ENHANCING PUBLIC AWARENESS OF THE ENERGY TRANSITION AND EDUCATIONAL OUTREACH

- ✓ Delivered targeted communications to engage specific member groups with timely, relevant information on our BE Day event, new solar options and battery optimization tips
- ✓ Emily Missildine hosted a tour of the Sunnyside Community Solar Facility for a group of Protect Our Winters (POW) ambassadors.
- ✓ Steve Smith met with the workforce and career development coordinator at Fort Lewis College (FLC) to discuss their mentorship program and some changing workforce needs pertaining to renewable energy.
- ✓ Elizabeth Howe attended the Northwest Public Power Association's (NWPPA) Women In Public Power conference in Spokane, WA, where she participated in a panel discussion titled Leading the Charge: Executive Insights Panel.

## TARGET: IDENTIFY THE EVOLVING NEEDS OF THE MEMBERSHIP

- ✓ Kevin Camp, Cassie Klausner, and Emily Missildine completed an intensive and free month-long electric coaches training from Rewiring America to equip them with additional knowledge, skills, tools, and techniques to help guide and educate members who are thinking about energy efficiency and BE upgrades.

## TARGET: STRENGTHEN LPEA'S PRESENCE AND ENGAGEMENT



# MAINTAIN STRONG FINANCIAL HEALTH

## KEY PERFORMANCE INDICATORS:

### TARGET: OPERATING MARGIN AT 3%

✓ 6.00% YTD - This goal was met for July.

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

! 6.86% YTD - This indicator improved by 25% in July over the prior month.

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

✓ 56% - This goal was met for July.

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

✓ 57% - This goal was met for July.

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

✓ 2.94% YTD - This goal was met for July.

## 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

- ✓ Continued to make progress in preparing for credit rating.
- ✓ Continued to make progress on a long-term capital forecast.
- ✓ Continued to make progress on a risk management policy.



# 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

- ✓ Entered into a Mutual Aid Agreement with Farmington Electric to strengthen regional reliability and emergency response.
- ✓ Simplified the battery rebate application process for members and installers and made guides available for operating Tesla, Enphase, FranklinWH and Sol-Ark battery systems.

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

- ✓ Continued to make progress on pole attachments with 2 work orders and 48 poles.

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

- ✓ No updates.

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

- ✓ Steve Smith participated in a flexible interconnection working group with grid operators in Australia where solar adoption rates are much higher.
- ✓ Installed charging equipment and acquired two additional electric vehicles for the Pagosa office to be utilized by the staking group.



John Kenney presented on whole-home electrification and the future of the grid at our BE Open House.



