

LPEA AUGUST 2025 DIVISION DASHBOARD





KEY PERFORMANCE INDICATORS

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

Attribute	Metric	Goal	Actual	Status	M. ▲
Safety	Average Safety Meeting Attendance (%)	>= 80.00	96.50	✓	1
	Lost-time Incidents	0	0	✓	1
Reliability	System Average Interruption Duration Index (SAIDI, minutes)	< 100.00	52.53	✓	2
	System Average Interruption Frequency Index (SAIFI, outages/member)	< 1.00	0.78	✓	3
Finance	Financial Health Score	>= 100.00	261.79	✓	5
	YTD Operating Margin (% of Revenue)	>= 2.5	6	✓	6
	Cash Reserves (% of Operating Costs)	12 - 20	5.15	!	7
	Debt Financing (% of Equity)	<= 100	57	✓	8
	Modified Debt Service Coverage (MDSC)	>= 1.35	2.96	✓	9
	Equity (%)	40 - 55	56	!	11
Beneficial Electrification	BE Sales (kWh)	>= 148,000	138,210	!	12
Information Technology	Average Critical System Uptime (%)	>= 99.9	100.00	✓	14

✓ 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 - 08/31/2025.

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 August.
- ✓ Achieved 100% regulatory safety compliance in August.

TARGET: EXPERIENCE NO CYBER INCIDENTS THAT DISRUPT BUSINESS PROCESSES

- ✓ No cyber incidents in August.
- ✓ Members of the IT team attended the Colorado Rural Electric Association (CREA) IT Conference focusing on cyber security best practices for co-ops.
- ✓ Completed instructor-led on-site training for new Mapping and Staking software solution.



Crews replacing a pole in Mayday outside of Durango as part of a broader project aimed at improving reliability and safety.

KEEP THE LIGHTS ON

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

- ✓ Crews changed 30 poles throughout the service territory. Half were priority rejects and half were make-ready for fiber.
- ✓ Dispatch and crews managed multiple fires throughout August and we worked closely with emergency personnel.

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

- ✓ Identified 8 Red Flag Warnings via the Supervisory Control and Data Acquisition (SCADA) system. This increased the number of outages but decreased the likelihood of lines starting fires.

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

- ✓ Crews commenced work on the Sugarloaf cable replacement capital project in Pagosa Springs and on the Mayday reconductor in Durango. Both projects will improve reliability and safety by replacing dated infrastructure.

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 August.
- ✓ Crews responded to 67 unplanned outages, mostly due to heightened fire risk and dry, windy weather resulting in extra patrols for line personnel.



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 advocated during the CREA policy meeting, ensuring LPEA members' priorities were represented. Key issues included:
 - Regional Transmission Organization (RTO) Study - evaluating how regional markets like the Southwest Power Pool may impact Colorado co-ops.
 - Large Load Planning - addressing the challenges and opportunities of new, energy-intensive customers in our service area.
 - Net Metering Policy - supporting fair policies for solar and distributed energy resources.
- ✓ Chris collaborated with stakeholders on the draft Colorado Energy Plan 2040 (CEP).
- ✓ Chris joined Senator Hickenlooper at a press conference to address the impact of the expiring Investment Tax Credit on rural cooperatives.

TARGET: COMPLETE ENERGY TRANSITION

- ✓ Received approval for the contract termination payment (CTP) financing from the National Rural Utilities Cooperative Finance Corporation (CFC).
- ✓ Made progress on the withdrawal agreement
- ✓ Made progress on joining a Regional Transmission Organization (RTO) through the submission of NITS to SPP.



Chris spoke at a press conference with Senator Hickenlooper.



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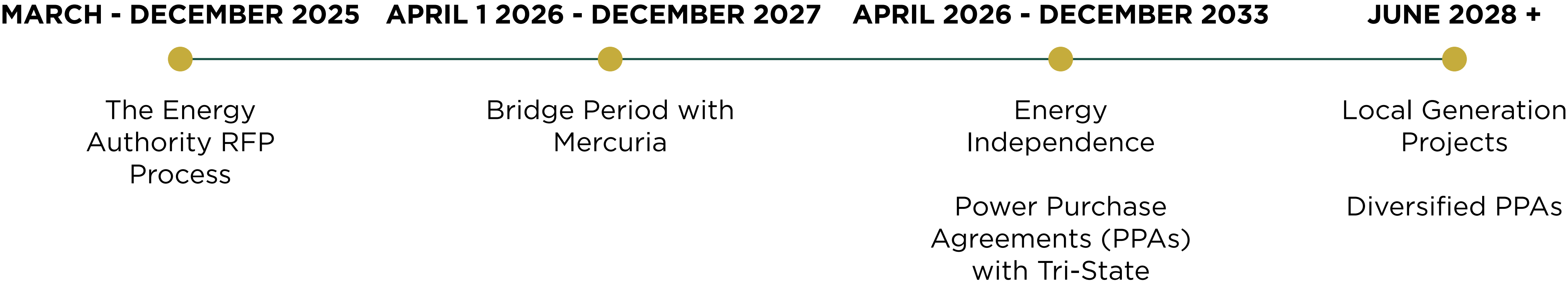
Prepare For The Future

Appendix

THE ROAD AHEAD

community power

from LPEA



BE A TRUSTED COMMUNITY PARTNER

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TARGET: ACHIEVE IMPROVEMENT IN OVERALL MEMBER SATISFACTION

- ✓ Steve Smith began contacting individual members who are deciding about solar and battery storage to provide information and to answer questions to aid the decision-making process.

TARGET: STRENGTHEN COMMUNICATION WITH MEMBERS THROUGH MULTIPLE CHANNELS

- ✓ Audited and updated outage text self-service options to improve member interactions with the automated system.

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 shared LPEA's perspective with new state legislators during a Durango & Silverton Narrow Gauge Railroad trip to Silverton, highlighting opportunities and challenges for rural utilities.
- ✓ Attended a listening session hosted by La Plata County about the ongoing conversations and regulations around lithium-ion battery storage projects.
- ✓ Elizabeth Howe attended the La Plata Economic Development Alliance strategic planning retreat.

TARGET: IDENTIFY THE EVOLVING NEEDS OF THE MEMBERSHIP

- ✓ Made progress on two surveys through the National Rural Electric Cooperative Association to be conducted this Fall.
 - The first is the member satisfaction survey used to gauge member sentiment over a 10-year period and to compare our performance to other participating cooperatives.
 - The second, the Interruption Cost Estimate survey, is a nationwide survey supported by the U.S. Department of Energy which will measure the actual costs to members when outages occur, in order to enable better-informed reliability investments and policy decisions.



Chris along with new state legislators on a Durango & Silverton Narrow Gauge Railroad trip to Silverton.

BE A TRUSTED COMMUNITY PARTNER

Sponsored the Archuleta County Fair and hosted a STEM booth at the La Plata County Fair with energy-centric activities. Staff engaged with more than 250 kids, a 56% increase over the prior year.



MAINTAIN STRONG FINANCIAL HEALTH

KEY PERFORMANCE INDICATORS:

TARGET: OPERATING MARGIN AT 3%

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

TARGET: CASH RESERVES AT 12-20%

! 5.15% YTD - LPEA executed a real estate transaction in August which impacted this KPI.

TARGET: EQUITY PERCENTAGE IS 40-55%

! 56% YTD - This goal exceeded target for August in preparation for Tri-State contract termination.

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

✓ 57% YTD - This goal was met for August.

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

✓ 2.96% YTD - This goal was met for August.

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

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

- ✓ Reviewed results from the Least-Cost Optimal Distribution Grid Expansion (LODGE) study, conducted by Lawrence Berkeley National Lab. The study analyzes the costs of upgrading distribution systems to support more distributed solar. These insights will help us evaluate costs and identify needed system upgrades.

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

- ✓ Continued to make progress on pole attachments with 1 work order and 4 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

- ✓ Chris met with the National Renewable Energy Laboratory (NREL) to discuss grid modernization and integration of new technologies.

