

Quarterly Financial Report June 30, 2019

La Plata Electric Association, Inc.

Department Report

- CFC Overview of the 2018 KRTA Results for Directors
 - Can view from anywhere – instructions were emailed
 - OR viewing hosted in LPEA Board Room

*Thursday, July 18
11:00 – 12:00
Your Choice or
LPEA “Board” Room*

Department Report

- Finance and Audit Committee Update
 - Upon approval of Committee at today's board meeting
 - Budget parameters and process
 - Financial goals and targets
 - 2018 KRTA – LPEA specific
 - Current Medical Accrual balance

*Wednesday, July 31
9:00 – 12:00
LPEA "Board" Room*

2020 Budget & Forecast Timeline

- **Board Action/Review**
 - **August** – Budget parameters/assumptions
 - **September** – Capital Items
 - **October** – Capital Projects & Revenue Requirement
 - **November** – Financial Forecast, Capital Items & Projects, Rates
 - **December** – Review member response

2020 Budget Status Update

2020 LPEA Forecast Assumptions

Legend:

- Improves LPEA position
- Neutral impact on LPEA position
- Impairs LPEA position
- Unsure if this will be included in 2020



Power Supply & Delivery

Assumption

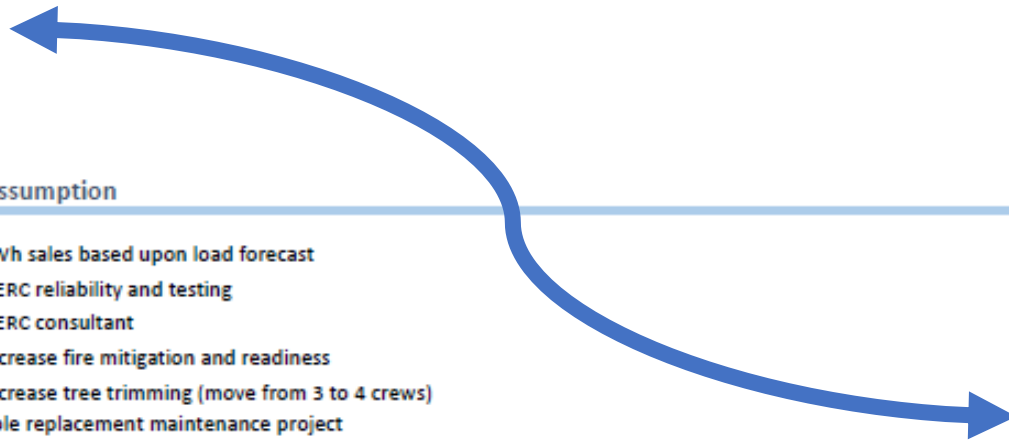
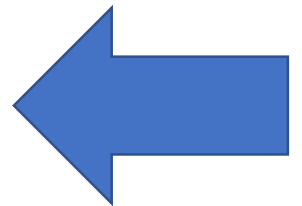
- kWh sales based upon load forecast
- NERC reliability and testing
- NERC consultant
- Increase fire mitigation and readiness
- Increase tree trimming (move from 3 to 4 crews)
- Pole replacement maintenance project
- Voltage control at substations (capital projects)
- Load control & demand management

Energy and Rate Consultants

- Member surveys
- Member appreciation lunches

Member Engagement

Carbon Impact Cost Impact



2020 Budget Status Update

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	Assumption	Carbon Impact	Cost Impact
Power Supply & Delivery	kWh sales based upon load forecast		
	NERC reliability and testing		
	NERC consultant		
	Increase fire mitigation and readiness		
	Increase tree trimming (move from 3 to 4 crews)		
	Pole replacement maintenance project		
	Voltage control at substations (capital projects)		
	Load control & demand management		
	Energy and Rate Consultants		
	Member Engagement	Member surveys	
Member appreciation lunches			

Send comments and feedback to CFO and Committee Chair by July 30 to be discussed at the Finance Committee meeting

Monthly & Quarterly Director Expense Report

- Reclassified February CREA Annual Meeting expense

Conferences
&
Training



LPEA &
Standing
Meetings

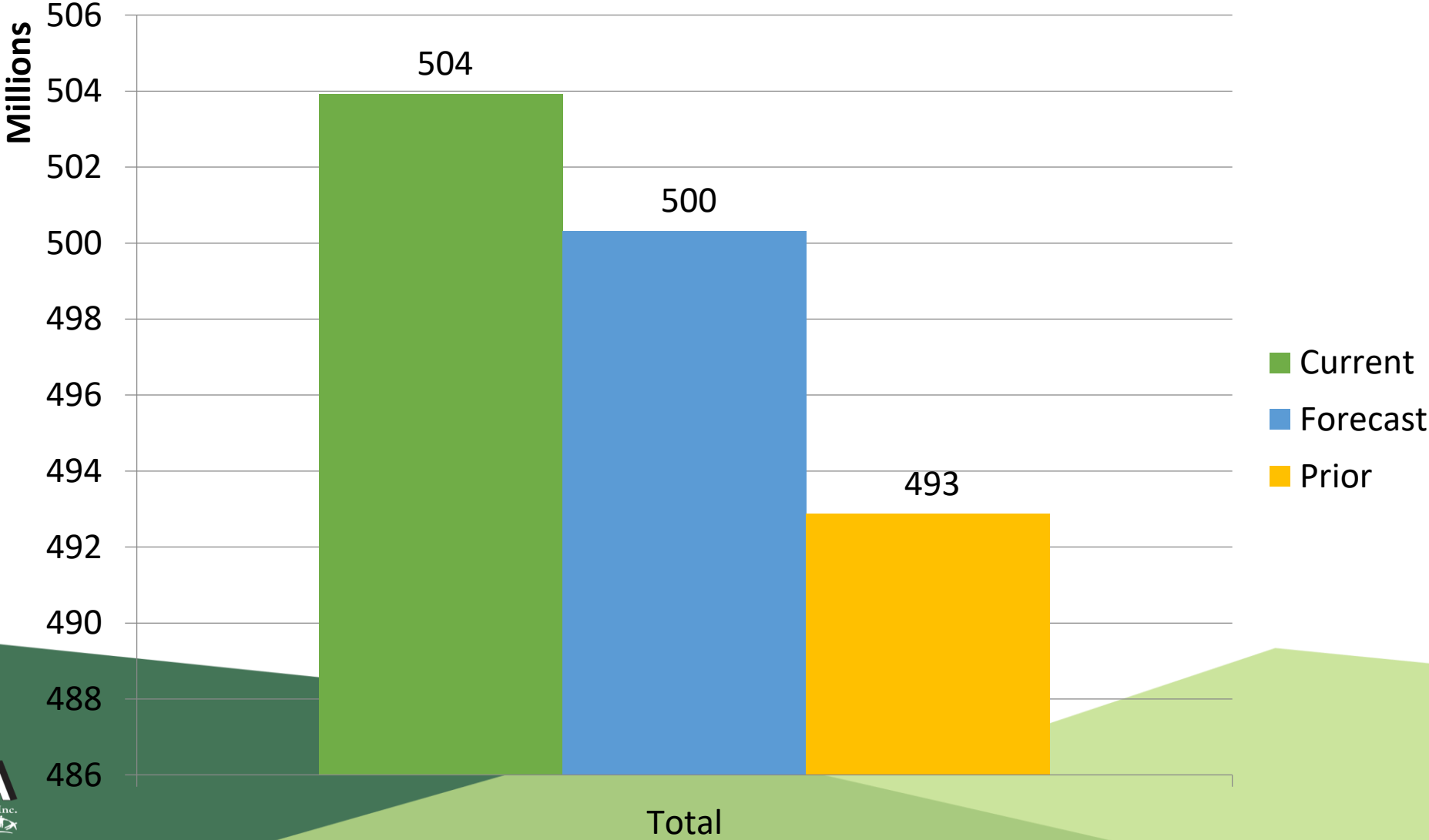
Director Budget Update

- **New report**
- **Purpose: Track ongoing costs associated with power supply planning and analysis**

Other Items – take any questions

- Monthly Financial Statements
 - Power Cost Comparison Explanation
- Quarterly Consultant and Contractor Report
- Quarterly Capital Items 2019 Budget Update

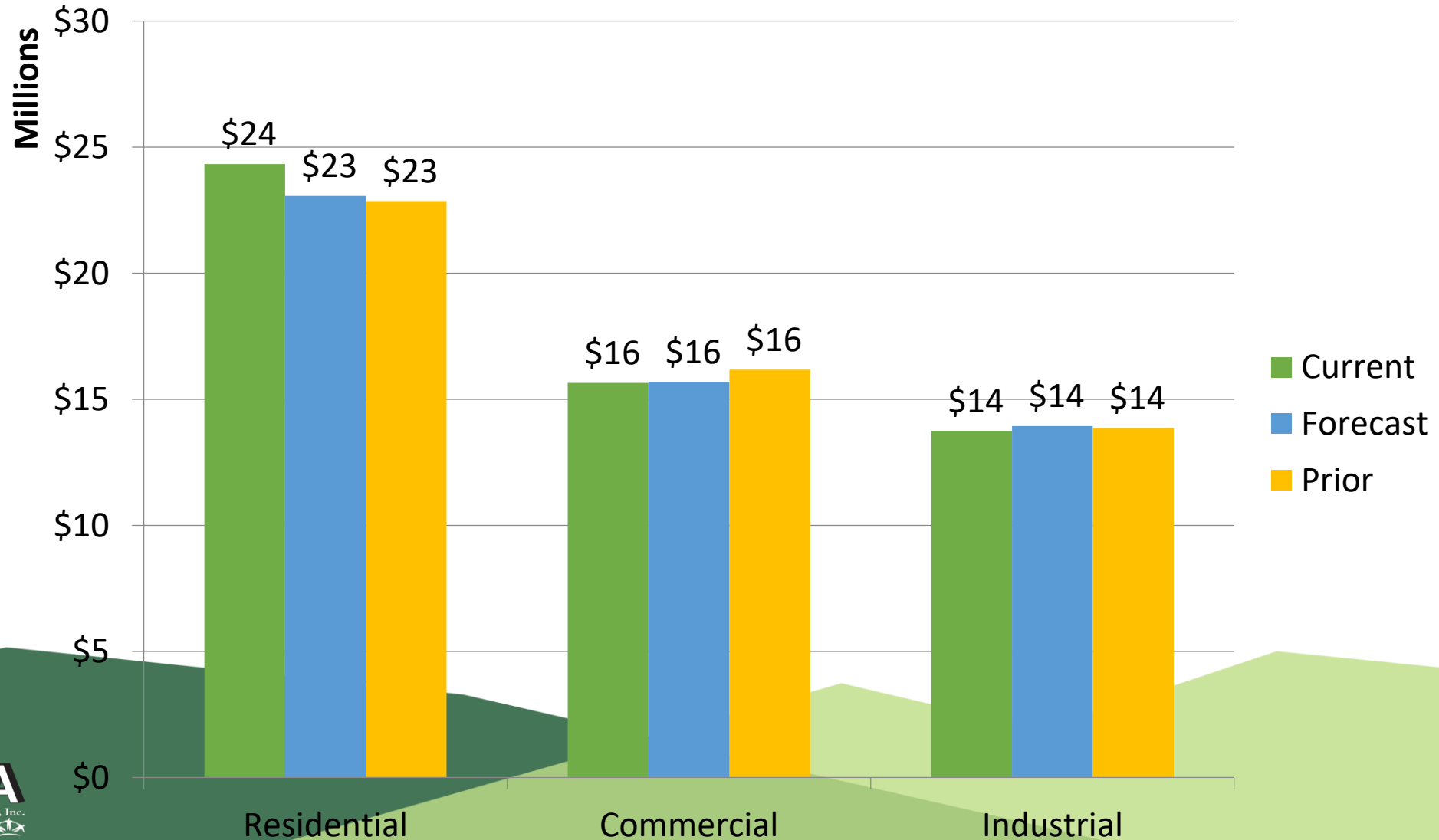
2019 YTD kWh Purchased Comparison



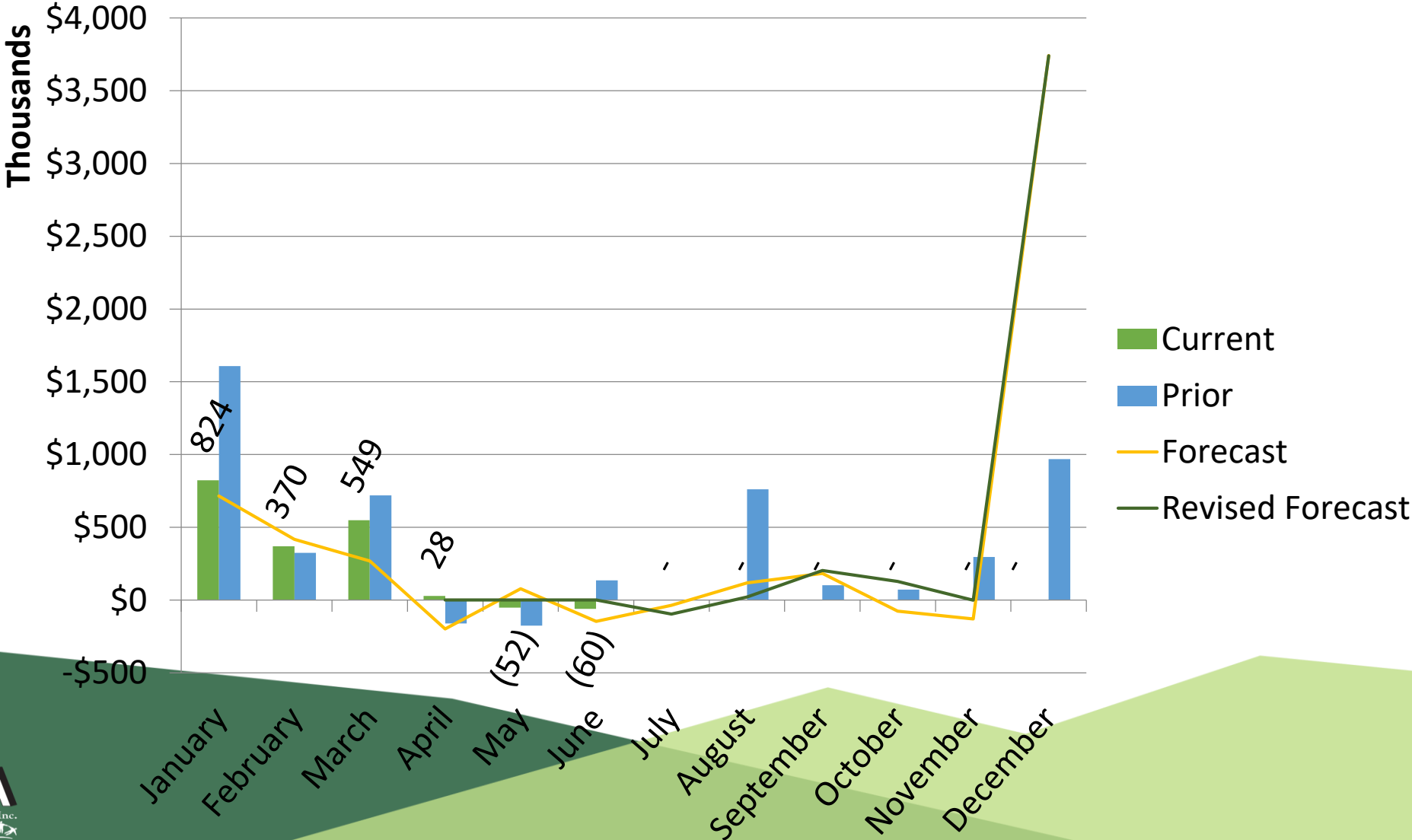
2019 YTD Cost of Purchase Power



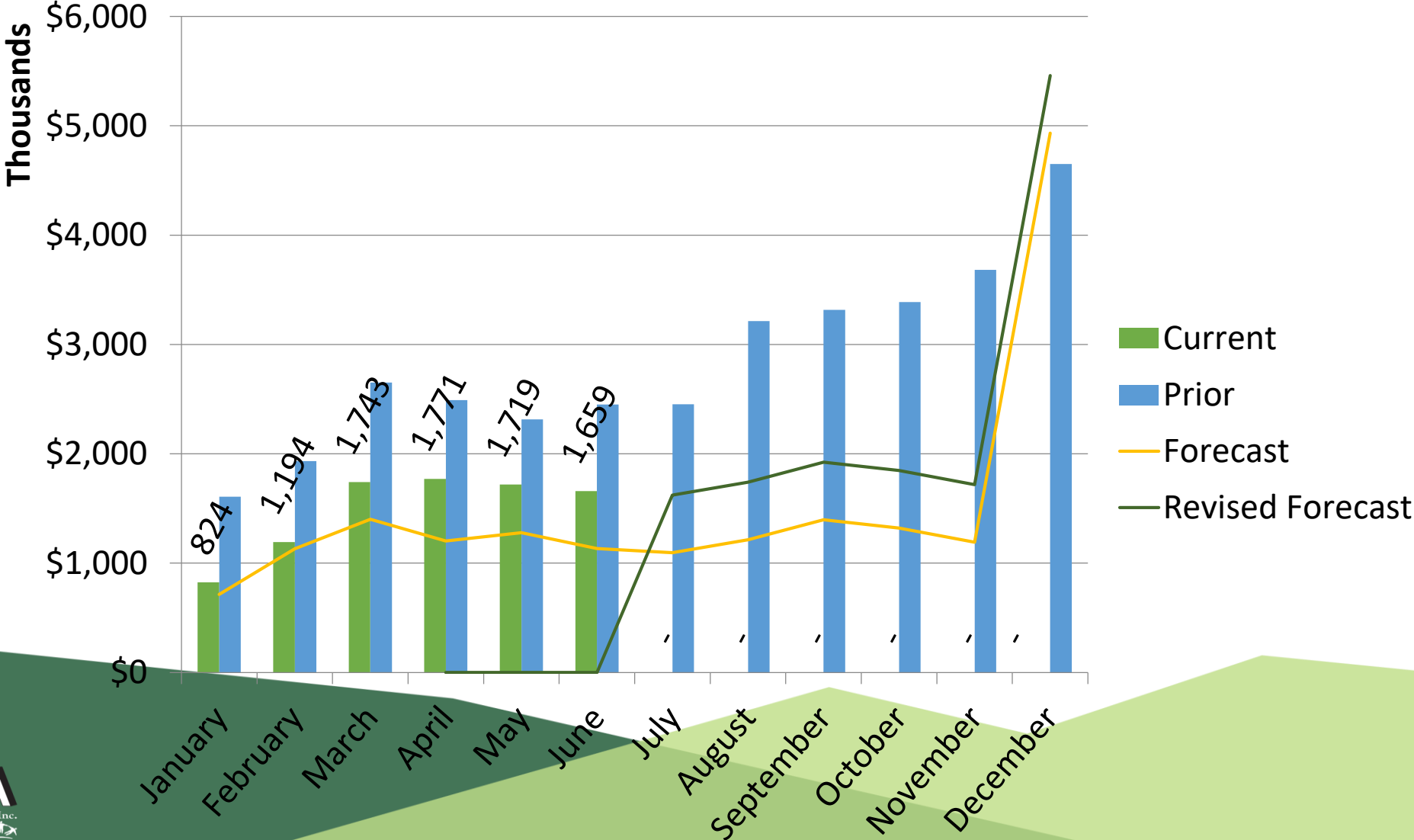
2019 Electric Revenue Comparison



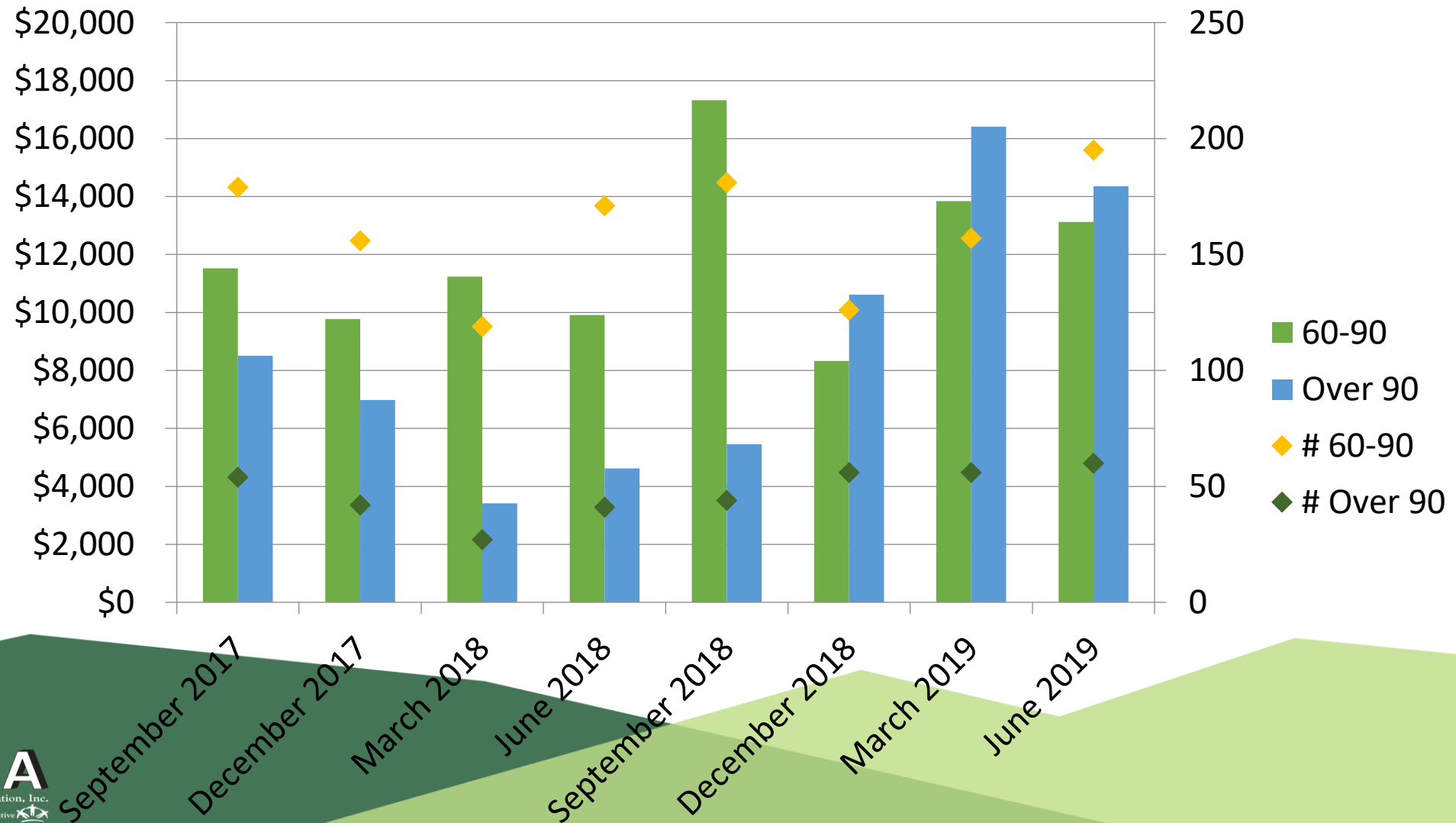
Total Net Margins – By Month



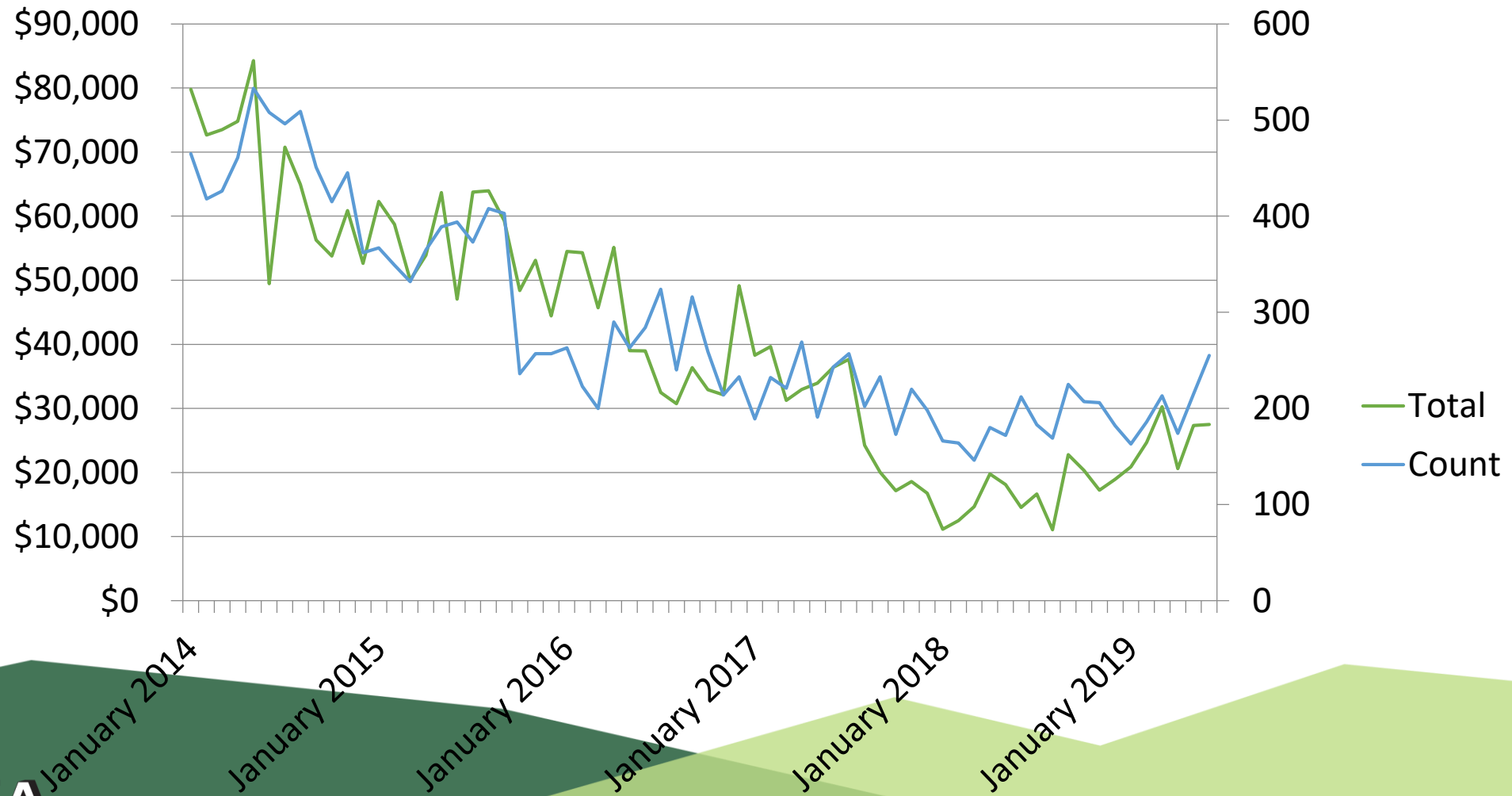
Total Net Margins - YTD



A/R Delinquent Report



A/R Delinquent Report



Going Forward

- Coordination with Finance Committee
- Provide relevant and accurate information