

LPEA August 2023 DIVISION DASHBOARDS



Build a Robot Workshop in partnership with 4H at the La Plata County Fair



Key Performance Indicators

Attribute	Metric	YTD Goal	YTD Actual	Status
Safety	Average Safety Meeting Attendance (%)	> = 80.00	96.30	✓
Reliability	System Average Interruption Duration Index (SAIDI, minutes)	< 60.000	59.213	✓
	System Average Interruption Frequency Index (SAIFI, outages/member)	< 1.000	0.735	✓
Finance	Financial Health Score	> = 100.00	314.51	✓
	YTD Operating Margin (% of Revenue)	> = 2	7.22	✓
	Cash Reserves (% of Operating Costs)	12 - 20	10.94	!
	Debt Financing (% of Equity)	< = 100	66.85	✓
	Modified Debt Service Coverage (MDSC)	> = 1.35	2.52	✓
	Operating Times Interest Earned Ratio (OTIER)	> = 1.50	3.45	✓
	Equity (%)	40 - 55	53.71	✓
Beneficial Electrification	BE Sales (kWh)	> = 140,000	176,532	✓
Information Technology	Average Critical System Uptime (%)	> = 99.9	99.970	✓



Meeting or exceeding performance goal



Monitoring performance



Not on track to meet performance goal

Date Range: 01/01/2023 - 08/31/2023

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

Be safe and excellent in all we do



TARGET: EXPERIENCE NO LOST-TIME INCIDENTS OR ACCIDENTS

- ✓ No lost time accidents or incidents in August.

TARGET: EXPERIENCE NO CYBER INCIDENTS THAT DISRUPT BUSINESS PROCESSES

- ✓ Zero cyber incidents.
- ✓ NERC/CIP-003-8 R1.2.2: Physical Security Control Policy review. This policy states that LPEA will physically protect cyber systems that are used to control the bulk electric system. We updated the policy to clarify physical security boundaries, who should be allowed access to equipment, and how access is enforced. We subsequently applied changes based on the policy updates.
- ✓ Enhanced security controls at pole mounted networking equipment to reduce potential cyber-attacks.

TARGET: ACHIEVE 100% REGULATORY COMPLIANCE

- ✓ All compliance goals were met for August.
- ✓ To meet LPEA's internal compliance standards, we hosted our second tabletop drill of 2023. This weather disaster drill was led by the LPEA Safety Specialist and attended by the leadership team and several representatives

from each division. Action items and follow ups have been scheduled.

- ✓ Western United completed scheduled inspections of hotline jumpers and rubber goods per ASTM F2249-03.

TARGET: 100% OF DEPARTMENTS USE DATA ANALYTICS TO IMPROVE DECISION MAKING

- ✓ The Compliance and Safety teams implemented a post health and safety day survey to solicit employee feedback for future safety education programs and training events.



Keep the lights on



TARGET: COMPLY WITH LPEA'S WILDFIRE MITIGATION PLAN

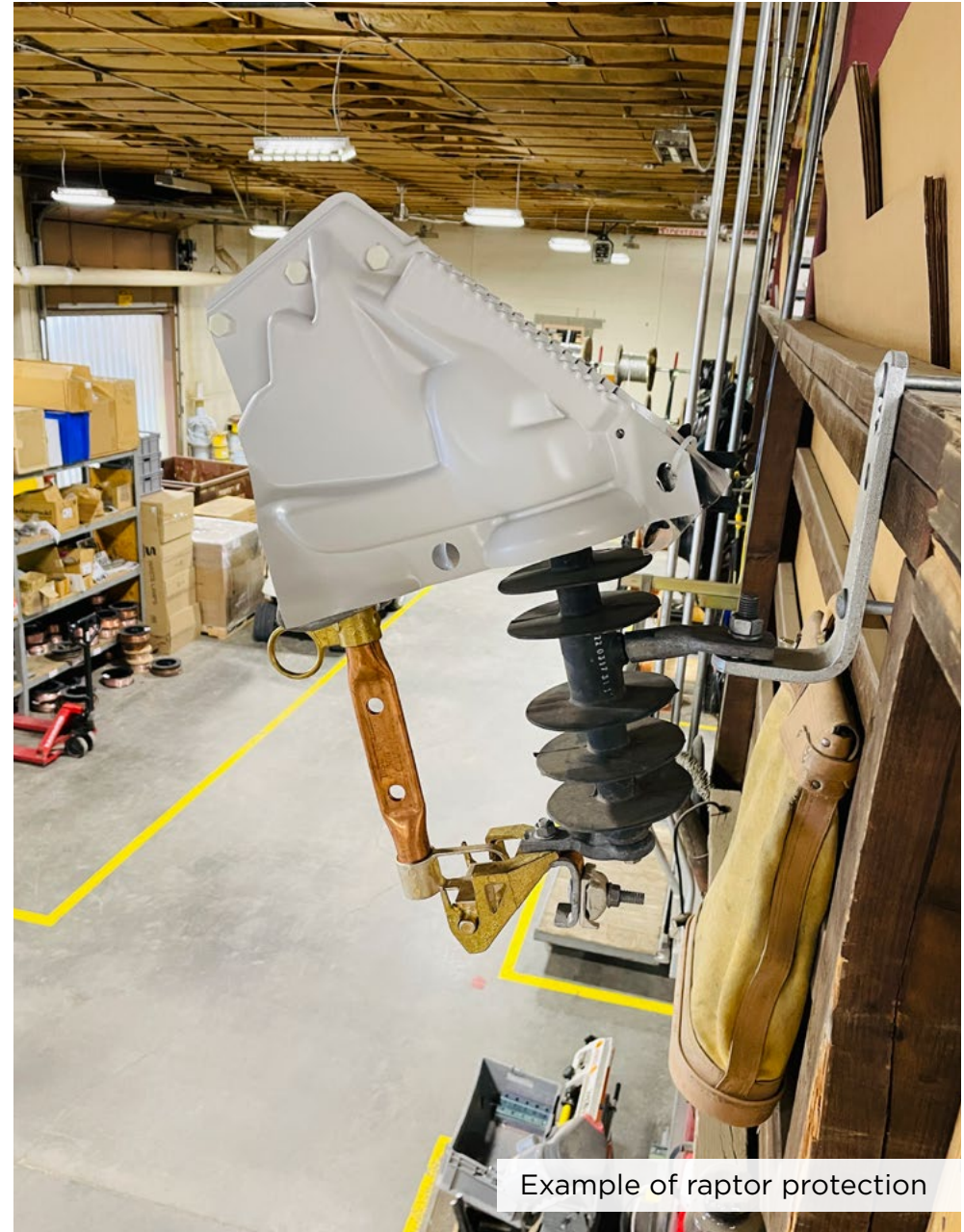
- ✓ Deployed networking equipment to remote sites to bring additional Viper reclosers and Tantalus collection devices online. This will allow LPEA to remotely change settings on red flag days to prioritize turning power off.
- ✓ Changed 5 poles, completed 2 raptor protections, and trimmed approximately 30 miles of line.

TARGET: COMPLETE THE 2023 BUDGETED CAPITAL PROJECTS

- ✓ As of the end of July, LPEA has completed 56% of it's capital projects work. The Vallecito rebuild project that consists of replacing 2.6 miles of very old steel wire on the east side of the lake with underground cable is well underway. This overhead to underground conversion is a wildfire mitigation measure.
- ✓ Completed capital project 200-52, Antelope tie-line, increasing redundancy in the Pagosa Lakes area.

TARGET: ACHIEVE SAIDI/SAIFI TARGETS

- ✓ Responded to 59 unplanned outages including the large Durango loop transmission line outage on August 2nd. Other outage factors included weather, member dig-ins, and bird contacts.



Example of raptor protection

Source clean, local, low-cost power



TARGET: CONTINUE TO PURSUE LOCAL CLEAN POWER PROJECTS

- ✓ Progress on Sunnyside continues to move forward, and we should start construction in September.
- ✓ Several other local generation opportunities are being studied and evaluated.

TARGET: CONTINUE TO MAKE PROGRESS ON LPEA'S 3-PRONGED POWER SUPPLY STRATEGY

- ✓ FTI findings will be presented in executive session.



Be a trusted community partner



TARGET: CREATE TRAINING AND EDUCATION PROGRAMS FOR KEY STAKEHOLDERS WITH REGULAR TOUCHPOINTS

- ✓ LPEA created an education opportunity at the La Plata County Fair to promote STEM activities for kids and to provide education about jobs at LPEA.
- ✓ LPEA was a premier sponsor at the Arhculeta County Fair.

TARGET: ACHIEVE SURVEY-TO-SURVEY IMPROVEMENT OF OVERALL MEMBER SATISFACTION METRICS

- ✓ The Member Services teams in Durango and Pagosa Springs have been collecting data regarding the services members are requesting when they visit us in person. We will use this information to create opportunities to best meet those needs.

TARGET: INCREASE SELF-SERVICE AND COMMUNICATION OPTIONS FOR MEMBERS

- ✓ The Member Services and IT teams continue to collaborate to optimize the Contact Center cloud-based phone system. One feature this system offers is for members to request a callback rather than wait on hold for a member service representative. We see approximately 15 call-back requests per day.



LEADERSHIP CONFERENCE FOR WOMEN IN CO-OPS & MUNIS

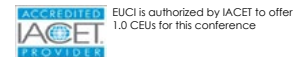
August 22-23, 2023
Online | Central Time

“I loved the variety of topics covered and that they were current and relevant!”

Manager, Substation Construction & Maintenance, Sacramento Municipal Utility District



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CPE Credits: 12.0 for the conference
There is no prerequisite for this event.
Program field of study: Specialized Knowledge
Program Level: Basic
Delivery Method: Group Internet Based
Advanced Preparation: None

PARTICIPATING ORGANIZATIONS:

- Burbank Water & Power
- Big Rivers Electric Corporation
- Brownsville Public Utilities Board
- CORE Electric Cooperative
- Dairyland Power Cooperative
- East Kentucky Power Cooperative
- Great River Energy
- Holy Cross Energy
- La Plata Electric Association
- Oklahoma Electric Cooperative
- Ozarks Electric Cooperative
- Rappahannock Electric Cooperative
- South Central Power Cooperative
- Tri-County Electric Cooperative
- Wolverine Power Cooperative

Jessica was a keynote speaker at the Leadership Conference for Women in Co-ops and Munis and also moderated a panel on how to Elevate Women in Leadership: Purpose-Driven Empowerment.

Maintain strong financial health



TARGET: OPERATING MARGIN AT 2%

- ✓ 7.22% YTD - Very high margins due to a cold winter and spring and record-breaking warm weather this summer and continuing cost controls.

TARGET: CASH RESERVES AT 12-20%

- ! 10.94% YTD - Variance in timing of cash flows is causing the ratio to fall short.

TARGET: EQUITY PERCENTAGE IS 40-55%

- ✓ 53.71% YTD - No significant change from July.

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

- ✓ 66.85% YTD - Long-Term Debt reduced by \$14m over the last 12 months.

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

- ✓ 2.52 YTD - Strong and sufficient operating margins to cover cash requirements of our long term debt.

Prepare for the future



TARGET: WIN GRANT FUNDS TO SUPPORT LPEA INITIATIVES

✓ GRANT TRACKING:

Awarded to LPEA: 1 = \$240,000

- TripSaver resiliency grant with SUIT
- Kickoff meeting with the DOE will be in September

Awarded to others with LPEA help: 1 = \$200,000

- Pagosa to Durango transit grant

Grants pending: 3 = \$10,340,000

- USDA PACE grant for 5MW solar+storage Sunnyside expansion
- DOE wildfire mitigation grant for Vipers
- DOE wildfire resilience grant for undergrounding

Grants in progress: 2

- EPA - Clean School Bus Program
- USDA New ERA - 25 MW solar generation project

TARGET: CONTROL 3,000 KW OF DISTRIBUTED ENERGY RESOURCES (DERs)

- ✓ LPEA now has 3,200 kW of DER assets under its control which is an increase of 124 kW over last month. LPEA entered into a contract with a company called Virtual Peaker that we will use to roll out DER programs in 2024. [Virtual Peaker](#) will provide the member enrollment

portal and integrate with LPEA's billing software to provide performance incentives for enrolled members.

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

- ✓ Organized an introductory meeting between LPEA and 2 other broadband developers in the region to discuss partnership opportunities.



Jessica attended and spoke about lessons learned on the V2G school bus at the CREA Manager's meeting