



Media Contact:
Amanda Anderson
Strategic Communications Officer
T: (970) 903-7610
E: aanderson@lpea.coop

FOR IMMEDIATE RELEASE

LPEA Reports Strong Safety, Financial, and Energy Transition Progress in 2024 Annual Report

Durango, Colo. – (May 19, 2025) – La Plata Electric Association (LPEA) has released its 2024 Annual Report, highlighting a year of operational excellence, local energy investments, financial stability, and major steps toward an affordable, reliable, and cleaner energy future.

“Our focus remains on delivering safe, reliable, and affordable power to our members while preparing our communities for the energy future,” said LPEA CEO Chris Hansen. “The results highlighted in the 2024 Annual Report reflect the dedication of our team, the strategic direction of our board, and the strength of our cooperative business model.”

Safety and Reliability

LPEA experienced zero lost-time incidents or accidents in 2024, meeting its top safety goal. The co-op also received the Diamond Level Safety Award from the American Public Power Association (APPA), the organization’s highest safety honor.

LPEA members experienced just 38 major outages, the lowest total since 2018. This equates to 0.9 outages per member, significantly below the national average of 1.4. When outages did occur, they were shorter than the national average, lasting an average of 82.94 minutes compared to the national average of 335.5 minutes and Colorado's average of 150 minutes.

System Improvements

To enhance safety, wildfire resilience, and system performance, LPEA invested in several infrastructure upgrades, including:

- 23 miles of line replaced
- 119 rejected poles replaced
- 85 broken crossarms replaced
- 73 raptor protection devices installed which protect birds of prey and reduce wildlife-related outages

- 18 major capital projects completed, including substation upgrades, grid automation, and wildfire mitigation

Energy Supply Transition

In March 2024, the LPEA Board of Directors voted to submit an unconditional notice of withdrawal from its long-time wholesale power provider, Tri-State Generation and Transmission, enabling LPEA to source power independently and build a more flexible, local, and sustainable energy portfolio.

To support this transition, LPEA hosted member focus groups in October to gather community input on values and priorities for future power supply.

LPEA also secured:

- Two power purchase agreements (PPAs) with Tri-State:
 - 40 megawatts (MW) of firm capacity
 - 40 MW of solar energy from the Dolores Canyon Solar Project
- A contract with Mercuria Energy America to supply power during the transition (2026–2028) for energy needed beyond the two PPAs, member rooftop solar generation and self-generation.

Together, these agreements will supply approximately 30% of LPEA's energy needs through 2033, while LPEA works to implement a new long-term portfolio hallmarked by local generation and a cleaner energy content.

Clean Energy Progress

LPEA made significant progress in advancing local clean energy:

- **USDA PACE Award:** In March 2024, LPEA was awarded \$13.4 million from the U.S. Department of Agriculture's Powering Affordable Clean Energy (PACE) program, funded through the Inflation Reduction Act. LPEA was one of just four applicants nationwide to receive this competitive award. The funding will support construction of 5 MW of solar generation and a 5 MW/20 MWh battery, bringing new jobs and clean energy closer to homes and businesses.
- **Sunnyside Community Solar:** LPEA launched its first-ever community solar program, giving members access to clean, locally sourced energy without the need for rooftop solar panels.

Financial Performance

LPEA met or exceeded all financial key performance indicators set by the board of directors in 2024:

- **Cash reserves:** 12–20% (within target range)
- **Operating margin:** 3.1% (above 2.5% target)
- **Equity percentage:** 54% (target range: 40–55%)
- **Long-term debt:** 62% of equity (well below the 100% limit)
- **Modified Debt Service Coverage (MDSC):** 2.48 (well above the 1.35 requirement)

In December, LPEA returned \$1.5 million in capital credits to members who received service in 2003 and 2023. Capital credits reflect the co-op’s not-for-profit model and are distributed to members when financial conditions allow.

Member Engagement

LPEA expanded outreach and transparency in 2024 through a variety of new and ongoing initiatives:

- **Member focus groups** helped shape energy supply decisions
- In-person and virtual town halls offered direct access to LPEA leadership
- Educational programs reached students and adults with electrical safety and energy literacy
- Webinars on topics including electric rates, fire safety, and beneficial electrification
- The first-ever Beneficial Electrification (BE) Open House, showcasing electric vehicles, heat pumps, and home technologies
- Multiple Sunnyside solar application events, helping members enroll in the new community solar program
- A holiday food drive, led by the International Brotherhood of Electrical Workers (IBEW) Local 111, collected food for local families

Through scholarships, educational grants, and community sponsorships—largely funded by unclaimed capital credits—LPEA reinvested more than \$330,000 directly back into the community in 2024.

Recognition and Community Connection

LPEA’s 85th Anniversary “Throwback” branding campaign earned national recognition with a Spotlight on Excellence Award in graphic design from the National Rural Electric Cooperative Association (NRECA).

Annual Meeting

Members are invited to hear more about LPEA’s 2024 performance and future plans at the cooperative’s **Annual Meeting on Wednesday, May 21 at 12:30 p.m.** at the **LPEA Durango Truck Barn**. The event includes lunch, election results, and a presentation from leadership.

For full details, visit lpea.coop/annual-meeting.

To view the full 2024 Annual Report, visit lpea.coop/annual-report.

###

About LPEA

Celebrating its 85th anniversary, LPEA is a member-owned, not-for-profit electric distribution cooperative proudly serving La Plata and Archuleta counties, alongside portions of Hinsdale, Mineral, and San Juan counties in Southwestern Colorado. As the fifth largest cooperative among Colorado's 22, LPEA is committed to delivering safe, reliable electricity at the lowest reasonable cost to its approximately 36,500 members. With a focus on achieving energy independence, LPEA is actively pursuing opportunities to expand clean, local energy initiatives across its service territory.