

LPEA OCTOBER 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
Safety	Average Safety Meeting Attendance (%)	> = 80.00	95.40	✓
	Lost-time Incidents	0	0	✓
Reliability ¹	System Average Interruption Duration Index (SAIDI, minutes)	< 100.00	65.66	✓
	System Average Interruption Frequency Index (SAIFI, outages/member)	< 1.00	0.90	✓
Finance	Financial Health Score	> = 100.00	265.76	✓
	YTD Operating Margin (% of Revenue)	> = 3%	6%	✓
	Cash Reserves (% of Operating Costs)	12 - 20	6.50%	!
	Debt Financing (% of Equity)	< = 100	55%	✓
	Modified Debt Service Coverage (MDSC)	> = 1.35	3.30	✓
	Equity (%)	40 - 55%	57%	!
Beneficial Electrification	BE Sales (kWh)	> = 190,000	194,327	✓
Information Technology	Average Critical System Uptime (%)	> = 99.9	99.97	✓

✓ 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 - 10/31/2025.



BE SAFE AND EXCELLENT IN ALL WE DO

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

TARGET: ENSURE A CULTURE OF SAFETY WITH ZERO LOST-TIME INCIDENTS AND CONTINUOUS IMPROVEMENT IN SAFETY PROTOCOLS

- ✓ No lost-time incidents in October.
- ✓ Achieved 100% regulatory safety compliance in October.
- ✓ Weathered recent floods with minimal equipment losses and outages directly associated with the excessive rains. Crews assisted first responders when requested to mitigate hazards.
- ✓ Completed the door access and camera upgrade for the Durango office. This physical security improvement will make monitoring easier for dispatchers and increase safety for our employees and guests.
- ✓ Hosted our annual all-employee Health and Safety Day to promote a company-wide culture of health and safety.

TARGET: EXPERIENCE NO CYBER INCIDENTS THAT DISRUPT BUSINESS PROCESSES

- ✓ No cyber incidents in October.
- ✓ Hosted a cyber security tabletop exercise.





KEEP THE LIGHTS ON

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

- ✓ Crews replaced 9 poles and installed 12 raptor protections. They also replaced 8 emergency pole breaks due to member vehicle contacts.
- ✓ Completed first permanent installation of a new satellite system on a tower in the Hesperus area. Crews have begun with the second installation in Arboles.
- ✓ Chris participated in a Colorado Rural Electric Association (CREA) Energy Summit Wildfire Tech Panel discussion.

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

- ✓ Completed migration to new mapping and staking software.

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

- ✓ Completed Twin Creek cable replacement by replacing over 1 mile of old underground cable and installing switch cabinets to increase reliability and redundancy in the Pagosa region.

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 October.
- ✓ Crews responded to 66 unplanned outages, mostly due to weather and underground primary and secondary faults, associated with flooding and excessive ground moisture.

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



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 spoke on a panel at the Mountain Towns 2030 Climate Summit.
- ✓ National Rural Electric Laboratory (NREL) is reviewing the report from our transmission protection study. This report is being used to craft engineering design standards for allowing power export. This will be used to address the solar moratorium and inform capital projects planning.

TARGET: COMPLETE ENERGY TRANSITION

- ✓ Develop plan to handle capacity and transmission rights.

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

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

THE ROAD AHEAD



MARCH - DECEMBER 2025

APRIL 1 2026 - DECEMBER 2027

APRIL 2026 - DECEMBER 2033

JUNE 2028 +

The Energy
Authority RFP
Process

Bridge Period with
Mercuria

Energy
Independence

Power Purchase
Agreements (PPAs)
with Tri-State

Local Generation
Projects

Diversified PPAs



BE A TRUSTED COMMUNITY PARTNER

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

TARGET: ACHIEVE IMPROVEMENT IN OVERALL MEMBER SATISFACTION

- ✓ Used the after-call survey to solicit member feedback on preferred communication methods. 54% of members prefer to receive account updates via email and 31% prefer text. For general updates, 44% prefer engagement via the website and 33% prefer our monthly newsletter.

TARGET: STRENGTHEN COMMUNICATION WITH MEMBERS THROUGH MULTIPLE CHANNELS

- ✓ Chris conducted two radio interviews with KSUT in Durango and Good Morning Pagosa.

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 participated in two "Coffee with Chris" events in Arboles and Durango.
- ✓ Hosted an arc demo open to the public with 25 attendees.
- ✓ Hosted two community tours of Sunnyside Community Solar Facility with 38 attendees.
- ✓ Chris participated in "Current Conversations with Chris" at James Ranch in Durango with 30 attendees.

- ✓ Hosted CommunityPowerX at the Gaslight Theatre in Durango with 92 members attending. Speakers from HydroWest, Convergent Energy and Power, and Southwest Power Pool (SPP) spoke directly to members on a range of topics including Hydropower, Battery Energy Storage Systems (BESS), and Regional Transmission Organizations (RTOs). This event also included a Beneficial Electrification (BE) booth featuring rebate and home electrification information and an interactive Member Feedback board.

- ✓ Chris presented to the Archuleta County Democrats.

- ✓ Steve Smith gave a presentation to the Cooperative Innovation Network describing the design, strategy, and results from our residential battery program and our plans for utility-scale batteries at the Shenandoah substation.

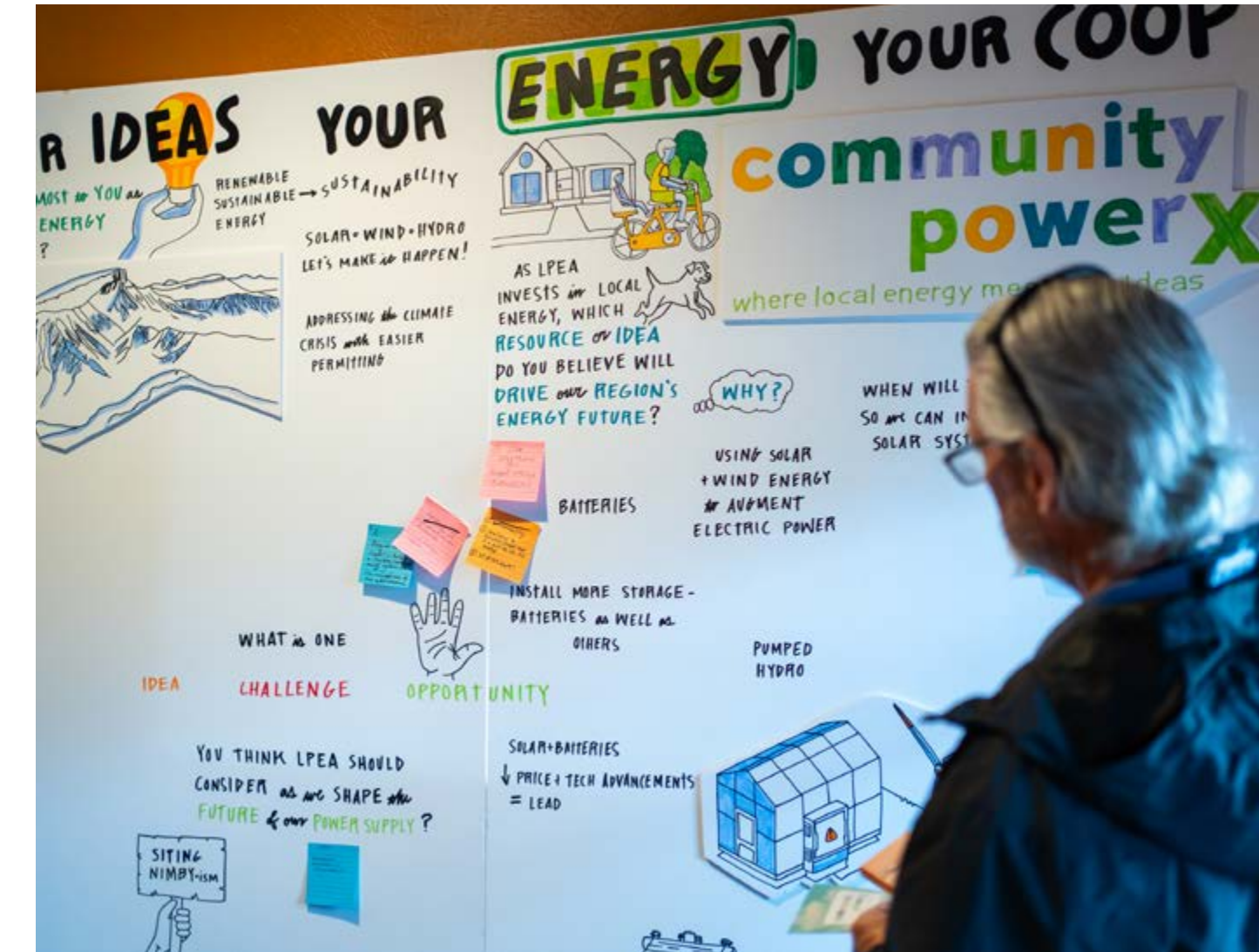
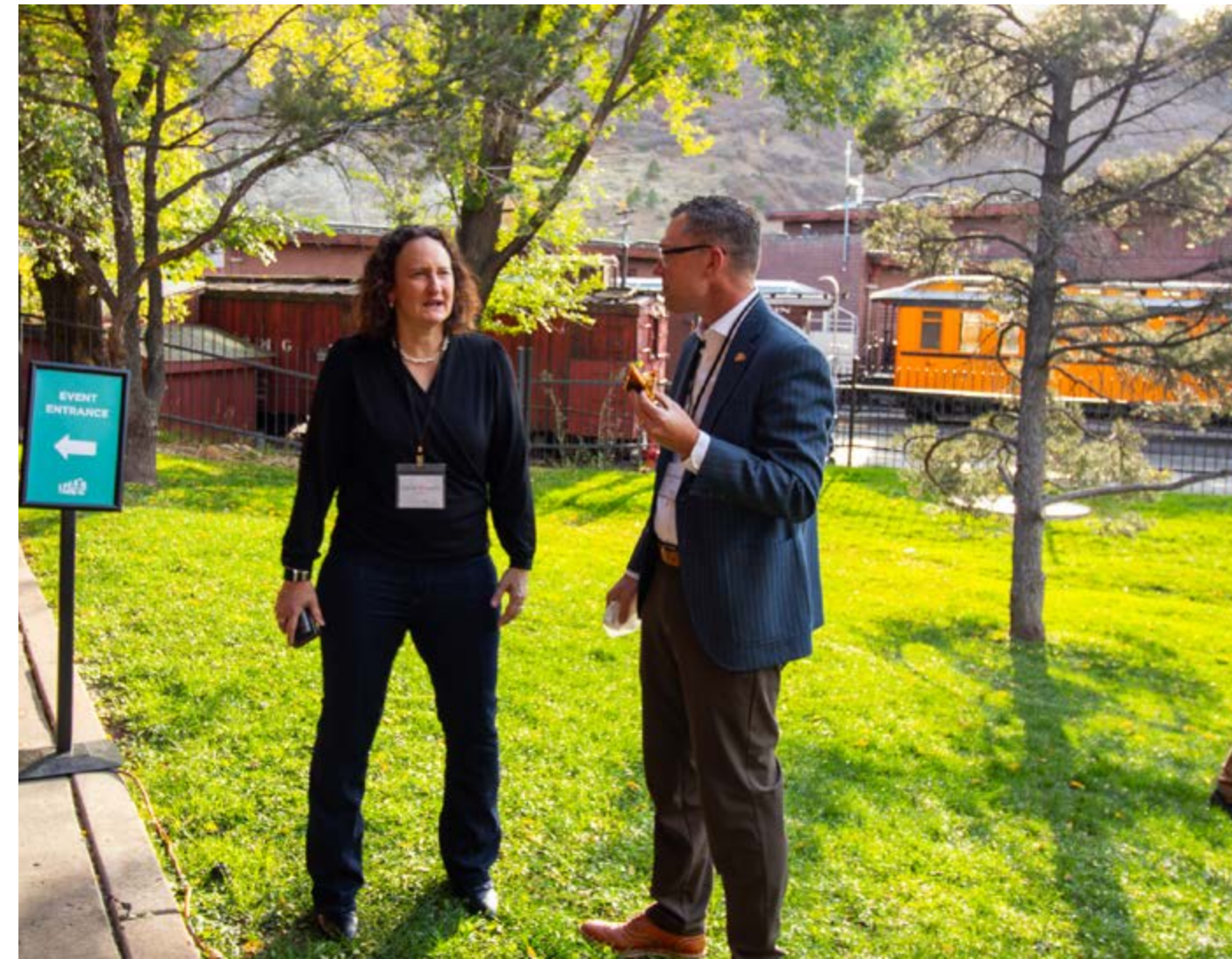
TARGET: IDENTIFY THE EVOLVING NEEDS OF THE MEMBERSHIP

- ✓ Feedback from CommunityPowerX attendees showed strong engagement and a growing interest in deeper learning opportunities.
 - 23% of attendees responded to the post-event survey
 - All but 2 indicated they would attend again
 - 81% of respondents heard about the event from our newsletter
 - 30% of respondents requested Q&A opportunities
 - When asked about topics they'd be interested in for future events, attendees ranked topics in the following order, most to least:
 - Alternative power sources
 - Community energy & local ownership models
 - Electric vehicle infrastructure
 - Grid resilience & wildfire risk management



BE A TRUSTED COMMUNITY PARTNER

LPEA presented CommunityPowerX, a Ted Talk style event offering fresh perspectives on energy, innovation, and the power of working together.





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

MAINTAIN STRONG FINANCIAL HEALTH

KEY PERFORMANCE INDICATORS:

TARGET: OPERATING MARGIN AT 3%

- ✓ 6.0% YTD - This metric exceeded the target for October.

TARGET: CASH RESERVES AT 12-20%

- ! 6.50% YTD - The month end cash position was reduced in October, primarily due to additional cash demands for debt service.

TARGET: EQUITY PERCENTAGE IS 40-55%

- ! 57% - This goal continued to exceed the target range for October in preparation for Tri-State contract termination.

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

- ✓ 55% - This indicator improved in October, when LPEA made it's quarterly debt service payment in the absence of additional borrowing.

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

- ✓ 3.30 YTD - This goal was met for October.

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

- ✓ Completed long-term capital forecast.
- ✓ Completed LPEA's first credit rating.
- ✓ Continued to make progress on a risk management policy.
- ✓ Chris hosted National Rural Utilities Cooperative Finance Corporation (CFC), who will be financing our Contract Termination Payment (CTP) loan, for in-person meetings.



PREPARE FOR THE FUTURE

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

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

- ✓ Chris, Dan Harms, and Graham Smith attended a Transmission Solutions Symposium.

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

- ✓ Continued to make progress on pole attachments with one new work order on one new pole.

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

- ✓ Learned that the Innovative Queue Management Solutions (IQMS) grant we were awarded in December 2024 will be fully funded by the Department of Energy (DOE). This IQMS grant will be used to evaluate current interconnection processes, screens, and our power flow model to improve and automate the existing processes.

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

- ✓ Crews energized the new Tesla charging stations at the City of Durango transit center.
- ✓ Crews replaced regulators and installed new metering equipment in the Spring Creek substation.
- ✓ Steve Smith attended a National Practice Standard Manual training on developing Benefit-Cost Analyses tests for evaluating the adoption of Distributed Energy Resources (DERs). These strategies will be used to evaluate program offerings in the 2026/2027 budget cycle.



YOUR IDEAS
WHAT MATTERS MOST TO YOU AS LPEA PLANS OUR ENERGY FUTURE?



community powerX
where local energy meet

AS LPEA INVESTS IN LOCAL ENERGY, WHICH RESOURCE OR IDEA DO YOU BELIEVE WILL DRIVE OUR REGION'S ENERGY FUTURE?

WHY?

WHEN WILL THEY UNLOCK SO WE CAN INSTALL OUR OWN SOLAR SYSTEMS?

BATTERIES

WHAT IS ONE IDEA CHALLENGE OPPORTUNITY

YOU THINK LPEA SHOULD CONSIDER AS WE SHAPE THE FUTURE OF OUR POWER SUPPLY?

