Valley Rural Electric Cooperative, Inc.

Your Touchstone Energy® Cooperative



One of 14 electric `cooperatives serving Pennsylvania and New Jersey

Valley Rural Electric Cooperative, Inc. 10700 Fairgrounds Road P.O. Box 477 Huntingdon, PA 16652-0477 814/643-2650 1-800-432-0680 www.valleyrec.com

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FROM THE PRESIDENT & CEO

Supporting our youngest consumers



by Wayne Miller President & CEO

DURING this time of year, I'm reminded by my granddaughter that Christmas is extra special when it's viewed through the eyes of a child. The wonder of the Christmas story, the warmth of family and the excitement of Christmas morning all take me back to a time when my own life was a whole lot simpler.

At Valley Rural Electric, we talk a lot about the services we provide to you, our members. But you may not be aware that many of our value-added benefits are directed at a younger audience: children.

It's important that we support our youngest consumers, not only to enrich their lives, but also to instill in them the

importance of cooperative membership. After all, these youngsters will one day become community and possibly cooperative leaders.

For high school seniors (along with college students and returning adults) who are dependents of members (or members themselves), we offer up to 25 \$1,000 scholarships each year through our Brighter Future Scholarship Program. And our statewide affiliate, the Pennsylvania Rural Electric Association, offers two scholarships as well.

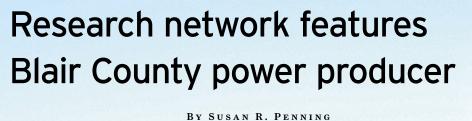
We also sponsor high school juniors (and seniors) on an all-expensespaid, weeklong trip to attend the annual Rural Electric Youth Tour in Washington, D.C.

And for children of all ages, we provide free educational programs and safety demonstrations throughout the year. So far in 2011, 485 students have attended free energy programs hosted by Valley employees.

Reaching out to youth and improving the quality of life in the communities we serve are just a few more ways we are looking out for you. Although taking care of our youngest members is something we're reminded of at Christmastime, it's a duty we take seriously all year long.

PENN LINES . DECEMBER 2011







POWER POOL: The methane digester at Penn England Farm measures 80 feet in diameter and holds about 500,000 gallons of manure.



THESE DAYS, the methane digester at the Penn England Farm near Williamsburg is stirring up more than, well, manure. The Valley Rural Electric-served facility recently drew the media attention of the Cooperative Research Network (CRN), a service arm of the National Rural Electric Cooperative Association, located in Arlington, Va.

"We wanted to visit (the Penn England Farm) to do an in-depth video about how these digester systems produce power," says Andrew Cotter, program manager at CRN. "Our goal is to give co-ops around the country as much information as possible regarding the benefits — and the challenges — of deploying this technology."

The mission of CRN is to monitor, evaluate and apply technologies that help electric co-ops control costs, increase productivity and enhance service to their members.

Andrew and his contracted cameraman, Cal Covert, arrived at the farm Nov. 1 to get their story. They were accompanied by Terry Hutchison, Valley's manager of engineering and technical services, who was responsible for helping connect the digester to the co-op's electric distribution system.

Ben Postles, Penn England Farm digester manager and licensed professional engineer, greeted the crew as they arrived, then took them on a tour and answered questions.

Project history

Fred England, owner and operator of the 1,800-acre Penn England dairy farm, has always been a forward thinker.

"I'm a believer in new technology that benefits people," he says.

With that philosophy in mind, Fred and his team set out more than a decade ago to see if the farm could produce its own electricity using the manure from 750-plus head of cattle.

RIGHT: A 1,000-pound dairy cow produces about 80 pounds of manure each day.

After five years of extensive research, which included cross-country travel to farms with working methane digesters, they determined it might be a profitable investment.

A feasibility study was completed in 2004, and the farm was awarded two sizable grants for the project — a \$255,000 Pennsylvania Harvest Grant and \$203,725 from the U.S. Department of Agriculture's Renewable Energy and Energy Efficiency Grant Program.

Construction began in October 2005 and was completed in December 2006, with a total project cost of more than \$1 million.

The farm has been producing power for nearly five years now at the rate of about 1 million kilowatt-hours annually.

Production process

Power production at the farm begins when manure is pumped to a methane (also called anaerobic) digester, which uses naturally occurring bacteria in an oxygenfree environment to break down and separate solids and methane gas from waste.

After digestion, the solids — now virtu-



ally pathogen-free — resemble sawdust and serve as clean bedding for the cows.

The recovered methane gas is channeled to a generator that uses the fuel to produce electricity.

Since the farm's power is moved through Valley's distribution system, the co-op completed the necessary line upgrades so the energy produced is distributed safely and without any reduction in power quality.

Added benefits & costs

In addition to energy savings and clean cow bedding, the digester lowers the risk of soil and water pollution by controlling the amount of potential contaminants left over in the manure.

Digesters also qualify as a domestic renewable energy source and help reduce the nation's reliance on fossil fuels.

In addition, "digested" waste has significantly less odor than stored liquid manure, making it ideal for spreading on fields.

Despite the benefits, Ben cautions about the cost of maintaining the digester.

"This is not a 'turn it on and walk away' system. It requires constant care. This project was a success because we did our homework and we knew what we were getting into for the long haul," he points out.

The CRN video highlighting the Penn England Farm digester is set for broadcast within the next few months.

WORKING TOGETHER: Ben Postles, left, and Valley engineer Terry Hutchison troubleshoot the system that delivers solids to the barn. Ben says the great working relationship he developed with the co-op was key to the project's success.

From the office to the open road

Co-op operations manager retires after 38 years of service

BY SUSAN R. PENNING Director of Member Services

NO GRASS HAS GROWN under Gary Atherton's feet since he retired from the co-op in May, on his 59th birthday.

The former operations manager for Valley Rural Electric says that, since that time, he's worked on various home improvement projects, such as painting, washing siding and adding landscaping. And he's helped his daughter buy a house, then paint and move into it.

He's also enjoyed fishing the Juniata River and reloading rifle ammunition with his older brother, Richard. And he's done some traveling with his wife, Carol.

"We went to Lancaster to see the story of Joseph at the Sight & Sound Theatre. And we were able to visit my son and his family in Indiana," Gary says.

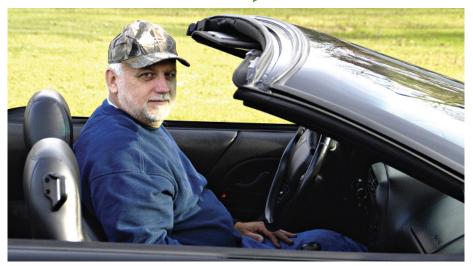
With his new-found free time, Gary also loves taking care of one of the newest additions to his family — a 2002 black Chevy Camaro convertible.

"It was a long-time dream of mine to own one of these," he says with a smile.

Another recent purchase for the retiree was a new camera, which he uses to take photos of his grandchildren and the local wildlife.

Gary and his wife have three children and seven grandchildren.

When he's not working around the house or enjoying time with his family, Gary volunteers at the Christian & Missionary Alliance Church in Mount Union. He's currently teaching the adult



Sunday school class there.

"We're also looking to see where more doors of service might open for us," Gary points out. "(Carol) likes to volunteer to serve the elderly in our community and I may want to help out with that ministry, too."

A 1970 graduate of Huntingdon Area High School, Gary started his adult life working for a fiberglass company in Mount Union. He was laid off six months later.

From there, he took a job at Miller Auto Parts & Supply Co. in Huntingdon.

"One day, Paul Dell (a former co-op employee) came into the auto parts store and asked me if I wanted to work outside," Gary recalls. "I said I'd love to."

So in March 1973, Gary started out on the co-op's heavy construction crew. He worked on co-op construction and service crews until 1990 when he dislocated his left knee while working at Miller Substation.

After that, he could no longer climb utility poles, but he was able to take a

RECENT RETIREE: Gary Atherton enjoys spending his free time cruising in his newly purchased 2002 Chevy Camaro.

job as a district supervisor.

From there, he was promoted to district manager at the Huntingdon District and then the Shade Gap District.

In October 2010, Gary accepted the position of co-op operations manager, a role he held until his retirement.

With such a long history with Valley Rural Electric, it's easy to see why Gary's retirement has been bittersweet.

"I miss the people," he says. "I miss the thrill of restoring power. It was fulfilling, meaningful work."

"I don't necessarily miss the pressure of dealing with the public and the phone ringing in the middle of the night, however," he admits.

Gary's integrity and good-hearted nature will be missed throughout the co-op. For his decades of dedicated service, the co-op staff and board wish him good health and happiness in retirement.

