Valley Rural Electric Cooperative, Inc.

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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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by Rich Bauer President & CEO **IN** the past, you may have received a mailing or a phone call concerning the cooperative installation of a load control receiver (LCR) — now a demand response unit (DRU) — on your water heater or some other appliance. I would like to take a minute to explain what these units are and how they can save you and the co-op money.

At your cooperative, we own — through Allegheny Electric Cooperative, Inc. — nearly 70 percent of our own generation. We must purchase the remaining 30 percent on the open market. We then must pay to have that 30 percent delivered to each of our substations, where we take that power and distribute it to you. In the pricing of electricity, there is not just the cost for the energy, but for the capacity as well. The best example that I can give to explain the capacity cost is a storm water pipe.

For the majority of the year, an 8-inch pipe will work. But on rare occasions, when a big rain hits, the 8-inch pipe can't handle the water and we need a 12-inch pipe. That 12-inch pipe costs a lot more to install and maintain than the smaller pipe. The capacity charge that we are billed for each month is based on how big of a "pipe" we needed. If we can lower the flow of water, or electricity in this case, we can average out monthly consumer use. That lowers the co-op's overall bill, allowing us to keep the rates we charge to you as low as possible. Here is where the DRU comes into play.

A DRU is an electronic device that is connected to the wiring at your water heater. When there is high demand for electricity on the regional grid, the DRU will turn off the elements in your hot water heater, lessening electricity use. Because water heaters are well-insulated, the water temperature in the tank will remain high and slowly lower over an extended period of time. When the electricity demand goes down, the DRU will then turn the heating elements back on. By controlling the electricity use of your hot water heaters during those peak demand times, we can lower the capacity amount used by Valley REC.

In the past, we have offered a \$25 bill credit to any member who allowed us to install these units on their property. Though we have had a good response, the more members we can get to go on this program, the more we can save together. Your cooperative is now offering a new incentive to get more members to participate in this important program. Starting in January, any member who signs up for this program will receive a \$100 bill credit. Don't worry; those members who have received a \$25 bill credit in the past will receive an additional \$75 bill credit. We will be working on an area-byarea schedule so we will be crediting those existing accounts as their area is being worked on over the next two years.

To sign up for the program, you only need to call into the office or fill out the program form. One of the biggest misconceptions of the program is that you will run out of hot water all the time. This is very rare. But, if you do experience this, we will come out and adjust the unit to better fit your lifestyle. Typically, the member forgets the unit is on their property because they never run out of hot water. Each member has, at any time, the opportunity to quit the program. (If they quit within the first three years after installation, they would need to return a portion of the bill credit.)

By working together, everyone saves on the cost of electricity. I hope you will consider this great program opportunity. If you have any questions or concerns, please don't hesitate to call and ask. I look forward to hearing from you and I hope 2014 turns into a great year for you and your family. Take care and God bless.

Valley Rural Electric Cooperative, Inc.



SAMPLING ENCOURAGED: Valley REC members Colleen and George Hazard, owners of Juniata Valley Winery and Wilson House Bed and Breakfast in Juniata County, display some of the wines they offer at one of the historic "Walnut Mansions." The Hazards started their business in February 2011. BELOW: Visitors to the Wilson House will enjoy lounging in the spacious living room.

Winemakers pour new life into historic home

BY DOUG ROLES Director of Member Services

A JUNIATA County couple is mixing central Pennsylvania hospitality and an interest in wines to create a business that preserves a piece of local history. Valley REC members George and Colleen Hazard, of Spruce Hill Township, own and operate Juniata Valley Winery and Wilson House Bed and Breakfast along Route 35 near Mifflintown.

The Hazards have long had both an interest in wine making and an entrepreneurial streak. They acquired the fiveacre Wilson House property in February 2011. The house is one of the so-called "Walnut Mansions," one of two stately homes near the village of Walnut.

Adjacent to the Wilson House is Lily Manor. The event hall is especially popular for weddings. Many of George and Colleen's bed and breakfast guests are visitors who are attending a wedding or another event at the manor. The Hazards say their new business has been well received by the community and they've had many positive comments about the lodgings.

"You don't find many like this," George says of the property. "The house lends itself to a country style yet we're capable of hosting formal events."

"We thought it would be the perfect property for a bed and breakfast," Colleen says. "We liked the location. It had the right feel."

"We get a lot of guests from farther away than you'd think," Colleen adds, saying last year's visitors included folks from California and Oregon, as well as a group of 16 anglers from Washington, D.C., who came to Juniata County for a guided fishing trip on local streams.

George and Colleen decorated the three-story, 4,500square-foot home in an early American and Victorian style. The 200-year-old edifice has an interesting history. The original owner, from Pittsburgh, used the residence as a summer home. He had the house moved from the other side of the road to its present location after it was built.

The first floor features the living room, dining room and kitchen. An enclosed patio on the east end of the house provides an abundance of natural light for the wine counter and a seating area. The house offers guests a choice of five bedrooms, two with queen beds, two with double beds and a smaller room with a twin bed. Two rooms adjoin and can be used to accommodate families.

The Hazards enjoy sharing the Wilson House with visitors. Their business model — which includes wine tastings,



seminars (including a cigar-rolling class last summer) and a Friday night concert series in the warmer months — allows more people to tour the house than if it were still a private residence.

The Hazards see their work as an extension of the local farm economy. George, who grew up on a small farm, has 15 years of and says most wineries start out as a hobby and expand into something bigger. George and Colleen's four sons, ages 6 to 12, have their own chores within the family business.

In 2013, the Hazards produced about 2,000 gallons of wine in 10 varieties. They used grapes grown in New York and

ment to purchase," he says.

"Here you can really build your palette without buying something you don't want," Colleen agrees.

George and Colleen work with a local graphic artist to design the labels of their wine bottles. They say naming a new wine is one of the most exciting



experience in livestock consulting. He and Colleen co-owned an ag consulting firm for eight years. When the Wilson house opportunity arose, they sold their share of the business and made the leap.

"Like jumping off a cliff," George remarks. "This is a little different spin on agriculture, but it's still very hands-on. We had explored starting a winery a couple years back, at a different location."

"We wanted something ag-related but social, family-friendly and service-oriented," Colleen adds.

George and Colleen hope 2014 will be a year of growth for them. Their plans include developing the on-site vineyard, exploring new wine varieties and looking for more opportunities to market their wines and the bed and breakfast. Colleen's sister, Karin, a pastry chef with 25 years of experience, helps run the bed and breakfast and plans entertainment.

George, who works full-time for Empire Kosher in Mifflintown, has a degree in biology from Penn State and has long had an interest in wine making. He enjoys the science behind the craft Pennsylvania. The vines the Hazards are tending produce Traminette grapes.

"They grow well on the east coast and here in Pennsylvania," George says. "They make a very nice white wine. There are quite a few grapes that grow well in Pennsylvania."

George recommends Wilson House visitors taste all 10 wines offered by Juniata Valley Winery.

"You have an opportunity to explore different wines without making a commit-

ABOVE, CLOCKWISE: The east end of the house mirrors the east end of Lily Manor, seen in the background. The stairwell splits from the landing to the second floor. Bed and breakfast guests will spend a comfortable night in one of five rustic bedrooms.

RIGHT: The Wilson House fronts Route 35 and offers plenty of parking. aspects of their new venture.

The Hazards enjoy touring wineries and meeting people in the industry. They're excited that Juniata Valley Winery is participating in the 2014 Susquehanna Heartland Wine Trail Month in March.

The Wilson House is open year-round. For more information on this year's calendar of events and for a wine listing, visit their website at www.juniatavalleywinery.com or call the Wilson House at 717-436-5400.



Pole attachment audit is underway

Crews to access Valley power line easements

BY DOUG ROLES Director of Member Services

VALLEY Rural Electric Cooperative began a pole attachment audit of the co-op's entire distribution system Jan. 6. The purpose of the survey is to compile an accurate record of cable TV, phone and other non-co-op lines that are strung using Valley REC's utility poles.

The co-op has contracted with Davey Resource Group (DRG), a division of the Davey Tree Expert Company, Kent, Ohio, to do the work. To complete the field inventory, contracted work crews will be accessing poles via Valley REC rights-of-way.

This extensive project requires DRG technicians to physically visit each piece of cooperative-owned equipment (such as poles, meters and transformers) in Bedford, Blair, Centre, Franklin, Fulton, Huntingdon, Juniata and Mifflin counties.

"To get to the poles they will have to be in people's yards," says Todd Ross, Valley REC operations manager. "They'll also be using ATVs and four-wheel drive vehicles and will do a lot of walking."

Ross says the Davey vehicles will have Valley REC signage on them, so co-op members can tell the crews are authorized by the co-op to access rightsof-way.

Ross said the audit is good for the co-op membership because it will make sure the co-op is recouping all the revenue owed to it for pole attachments.

"This will actually be helping the membership; this helps defray right-ofway expense," Ross says. "I don't think people realize we own those poles."

Ross says because of changes in ownership that have occurred, some communications companies may not have a complete account of attachments in VREC service territory.

"We've never done an audit like this before. This will give everyone an accurate record," he says.

Valley has contracted with DRG in the past. In 2008-09, DRG completed a system inventory that Valley REC used in deploying its advanced metering infrastructure.

Know the pole

Not all the lines affixed to Valley REC's utility poles are owned by the co-op. Other utilities, such as phone and cable companies, often utilize our poles (through an attachment agreement) to carry their lines.

How can you tell which lines are which? The co-op's energized electric lines are at the top of the pole and may or may not be covered with a coating that protects the wire, but is not an insulator. The lower, and often thicker, lines are those of other utilities.

You can tell Valley REC poles from those of other utilities by our numbering convention. The numbering on all Valley poles begins with a number (for a substation) and a letter (for a compass direction), such as the "9N" shown at right.

