

## Water heating tips

Your energy consumption for water heating is dependent on three factors. You should apply different conservation measures to reduce each of them.

Heating efficiency describes how well your water heater converts electricity into hot water. The yellow Energy Guide label on the heater lists an energy factor (EF). The higher the EF value, the more efficient the appliance.

Standby losses include the heat that goes through the walls of your water heater tank. The best defense against standby loss is a heavily-insulated tank. Tanks with a high EF already have the best built-in tank insulation available. You can reduce standby loss on an older water heater by installing an external water heater blanket.

Hot water consumption is the water you use at appliances and faucets. Reduce hot water consumption and lower your thermostat setting; you'll reduce the amount of electricity your water heater consumes. Install low-flow showerheads for a savings of 5 to 10 gallons per shower. And use the cold water cycle on your washing machine.

## Click ... Calculate ... Save

For detailed information on how much electricity is used by your appliances, lighting, TVs and more, visit [www.valleyrec.com](http://www.valleyrec.com) and follow the "Save Energy" link to the "Calculators" tab.



To order your FREE copy of **101 Low-Cost/No-Cost Home Energy-Saving Measures**, email [memberservices@valleyrec.com](mailto:memberservices@valleyrec.com) or call 814/643-2650. Be sure to provide your name, address and account number.




**Valley Rural  
Electric Cooperative, Inc.**  
P.O. Box 477  
Huntingdon, PA 16652-0477  
ADDRESS SERVICE REQUESTED

First class mail  
Pre-sorted  
U.S. postage paid  
Huntingdon, PA 16652  
Permit No. 1



**Valley Rural Electric  
Cooperative, Inc.**

Your Touchstone Energy® Cooperative 

June 2009

Dear Member,

After a careful examination of our current rate structure, your board of directors has deemed it necessary to make an adjustment.

Effective July 1, residential consumers will notice a \$6 increase in the basic monthly charge, while commercial accounts will see a \$12 increase.

Higher priced materials, such as vehicles, transformers, utility poles and copper and aluminum wire, have greatly impacted our bottom line. In addition, our energy sales growth has been fairly stagnant since 2005, while our costs to operate, maintain and upgrade our electric distribution system have increased significantly in the past few years – up nearly 19 percent since 2005.

In spite of these challenges, we work hard to avoid routine price adjustments. Valley REC members have enjoyed one of the longest periods of rate stability in recent history.

Delivering reliable service at the most affordable price possible is the cornerstone of our business. We want to reassure you that Valley will remain proactive in planning for your future energy needs. We're here to deliver the dependable power you've come to expect.

Cooperatively yours,

Wayne F. Miller  
President & CEO

Effective July 1  
**Basic monthly charge:**

**Residential - \$21/month**  
 (previously \$15/month)

**Commercial - \$52/month**  
 (previously \$40/month)

**How can I manage my bill?**

At Valley REC, we are committed to helping you offset the effects of rate increases by finding ways to reduce your monthly bills.

Be sure to take advantage of our free online energy audit program, which helps you calculate your energy use and find ways to conserve. Visit [www.valleyrec.com](http://www.valleyrec.com) and click the "Save Energy" tab.

You could also take advantage of our leveled billing program, which reduces the variance between seasonal bills.

In addition, we offer low-interest loans of up to \$5,000 at 5 percent interest for energy conservation projects that qualify.

**What do I get for my money?**

	Avg. monthly kWh use*	Monthly cost	Cost per day
Water heater	360	\$ 32.04	\$1.07
Refrigerator/freezer	175	15.58	.52
Lighting	125	11.13	.37
Electric range/oven	100	8.90	.30
Dryer	80	7.12	.24
Television	35	3.12	.10
Computer & monitor	30	2.67	.09
All other use	55	4.90	.16
Basic monthly charge		21.00	.70
<b>TOTAL</b>	<b>960</b>	<b>\$106.46</b>	<b>\$3.55</b>

\* The above figures are approximate. Kilowatt-hour use will vary depending on which appliances you own, how you use them and the number of people in your family.

**Why do I pay a basic monthly charge?**



The basic monthly charge helps provide the revenue necessary to operate an \$80 million, 2,900-mile distribution system, serving the electric needs of more than 21,000 consumers.

This includes maintaining distribution lines and substations, clearing rights-of-way and repairing normal wear and tear on poles and equipment.

In addition, the expense of billing consumers and maintaining records, like our capital credits accounts, is divided equally among our membership through the basic monthly charge. This means that, regardless of how many kilowatt-hours are used, each member pays a fair share of the cost of having dependable electric service ready to use 24 hours a day.

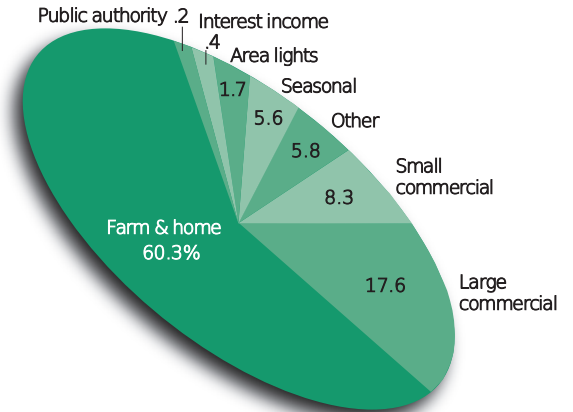
**Basic monthly charge pays for:**

- Pole inspection/replacement
- Right-of-way maintenance
- Outage calls
- Billing and records
- Insurance
- A portion of interest expenses
- A portion of depreciation expenses

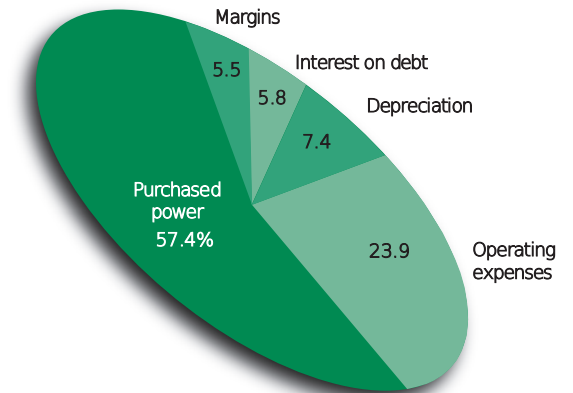


**The co-op dollar**

Where it comes from



Where it goes



**"Owned by those it serves ..."**

As always, we will continue to provide the best possible service to you, the owners of Valley Rural Electric Cooperative.

If you have questions or concerns, please contact us at your convenience.

814/643-2650

800/432-0680