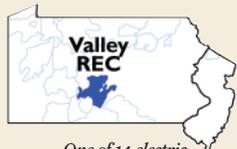


**Valley
Rural Electric
Cooperative, Inc.**

Your Touchstone Energy® Cooperative 



One of 14 electric
cooperatives serving
Pennsylvania and
New Jersey

Valley Rural Electric
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BOARD OF DIRECTORS

James Stauffer
Chairman

Leroy Barnes
Vice Chairman

Kevin States
Secretary

Clair McCall
Treasurer

Robert Holmes
Allegheny Director

David Wright
PREA Director

Cindy Bigelow
Mervin Brumbaugh
Earl Parsons

CORPORATE OFFICE HOURS

Monday - Friday
7 a.m. - 5:30 p.m.

**HUNTINGDON/MARTINSBURG/SHADE GAP
OFFICE HOURS**

Monday - Thursday
7 a.m. - 5:30 p.m.

FROM THE PRESIDENT & CEO

**Load management enables us to reach
our economic and environmental goals**



by **Wayne Miller**
President & CEO

LAST MONTH, I wrote about the “smart grid” and how Valley REC will be taking the first steps this summer toward installing an automated meter reading (AMR) system throughout the co-op’s service territory.

The two-way communications system that will allow “smart meters” at homes, farms and businesses to “talk” back and

forth to our computers about outages and electric use will serve double-duty for the cooperative as a vehicle for enhancing demand-side management. In fact, hand in hand with the AMR project, we will be upgrading our coordinated load management system (CLMS) — a technology that has served us well since 1986 but has become obsolete.

Through the CLMS, system efficiency is improved, the need for generating capacity is reduced and costly demand charges are cut. Because power plants must meet demand needs and electric systems are sized to correspond to peak demand (when consumers use the most electricity), lowering peak demand reduces plant and capital requirements. Thus, if we can decrease the amount of electricity needed during peak periods (when generation costs are highest), we reduce the price we pay for power. And those savings are passed on to consumers in the form of less frequent and less dramatic rate increases.

The CLMS reduces demand by shifting electric load to off-peak hours. Load control receivers installed on consumers’ electric water heaters, heat pumps and central air conditioning units temporarily switch off power to

the appliances when they receive a signal that demand is approaching a high level. Over the past 23 years, Valley has been able to save nearly \$9 million in wholesale power costs through the use of this program and thanks to the cooperation of nearly 5,000 members.

The new load management equipment will allow the cooperative to take advantage of the latest innovations in demand-side management. Investing in a state-of-the-art load management system will help us to better handle electric load and control costs. An expanded program will also help us to fulfill government requirements for renewable generation and minimize our carbon footprint. From the cooperative point of view, the cleanest megawatt is the one that is never produced.

About one in five co-op consumers takes part in load management, actively assisting to control power costs. And the savings are substantial — up to \$400,000 per year on the price of wholesale power.

In the weeks and months ahead, co-op staff will be contacting consumers who are involved in load management and requesting their continued participation by allowing us to install a new demand reduction unit in their homes. But our ultimate goal is not only to upgrade the existing equipment, but also to encourage more enrollment in the program.

It is critical for the cooperative to remain on the cutting edge of technologies that ensure we reach our economic and environmental goals. Our demand response initiative has lowered our power requirements by roughly 8 percent over the past two to three decades. With your support, we can continue that capability far into the future. 



PHOTOS BY BOB WAREHAM

Annual meeting draws nearly 900 consumers

BY SUSAN R. PENNING
Director of Member Services

Nearly 900 electric consumers attended the 2009 Valley Rural Electric Cooperative Annual Meeting, held at 7 p.m. April 17 at Mount Union Area High School.

The meeting focused on issues facing the electric industry today and included the election of three directors to the board.

“As we look to the future, there are many factors that will impact the price we pay for electricity,” co-op President & CEO Wayne Miller said during the meeting. “President Obama and leaders in the House and Senate are pushing forward with ambitious legislation to revolutionize our approach to energy in the United States. Their goals include plans to combat global warming, reduce carbon emissions, create green jobs,



CHILDREN'S PROGRAM: Huntingdon County Dairy Princess Heather Miller of McVeytown offers an educational program for children at the annual meeting. The kids also enjoyed a movie, refreshments and balloons.

promote renewable resources and work toward energy independence. All are very important and necessary objectives that, as a nation, we need to be focusing on. But all have the potential to dramatically raise the price of electricity.”

Miller encouraged members in the audience to contact federal representatives and senators through www.ourenergy.coop to let them know they must take an affordable approach to climate change and energy legislation.

“If we get involved, if we make our voices heard, our legislators will pay attention,” Miller said.

Board Chairman James Stauffer followed Miller's speech with words of encouragement about Valley Rural Electric's commitment to keeping electric rates affordable. He referenced the “70-year success story” of the co-op.



ABOVE: Singer/songwriter Steve Chapman provided the entertainment for the evening.



ABOVE: Co-op President & CEO Wayne Miller (far left) congratulates the incumbents re-elected to Valley's board of directors. They are (from left) Jim Stauffer, Clair McCall and Leroy Barnes.

LEFT: A near-record crowd of cooperative members and their guests packed the auditorium at Mount Union Area High School April 17 to cast votes for directors and get information about the electric industry. There were 446 voting members in attendance at the annual meeting.

RIGHT: Valley employees Paula Klester (left) and Terri Cohenour (center) hand out materials at the meeting. All registered members in attendance received a \$15 bill credit and a bag of energy-efficient products.

“Valley has succeeded in serving its members for seven decades by focusing on value — our co-op provides dependable service at the lowest possible cost; valor — our co-op employs local folks who are dedicated, competent and willing to do whatever it takes to keep the lights on and restore service quickly; and vision — our co-op understands that we want to preserve our rural way of life, but we don’t want to sacrifice reliable, cost-effective service just because we live off the beaten path,” Stauffer said.

Following Miller’s and Stauffer’s remarks, the 446 voting members in attendance at the meeting elected three incumbent directors to represent the utility’s 21,000 consumers.

Chosen to serve on the co-op’s board of directors for a three-year term were:

- District 2 — James R. Stauffer of McVeytown, Mifflin County;
- District 4 — Clair E. McCall of

Mapleton Depot, Huntingdon County; and

District 6 — Leroy Barnes of Portage, Bedford County.

All three candidates ran unopposed on the ballot.

Other highlights of the meeting included a national anthem presentation dedicated to those deployed with the Pennsylvania Army National Guard’s 56th Brigade and for all the soldiers, sailors, airmen and Marines serving our country overseas. Entertainment was provided by musician and storyteller Steve Chapman. Pastor Dan Long of the Calvary Independent Baptist Church of Saltillo offered the invocation.

Distinguished guests in attendance included state Sen. John Eichelberger (R-Blair) and state Reps. Mike Fleck (R-Huntingdon) and Jerry Stern (R-Blair), Huntingdon County Commissioners William Hoover and Dean Fluke, and



Senior Editor of *Penn Lines* magazine Peter Fitzgerald.

Children attending the event enjoyed movies, refreshments, balloons and a presentation by Huntingdon County Dairy Princess Heather Miller of McVeytown.

James and Mary Brubaker of Duncansville and the Pleasant Hill United Methodist Church in Shade Gap each won a \$250 co-op gift certificate. Members in attendance received a \$15 electric bill credit and a bag of energy-efficient products. ☀

Low-hanging fruit: energy efficiency in building design

BY SCOTT GATES

National Rural Electric Cooperative Association

Many folks hail energy efficiency as a “low-hanging fruit,” meaning it offers an easy way to make big changes. With small investments and careful attention to energy use, homeowners can effectively manage their electric bills. Installing compact fluorescent lightbulbs (CFLs), which require up to 75 percent less electricity than standard incandescent bulbs, provides a great example.

But while new lightbulbs, appliances and weatherization measures can make an existing home or commercial building more energy efficient, bigger gains can be made to structures at the front end during design and construction. U.S. Secretary of Energy Dr. Steven Chu sees building efficiency as a vast untapped resource of energy savings.

“This isn’t low-hanging fruit,” he quips. “This is fruit lying on the ground.”

Building operations eat through 73 percent of all electricity generated by power plants in the United States every year, according to the U.S. Energy Information Administration. The remainder primarily goes to drive industry and transportation.

Dozens of electric co-ops across the country have been mindful of this when planning new headquarters buildings, and have integrated energy-efficient features into the architecture as a way to

lead by example. Many, such as the National Rural Electric Cooperative Association building in Arlington, Va., follow voluntary U.S. Green Building Council guidelines to achieve Leadership in Energy and Environmental Design (LEED) certification.

Elements considered in LEED certification include access to public transportation; water-efficient landscaping or rainwater recycling methods; optimizing electricity use; installing on-site sources of renewable energy, such as solar panels or small wind turbines; the use of recycled materials in construction; and effective use of sunlight for heating and lighting.

These features join a long list of others that help “pick fruit off the ground.” By 2010, approximately 10 percent of commercial construction projects are expected to be “green,” meaning they will focus on efficient and sustainable design concepts, according to the U.S. Green Building Council and a McGraw Hill Green Building Smart Market Report.

Homeowners can also join the trend and incorporate many of these ideas into both new and existing homes. LEED-certified homes benefit from lower energy and water bills, and less exposure to mold, mildew and other indoor toxins, with no increase in the net cost of ownership.

Touchstone Energy®, the “brand ID” of the nation’s electric co-ops, has also adopted a set of efficiency standards for



PHOTO COURTESY OF TOUCHSTONE ENERGY

GOOD TIMING: Homeowners looking to make energy-efficient changes to their homes may qualify for a tax credit up to \$1,500, or 30 percent of the cost, for weatherization upgrades.

both new and existing homes. The Touchstone Energy Home Program, an initiative focused and implemented locally, assists cooperatives in working with members to ensure that residences meet nationally recognized energy efficiency criteria.

The timing is right for homeowners looking to make such changes, too. The massive federal economic stimulus package signed into law recently provides homeowners an efficiency tax credit of up to \$1,500, or 30 percent of the cost, for weatherization upgrades, including insulation, that meet the 2009 International Energy Conservation Code — more low-hanging fruit.

For more information on integrating energy-efficiency features in your home or business, and taking advantage of related tax credits, visit www.energystar.gov or call Valley Rural Electric at 800/432-0680. ☀

NO ‘FLOAT’ TIME

Valley members are reminded that, due to a new electronic processing system, checks may be processed on the same day they are received. There is virtually no “float” time between when a check is written and when the bank withdraws funds from the account.