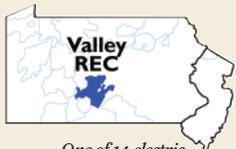


Valley Rural Electric Cooperative, Inc.

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

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.

OUTAGES & EMERGENCIES

1-800-432-0680

FROM THE PRESIDENT & CEO

Metal theft threatens safety, lives



by Wayne Miller
President & CEO

WOULD YOU risk being hit by lightning for \$100? Of course that seems ludicrous, but desperate times cause folks to do foolish things.

Thefts of copper, bronze and aluminum are on the rise at abandoned commercial buildings, empty homes and — most dangerously — at substations and around power lines. We

need your help to keep our equipment safe, prevent outages and save lives.

At an electric co-op in Oklahoma last year, metal thieves took off with about \$100 worth of wire in a substation, but left behind a \$1 million repair bill after a fire destroyed regulators, switches and a \$600,000 transformer. More than 3,500 consumers were temporarily left in the dark after the incident, although the co-op moved quickly to reroute power to affected areas.

So far in 2011, Valley Rural Electric Cooperative has experienced seven incidents of metal theft. Five of these incidents occurred in territory within the co-op's Shade Gap district; two occurred at substations in the co-op's Martinsburg district.

It's hard to understand why folks would put their lives on the line for a few dollars. Many law enforcement officials believe that methamphetamine users are responsible for much of the problem. The damage done to our system packs a big punch, since equipment can be ruined without the protection cop-

per wires provide. There's also the potential for loss of life. In 2010, metal theft-related deaths occurred in North Carolina, West Virginia, Illinois and Ohio.

The cost for scrap copper goes up and down, but recently it's been on the rise — and so have robbery attempts. In January, scrap copper sold for five times the amount it went for in 2001.

We use copper to ground our equipment, protecting it from electrical faults or short circuits and lightning by giving electricity a safe path to ground. We use copper wire in our substations, where we step down high-voltage electricity arriving from distant power plants before it travels to your neighborhood. Then another transformer near your home (either mounted on a utility pole or in a green box on the ground) lowers the voltage again so you can use the power at home. Copper is an essential component every step of the way.

Our line personnel are highly trained professionals who understand the dangers of working with electricity and take proper safety precautions. To protect the public, we surround our substations with secure fencing and post warning signs. But some thieves will not be deterred.

Please help us prevent these thefts. If you notice anything unusual, such as an open substation gate, open equipment or hanging wire, call the co-op immediately at 800/432-0680. And if you see anyone other than our utility personnel or contractors around substations or other electric facilities, report it to the police. 

Nearly 1,000 consumers attend Valley Rural Electric Cooperative Annual Meeting

BY LUANNE H. ECKENRODE
Vice President, Consumer Services & Public Relations

THE VALLEY RURAL ELECTRIC Cooperative Annual Meeting, held at 7 p.m. April 15 at Huntingdon Area High School, drew nearly 1,000 consumers this year.

The meeting focused on current energy industry issues and included the election of three directors to the board.

“Regardless of our minimal sales growth in recent years, our rates have remained extremely competitive,” co-op President and CEO Wayne Miller said during the meeting. “As you may or may not be aware, rate caps expired for all of Pennsylvania’s private power companies as of Dec. 31, 2010. This resulted in hefty increases for their customers. Of course, Valley is a self-regulated, not-for-profit utility. We never needed rate caps to protect our consumers from paying too much for electricity; therefore, we never had any rate caps to remove. In fact, our generation price to compare, which is 6.52 cents per kilowatt-hour, is the lowest in the state compared to the private power companies.”

“You might also be interested to know that the average residential Penelec cus-

tomers is now paying 23 percent more on his monthly electric bill than a Valley Rural Electric member,” he added.

Miller also updated co-op members about what is happening in regard to national energy policy.

“Right now, co-ops around the country, including Valley, are throwing their support behind legislation introduced just last month (H.R. 910) to halt efforts of the Obama Administration to regulate greenhouse gases under the Clean Air Act. The goal is to block Environmental Protection Agency action on greenhouse gases, such as carbon dioxide, and let Congress decide the issue instead,” Miller said.

“Why are we supporting this new Energy Tax Prevention Act? Because utilities know that overzealous EPA regulation would lead to high compliance costs by fossil fuel power plants and ultimately higher bills for consumers like you. To quote National Rural Electric Cooperative Association President and CEO Glenn English, ‘Keeping electric bills affordable is essential as we restore our nation’s diminished economic capacity.’”

“Fortunately for co-ops here in Pennsylvania, the impact of any carbon regulation would be minimal, considering we get more than 70 percent of our power needs from zero-emission resources, like nuclear power, and renewables, such as hydro, solar, wind and biomass. Other utilities around the country, which rely heavily on coal and natural gas to provide their power, would not fare as well,” he concluded.

Board Chairman James Stauffer followed Miller’s speech with comments about the directors’ duty to make certain that the cooperative operates in a way that is responsible, transparent and fully accountable to the membership.

“One of the biggest obligations we have as directors is to help ensure that our cooperative is run in a cost-effective manner — without sacrificing service quality,” Stauffer said.

“Did you know that Valley Rural



PHOTO BY NANCY BUCHER

ENTERTAINMENT: Singer/songwriter Chris Collins performs a tribute to John Denver at the annual meeting while a toe-tapping audience sings along to favorites like “Take Me Home, Country Roads.” Chris received a standing ovation for his performance.

Electric owns and maintains more than 2,900 miles of power lines?” he asked. “Stretched out, that is the distance from New York City to San Diego, Calif. Yet we employ roughly the same number of people as we did when the co-op started in the late 1930s. We are able to accomplish this because we continue to look at ways of doing things better and more efficiently. And we have a team of folks working for the co-op who are highly trained, highly dedicated and willing to do whatever it takes so that we can continue to enjoy safe, reliable power and unsurpassed customer service.”

Stauffer added that the co-op’s mission and values statement stress an obligation not only to provide power at the lowest possible cost but also to help improve the quality of life for the people it serves.

“In 2010, we were able to offer nearly \$11,000 in energy assistance to co-op folks who had fallen on hard times,” he said. “We were also able to launch a new program that gives up to 25 \$1,000 scholarships each year to deserving students who apply. The money to fund this new Brighter Future Scholarship Program — and a large portion of our energy assistance



PHOTO BY SUSAN PENNING

ANNUAL MEETING HOSPITALITY: Huntingdon County Dairy Princess Krista Hawn, left, offers cheese and pretzels to guests at the co-op’s annual meeting. Children in attendance enjoyed Krista’s program on nutrition and the importance of a balanced diet.

PHOTO BY NANCY BUCHER



funding — comes from unclaimed capital credits refunds that previously had to be turned over to the state. Thanks to the efforts of our political advocates, we can now keep those funds in our local communities where they belong.”

Following Miller’s and Stauffer’s remarks, the 517 voting members in attendance at the meeting elected three incumbent directors to represent the utility’s nearly 22,000 consumers.

Chosen to serve on the co-op’s board of directors for a three-year term were:
District 1 — Mervin Brumbaugh of Williamsburg, Blair County;
District 3 — Kevin States of Hesston, Huntingdon County; and
District 5 — Robert Holmes of Huntingdon.

Timothy Knepp of Martinsburg, Blair County, ran against Brumbaugh. The other two candidates ran unopposed on the ballot.

Other highlights of the meeting included entertainment provided by singer/songwriter Chris Collins, who performed a tribute to John Denver. Pastor Alan Atchison of the Ennisville, Faith and Wesley Chapel United Methodist churches offered the invocation.

Distinguished guests in attendance included state Sen. John Eichelberger; state Reps. Mike Fleck, Dick Hess and Jerry Stern; Huntingdon County Commissioner R. Dean Fluke; Pennsylvania Rural Electric Association (PREA) Chairman of the Board and Adams Electric Cooperative

LARGEST CROWD IN MORE THAN 20 YEARS: Nearly 1,000 consumers attended the co-op’s 2011 annual meeting at Huntingdon Area High School April 15. The 517 voting members re-elected three incumbents to the co-op’s board. Each member received a \$15 bill credit and stainless steel travel mug.

Secretary of the Board S. Eugene Herritt; PREA Vice Chairman of the Board and Claverack Rural Electric Cooperative Chairman of the Board Kevin Barrett; PREA Director of Communications and Member Services Peter Fitzgerald; and PREA Member Services Assistant Stephanie Okuniewski.

Nearly 50 children attended the event. They enjoyed a big-screen viewing of “Yogi Bear,” refreshments, balloons and a presentation by Huntingdon County Dairy Princess Krista Hawn of Petersburg.

Couple Blain and Evelyn Beatty of Petersburg and Stanley Ehrisman of Mifflintown each won a \$250 co-op gift certificate. Members in attendance received a \$15 credit on their electric bills and a stainless steel travel mug.

In addition, meeting attendees who brought with them spent compact fluorescent lightbulbs had cooperative staff properly dispose of them. Plus, each family that brought a bulb received a free replacement.

To learn more about the importance of the co-op’s annual meeting, visit www.valleyrec.com and follow the link to “The Cooperative Difference.”

PHOTO BY BARRY KLINE



INCUMBENT DIRECTORS REELECTED: Valley Rural Electric Cooperative President and CEO Wayne Miller, left, and Board Chairman James Stauffer, right, offer congratulations to re-elected directors, from left, Mervin Brumbaugh, Kevin States and Robert Holmes, at the co-op’s annual meeting.

May is Electrical Safety Month!

Electrical safety vacation checklist

Preparing for summer vacations can often be a source of stress. That's why it's important that trip-takers have peace of mind that their homes will be safe while they are out of town. There are risks associated with leaving a home vacant: Fires can start when lightning storms strike electronics or small appliances, and unoccupied homes are more prone to burglaries.

The electrical safety checklist below may help decrease the risk of these problems occurring while residents are on vacation:

1. Turn off all electrical appliances, including toaster ovens, stoves and curling irons.

2. Unplug television sets and computers. These items are especially susceptible to lightning and power surges.

3. Use a timer on indoor lights. Look for one that can be set to a random pattern rather than regular times throughout the day.

4. Install motion-detecting lights outdoors.

5. Set the thermostat to 80 degrees in the summer and 55 degrees in the winter if you plan to leave for an extended period of time.

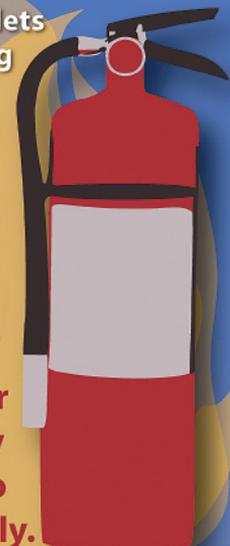
6. Give your house key to a neighbor and make sure he or she has a phone number where you may be reached.

Information courtesy of the National Rural Electric Cooperative Association and National Sheriffs' Association

Electrical Fire Safety

About 28,600 home electrical fires occur during a typical year, leading to \$1.1 billion in property losses. Faulty electrical outlets and old wiring are the main causes of electrical fires, as are damaged cords, plugs, switches and light fixtures.

The number one priority in a fire is to escape safely.



Electrical Safety Calendar

Use this handy calendar to help keep your home safe. For more tips, visit esfi.org.

JANUARY

- Check and replace furnace filters

FEBRUARY

- Vacuum refrigerator coils

MARCH

- Replace smoke and carbon monoxide alarm batteries if not done in last 12 months

APRIL

- Check and replace furnace filters

MAY

- Clean air conditioners or schedule annual inspection
- Vacuum refrigerator coils

JUNE

- Dust light fixtures/lamps
- Schedule annual inspection of gas-powered dryer

JULY

- Check and replace air conditioning filters

AUGUST

- Vacuum refrigerator coils

SEPTEMBER

- Schedule annual furnace cleaning and inspection

OCTOBER

- Check and replace furnace filters

NOVEMBER

- Vacuum refrigerator coils

DECEMBER

- Dust light fixtures/lamps

ESFI recommends hiring a licensed, qualified home electrical inspector if: Your home is more than 40 years old; your home had a major addition or renovation or major new appliance added in the last 10 years; and/or you are the new owner of a previously owned home.

Every month you should:

1. Inspect all electrical and appliance cords for damage

2. Test GFCIs & AFCIs

Whether you have a receptacle-type or circuit breaker-type ground fault circuit interrupter (GFCI), pushing the TEST button should turn off power to the circuit. To restore power, press the RESET button. To test arc fault circuit interrupters (AFCIs), push the TEST button. The breaker handle should go to the middle or off position. To reset, move the breaker handle to the OFF position and then to the ON position.



3. Test smoke and carbon monoxide alarms

Push the TEST button or use other procedures recommended by the manufacturer. Smoke alarm batteries should be changed at least once a year. If an alarm "chirps" or "beeps" to indicate low batteries, change them right away. Replace all smoke alarms at least every 10 years.



Use a fire extinguisher only if:

- The fire department has been called.
- Everyone has exited the building.
- The fire is confined to a small area, such as a wastebasket, and is not growing.
- The room is not filled with smoke.

Not all fire extinguishers are alike. Only a Class C extinguisher can be used on an electrical fire. Remember the word **PASS**:

Pull the pin. Hold the extinguisher with the nozzle pointing away from you and release the locking mechanism.

Aim low. Point the nozzle toward the base of the fire.

Squeeze the lever slowly and evenly.

Sweep the nozzle from side-to-side.

Remember: Know when to go.

Make sure you have a home fire escape plan and working smoke alarms.

Source: U.S. Fire Administration, National Fire Protection Association



Pole inspection schedule

The co-op's scheduled pole inspections are beginning in the following townships: *Bedford County* — Bloomfield and Woodbury; *Blair County* — Blair, Huston, North Woodbury, Taylor and Woodbury; *Franklin County* — Metal and Peters; *Huntingdon County* — Barree, Jackson, Miller, Tell and West; and *Juniata County* — Lack and Tuscarora. Crews from Osmose Wood Preserving Company of Buffalo, N.Y., will be responsible for the project. They inspect and treat about 3,000 of the co-op's poles annually. At an average price of \$150 each, utility poles comprise a large portion of the co-op's physical plant. Routine inspection and treatment help extend poles' useful lives by years or even decades.