

# Valley Rural Electric Cooperative, Inc.

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## Valley Rural Electric Cooperative, Inc.

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## Guest Column



# Co-op membership has a history of value

By Doug Roles, *Vice President of Member Services*

**DID YOU** know that as an electric distribution co-op member, you're part of a legacy of a national movement that provided electric service to areas where there was none? At one time, your farm, home or business would not have had central station electric service because of your location. It's hard to imagine doing without electricity today, but it's the reason rural electric co-ops formed across the country in the late 1930s.

Your co-op membership has a shared history with other co-op members — one out of every eight Americans. That's something to be proud of. But the value of membership didn't end after the lights came on.

Searching for the good has become increasingly important in these turbulent times. This time of year, many people pause to count blessings and think about the things that add value to everyday life. So, where else is there value in your co-op membership, in addition to that shared history?

Providing reliable and safe energy is certainly a top priority for Valley REC. But, as a not-for-profit electric cooperative, the well-being of our members and the communities we serve is equally important. There's value in being part of an organization that cares about consumers and community.

There's also value in being a member of an organization that is constantly evolving. For example, Valley REC and its sister co-ops in Pennsylvania were early to adopt digital metering about a decade ago because, as a relatively small and member-owned enterprise, we're always looking for

ways to increase efficiency. We continue to use the latest technology so our 60 employees can better serve 23,000 accounts spread across eight counties.

We also enable members to do their part to stabilize energy costs. You may recall that a year ago we cut in half our kilowatt-hour rate for one month. The one-time rate reduction was possible because the Susquehanna nuclear plant and the Raystown hydro plant had banner years and because members helped stabilize wholesale costs by participating in our demand response (water heater switch) program and shifting summertime use to off-peak hours. Because we're a co-op, we passed the savings on to members.

Valley membership also boasts the value of being part of a network of cooperatives across the country. When one co-op is in need, other co-ops will lend a hand. Valley has sent line crews to assist sister co-ops with outage restoration. We've also been the one to receive a helping hand after bad storms. There's value in knowing help is just a phone call away.

Perhaps one of the biggest values of Valley membership is that we're always here for our consumers, 24/7. If you call us during business hours, you will get to talk to a real person who cares about your question. The same is true if you contact us outside of normal business hours. Though we use an after-hours call center, there's really no such thing as "after hours." That's because we're always ready to serve you and to continue building upon our legacy of value. 

# Valley REC completes Path Valley Substation project

By Doug Roles

*Vice President of Member Services*

VALLEY Rural Electric Cooperative recently completed construction of a new substation in the southern portion of its eight-county service territory. The new Path Valley Substation represents a system improvement that will benefit co-op members along Route 75 in western Franklin County and in the Cowan's Gap area of Fulton County.

The facility, in Peters Township about a mile north of Fort Loudon, was energized the third week of October. It replaces the aging Metal Substation, also along Route 75, in Metal Township. Both substations are in Valley REC's Shade Gap service district.

"It's going to enhance our reliability," says Todd Ross, Valley REC's vice president of operations. "It should really minimize our delivery point outages."

West Penn Power will supply the new substation. The site is much closer to its delivery point than the Metal Substation is to its power supply. The shorter distance lessens the likelihood of a private power company service disruption to the substation, something which would cut power to hundreds of co-op members until either the private power company repairs its line or Valley REC reroutes power from another portion of its system.

"The Penelec delivery point we had to the Metal sub was very old and had a lot of exposure on it," Ross says. "The Metal Substation is at the end of that Penelec feed, and over the years, we have had numerous delivery point outages."

Valley REC began planning the substation project about two years ago, and construction began in January. Originally



PHOTO BY DOUG ROLES

IN SERVICE: Valley REC energized the co-op's new Path Valley Substation in late October. The new facility will increase service reliability for Valley members in Metal and Peters townships in Franklin County and in the Cowan's Gap area of Fulton County. The substation is located about a mile north of Fort Loudon and replaces the co-op's Metal Substation.

the plan was to have the project completed in late spring. COVID-19 work restrictions delayed the project about four months.

West Penn Power serves the substation with a 34,500-volt line. The line on the demand side — the co-op member side — is 14,400 volts. The substation is the co-op's first with a high-side three-phase main breaker, which can disconnect supply-side service from all three lines at once as opposed to using individual fusing. The facility also has a one-room concrete bunker to house telecommunications equipment.

"There's redundancy built into this substation," says Eric Henchey, Valley REC coordination engineer. "This is the first sub where we've had two substation transformers set up, side

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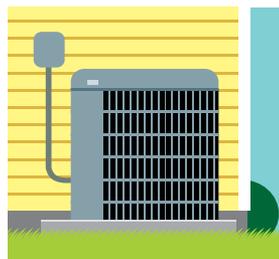


PHOTO BY DOUG ROLES



by side and ready to go, so if something happens to one, we can use the other.”

The project included upgrading 27 spans of single-phase (single-line) distribution wire to three-phase. Crews also built a new line on the delivery side of the substation to connect to the West Penn delivery point. Equipment at the Metal facility will be used as a switching station to further assist with system reliability.

The Path Valley project was completed at just below \$1 million. Initial projections showed the price tag could range as high as \$2 million, but the co-op looked for cost-saving measures throughout the project and used its own crews for much of the work, as opposed to hiring it out.

In October 2016, the co-op energized the new Reeds Gap Substation in Tuscarora Township, Juniata County, also in the Shade Gap District. Valley is planning construction of a new Atkinson Mills Substation in Wayne Township, Mifflin County, in the co-op's Huntingdon service district. The new all-steel facility will replace the aging wooden frame substation. Last year, Valley REC purchased an acre of ground at the existing facility. The additional acreage will improve access and provide plenty of space for the new substation.

Valley REC's system includes 22 substations. The Atkinson Mills and Metal substations have been in service for more than 50 years. ⚡

**INSPECTION:** Valley REC Vice President of Operations Todd Ross, center, and Brandon Clemens, Valley's Shade Gap district manager, visually inspect a set of reclosers at the new Path Valley Substation Oct. 7, 2020, as crew leader Kenny Sipes prepares to wire the other set from the bucket.



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After we receive your payment, the co-op member's account will be credited in December with the amount you've specified. The certificate may be mailed directly to the recipient, or it can be sent to you for personal delivery.

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# Marathon water heater program hits five-year mark

By Doug Roles

*Vice President of Member Services*

THIS FALL marks the five-year anniversary of Valley REC selling the Marathon water heater, a top-of-the-line electric storage tank unit that is durable, efficient and a great fit for Valley's top energy-saving program.

The co-op has sold more than 250 units since the program began. Many



PHOTO BY TRAVIS KUHSTOS

**IN PROGRESS:** Tji McCartney, a Valley Rural Energy Services electrician, installs a Marathon water heater at a member's home. Since the member is a demand response program participant, the co-op provided a \$3-per-gallon rebate on the 50-gallon unit.

of those have been bought by members who received substantial rebates because they participate in Valley's demand response program, a water heater switch initiative that remotely cuts power to tanks during periods of peak demand, when the wholesale cost of electricity is greatest.

The Marathon is a great fit for the program because power can be shut off to it for several hours with minimal heat loss. The company states the units allow only 5 degrees of standby heat loss in a 24-hour period.

"You get what you pay for," says Travis Kuhstos, Valley REC's staff energy specialist and demand response program manager. "Yes, you're paying more money for a Marathon water heater, but you're also purchasing the last water heater you'll ever buy."

Like most appliances, storage tank water heaters operate unnoticed until

they begin to malfunction. The lifespan of a typical metal water heater is eight to 12 years. Those units use a sacrificial anode rod that protects the water tank from corrosion by attracting particles through electrolysis. Once the anode fails, the tank begins to deteriorate. The anode rod can also cause that all-too-common sulfur smell.

Unlike metal units, the Marathon is long-lasting because there are no materials on it to degrade or degenerate. The water heater features a seamless fiberglass shell and two and one-half inches of spray foam insulation. Marathon uses a titanium heating element that is corrosive-resistant, and the tank is resistant to lime buildup. The tanks don't have an anode rod.

Marathon units come with a lifetime guarantee. Additionally, they feature a factory-installed vacuum-relief fitting, a valve that prevents air bubbles from developing in the tank. And they're easier to flush out annually because of the bowl-shaped drain at the bottom of the tank.

"They're top of the line in quality," Kushtos adds. "You're paying for peace of mind."

He noted that in the few instances where a member has had a problem with one of the units, Valley Rural Energy Services technicians have corrected the issue. Valley works directly with Marathon manufacturer Rheem for replacement parts as well as warranty issues.

"No news is good news," Kushtos adds. "We honestly don't get phone calls about them. We don't have people complaining about them."

Prices range from \$800-\$1,200, depending on the size of the unit. Valley members who participate in the co-op's demand response program are eligible for a rebate of \$3 per gallon on water heaters of 40-79 gallons in size. A \$4-per-gallon rebate is offered for water heaters 80 gallons and larger. The rebate program

helps Valley members close the gap between the price of a Marathon and a conventional metal water heater.

Carol Loudon of Tyrone Township, Blair County, is one of the co-op's newest demand response program participants and Marathon customers.

She had heard about the Marathon program from another Valley REC member. When her 7-year-old water heater started leaking, she contacted the co-op. As a new demand response program participant, she qualified for free installation of her new Marathon unit by Valley Rural Energy Services, (VRES) and the VRES technicians took away her old tank.

"Everyone I talked to was so informative and helpful," Loudon says. "Obviously, I was happy to have the free installation and the rebate."

Loudon also pointed out that the demand response program is good for the environment. It enables Valley members to be part of a large-scale energy conservation effort.

Water heaters are available in sizes ranging from 15 gallons to 105 gallons. Valley REC stocks the 40-, 50- and 85- gallon units. For those not having VRES do the installation, water heaters can be picked up at our Huntingdon, Shade Gap or Martinsburg district offices. For more information, please call 800-432-0680. ☀



PHOTO BY DOUG ROLES

**COMPLETE:** Travis Kuhstos, left, Valley REC energy specialist and demand response program manager, and Zach Yohn, an electrician with Valley Rural Energy Services, complete the installation of a Marathon water heater at a member's home in Tyrone Township, Blair County. As a new demand response program participant, the member qualified for free installation and rebates.