# Valley Rural Electric Cooperative, Inc.

A Touchstone Energy® Cooperative



One of 14 electric cooperatives serving Pennsylvania and New Jersey

#### Valley Rural Electric Cooperative, Inc.

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#### From the President & CEO



### The Valley REC difference

By Rich Bauer

WHEN people ask me where I work and I tell them Valley Rural Electric Cooperative (REC), you can tell right away who is familiar with a cooperative and who has never been a member.

The first question I get from those unfamiliar with co-ops is: "So what's the big difference? You are just a power company." I love explaining the benefits of being a member-owner versus just a customer with those other guys. With Valley, you have a voice. Our No. 1 goal is to adjust to the needs of our membership and to provide the best possible service at the lowest possible cost. We truly live by that motto. We are always looking to improve our system and to increase our reliability. We monitor every job to ensure that we are doing it at the lowest possible cost.

In the article on page 12b, you can see that our Atkinson Mills substation has been rebuilt to a state-of-the-art facility, which should provide better service to members in that area. By doing much of the work ourselves, we saved more than \$500,000, which will be used to upgrade other locations on our system.

Another benefit of being a cooperative member is our capital credits program. In a nutshell, any margin that we made throughout the year is returned to members. Most of you have seen this on your December bill each year as a credit. I am happy to report to you that your board has authorized the return of almost \$2.7 million. This amount will pay

back all the margins from 1993, 1994 and 1995, as well as half of the margins for 2020.

Valley REC had one of the best years it has ever had in 2021. A lot of factors made it happen. The biggest were our wholesale power costs and our load management program. The Susquehanna nuclear plant had a great operating year as did the Raystown hydroelectric plant. This resulted in lower-than-expected power costs to the cooperative. And our capacity costs were down thanks to our members who have a demand response unit attached to their water heaters and to those who shifted their use to off-peak hours.

While your board of directors decided to return this margin to you, we don't expect this higher margin to continue because wholesale power costs are expected to increase significantly. For the time being, though, what benefits us benefits you.

I hope you all had a wonderful Thanksgiving filled with family and friends, and I hope your Christmas season is just as special. I want to assure you we are extremely thankful for the wonderful members we have and the beautiful areas that we serve and call home. There are benefits to being a member of Valley REC, and I hope that we continue to prove that to you each and every day.

As always, if you have any questions or concerns, please don't hesitate to give me a call, stop in or email me.

Merry Christmas and God bless.



NEW SUBSTATION: Before energizing the new Atkinson Mills substation along Route 22 in Wayne Township, Mifflin County, Valley REC crews do some prep work at the site in early November. The new metal structure replaces the aging wood substation, which can be seen in the background.

## Valley REC completes substation replacement project in Wayne Township

By Doug Roles
Vice President of Member Services

VALLEY Rural Electric Cooperative (REC) energized a new substation in November to replace an aging facility at the same location in Wayne Township, Mifflin County. Completion of the Atkinson Mills substation construction project is the latest upgrade to the co-op's electrical distribution system, which serves more than 22,000 consumers in eight south-central Pennsylvania counties.

The new all-steel facility replaced a wooden-frame substation that dated to the 1950s. Valley REC crews dismantled that equipment as the new substation was brought online Nov. 8 and 9. Co-op members in Granville, Oliver and Wayne townships experienced two brief service disruptions as crews took the

old substation offline and energized the new one.

Atkinson Mills is the co-op's third substation construction project since 2016. Another is planned in the coming year. System improvements, including the construction of new substations, increase service reliability and ensure power quality, lessening the likelihood of power dips or spikes.

"We've been upgrading our distribution lines and other equipment, and now it's time to upgrade these subs," says Todd Ross, Valley REC vice president of operations. "They're the heart and soul of the distribution system."

In 2020, Valley REC purchased an acre of ground adjacent to the existing Atkinson Mills facility to improve access and have plenty of space for construction. The Tri-M Group, a Kennett Square-based utility construction firm, was the project contractor.

Ross says several aspects kept construction costs for the nearly \$800,000 project lower than expected. For instance, building next to the existing structure meant First Energy, which delivers power to the substation, did not need to construct a new 46-kilovolt delivery line.

"We're reusing the substation transformer because the existing transformer is only 10 years old. They are tested periodically. There's nothing wrong with it," Ross reports. "We try to save costs in different ways where we can."

The new substation is much different in appearance and more high-tech than its predecessor. Still, the basic function is the same.

"Substations receive the higher transmission voltage and drop it down to a distribution voltage," Eric Henchey, Valley REC coordination engineer, explains. "It operates much like a transformer on a pole, but on a much larger scale."

The 46,000 volts coming into the substation from First Energy are reduced to 12,470 volts and 7,200 volts for phase-to-phase or phase-to-ground lines, respectively.

When the co-op constructed the new Path Valley substation near Fort Loudon in Franklin County a year ago, two substation transformers were installed to provide redundancy. A single unit is in use at the Atkinson Mills facility because its location allows power to be rerouted to it from Valley REC's substations near Mount Union and Three Springs if an equipment failure or other event disrupts operation.

"We have back-feed capability to Atkinson Mills from our Riverview and Three Springs subs," Ross explains. "And this new sub can accommodate additional new load that the old one could not. We're building for the future."

Additionally, a gate on the west end of the fence around the new substation





ABOVE: Working from a bucket, Fourth-Class Lineman Josh Gutshall installs wiring for substation metering equipment.

will enable crews to back a portable substation transformer into place should the need arise.

Valley REC's system includes 22 substations. In October 2016, the co-op energized a new Reeds Gap substation in Tuscarora Township, Juniata County — again, replacing an aging substation. Last year, the co-op purchased ground for the construction of a new Sinking Valley substation, about a half-mile north of the existing substation near Route 453 in Tyrone Township, Blair County. New construction there will update equipment, improve access and eliminate the existing layout, sections of which traverse a steep ridge.



ABOVE: Journeyman Lineman Seth Glover, in the bucket at left, and First-Class Lineman Eric Yingling dismantle a portion of the wooden Atkinson Mills substation, which dates back to the 1950s.

LEFT: A Greiner Industries crane crew lowers a substation transformer into place at the new Atkinson Mills substation. The crew lifted the transformer from its place in the old substation and then repositioned the crane to move the transformer to its new home.

### Meet your employees

**FEATURED** in this column is a recent addition to the Valley REC team, Riley Price. Hired in April, Riley works in our Shade Gap district as a first-year lineman.

Riley is a 2018 graduate of Southern Huntingdon County High School. Two weeks after graduation, he went to work for J.R. Wyles Inc., an electrical contractor based in James Creek, Huntingdon County. Riley spent three years with Wyles and learned power line construction in another electric cooperative's territory.

"We built line for Adams Electric [a sister co-op based in Gettysburg] the whole time I was there," Riley says.

A Shade Gap area native, Riley was looking for employment closer to home and thought Valley REC might be a good fit.

"I've always heard good things about the co-op," Riley says.
"I knew some of the guys who work here."

As a lineman, Riley's job includes service work, some construction and, of course, outage restoration work. He doesn't mind when the job takes him off the beaten path.

"I like being with the track machine crew," Riley says. "It's interesting. I never saw one until I came here. That thing can go anywhere. It definitely has its place. It's a handy machine to have around where we have a lot of off-road line."

Riley now lives in Clear Ridge on a property served by Valley REC. He and his girlfriend, Mikara Anderson, appreciate the country life. In his free time, Riley enjoys hunting, fishing, trapping and farmsteading.

"I have a little hobby farm. We have 18 sheep and a few



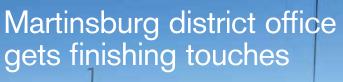
MEET YOUR EMPLOYEES: Riley Price is a first-year lineman in Valley REC's Shade Gap district. He joined the co-op staff in April.

goats," Riley says. "We raise them and sell them."

Riley says his plan is to stay with the co-op long-term. Having commuted long distances to job sites in the past, he says he's glad to have home and work close together. Riley says he enjoys meeting Valley REC members and hears a lot of good things from them about the co-op.

"Everyone's really good to work with," he says. "The people here are super nice and easy to get along with."

We're glad Riley is enjoying his co-op career so far because we're happy to have him on board. He's one of the people you can count on.





A NEW LOOK: Tussey Landscaping LLC of Hollidaysburg planted Kwanzan cherry trees, boxwood evergreens, hydrangeas and a variety of shrubs at our Martinsburg district office in October. The project included cutting away part of the road bank to improve the line-of-sight for motorists pulling onto Cove Mountain Road. The area along the road has been planted in perennial wildflowers to benefit pollinators, such as honeybees. The landscaping work puts the final touches on the Martinsburg office, which opened in January 2019.



