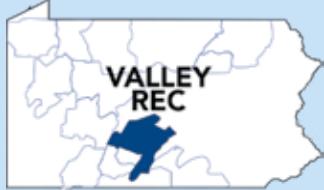


# Valley Rural Electric Cooperative, Inc.

A Touchstone Energy® Cooperative 



One of 14 electric cooperatives  
serving Pennsylvania and New Jersey

## VALLEY RURAL ELECTRIC COOPERATIVE, INC.

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# COOPERATIVE CONNECTION

## The Cooperative Difference in a Time of Grid Stress



**RICH BAUER**

**RURAL ELECTRIC COOPERATIVES RUN** on a pretty straightforward promise: deliver power to members at the lowest possible cost. But right now, forces beyond our control are testing that commitment in ways we haven't seen before.

It's a math problem, but the math isn't adding up. Electricity demand in our region is climbing faster than new supply can come on-line. Across the 13-state PJM Interconnection (PJM) region, which includes Pennsylvania and New Jersey, supply and demand for electricity have become unbalanced.

**Supply is shrinking:** On one side of the equation, policy shifts have accelerated the retirement of coal and natural gas plants, while promoting growth in intermittent sources like wind and solar. Many of the reliable, always-available plants that powered the region for decades are gone, and replacement resources are not being built fast enough. New projects are stuck in permitting or delayed by the same supply-chain disruptions that co-ops have struggled with for years.

**Demand is exploding:** On the other side of the equation, electricity consumption is skyrocketing. And it's not just population growth or electric vehicles driving the surge. The real disruptor is artificial intelligence (AI). Across our PJM region, tech companies are racing to build massive, AI-driven data centers — facilities that consume as much electricity as entire cities. Industry forecasts show this demand accelerating over the next five years, with no signs of leveling off. This data center demand is constant and it's fundamentally changing how much power our region needs.

As a result, we're watching an alarming gap widen between how much electricity people need and how much the grid can actually deliver. The gap between these two forces is what's driving costs higher across the entire PJM region, including costs for electric cooperatives.

While cooperatives strive to provide power at the lowest cost possible, these market forces are pushing costs upward, making a rate adjustment unavoidable. But cooperative ownership gives us tools that other utilities don't have.

Valley Rural Electric Cooperative (REC) gets most of its energy from Allegheny Electric Cooperative, Inc. (Allegheny), the wholesale power provider we own with 13 other rural electric co-ops in Pennsylvania and New Jersey. Through Allegheny, we've invested in generation resources, including nuclear and hydroelectric plants, formalized long-term power-purchase agreements, and even secured millions in federal grant funding to boost our supply of affordable, nuclear power. This strategy insulates us — and you — from the worst of the market chaos. Through long-term planning, Allegheny continues to deliver some of the most stable, affordable generation rates in the PJM region to cooperatives, even as market prices spike elsewhere.

Cooperation amplifies our impact. Through Allegheny and the Pennsylvania Rural Electric Association, our statewide advocate, we pool resources, such as joint purchasing, shared training and coordinated planning, to reduce costs. We also work directly with you to manage peak demand — those times when the system is stressed — which helps keep everyone's rates lower.

Safe, reliable, affordable electricity remains our core commitment. While we can't control regional supply shortages or soaring demand, we can control how we respond. That means making smart decisions to shield our members from the worst of these market pressures and the uncertainty ahead. Our focus will always remain on our members. That is the cooperative difference. ☺

**RICH BAUER**  
PRESIDENT & CEO

# Co-op Closes Out 2025 with Substation Upgrade, Looks Forward to Busy 2026

**DOUG ROLES**, VICE PRESIDENT, MEMBER SERVICES

**VALLEY RURAL ELECTRIC COOPERATIVE (REC)** closed out 2025 by re-energizing an upgraded substation and is heading into 2026 with several improvements in the works for the distribution system.

In November, the co-op re-energized the Puzzletown substation in western Blair County after a three-month rebuilding project. Valley REC updated the 46-kilovolt (kV) delivery point to the substation. An aging substation recloser was replaced with a more advanced breaker, and fencing around the substation was also replaced. The load normally carried by Puzzletown had been split between the Carson Valley and Claysburg substations.

## 'Reliability and improvement'

Mike Lansberry, Valley's Martinsburg district manager, says the substation project was all about "equipment reliability and improvement." The substation's high side (the 46-kV feed to the Blue Knob substation) is now a metal-frame structure and features a new electro-mechanical breaker.

"We actually started planning this project in 2024," Mike says. "The high side structure had been a wooden frame. That's all steel now. The breaker had started giving us issues. It was from 1975 — an old switch — and the reliability of it was going downhill. This is a big improvement."

From 2016 to 2024, the co-op replaced five 1950s-era substations by rebuilding them on-site or completing construction at new sites. The Three Springs substation was rebuilt in 2024.



**GIVING INSTRUCTIONS:** Valley Rural Electric Cooperative Vice President of Operations Todd Ross, center, explains the operation of a new breaker control panel to co-op crew leaders and linemen as they prepare to re-energize the Puzzletown substation.



**LINE TEST:** Valley Rural Electric Cooperative Linemen Cody Acord, left, and Dane Diehl use a phasing tester to verify line voltage before re-energizing the Puzzletown substation in November.

In 2023, Valley REC energized its new Sinking Valley substation about a half-mile from the former Blair County site. The co-op also energized a new Atkinson Mills substation in Mifflin County in November 2021 on the site of the former facility. Additionally, it built the new Path Valley substation in Peters Township, Franklin County, in 2020.

In 2016, Valley REC built a new Reeds Gap substation in Tuscarora Township, Juniata County, again replacing an older substation.

Upgrading aging substations boosts system reliability and provides greater ability for rerouting power to other portions of the system during an outage. Since the co-op's first lines were energized in 1939, Valley REC's system has grown to include more than 2,700 miles of line and 23 substations.

Also, in November 2025, the co-op wrapped up its



**SUBSTATION REPLACEMENT:** Through the fall of 2025, the Puzzletown substation in Blair County was a busy place. Co-op personnel and contracted crews replaced a high-voltage substation breaker and erected a new metal framework in place of an aging wooden structure. The upgraded substation, left, was re-energized Nov. 19.



four-year sectionalizing effort. The project to install additional line-protective devices, such as cut-out fuses, decreases the number of consumers impacted by any one outage event.

## More work on the horizon

In 2026, the co-op plans to relocate a substation power supply line and convert another substation delivery point. The projects are in addition to normal service work and outage response, Valley's Vice President of Operations Todd Ross says.

"Down in Fulton County, we're looking at rebuilding and relocating our delivery point feed to the Harrisonville substation," Todd explains. "Right now, the line runs through some areas that are difficult to access. We're moving about 2.5 miles of line closer to the road."

The supply line runs from the co-op's Route 30 substation (near the intersection of Routes 30 and 655) south to the Harrisonville substation along Route 655. It runs parallel to or crosses Licking Creek in several places.

"We have approximately 1,600 members down there," Todd says. "Relocating the line — and getting it out along the road more — is going to increase reliability for those members."

Contracted crews are scheduled to begin cutting the right of way this month, with the work continuing through February. Line construction is expected to be completed by early summer.

In the Cassville and Calvin areas of southern Huntingdon County, Valley REC crews will work to convert the west feeder (the main supply line from a substation to consumers) of the Dell substation from 15 kV to 25 kV. Increasing the voltage improves power quality and service reliability. In addition to replacing transformers, multiple poles and spans of wire will be replaced.

"We'll utilize all three of our service districts," Todd says of Valley crews from Huntingdon, Martinsburg and Shade Gap. "It's centrally located, so we're going to come together as a team. That's going to be our in-house project for the next four years. Part of it has already been converted."

Todd says co-op crews will also replace deteriorated poles identified during a 2025 inspection by American Energy Services. The co-op conducts a pole inspection each year, normally starting in the early spring. □



**FINISHING THE JOB:** Valley Rural Electric Cooperative Journeyman Lineman Logan Booher installs a cut-out fuse on a pole in Tuscarora Township, Juniata County, in November. The installation was the final one in the Shade Gap service district and was part of a multi-year sectionalizing effort.

# Meet Your Employees

**DOUG ROLES**, VICE PRESIDENT, MEMBER SERVICES

**HIGHLIGHTED IN THIS COLUMN** is Valley Rural Electric Cooperative (REC) employee Joe Parks. Joining the team in December 2023, he works from the co-op's corporate office as an electrician with Valley Rural Energy Services (VRES), the electrical services arm of Valley REC.

Joe has a variety of experience in maintenance and electrical work. He has been employed in the Huntingdon area since graduating from Huntingdon Area High School.

"I was born in Baltimore, but I've lived in Huntingdon since I was 5," Joe says. "My dad is from Huntingdon. He worked his whole life at Fiberglass [the former Owens-Corning plant]. He met my mother at an Orioles game."

Joe worked for 11 years in maintenance for a local real estate owner whose holdings included the Inn at Solvang, north of Huntingdon. He then joined a local municipal road crew.

"I worked for Henderson Township for 19 years," Joe says. "I ran a backhoe, grader and plow truck. I liked the work."

Joe next worked in the maintenance department of the former JC Blair Hospital for seven years. The hospital

used maintenance workers for facility-improvement projects in addition to the routine work.

"We did a lot of re-modeling, drywall and painting," Joe recalls. "Our job was maintenance, but it was a lot like general contracting."

A change in ownership of the hospital meant changes for Joe's hours and job responsibilities. He decided to explore other options and applied to VRES at the suggestion of a friend employed by the co-op.

He is now the senior electrician in the three-man department. His duties include developing estimates as well as working in the field installing Generac® whole-house generators, rewiring panel boxes and making other improvements. Since 2017, VRES has offered area residents a go-to option for small jobs that larger electrical contractors don't often take.

"We do pretty much any electrical needs from the weather head in," Joe says. "It's hard for people to find an electrician to do those small jobs. I have some pretty busy days, but I like



**AT YOUR SERVICE:** Joe Parks is a senior electrician for Valley Rural Energy Services, the electrical services branch of Valley Rural Electric Cooperative.

meeting people. I'm out and doing something different every day."

Joe notes he has done several jobs in connection with Valley's Community Service Grant Program. In addition to providing funding for civic groups and energy assistance, the program also lends a hand to members facing financial hardship who need to replace or repair a service drop into their home.

Joe has three grown children. One of his daughters, Keysha, works as a travel nurse, and another, Kayla, is a corrections officer with the state Department of Corrections. She is also the first female to make the Correctional Emergency Response Team (CERT) at her institution. Joe's son, Hunter, is the caretaker and event scheduler for the Lions Club's building on Cold Springs Road in Huntingdon. Joe also has a granddaughter and grandson.

When not working, he enjoys "typical country boy stuff," such as hunting, fishing and kayaking.

"I do a lot of gardening, and I have a wood shop," he says. "I'll have no trouble staying busy in retirement."

We're glad that Joe is rooted in the Huntingdon community. He's one of the people you can count on. ☺

