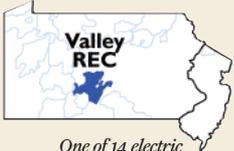


Valley
Rural Electric
Cooperative, Inc.

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.

FROM THE PRESIDENT & CEO
Fighting to keep the lights on



by Edward A. Dezich
President & CEO

ACCORDING TO the U.S. Department of Energy, this country's demand for electricity will increase by 40 percent over the next 22 years — even with an optimistic 9 percent reduction in use due to increased efficiencies.

This is sobering considering that nearly every respected analysis finds our nation is running low on power. There's a good chance

consumers could experience brownouts or even rolling blackouts in the not-too-distant future if we don't act soon.

A recent report from the North American Electric Reliability Corporation confirms that unless more resources come on line, it will not be long before the demand for electricity can no longer be met. These predictions shed light on the urgent need to bolster generating capacity.

Electric co-ops around the country are working hard to implement a strategy to meet your needs with the right mix of energy efficiency, renewable energy and new technologies for electric generation involving clean coal and nuclear power.

Increased efficiency

As industry leaders, we have a responsibility to promote wise energy use. Valley REC offers free energy audits, low-interest loans for home improvements, water heater rebates and up-to-date information on energy-related issues. We also offer incentives to participants in our coordinated load management program, which helps curb spikes in demand. We do this because we know the greater our conservation efforts, the fewer power plants must be built.

Viable renewables

Although renewable energy holds promise, there are limitations. For example, wind, which has the potential to meet 20 percent of the country's electricity needs, must overcome two main hurdles:

construction of high-voltage transmission lines to bring generation produced at wind farms to population centers, and "intermittency" — the fact that wind blows only 30 to 40 percent of the time and generally not during times of peak electricity use. We are involved in ongoing research to develop viable batteries to store wind and solar energy.

New technologies

In addition to increased efficiencies and use of renewables, we also need to plan for the future — by building new power plants. Unfortunately, power plant construction costs have skyrocketed as international demand for materials continues to climb.

Half of the nation's electricity supply and 62 percent of electric co-op power requirements come from coal. Power plants built in the near-term will burn coal more cleanly and efficiently than ever before. Even more encouraging, concerns over coal's contribution to climate change could be alleviated within a decade if power plants become available that capture carbon dioxide gas, compress it and pump it deep underground for permanent storage. This is a real possibility if Congress provides sufficient funding for research and development.

Nuclear energy remains part of the solution, as nuclear power plants emit only clean water vapor. Just a handful of nuclear power plants have come on-line in this country over the past 20 years, and none have been approved since the 1970s. Bringing a single nuclear reactor on-line will take about 10 years.

Electric co-ops have no perfect solution. Our commitment to you, as we strive to keep the lights on, is that we will encourage lawmakers and regulators to seek out practical, long-term remedies to our nation's energy problems based on new and environmentally responsible technologies.

As we have done for nearly seven decades, we will continue to put your needs first. 

Coming Home



Local veteran reflects on an extraordinary career, life

BY SUSAN R. PENNING
*Communications Specialist,
Member Services Department*

RETIRED AIR FORCE MAJOR and Valley REC member Frank Kowalchik has spent much of his life working for the U.S. government. His career in the military earned him many prestigious awards, including six Air Medals, battle stars in the Pacific and European theaters, a Purple Heart and the Distinguished Flying Cross for "heroism or extraordinary achievement while participating in an aerial flight." His subsequent

civil service work allowed him to rub elbows with influential people such as President Nixon and Eleanor Roosevelt.

Born Sept. 10, 1921, Frank is the product of an arranged marriage between Ukrainian immigrants John and Anna Kowalchik. His family settled near Wood, Huntingdon County. When Frank was only 3, he lost his father in a deep-shaft coal mining accident.

Along with his two brothers, Russel and Mike, Frank attended Robertsdale High School. After graduating, he went on to pursue higher education at numerous colleges and universities.



LEFT: Retired Air Force Maj. Frank Kowalchik moved back to the home where he grew up near Wood, Huntingdon County, after successful careers in the military and civil service.

ABOVE: This photo, which hangs in the Kowalchik home, depicts one of Frank's missions when his aircraft was under attack by the Germans. The plane on the left was hit and destroyed just seconds after the photo was taken.

In 1940, Frank enlisted in the Army Air Corps because, "I was bound to be drafted and wanted a choice in what branch I served," he states.

He was a senior non-commissioned officer in Hawaii during the Japanese attack on Pearl Harbor and was instrumental in setting up 11 gun positions to defend against the enemy there during the attack on Wheeler Field.

"I was thrown out of my bunk when the bombs hit," he recalls. "We lost 200 men that day and I had to help identify their bodies. When the door to the morgue opened, I instantly became sick from the overpowering stench of formaldehyde."

While the United States escalated its involvement in World War II, Frank attended the U.S. Air Force Flying School, earning a presidential commission upon graduation and aeronautical ratings as a pilot, glider pilot, navigator, bombardier and aerial observer.

He went on to complete 51 combat missions over Europe.

"The Japanese closed the street to make way for (General MacArthur's) entourage. When he arrived, he would slowly exit the vehicle, put his hat on and light up that corn cob pipe, all with a bunch of cameras flashing in the background."

Following a successful active duty career, Frank transitioned to the Air Force Reserve and a full-time civil service job, which resulted in perhaps the most exciting memories of his life.

Frank spent more than five years in Japan as a member of Gen. Douglas MacArthur's controller staff. He fondly refers to MacArthur as a "great American and a great general."

"Every morning (the general) would travel by limousine from his place at the embassy to where we worked," Frank reflects. "The Japanese closed the street to make way for his entourage. When he



CLOSE CALL: Frank Kowalchik exhibits the bullet that was removed from his thigh after he was injured at Pearl Harbor.

arrived, he would slowly exit the vehicle, put his hat on and light up that corn cob pipe, all with a bunch of cameras flashing in the background."

Despite the pomp and circumstance, Frank says MacArthur was a joy to work for.

"From time to time, he'd stop to let us know we were doing a good job," he says. "Once, he sent us to Okinawa and used his private plane to fly us there. He was a very generous man."

Although Frank has traveled the world and experienced much, he says he's happy to be right where he is, back in the home where he grew up.

"Pennsylvania is a beautiful state," he emphasizes. "People go all over the world to see this kind of beauty and it's right in our backyard." 🌻

How can I figure out what my uses?

Follow these steps to find out how much electricity is used by the various equipment and appliances you own.

Step 1: Identify the wattage

The wattage measures the capacity to do work. This information is typically found on the serial plate of an appliance. Some electric requirements are listed in volts and amperes (amps) rather than watts. If this is the case, multiply the volts times the amps to get the wattage. Note: Motors in the 1/2 horsepower (hp) to 10 hp range use about one kilowatt-hour (kWh) per hp per hour.



Step 2: Figure the estimated kWh

Use the formula below to calculate the kWh used by a specific device for a designated amount of time:

$$\frac{\text{Estimated Wattage} \times \text{hours of use}}{1,000} = \text{watt hours.}$$

Divide the result by 1,000 to get kWh.

Step 3: Figure the cost

Now multiply the kWh by \$.089 (8.9 cents) to figure the approximate cost to operate the appliance or equipment for the specified amount of time.

Members Helping Members applicants wanted

In August 2005, Valley REC reestablished Members Helping Members, a consumer-funded program designed to provide financial assistance to co-op members who are unable to pay their utility bills.

Since that time, Valley members have generously responded with gifts totaling thousands of dollars and 34 families facing financial hardship have been helped.

As donations continue to be gratefully accepted, application forms are also being welcomed from consumers who are facing economic difficulties. This financial stress could arise from a family crisis, such as death, hospitalization, divorce or loss of employment.

To receive assistance through the Members Helping Members program, you must complete an application form and return it to the cooperative's headquarters in Huntingdon. Applications are kept on file for one year. Consumers may reapply annually; however, first-time applicants are given preference over those who have received funds in prior years. All applications are kept confidential.

There are no income restrictions for applicants to the Members Helping

Members program. Applications are reviewed and dollars are allocated based on available funding. Grant levels are calculated according to electric use and are credited to an account only once per year.

An account does not have to be in arrears to qualify. If the account is in arrears, the consumer receiving funds through Members Helping Members must sign a payment arrangement form and agree to pay the entire balance plus the current bill within six months.

If you are a full-time resident and believe that your situation may meet the criteria for assistance through Members Helping Members, please take advantage of this worthwhile program. If you know of a household served by Valley REC that could benefit from the program, you may apply on their behalf. And if you are interested in helping your fellow co-op consumers who are less fortunate by participating in Members Helping Members, a choice of several billing options make donating simple and easy.

To obtain more information or an application or donation form, please contact the billing department at 814/643-2650 or toll-free 800/432-0680.

YOU WON'T WANT TO MISS THIS.

▶▶

Valley Rural Electric Cooperative Annual Meeting

April 18 - 7 p.m.

Mount Union Area High School

Featuring:

- Entertainment by Joe Bonson & Coffee Run
- Elections - Districts 1, 3 & 5
- Disney movies for the kids
- Door prizes - Two \$250 co-op gift certificates
- Plus a \$10 bill credit for each registered member

Watch for details!