

# 2024 ANNUAL REPORT

VALLEY RURAL ELECTRIC COOPERATIVE, INC.

# Executive Report

On behalf of the board of directors and employees of Valley Rural Electric Cooperative, it's our pleasure to report on the status of your electric distribution business. We hope you find this annual report informative and see that your cooperative remains ready to provide safe, affordable and reliable power to our consumers.

The cooperative remains on sound financial footing. At the end of 2024, equity, or member ownership of the organization, was at 51.9 percent of assets, which is in line with our equity management plan. We returned more than \$2.6 million in patronage capital to eligible members and former members in December 2024, which follows the December 2023 return of \$2.3 million. Over the years, we have returned nearly \$41 million in patronage capital.

The co-op's largest outlay is to Allegheny Electric Cooperative for the purchase of electricity. In 2024 the co-op spent more than \$22 million for power, about 51 percent of the 2024 budget. Valley REC was in the fortunate position of not having to implement a rate adjustment for 2024, and rates remained unchanged going into 2025.

Valley REC and its 12 sister cooperatives in Pennsylvania, and one in New Jersey, own approximately 65 percent of our energy supply. The remaining 35 percent must be purchased on the open market where prices are much more volatile. We continue to ask our members to lend a hand in stabilizing future wholesale power costs by shifting summertime use to early mornings and evenings and participating in our demand response program. If you're already enrolled in the program, thank you. If not, please take a moment to review the load management information on the next page or contact the co-op.

Improving system reliability and power quality is an ongoing process at Valley REC. In 2024 we built a new Three Springs substation at the site of the previous facility. This effort marked Valley's fifth substation construction project since 2016 and replacement of the final 1950s-era substation still in operation on Valley REC's system, which includes 23 subs. Moving forward, we will be rebuilding the 46kV delivery point at the Puzzletown substation in western Blair County. The project entails replacing an aging substation recloser with a newer, more advanced breaker. Additionally, the co-op's operations personnel will continue work across the system to replace aging aluminum-steel wire with all aluminum wire which is more corrosion resistant. Replacement of deteriorating poles identified during inspection will be ongoing as well.

Additionally, we are continuing our aggressive approach to vegetation management. In 2024 we trimmed 448 miles of rights-of-way. Our approach ensures our rights-of-way are trimmed entirely in a five-year time span to lessen the likelihood of tree-related outages. We believe right-of-way clearing has been a major contributor to our reliability statistics. Last year we averaged one outage per year per member. We're pretty proud of that considering the terrain we serve.

Following the co-op principle of Cooperation Among Cooperatives, we sent four of our line workers to North Carolina in October to help restore power after devastating hurricanes in the South. We also sent a crew to a sister Pennsylvania co-op, Claverack Rural Electric Cooperative, to help restore power after a severe July thunderstorm.

Following the co-op principles of Continuing Education and Concern for Community, we continue to offer safety and energy efficiency presentations to schools and civic groups. We invite you to contact the co-op for more information on these programs.

And we invite you to contact the co-op offices with any general questions you might have. Be assured, the dedicated employees and board members of Valley Rural Electric Cooperative are working diligently to improve efficiency and control costs. Providing safe, affordable and reliable power has been our mission since 1938. We look forward to building on that legacy.



**JAMES R. STAUFFER**  
Chairman of the Board



**RICHARD S. BAUER**  
President & CEO

*Front cover photo:  
Spring comes in several  
attractive colors at Canoe Creek  
State Park, Blair County.*

*James R. Stauffer*

*R.S. Bauer*

# Products, Programs and Services

## Load Management

Co-op members who participate in the demand response program help lessen the impact of volatile wholesale market pricing. More than 5,500 Valley REC members are already on this program in which a remotely operable switch is installed on the electric supply line of their storage tank water heater. Temporarily shutting off water heaters during periods of peak demand helps lessen future generation costs to the co-op.



Participants receive a \$100 bill credit and are also eligible for rebates on the purchase of new water heaters.

If you're already participating, we'd like to say thank you for doing your part over the years. If you're not on the program, please consider joining. Control periods should not inconvenience you, and you'll be helping to keep our costs in check as much as possible.

## Community Service Grant Program

Valley Rural Electric Cooperative debuted its Community Service Grant Program at the 2015 annual meeting and has since awarded more than \$350,000 in funding. This initiative offers grants to co-op members experiencing financial hardship, to service organizations such as fire and ambulance companies and to educators who need support materials to teach blocks of instruction related to electricity or the cooperative business model.

Individuals or groups filling out applications will select one of three categories: energy assistance, education or civic/community programs. Grants of \$500 to \$1,000 are available.

The initiative is funded through unclaimed capital credits – margins that can't be returned to members and former members due to death or relocation.



## Scholarships



Valley REC awards up to 30 \$1,000 scholarships each year to eligible students who apply for the Brighter Future Scholarship Program. High school seniors who are dependents of co-op members and are either enrolled in public, private or cyber school or are home schooled are welcome to apply. This initiative is funded by unclaimed capital credits refunds that previously had to be turned over to the state treasury. Thanks to the efforts of the co-op's political advocates, these funds can now be kept in our local communities. The Pennsylvania Rural Electric Association offers two different scholarship programs as well.

## Safety and education programs

Valley REC offers education programs to students and civic groups within the co-op's service territory. Presentations focus on electrical safety, energy efficiency and co-op careers. For more information contact our Member Services department.



## Co-op Connections Card

Valley REC members can take advantage of the Co-op Connections Card program. The card offers discounts from businesses in our communities and across the country. Discounts of 10-85 percent are available on prescriptions at participating pharmacies. The average discount for our members is 50 percent. Show the card and save the next time you're shopping. For a full list of participating businesses, go online and visit valleyrec.com.



## SmartHub

Valley REC offers the SmartHub® online payment service, which allows members to sign up for electric service, access account history and pay electric bills online.

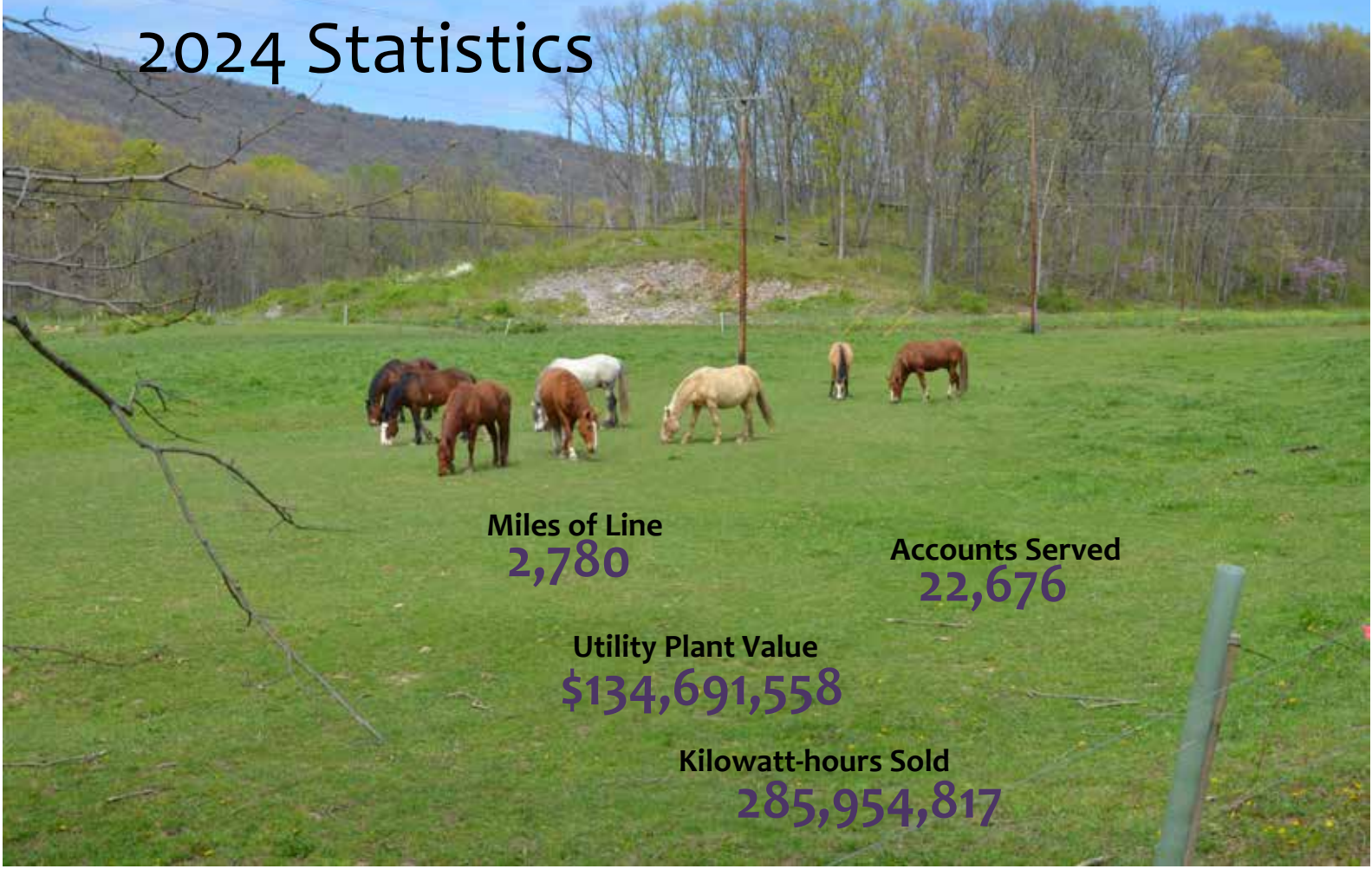
Members can use the service to have the amount of their monthly electric bills deducted automatically from a checking or savings account or credit card. SmartHub also enables members to receive alerts using their mobile devices. Click or tap the "View & Pay Bill - SmartHub" tab on the website. Members may also pay by phone (using a credit/debit card or check) and at co-op offices.



# 2024 Financial Report

Statement of operations		2024	2023
<b>Income</b>			
Operating revenue		43,159,367	42,628,182
Interest income		51,713	51,863
Other non-operating income		2,257,802	2,304,398
<b>TOTAL INCOME</b>		<b>45,468,881</b>	<b>44,984,442</b>
<b>Expenses</b>			
Cost of power purchased		22,064,396	22,373,112
Operations & maintenance		6,930,804	6,611,582
Member acct. & service		1,496,089	1,348,086
Administrative & general		4,957,924	4,276,340
Depreciation & amortization		4,620,341	4,453,114
Taxes		71,234	67,646
Interest expense		1,740,227	1,625,084
Other deductions		104,035	104,043
<b>TOTAL EXPENSES</b>		<b>41,985,050</b>	<b>40,859,008</b>
<b>NET MARGINS</b>		<b>3,483,832</b>	<b>4,125,434</b>
<b>Balance Sheet</b>		<b>2024</b>	<b>2023</b>
<b>Assets</b>			
Electric plant (less depreciation)		80,674,875	79,059,699
Investments		17,163,370	16,557,679
General fund cash & working capital		773,477	754,266
Accounts receivable		5,064,578	3,933,279
Materials & supplies		763,831	807,870
Payments made in advance		36,442	35,687
Other current & deferred assets		1,916,136	2,171,882
<b>TOTAL ASSETS</b>		<b>106,392,709</b>	<b>103,320,362</b>
<b>Equities</b>			
Patronage capital and margins		25,453,194	27,012,018
Other equities		29,771,689	26,767,090
<b>TOTAL EQUITIES</b>		<b>55,224,884</b>	<b>53,779,108</b>
<b>Liabilities</b>			
Long-term debt		40,124,673	35,872,319
Notes payable		0	2,300,000
Accounts payable		2,155,139	2,195,960
Member deposit		515,245	512,415
Other current & accrued liabilities		5,397,859	5,095,477
Deferred credits and regulatory liabilities		2,974,909	3,565,084
<b>TOTAL LIABILITIES</b>		<b>51,167,825</b>	<b>49,541,254</b>
<b>TOTAL EQUITIES &amp; LIABILITIES</b>		<b>106,392,709</b>	<b>103,320,362</b>

# 2024 Statistics



Miles of Line  
**2,780**

Accounts Served  
**22,676**

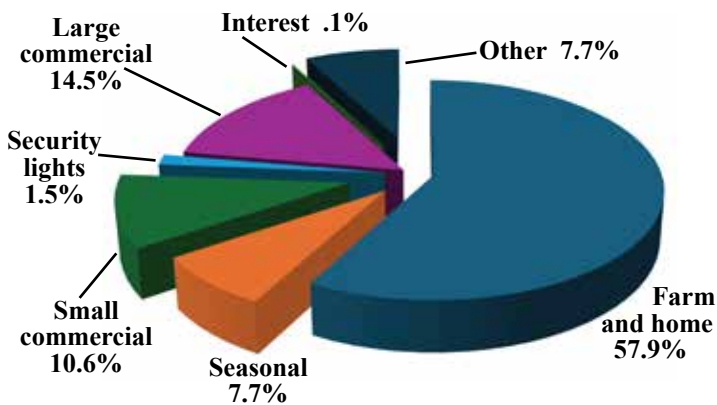
Utility Plant Value  
**\$134,691,558**

Kilowatt-hours Sold  
**285,954,817**

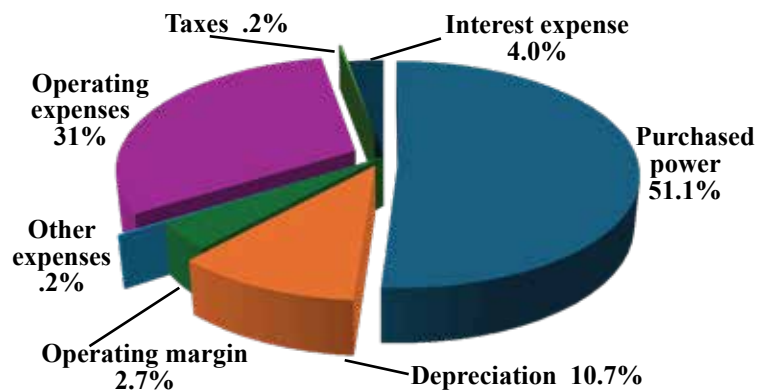
Horses graze near a Valley REC pole in Wayne Township, Mifflin County.

## The Co-op Dollar

Where It Comes From



Where It Goes



**VALLEY RURAL ENERGY SERVICES**

Offered by Valley Rural Electric Cooperative, Inc.

**Electrical services  
Transfer switches  
Water heaters  
Generator sales  
& service**

Valley Rural Electric Cooperative's suite of energy services can help you save energy and make your home more comfortable.

**GENERAC**

**AUTOMATIC STANDBY GENERATORS**

# 2025 Board Candidates

Greg Henry worked for Valley REC for 39 years. He joined Valley as a laborer in February 1969 and retired in February 2008 as Valley's manager of operations. He also worked as a lineman, a crew chief and manager of what was then the Hustontown-Shade Gap district.

Greg is a 1965 graduate of Forbes Road High School. He served in the U.S. Army from 1966 to 1968, in the USARAL Support Command, Alaska. While stationed there, he had the opportunity to attend the USARAL Noncommissioned Officer Academy, where he was an honor graduate. While working for Valley REC, he completed the management internship program.

A native of Fort Littleton, Greg is a member of the Forbes Road Lions Club and has served two terms as club president. He is a member of Clear Ridge United Methodist Church. He serves as church treasurer and is a member of the pastor-parish relationship committee. Additionally, Greg is a trustee for the Clear Ridge Cemetery Association and serves as treasurer for the Clear Ridge Community Association. He is a member of the Fulton County chapter of Gideons International. Greg also serves on the Bedford Fulton Joint Recreation Authority.

Greg and his late wife, Erma, have three children. Greg enjoys hunting, bicycling and spending time with the grandkids. He is also an avid reader. Greg has been a Valley member since 1972 and has served on Valley's board of directors since 2013. Greg has received the Credentialed Cooperative Director Certificate, Board Leadership Certificate and Director Gold Credential, the highest level for directors. Greg is running unopposed on the ballot for District 7.



**DISTRICT 7**  
**Gregory M. Henry**  
**599 Plum Hollow Road**  
**Hustontown, PA 17229**

Currently Linda McMath serves as tipstaff for the Huntingdon County Court of Common Pleas. She also served a four-year term as jury commissioner, an elected position formerly utilized by county government.

Linda retired in 2004 as a reading specialist at Shade Gap Elementary School in the Southern Huntingdon County School District. She worked in education for 19 years, including 1-1/2 years in the Mifflin County School District. For 12 years she operated McMath School of Gymnastics in Shade Gap and was a Level 7 rated gymnastic judge. Linda and her husband, Tom, own and operate Avalon of Shade Mountain, a guest house and event facility in Blairs Mills, Huntingdon County, which they spent 14 years restoring. They also operated a family farm in Taylor Township, Fulton County, for 25 years, raising beef, crops and Christmas trees. Linda and Tom are hosts and deliver trees for Ten Million Trees Across PA, a Chesapeake Bay partnership that has a goal to plant 10 million trees in the commonwealth by the end of this year.

For the past 15 years, Linda has served on the Huntingdon County Children's Services Advisory Board. She has served nine years as a youth counselor at Tuscarora Catholic Summer Camp.

Linda is a 1965 graduate of Southern Huntingdon County High School and received her bachelor's degree in health and physical education from Slippery Rock University in 1970. She holds a master's degree in education (as a reading specialist) from Shippensburg University.

Linda and Tom have been married since 1969. They have four children and eight grandchildren. The McMaths attend St. Mary's Catholic Church, Shade Gap, where Linda has served as secretary of the pastoral council for 18 years. She enjoys organic gardening, upholstery, sewing, horseback riding, refinishing furniture, refurbishing old houses and teaching her grandchildren how to sew.

Linda has been a Valley member since 1973. She has served four terms on the co-op board of directors. Linda has received the Credentialed Cooperative Director Certificate, the Board Leadership Certificate and three times the Director Gold Credential, the highest level for directors. Linda is running unopposed on the ballot for District 8.



**DISTRICT 8**  
**Linda J. McMath**  
**12007 Sawmill Road**  
**Shade Gap, PA 17255**

Williamsburg native Cindy Bigelow owns a 180-acre dairy farm. She retired in 2015 from Penn England Farms in Williamsburg. Her prior work experience includes six years with Leidy's Greenhouse in Williamsburg and 2 1/2 years as a baker with Brumbaugh's Old Fashioned Delites, also in Williamsburg.

A 1972 graduate of Central High School in Martinsburg, Cindy is a member of several cooperatives, such as Land O' Lakes and the Pennsylvania Farm Bureau. She serves on the Farmland Preservation Committee of Blair County and is involved with the Williamsburg Community Farm Show. For the past 12 years, she has served on the Huntingdon/Blair County Farm Service Agency Committee and is now an FSA advisor.

Cindy has served on the Blair County Conservation District board for the past four years. Additionally, she has served on the Blair County Dairy Promotion Committee.

Cindy has been a member of Fairview Church of the Brethren in Williamsburg for 55 years, where she has served as a deacon and a member of the church board. Her hobbies include making crafts, baking and collecting milk bottles.

Cindy and her late husband, Richard, were married 20 years. She has three children and six grandchildren. Cindy has been a Valley member since 1980. She has served seven terms on the co-op board of directors. She currently serves as board secretary. Cindy has received the Credentialed Cooperative Director Certificate, Board Leadership Certificate and Director Gold Credential, the highest level for directors. Cindy is running unopposed on the ballot for District 9.



**DISTRICT 9**  
**Cindy D. Bigelow**  
**2548 William Penn Hwy**  
**Williamsburg, PA 16693**

# Valley REC Employees

## Corporate

John Bookwalter Jr.  
Terri Brumbaugh  
Stephen Bruno  
Lisa Carper  
Ethan DeVore  
Danielle Estep  
Ben Gorman  
Max Hetrick  
Jamie Jones  
Travis Kuhstos  
Travis McNerlin  
Elizabeth Morocco  
Rikki Moyer  
Joe Parks  
Doug Roles  
Todd Ross  
Melissa Shetrom  
Lindsey Weikert

## Martinsburg District

Cody Acord  
Logan Bisbing  
Bill Bogel  
Dane Diehl  
Greg Dilling  
Ryan Dodson  
Jason Hey  
Mike Lansberry  
Kathy Luprek  
Bruce Perow  
Rob Shook  
Brooke Stonerook

## Huntingdon District

Matt Andrasi  
Adam Atherton  
Billy Ayers  
Justin Berrier  
Kevin Detwiler  
Greg Diehl  
Trevor Eichelberger  
John Fogelsonger  
Seth Glover  
Josh Gutshall  
Steve Gutshall  
Alicia Henchey  
Eric Henchey  
Stephen Jefferis  
Chris Myers  
Gina Norris  
Richard Sunderland  
Brook Thompson  
James Vaughn  
Owen Winter  
Eric Yingling

## Shade Gap District

Nathan Berry  
Logan Booher  
Wilmer Bucher Jr.  
Brandon Clemens  
Matt Fish  
Ashlee Hicks  
Patrick Lightner  
Tricia Long  
Riley Price  
Jonathan Shields  
Curtis Starr  
Curt Wilson  
Jason Wilson

## Directors

James Stauffer  
Chairman  
Allegheny Director

Leroy Barnes  
Vice Chairman  
PREA Director

Cindy Bigelow  
Secretary

Randall Huntsman  
Treasurer

Kevin States  
Joanne Whitsel  
Kenneth Soder  
Linda McMath  
Greg Henry  
Rich Bauer  
President & CEO



## The Seven Cooperative Principles

Democratic member control

Member economic participation

Autonomy and independence

Voluntary and open membership


Concern for community

Continuing education

Cooperation among cooperatives



# Valley Rural Electric Cooperative, Inc.

® Your Touchstone Energy® Cooperative 

PO Box 477  
Huntingdon, PA 16652-0477  
814-643-2650  
Toll-free 800-432-0680  
Fax 814-643-1678

**Corporate Office**  
10700 Fairgrounds Road  
Huntingdon, PA 16652

**Huntingdon District**  
10787 Station Road  
Huntingdon, PA 16652

**Martinsburg District**  
2585 Cove Mountain Road  
Martinsburg, PA 16662

**Shade Gap District**  
22140 Croghan Pike  
Shade Gap, PA 17255

Line workers from ValleyREC's Martinsburg district conduct energized line training in Pavia Township, Bedford County.



Valley Rural Electric Cooperative, Huntingdon, was set in motion by a group of determined farmers around Martinsburg in southeastern Blair County. The cooperative was incorporated on Nov. 1, 1938 and received its first loan in March 1939. Under the first manager, Floyd Bush, the first 250 miles of line were built, and a substation was constructed at Williamsburg. Lines were first energized on Nov. 17, 1939.

**Learn more about your member-owned co-op**

[www.valleyrec.com](http://www.valleyrec.com)