

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



February blessings

By Rich Bauer

NOW THAT we have made it into February, I think it is important to look back at the past few months and recognize the things we have been thankful for. The year 2020 was one of those years — I think most people would agree — that changed the lives of nearly everyone. Who would have guessed it would be commonplace to walk into a bank with a face mask on and ask for money! With all the crazy things that 2020 brought us, there were also many blessings.

Holiday gatherings, if you were able, were one blessing. Spending time with family and friends over the holidays is extremely important for me. With all the restrictions being placed on us over the past nine months, it was nice to get back to a little bit of normalcy, even for a short time.

Another thing that I feel blessed about is the weather. This winter, to date, has been cold with some snow, but the cooperative hasn't experienced any severe weather like we have seen at other locations. We were able to send crews to sister cooperatives across the state to help them in their time of need. I know it is only a matter of time until we will get hit with a large snow or ice storm and need their help.

Working for the cooperative as an essential provider, I am happy we were able to stay open and provide safe, reliable service to our membership while not having any life-threatening conditions affect any of our employees.

Though we followed all the standard protocols, it seems like our employee family got even closer. By looking for the silver lining in every storm cloud, it seems that even in the worst of times, there is always some good.

I am also thankful for the employees, staff and board members of the cooperative. Our board members understand the struggles and issues this pandemic caused many of our members. They wanted to help out, to provide at least some silver lining to this COVID-19 storm cloud. They took steps in November to retire almost a million dollars more of capital credits to the membership than was originally planned. And in December, they again approved a proposal for a one-time decrease in Valley's kilowatt-hour (kWh) rate, by \$0.03/kWh for energy used in December. You may ask, "What good is a \$0.03 decrease?" That 3-cent decrease worked out to be a reduction of almost \$850,000 on all your combined power bills. Your cooperative is continuing to try to find every way that we can help members during this very unique time. This is just one of the many things that makes me so proud to say that I am part of a cooperative, especially a part of Valley REC.

As always, if you have any questions, comments, or concerns, please don't hesitate to give me a call or email me. I hope that everyone can count some blessings that have come out of this very unusual time. Take care and God bless. ☀



PHOTO BY DOUG ROLES

NEW SUBSTATION PLANNED: Replacement of the aging Atkinson Mills Substation in Wayne Township, Mifflin County, is one of several improvement projects Valley REC has planned for 2021. Construction of a new substation at the same site is slated for this spring.

2021 to be filled with improvement projects

By Doug Roles

Vice President of Member Services

VALLEY Rural Electric Cooperative (REC) plans to complete several system improvements in 2021 in various parts of its eight-county service territory. The biggest project for the year is a substation replacement that had been planned for 2020 but was delayed due to the COVID-19 pandemic.

Work slated for this year will increase system reliability and make it easier for crews to access power lines in some locations.

“We’re rebuilding our old Atkinson Mills Substation,” says Todd Ross, Valley REC’s vice president of operations. “We’re putting in a new steel structure at the same location.”

The substation is in Wayne Township, Mifflin County. Originally, the project was to be completed last fall, following spring construction of Valley’s new Path Valley Substation near

Fort Loudon, Franklin County. However, the pandemic pushed back the Path Valley project. That new facility was energized in late October.

In 2019, Valley REC purchased an acre of ground adjacent to the existing Atkinson Mills facility along Route 22/522. The additional acreage will improve access and provide plenty of space for the new substation.

“The old, wooden substation will be dismantled,” Ross explains.

Substation construction typically takes several months. Valley REC’s system includes 22 substations. The Atkinson Mills Substation, located in the co-op’s Huntingdon service district, dates to the 1950s.

Also planned for the Huntingdon District is the replacement of wire on a section of power line in Jackson Township, Huntingdon County. Poles will also be moved closer to the roadway.

“The primary focus in our Martins-

burg District is replacing deteriorated underground wire in the Stonehedge development,” Ross says. “We’ll have a lot of property restoration work to do due to digging up the old wire.”

Ross explains that the wire being replaced at the Frankstown Township, Blair County, development was “direct bury” wire. It was put in the ground in the 1970s without conduit. Today, all of Valley REC’s underground wire is put in conduit.

“Conduit protects the wire and if there is a problem, you don’t have to dig it up; you just pull more wire through the conduit,” Ross says.

In the Shade Gap District, crews will continue to convert to 14,400 volts (from 7,200 volts) a power line that runs from the Reeds Gap Substation to the outskirts of Port Royal. The work will be done in Spruce Hill Township, Juniata County, and is the last improvement work associated with the October



2016 energizing of the new Reeds Gap Substation in Tuscarora Township, Juniata County.

“We’re going to start putting things in place for the new Sinking Valley Substation,” Ross says of Valley’s aging substation. “We may begin some excavation work late this year.”

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, which is located near Route 453 in Tyrone

Township, Blair County. New construction will update equipment, improve access and eliminate the existing layout in which the first several spans of the north feeder (the main line out of the substation) traverse a steep ridge.

“It’s a better location; it’s easier to get to,” Ross says. “It’s a very old sub, from back in the 1950s and it needs to be rebuilt.

“The goal of all these projects is to improve system reliability and efficiency.” ☀

UPDATES PLANNED: Valley REC crews will replace the underground line in the Stonehedge development, left, near Altoona later this year. Crews will also be replacing wire along Mountain Road, below, in Spruce Hill Township, Juniata County.



PHOTOS BY DOUG ROLES

Valley REC board decreases kilowatt-hour rate, returns capital credits

For the second year in a row, Valley Rural Electric Cooperative reduced the rate members paid for one month’s electricity. The bill Valley members received in January reflected a 3-cent cut in the kilowatt-hour rate for electricity used in December 2020.

Valley Rural Electric’s board of directors approved the purchased power adjustment at its December board meeting. The move saved the co-op’s membership about \$800,000, right after the holidays. The reduction was possible due to lower-than-anticipated wholesale power costs through 2020 and was spurred on by the co-op’s concern for members as the coronavirus pandemic continues.

“We wanted this to be our COVID relief package,” says Valley REC President & CEO Rich Bauer. “We know

how challenging the year has been for some of our membership.”

As a not-for-profit utility, Valley REC returns margins to owner-members. Members’ December billing (for energy used in November 2020) included the annual capital credits return. Valley returned \$2.2 million in patronage capital in 2020, the highest amount ever.

Valley REC’s kilowatt-hour (kWh) rate is 9.95 cents. A kilowatt-hour is enough energy to power a 100-watt lightbulb for 10 hours. A typical household uses about 1,000 kWh per month.

The Valley REC board approved a purchased power adjustment for the energy consumers used in November 2019. That purchased power adjustment cut the kilowatt-hour rate by 5 cents and amounted to nearly \$1 million.

Valley REC members have helped contain costs by lessening their electric use during peak demand periods when the co-op pays the most for wholesale power. Valley members who participate in the co-op’s demand response program allow the co-op to temporarily shut off power to water heaters during periods of peak use, decreasing wholesale costs. Participants should not be inconvenienced, since water heaters are well-insulated and can be shut off for several hours with minimal heat loss. Program participants receive a \$100 bill credit.

Additionally, shifting summertime use of large appliances — like ovens or swimming pool pumps — to early mornings and evenings lessens overall demand when electricity is the most expensive. ☀

Home energy efficiency improvements range from low-cost/no-cost fixes to major renovations

THERE'S a balance between making your home as energy efficient as possible and overspending to gain small savings on utility bills. Valley Rural Electric Cooperative can help co-op members better understand their situations so they can make informed decisions on how to use energy more wisely.

Energy efficiency upgrades can range from small steps like caulking around windows and doors to big investments like installing new windows. Valley's staff energy specialist, Travis Kuhstos, says the first thing to understand is that no two situations are identical.

"A lot of factors determine your electric bill," Kuhstos says. "The size of your house, construction materials, orientation of your house, your habits and your appliances all have an impact."

Similar houses in the same neighborhood can still have a lot of difference. Factor in the human element — that we all use energy differently — and discussions about energy efficiency become very complex.

Kuhstos's assistance to members normally begins when someone calls Valley's offices with a high bill concern or a general question about their use. It has not been the case lately because of the COVID pandemic, but he also routinely fields questions on energy efficiency during member events, such as district nominating meetings and the co-op's annual meeting.

Often, members have big questions about big projects, like how best to insulate an addition or what type of heating system to install. Some members just want some pointers on reducing their overall consumption.

Whether he's troubleshooting over the phone or visiting a member for an in-home energy audit — when the situation warrants it — Kuhstos likes to begin by reviewing the member's use over recent years to look for patterns. Additionally, a sharp increase in consumption can be an indicator of a failing appliance or mechanical system.



PHOTO BY DOUG ROLES

TALKING ENERGY: Valley REC's staff energy specialist, Travis Kuhstos, right, talks to John Garner about his home's energy use during an in-home energy audit. Garner is a Valley REC member in Morris Township, Huntingdon County.

"It's amazing how quickly a bad water heater element can raise your bill," Kuhstos says.

Members who utilize Valley's SmartHub platform for electronic bill payment have their consumption history at their fingertips. The co-op can also access the information for members. Energy specialists talk about electric consumption in terms of seasonal use (heating and cooling) and baseload use, electricity used for purposes other than conditioning the air inside a home.

"Your air conditioning and your heat are the largest load in your home," Kuhstos says. "Your water heater is your second largest consumptive appliance in your home."

Failing or inefficient heating, cooling and ventilation systems can lead to spikes in utility bills. Personal habits have an impact, too, and include things like thermostat settings, length of showers and how many lights are on. Speaking with an energy specialist helps consumers identify ways to save.

Valley REC also provides the Touchstone Energy pamphlet "101 Easy Ways to Save Energy and Money" free to members. The guide explains that little things add up, for better or worse.

Low-cost/no-cost steps include changing appliance filters regularly, flushing sediment from the bottom of your water heater and using power strips to stop standby loss.

"Clean the dog hair from the coils on your refrigerator," Kuhstos advises, adding that using insulated blinds can save several degrees of heat loss in a room this time of year. Heavy curtains also conserve as does installing insulated pads under outlet covers to stop air infiltration.

Energy efficiency solutions are as varied as the people seeking them. For additional energy-saving resources, you can go online to valleyrec.com and click on the "Save Energy" tab near the top of the page or call our offices. ☀

Have a story idea for Valley REC's Penn Lines pages?

We'd like to hear about it! Contact our Member Services department:

800-432-0680 or 814-643-2650
Or email memberservices@valleyrec.com