


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

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OUTAGES & EMERGENCIES

1-800-432-0680

FROM THE PRESIDENT & CEO

Results in for consumer satisfaction survey



by Wayne Miller
President & CEO

YOUR COOPERATIVE recently submitted to the American Customer Satisfaction Index (ASCI) survey results from a random sampling of our membership. The ASCI survey is used by businesses across the country to determine customers' (in our case members') satisfaction with their products or services.

In the survey we mailed out, we asked 1,000 of our members to rate us on a scale of 1-10 regarding their experiences with the co-op to date; whether or not their expectations have been met by us; how we stack up against the "ideal" electric utility; and how likely they would be to choose Valley for their electric service if they had other options.

In every one of the four questions we asked on the survey, our members rated us, on average, with a score of **at least 9 out of 10**. That means members overall are "very satisfied" with the experiences they've had with the co-op so far. They also believe we are "exceeding" their expectations; we are "very close" to the ideal utility company; and they would be "very likely" to choose Valley REC as their electric provider if they had other options.

The following are some of the survey comments we received:

"I'm a licensed master electrician and have worked all over the mid-Atlantic region. Valley's system's equipment, reliability and service exceed most of the big boys. Excellent work!"

"My husband and I will be moving south

(at) some point in time. Because of the excellent service we have received from Valley Rural, we are looking for an electric cooperative where we will be living. Thank you, Valley Rural, for your good service."

"I hardly ever have power outages; one time last year and only off for a half hour! Very good — it was winter! I've been a member since 1987. Don't change anything! Thank you."

"I have three properties under VREC. If any issue comes up, it is well explained for me to understand. (I) feel better dealing with a member-owned business."

"When I call to ask any questions, everyone is very nice and knowledgeable. Keep on doing a good job. Plus, you are very quick when it comes to restoring power after a storm."

"Please get those new meters soon!"

(NOTE: All co-op meters should be upgraded by the end of this year.)

"I appreciate that this electric company does its best to keep down costs without sacrificing service. Thank you!"

With all that said, I always believe there is room for us to improve. Ideally, I'd like our scores to be 10 out of 10 in every category. So this year, we are going to work even harder to exceed your expectations.

We want to make sure we are responding to your questions and concerns in a timely and appropriate manner. We also want to strive to keep you well-informed about the issues affecting your cooperative and the energy industry as a whole. And we want to give you even more opportunities to interact with us and get involved with what's happening here. As always, we appreciate the opportunity to serve you. ☀

The truth about tankless water heaters

A LIMITLESS supply of hot water definitely sounds like a great deal to many homeowners. So do promises of reduced water heating costs, instant hot water on demand and more space in the utility closet.

Companies selling tankless water heaters make these kinds of claims to sell their products. But does the technology really deliver? And is a tankless unit (or units) the right choice for your home?

Unlike traditional electric resistance or gas-fired water heaters, tankless models do not store hot water — they heat water only as it's consumed. A single heating element (or a series) within a tankless water heater is activated when a hot water faucet or valve is opened. The unit heats water until the faucet or valve gets closed.

Unlimited hot water?

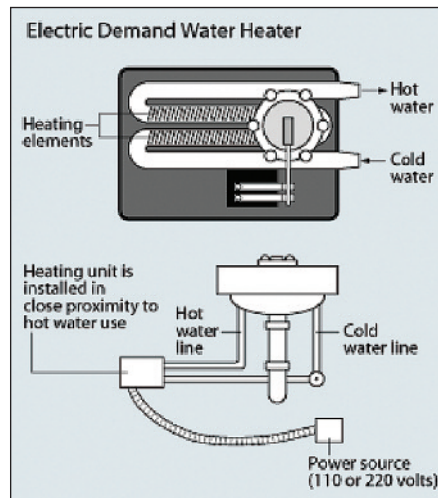
An unlimited supply of hot water sounds great, but generally doesn't promote responsible water use, particularly in areas of the country suffering from drought or chronic water shortages. Moreover, even the largest whole-house unit may not be able to supply enough hot water for simultaneous, multiple uses.

For example, a whole-house unit may be able to supply only two showers simultaneously or perhaps one shower, a dishwasher and a sink. If users demand too much water, temperatures will drop. As a result, a tankless system probably won't meet the needs of a large family.

In addition, consumers may not be aware that, with tankless units, the water temperature directly correlates with the volume coming out of a faucet. For example, if you turn on the faucet to just a trickle, the water may remain cold. If you open the faucet further, you will trigger hot water — the hottest possible. If you open the faucet to its maximum, the temperature will drop back a bit. And if you open more than one faucet, temperatures will drop further.

Hidden costs

Generally, tankless water heaters do not require a lot of space (a large unit can fit in an area no bigger than 24 inches square, and extend from the wall about 8 to 10 inches). But electric models require



SOURCE: TANKLESS WATER HEATER GUIDE

an upgrade in electrical service — something many home improvement stores don't mention and a chief reason electric co-ops generally don't recommend the appliances. This means consumers who want to replace an existing conventional water heater with a tankless unit or add one as part of a home-remodeling project will incur additional costs.

For example, a traditional tank water heater with 4,500-watt elements operates on No. 10 wire and a 30-amp circuit breaker. One whole-house, tankless model boasts four 7,000-watt elements for a total electrical load of 28,000 watts. This requires wire and a circuit breaker that will handle at least 120 amps.

Added costs may be incurred at the utility pole as well. The co-op's rate policy states that, when the use of one or more instantaneous, tankless water heaters requires the co-op to install transformer capacity in excess of what would otherwise be required, an "Excess Capacity Charge" of \$1 per kilovolt-ampere of transformer capacity (in excess of what would otherwise be provided) will be added to the monthly bill. When the co-op must increase the capacity of an existing service, the member must reimburse the co-op for the associated cost.

If a tankless water heater is installed in an existing home without upgrading the electrical service, low voltage or sudden voltage drops are likely. This will cause dimming lights, blinking lights and other problems.

The extra load also necessitates a larger and more expensive meter loop and main breaker panel for the house. In some cases, consumers also must pay for new wiring between the distribution transformer and electric meter. Check with a licensed electrician to determine if you must improve your service connections to support a tankless heater.

While gas-fired tankless water heaters generally do not need basic service upgrades, the same considerations must be made when determining how many hot water faucets will be turned on at any given time and how far away the tankless heater is from sinks and showers.

Smartest options

Consumers looking for an efficient water heater should consider a heavily insulated electric resistance unit. These appliances are often the most cost-effective option over the long term. And because of their hot water storage capabilities, Valley REC uses these types of heaters as a key component of its demand response energy efficiency program. The demand response program (formerly called load management) helps the co-op shave power costs during times of peak demand — a proven method in keeping rates down and electric bills affordable.

To reduce home water heating costs, the Oak Ridge National Laboratory suggests simple and inexpensive measures, such as tank insulation, temperature setback, heat traps and low-flow showerheads. All of these are more practical and provide a greater return on investment than putting in a tankless water heater. ☀

Information courtesy of the National Rural Electric Cooperative Association's Cooperative Research Network. Susan Penning contributed.

Help keep rates down

Co-op members with an electric storage tank water heater may be eligible to participate in demand response and receive a \$25 token of appreciation. Visit www.valleyrec.com for more information. Follow the Programs and Services link to Energy Management. Or call 800/432-0680.

Now recruiting for 2012 Youth Tour to D.C.

ATTENTION HIGH SCHOOL JUNIORS AND SENIORS: Are you searching for new adventures and new friends? If so, the 2012 Rural Electric Youth Tour might be for you!

Valley Rural Electric Cooperative will sponsor students from throughout the cooperative's eight-county service territory on an all-expenses-paid trip to the nation's capital June 17-22.

The Rural Electric Youth Tour has brought high school students to Washington, D.C., every June since the late 1950s.

More than 40,000 students from rural areas and small towns across America have participated in this unique program.

The featured speakers during National Youth Day provide insight regarding the important roles electric cooperatives play in their communities and in the nation. Students gain a personal understanding of American history and their responsibility as citizens



PHOTO BY SUSAN PENNING

CONGRESSIONAL VISIT: Local students attending the 2011 Rural Electric Youth Tour meet with U.S. Rep. Bill Shuster (R-9th) to discuss current issues affecting rural Pennsylvanians.

by meeting their representatives and senators, and exploring the sights around the nation's capital.

It's not unusual to see a former Youth Tour participant working as a congressional aide on Capitol Hill. In fact, several former Youth Tour students have gone on to serve in the highest ranks of

government, including the U.S. Senate.

Juniors and seniors interested in joining the Youth Tour delegation should meet the following criteria:

Any high school junior or senior whose parent or guardian is a member or employee of Valley REC is eligible to apply.

Students will be required to submit a transcript along with additional information to the co-op selection committee.

Selections will be based on academic achievement as well as participation in extracurricular activities and/or community service programs.

Students interested in attending Youth Tour this year should visit their high school guidance counselor's office today to apply. Final selections will be made in early March.

For more details, visit www.valleyrec.com and follow the Programs and Services link to Youth Tour. Or call the co-op's member services department at 800/432-0680, extension 163. ☀

YOU WON'T WANT TO MISS THIS!

PLUS
\$15 bill credits and lighted, three-outlet adapters for all registered members who attend!

▶▶ Valley Rural Electric Cooperative Annual Meeting

April 13 - 7 p.m.
Huntingdon Area High School

More details coming in the mail soon!

Featuring:

Entertainment - The Sharp Tones, performing favorites from the 1950s, '60s and more

Elections - Districts 2, 4 & 6

For the kids - A big-screen movie, dairy presentation and snacks

Door prizes - One \$250 and three \$100 co-op gift certificates

Comparing Insulation VALUE

Adding insulation? Check the material's R-value—the ability of insulation to resist the transfer of heat. R-value depends on material, thickness, and density. A higher R-value indicates more effective insulation, saving energy dollars.



Compare R-values and common uses for several types of insulation:

Type of Insulation	R-value per inch (range)	Common Uses	Installation Method
Batts, Rolls			
Fiberglass	3.17 (3.0-4.0)	Wall, floor, and ceiling cavities	Fitted between studs, joists, or rafters
Rock Wool	3.17 (3.0-3.7)	Wall, floor, and ceiling cavities	Fitted between studs, joists, or rafters
Cotton	3.2	Wall, floor, and ceiling cavities	Fitted between studs, joists, or rafters
Loose, Poured, or Blown			
Fiberglass	2.2 (2.2-4.0)	Ceiling cavities	Poured and fluffed, or blown by machine
Rock Wool	3.1 (2.8-3.7)	Ceiling cavities	Poured and fluffed, or blown by machine
Dry Cellulose	3.2 (2.8-3.7)	Ceiling cavities	Blown by machine
Wet-Spray Cellulose	3.5 (3.0-3.7)	Wall cavities	Sprayed into cavities
Perlite	2.7 (2.5-4.0)	Hollow concrete block	Poured
Polyurethane	6.2 (5.8-6.8)	Wall and ceiling cavities, roofs	Foamed into cavities
Open-cell Isocyanurate (Icynene™)	3.6	Wall and ceiling cavities	Foamed into open or closed cavities
Magnesium Silicate (Air Krete®)	3.9	Wall cavities	Foamed into open cavities

Sources: U.S. Department of Energy, E-Source

What an identity thief won't tell you

Thanks to modern conveniences, American families are able to enjoy a quality of life better than any preceding generation. But with the privilege of using today's gadgets, cell phones, computers, etc. comes added risks. The following are tactics used today by identity thieves to scam people:

1. Watch your back. In line at the store, I'll hold up my cell phone and snap a photo of your bank card as you're using it. Now I can order things online — on your dime.
2. That red flag tells the mail carrier — and me — that you have outgoing mail. That may mean credit card numbers and checks I can reproduce.
3. Check your bank and credit card balances each month. I can do a lot of damage in the 30 days between statements.
4. If a bill doesn't show up when it's supposed to, don't breathe a sigh of relief. Maybe your mail has been stolen.
5. That's me driving through your neighborhood late at night on trash day. I fill my trunk with bags of garbage from different houses, then sort later.
6. You throw away the darnedest things — preapproved credit card applications, old bills, expired credit cards, checking account deposit slips and crumpled-up applications with all your personal information.
7. If you see something that looks like it doesn't belong on the ATM or sticks



out from the card slot, walk away. That's the skimmer I attached to capture your card information and PIN.

8. Why don't more of you call 888-5-OPTOUT to stop banks from sending you preapproved credit offers? You're making it way too easy for me.
9. I use your credit cards all the time and I never get asked for ID. A helpful hint: I'd never use a credit card with a picture on it.
10. I may try to call the electric or phone company, pose as you, and say, "Hey, I thought I paid this bill. I can't remember — did I use my Visa or MasterCard? Can you read me back that number?" This won't work for companies like Valley Rural Electric Co-op with strict information security policies. But I'll check with other businesses, too. They might not be so cautious. ☀

Information courtesy of Reader's Digest. Susan Penning contributed.

Celebrate the International Year of Cooperatives

ELECTRIC CO-OPS across the United States are joining in celebrating the 2012 International Year of Cooperatives as designated by the United Nations General Assembly. We at Valley Rural Electric pledge to work with other co-ops in our communities to raise awareness of the strength of our business model.

Co-ops around the globe have empowered people to improve their lives through economic and social progress.

We are a major economic force in developed countries and a powerful business model in developing ones. Millions of cooperatives operate in every region of the world and are owned and controlled by more than 1 billion members. More than 29,000 cooperatives operate in this country. Collectively we generate 2 million jobs and make a substantial contribution to the U.S. economy with annual revenue of \$652 billion and total assets of \$3 trillion.

