

Valley Rural Electric Cooperative, Inc.

Your Touchstone Energy® Cooperative 



One of 14 electric cooperatives serving Pennsylvania and New Jersey

Valley Rural Electric Cooperative, Inc.
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GUEST COLUMN

Capital credits are part of the membership experience



by Doug Roles
Director of Member Services

WHEN YOU signed up to receive electric service from Valley Rural Electric Cooperative, whether that was recently or a few years ago, you did not become a customer of an electric utility. You became a co-op member.

There are several differences between “customer” and “member.” One of those distinctions appears in black and white on the electric bill you just

received. It’s the capital credits return listed on your statement dated Nov. 30.

This line of text on your bill represents the co-op’s best effort to balance providing you quality service at an affordable rate with the need to cover operating costs.

Private power companies return a portion of profits back to their shareholders. But Valley REC operates on an at-cost basis. As a member-owned, not-for-profit business, the co-op sets rates to generate enough money to pay expenses, make payments on any loans and provide an emergency reserve. At the end of each year, we subtract expenses from the revenue collected during the year. The balance is called an operating “margin.”

The cooperative allocates and retires these margins (known as capital credits or patronage refunds) based on how much electricity you purchased during a year and how long you have been a member.

At electric distribution cooperatives, like Valley REC, it’s up to the board of directors (or trustees as some co-ops call them) to make a decision each year on whether to retire capital credits. The decision is based on the financial health of the cooperative.


Some years, the co-op may experience

high growth in the number of new accounts. Or severe storms may result in the need to spend additional funds to repair lines. These and other events might increase costs and decrease cash reserves, causing the board to decide not to retire capital credits. For this reason, Valley’s ability to retire capital credits reflects the cooperative’s strength and financial stability. Valley REC plans to continue a capital credits return into the foreseeable future.

Over the years, Valley REC has returned nearly \$21 million to co-op consumers. Valley is returning \$476,419 in this year’s retirement; your portion appears as the bill credit mentioned earlier.

Since a cooperative’s members are also the people the co-op serves, capital credits reflect each member’s ownership in, and contribution of capital to, the cooperative. This differs from dividends private power companies pay shareholders who may or may not be customers of the utility.

The capital credits return represents more than the equity of the business. It serves as a reminder that decisions are made based on what’s best for the membership, not on increasing profit margins. The goal is always the same — to provide safe, reliable electric service at the lowest possible cost. It’s one of the ways “members” differ from “customers.”

Another difference is that you have a say in how the cooperative works because you can vote at the annual meeting, where district nominees are chosen to serve on the board of directors. Nominating meetings are held each year in three of the co-op’s nine director districts to give members of those districts the opportunity to select nominees. Watch upcoming publications for the dates of the next meetings. We hope to see you there. 

Nuclear technology and the future of fuel

BY TOM TATE

UNTIL the advent of nuclear energy, the world relied upon fossil fuel for comfort, commerce and growth. Early in the nuclear age, television programs predicted personal nuclear reactors would one day provide for our every energy and fuel need.

The reactor was soon used in a variety of fuel applications, mostly military and generation of electricity. Idaho National Laboratories actually developed a nuclear-fueled aircraft engine. The concept was later scrapped by President John F. Kennedy who, rightfully so, felt a reactor flying overhead might not be the best use of such technology.

The space race gave us solar photovoltaic (PV) technology, miniaturization of electronics and Tang, among other things. It's no secret that electronics permeate our lives and continue to grow more important. Look at today's automobiles, for example. One report finds that electronics today account for between 20 and 30 per-

cent (50 percent for hybrid cars) of automotive production, heading rapidly to 50 percent. A primary benefit of such technology is better fuel efficiency.

This brings us to the future of fuel. Renewable energy is making steady inroads into the energy portfolios of cooperatives. Yet, the future of fuel has many more intriguing possibilities. Natural gas (NG), electricity, carbon dioxide (CO₂) and electronics all stand to play a major role in the future of fuel.

The United States has enormous reserves of natural gas. Under proposed new emission rules, the EPA expects NG used for generating electricity to help reduce greenhouse gas production. Now here is where it really gets exciting. CO₂, when combined with the proper type of bacteria, can be converted into ethanol for use as a vehicle fuel. A working plant is already doing this near Fort Myers, Fla. Then there is an exothermic process with the acronym of EcoKap that promises to combine CO₂, steam and NG with a hematite (iron ore) catalyst and microwave energy to produce ethanol, diesel, propane, and electricity. These processes are converting the greenhouse gas into an asset rather than a liability.

Finally, there is a project under development by Lawrence Livermore National Laboratory entitled Laser Inertial Fusion Energy (LIFE). Cold fusion has been a topic of research and discussion for decades. At one time, the potential was described as "generating electricity in a Mason jar on the kitchen table." Just like

personal reactors, that hasn't happened, but LIFE has the near-term promise to produce almost inexhaustible renewable, clean energy.

Where does electricity figure in as a fuel of the future? The output of many new technologies is clean, renewable and abundant electricity. Research in nearly every sector of the economy is focused on the use of electricity as the premier point-of-use fuel because it has no emissions when used. Tesla Motors (Tesla) is proving skeptics wrong on a regular basis with its advancements in battery technology for the creation of long-distance electric cars. Tesla is now investing a substantial amount of money into building the world's largest battery-production facility. Electricity will continue to be the single most valuable fuel in terms of advancing modern civilization.

Future fuels promise to be exciting. In the meantime, there is another, much older fuel that anyone can use today. It requires no exotic technology or government program to operate. That fuel is conservation. When we take the time to use our resources wisely and in the most economical manner possible, we create the greenest watt of all, the one that was never used. ☀

Sources: *TechnoAssociates* (<http://e2af.com/trend/071210.shtml>), *ecokap.com*, *life.llnl.gov*, *Wall Street Journal*

Tom Tate writes on cooperative issues for the National Rural Electric Cooperative Association, the Arlington, Va.-based service arm of the nation's 900-plus consumer-owned, not-for-profit electric cooperatives.



Holiday cooking efficiency tip:

Every time you open the oven door to check that dish, the temperature inside decreases by up to 25 percent! Hold off on peeking inside so that your oven doesn't have to work harder than necessary to heat holiday treats.



Valley Rural Electric Cooperative, Inc.

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Electronic payment options save time

Valley REC members who want to get away from paper statements and writing checks can "electrify" their bill-paying experience.

The co-op's E-Bill and pay-by-phone options allow consumers to pay bills at their convenience. The systems provide members the ability to receive statements electronically, set up recurring payments and sign up for new service.

"There is no fee to members for using electronic bill payment," Terri Cohenour, office services clerk, says. "Some payment

services add an additional charge for phone or online payments. Valley does not."

One group of members who may be especially interested in the electronic payment and statement options are Valley Rural Electric Cooperative members who will see monthly bills for seasonal accounts, instead of quarterly bills, beginning in January.

"Also, their bill is no longer going to be due the 25th of the month. It will now be due on the 20th," Melissa Shetrom, senior billing clerk, explains.

To use one of Valley REC's electronic bill

Valley REC Youth Tour student is one of 19 generationOn Service Project grant recipients

BY DOUG ROLES, *Director of Member Services*

A 2014 Youth Tour student sponsored by Valley REC has been named as one of 19 recipients of a national service grant. Taylor Boonie, daughter of Troy and Erica Boonie of Petersburg (Huntingdon County), plans to use the \$500 award — from the National Rural Electric Cooperative Association (NRECA) and generationOn — to raise awareness for Special Olympics.

Recipients will use the grants to jumpstart service projects that range from providing food for those in need to supplying art materials to youngsters and visiting with seniors. In order to be eligible for the grant, students had to attend the 2014 Electric Cooperative Youth Tour, hosted by NRECA in Washington, D.C.

"I chose the Special Olympics because my grandfather (Earl Harris of Huntingdon) has been volunteering with them for many years and I have just started volunteering as well," Taylor explains. "It's amazing to see the look in the participants' eyes as they get to participate in the events. I wanted to do as much as I could to help."

The goal of Taylor's project is to promote the Special Olympics and to raise enough money to help the local event's softball coordinators to buy newer and safer bases. To help out, Taylor plans on selling awareness bracelets. Taylor's concern for the safety of athletes drove her to apply for this grant, which will help her raise the money needed for the new equipment.

"Concern for community is the seventh cooperative principle, and we're so excited our next generation of leaders has embraced it so readily," says NRECA CEO Jo Ann Emerson. "We're excited about being able to provide yet another opportunity for students to expand their horizons while engaging with their local communities, and we look forward to following these impressive youth leaders."

The 19 grants were awarded through a joint partnership between NRECA and generationOn, the youth service division of Points of Light, the world's largest organization dedicated to volunteer service.

Detailed information about the grant recipients and their projects



PHOTO BY LUANNE ECKENRODE


GRANT RECIPIENT: 2014 Youth Tour student Taylor Boonie shows off her Special Olympics T-shirt. Taylor has received a \$500 grant that she plans to use to promote the program.

can be found online at www.nreca.coop. The Youth Tour has brought high school students to Washington, D.C., for the past 50 years. While on the tour, students participate in leadership training, engage in one-on-one conversations with elected officials, jumpstart their national peer network and tour Washington, D.C.

Students apply for Youth Tour through their local electric cooperative. Nearly 50,000 students have participated in this program over the years.

A global youth service movement, generationOn says it's igniting

the power of kids to make their mark on the world. As Points of Light's youth service enterprise, generationOn inspires, equips, and mobilizes youth to take action through generationOn service clubs, schools, youth organizations, campaigns, and youth leadership initiatives. It also provides tools and resources to youth, families and educators to help kids change the world and themselves through service. For more information, visit generationon.org.

NRECA is the national service organization that represents the nation's more than 900 private, not-for-profit, consumer-owned electric cooperatives, which provide service to 42 million people in 47 states. 

me and trees

Valley Rural Electric Cooperative, Inc. [Contact Info](#) | [Reporting an Outage](#) | [View & Pay Bill](#)

Call Us Toll-free: 800/432-0680

[Billing Info](#) | [Member Info](#) | [Programs & Services](#) | [Safety](#) | [Save Energy](#) | [For Kids](#) | [About Us](#)

Electronic Bill Payment

We offer two electronic methods to pay your electric bill, [E-Bill](#) and [pay by phone](#).

E-Bill

In October 2010, Valley Rural Electric Cooperative launched an online bill presentation and payment service called E-Bill. You can access your account history and pay your electric bills online through E-Bill's secure interface. Some key features of E-Bill include:

- View your history
- You are able to view your current and historical billing information, payment history, energy use history graphs, and capital credits information.

payment options, go to Valley's homepage (www.valleyrec.com) and click on the "Billing Info" tab and then the "View & Pay Bill" option. To make a payment by phone or to set up recurring payments, members can call 800-432-0680 and follow the prompts. Payments by credit and debit cards and electronic check transaction are accepted.

"Most people go on the program so that they don't have to write out a check monthly," Melissa says. "You do not have to sign up for electronic payment to stop getting a paper bill."

To do away with having a paper bill arrive in the mail, chose the "receive an electronic statement" option after clicking on the "View & Pay Bill" link.

"You can store a credit card in there and have it make a payment automatically or you can go in and make the payment yourself," Melissa adds.

For privacy and security reasons, Valley's employees do not process payments directly over the phone. To use the automated phone system, call the phone number listed above and follow the prompts.

Meet your employees

BY DOUG ROLES
Director of Member Services

HIGHLIGHTED in this column is a recent addition to the Valley REC team, Michelle Dreibelbis. Michelle joined Valley Rural Electric Cooperative in March. She works in the consumer services department at the corporate office, on Fairgrounds Road, near Huntingdon.

A native of Snow Shoe (Centre County), she is a 1992 graduate of Bald Eagle Area High School.

Michelle enjoys work environments that let her meet new people. Before coming on board with Valley REC, she worked as a teller at Clearfield Bank & Trust, Huntingdon.

"It was a good job. I enjoyed it," Michelle says. "It was fast-paced and you got to see a lot of people."

Michelle has also worked in the fit-



NEW EMPLOYEE: Michelle Dreibelbis works at the corporate office in the consumer services department.

ness industry. She was employed as an exercise coach for two years by Curves of Huntingdon, where she taught Zumba classes and worked in sales and promotions.

While rearing her children, she taught aquatics classes at the YMCA in Bellefonte. There she created what she calls her "surf & turf" class that included floor exercises and water aerobics.

Michelle says her experience in banking helped her to quickly learn her new responsibilities. Her daily routine includes processing payments, answering phone calls and staffing the front desk, where she gets to meet many co-op members.

Asked what she enjoys most about her new position, Michelle says, "The people


I get to meet and the people I work with."

Michelle lives in Huntingdon with her boyfriend, Ryan Silfies, and her two children, Josiah, 17, and Katrina, 19. Josiah is a senior at Huntingdon Area High School, where he is a percussionist in the school bands. Katrina is pursuing a degree in forensic psychology at Gordon College in Boston, Mass.

Michelle enjoys spending time with family. Much of that fellowship revolves around "anything outdoors."

"We kayak, fish, hike and boat," she says.

Michelle's co-workers certainly appreciate her quick smile and her can-do attitude. She's one of the people you can count on. 🌟

 We've always been neighbors; let's be friends. Visit us on facebook!

Valley Rural Electric Cooperative now has a facebook page. Stop by for the latest co-op events, energy efficiency tips and outage updates.



The directors and employees of Valley Rural Electric Cooperative wish you a Merry Christmas and a Happy New Year!