

Inside: Save Money On

Heating costs

New water heater

Your next electric bill



Photo by Kevin O'Donnell

Power Lines

P.O. Box 329
Parker, PA 16049
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Central Electric Cooperative Inc.

A Touchstone Energy Cooperative



The power of human connections

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YOUR CENTRAL ELECTRIC COOPERATIVE NEWS CONNECTION

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Challenging Times

“It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness ...”. Thus begins Charles Dickens’ classic novel, “A Tale of Two Cities.” First published in 1859 in installments, the opening quote above seems as applicable today as 150 years ago. In this country, we enjoy a high standard of living, but we are currently facing one of the worst economic crises in our history. As a cooperative member your concern is twofold: as a user and rate payer of the service the cooperative provides, and as an owner of the company. I would like to let you know how I think the current economic situation affects your cooperative from two perspectives: financial credit markets and the overall economy.

First, let me say that the cooperative is healthy and doing well. Financially, we took a significant hit from the storm in



Larry Adams
CEO & General Manager

September which cost more than \$350,000. In addition, due to the increased gasoline and diesel prices, fuel for cooperative vehicles costs \$100,000 more than in 2007. Except for the September storm, service reliability was good, and we got a lot of work done on the distribution system. All things considered, 2008 wasn’t a bad year; it could have been better, but it wasn’t horrible.

Challenging Times/Page 2



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Financial Credit Markets and the Cooperative

As for the current upheaval in financial markets I do not expect a direct effect on the cooperative's ability to access the financing it needs to operate. The cooperative recently received notification from the Rural Utilities Service (RUS), a department of the United States Department of Agriculture, that the loan application to finance our current work plan has been finalized. We expect funds to be available by the time you read this. The loan is for \$17 million and covers work on the distribution system contained in our construction work plan from April through March 2011. The cooperative also has loans and financial agreements with the National Rural Utilities Cooperative Finance Corporation (CFC). CFC does not provide residual mortgage lending and is not a holder of subprime mortgage investments. It is a cooperative-owned financial institution which continues in the midst of the credit crisis to be highly rated by the financial community. Unlike the banks that have been involved in subprime mortgages, RUS and CFC are solid financial partners for the cooperative and will have funds available when the cooperative needs them.

In order to meet the cooperative's day-to-day financial needs, we work with a locally owned bank. The bank does not issue subprime mortgages and has a strong financial base. We have discussed the current crisis with them and have examined their financials. We are satisfied that, like RUS and CFC, this local bank is a solid financial partner for the cooperative.

For these reasons, we feel that the cooperative's financial assets are safe and credit availability will not be a problem. Because of the partners and arrangements we have in place, the problems affecting credit markets in our country and the world will not have a great effect on the cooperative. We will be able to operate normally. The overall condition of the economy and its impact on the cooperative is another matter.

Good News, Bad News and the Unknown

The economic problems the country is experiencing actually started affecting the cooperative a couple years ago. We began seeing the effects of today's economic problems when home construction decreased. In 2007 there was a significant decline in new service requests which continues today. The cooperative, like many businesses, relies on sales growth to help absorb the impact of inflation on operations and maintain stable rates. With new service growth stagnating and sales growth declining, our budget is considerably stressed. Our operating budget will be stressed until the economy recovers.

On the positive side, the high prices we were seeing in fuel and metals (copper and aluminum particularly affect the price of materials used in the distribution system) have declined. In addition, the decline in interest rates has reduced the cooperative's interest expense for 2008 and will be beneficial going forward. So, while we face a challenging time, there are some positive elements in this mess that will help us deal with the economic problems confronting us all.

Unfortunately, we do not know how long this will last. That uncertainty will make dealing with the situation more difficult. However, the cooperative is in a good position to deal with the challenges it faces. The cooperative has solid financial partners insulating it from severe problems prevalent in the country's financial markets. And while the cooperative faces challenges due to the state of the economy, we'll deal with them.

**We'll keep your lights on, and we'll
do it as economically as we can.**

In other words, we'll keep your lights on, and we'll do it as economically as we can. And keep in mind something else Charles Dickens said, "Reflect on your present blessings, of which every man has many, not on your past misfortunes, of which all men have some."



Power Lines

Become an E-Member today and receive a \$20 credit on your electric bill.

What is the E-Member Program?

The E-Member Program gives Central Electric Cooperative members an incentive to use electronic services such as Bank Draft, E-Bill and E-Power Lines.

How does E-Member Work?

When you choose to become an E-Member, you promise to conduct all of your transactions electronically. You will be rewarded with a \$20 credit on your next electric bill. You must commit to remain on the program for 24 months.

E-Member
E-Member Program
Program

E-Members save both time and money. Bank Draft automatically withdraws your payment from your account.

Our E-Bill system gives you access to account information 24 hours a day, 365 days a year. And you can read your Power Lines newsletter at your

convenience electronically (going paperless will also help the environment). Do your part by saving yourself and the cooperative time and money. Sign up today at www.central.coop or call our toll-free number 800-521-0570.

This promotion runs from Jan. 1 through March 31, 2009.

Ken's
 ilowatt
 orner



www.central.coop
 Check it out!

By Ken Maleski
 CEC Consumer
 Marketing Representative



Insulated Draperies

Insulated shades and other window coverings save energy by reducing the heating load in homes, but the savings will depend on the house's location, orientation and age; and the state of the existing windows. Check out the following Web sites for more information:

Department of Energy's Energy Efficiency and Renewable Energy program's Web site:
http://apps1.eere.energy.gov/consumer/your_home
 and click on "windows, doors and skylights."

Smart Energy Living Web site:
http://smartenergyliving.net/cm/Energy_Efficiency
 and click on "windows."

Windows are one of the greatest sources of heated air loss. Why not spruce up the room and keep it warm at the same time?



Insulated draperies

Window Type	R-Value
Double-pane window	1.8 to 2.0
Double-pane insulated quilt (1 layer polyester fiber)	4.55
Double-pane insulated quilt (3 layer polyester fiber)	6.75

Courtesy of Cooperative Research Network.



Power Lines

Good Neighbor Scholarship Program Expanded

Central Electric Cooperative is excited to announce its second annual Good Neighbor Scholarship awards program.

What's New in 2009?

Grants are now available to all members. Adults wishing to return to the classroom are now also eligible to apply. Minimum applicant age requirements begin with high school seniors and extend to non-traditional students. A total of 15 scholarships worth \$1,000 each will be awarded in early May of 2009.

Eligibility requirements:

- Central Electric Cooperative member
- Enrolled in post-secondary educational institution
- Complete an application
- Submit one-page community contribution essay and letter of recommendation
- Provide financial information
- Submit by March 15, 2009



The Good Neighbor Scholarship program does not cost our members anything and is made possible as a

result of Act 187 approved by the Pennsylvania legislature in November of 2006. The act permits Pennsylvania electric cooperatives to retain unclaimed capital credit patronage that were previously sent back (escheated) to the state treasury. All funds must be utilized to improve rural Pennsylvania life in areas of

energy assistance and education.

The Good Neighbor Scholarship is just one example of our Touchstone Energy commitment to community. For more information on requirement guidelines and application forms please visit www.central.coop or call us at 800-521-0570.



Are you Looking for a Great Deal ...

Central Electric and Dr. Water Heater are offering the deal of a lifetime! You can get an A.O. Smith, 80-gallon, high-efficiency water heater installed for only \$279 (plus tax).

If you are not already sold on the idea we will also take your old water heater away at no charge to you! Now that's a great deal!

Don't hesitate: call 800-521-0570 for more information.



2008 Service Awards

Central Electric Cooperative is pleased to recognize the following employees for their dedicated years of service. With 30 years of service: Jeff Fleming, Francis Heckethorn, Rocky Master, Vinny Maurhoff and Will Rose; 20 years of service: Don Cook; 15 years of service: Greg Bly, Donna Crumlich and Bev Pipher; 10 years of service: Chester Conti, Stephanie Deal, Sheila Morrison and Barb Slaughoupp.

Retirement awards were given to David Blauser, 38 years of service; James Fair, 43 years of service; James Kirkpatrick, 42 years of service; and James Marron, 26 years of service. Thanks for all your hard work!



Pictured above (left to right): Vinny Maurhoff, James Kirkpatrick, Bev Pipher, Dave Blauser, Roger McCall and Stephanie Deal

Pictured on the left: Jim Burd (right) presents Ken Clark (left), former CEC communication & marketing director and assistant general manager, with a citation at the 2008 Christmas Awards Banquet. The citation recognized Ken Clark for his involvement and commitment in the surrounding communities during his days at CEC. The citation was signed by state representatives from each county in CEC's service territory.



What would you like to see in the next Power Lines?

Do you enjoy reading Power Lines? If so, what is your favorite article? Are you interested in Ken's Kilowatt Korner or the Recipe of the Month? This is your chance to let us know what you look forward to reading each month, and if there is a special article you would like us to write about we would love to hear from you! Complete our survey on Page 6 and you could win a \$50 credit on your next electric bill.



Power Lines

Recipe of the Month

Slow Cooker Pulled Jerk Pork Sandwiches

INGREDIENTS:

- * boneless pork shoulder (2-1/2 lbs)
- * 1 tablespoon Jamaican jerk seasoning (dry)
- * 1/4 teaspoon dried thyme leaves
- * 1 medium onion chopped (1/2 cup)
- * 1 cup cola
- * 2 cups barbecue sauce
- * 8 sandwich buns or flour tortillas (8 to 10 inch)



DIRECTIONS:

1. Spray 3-1/2 to 4-quart slow cooker with cooking spray. Remove fat from pork. Rub jerk seasoning over pork and sprinkle with thyme. Place pork in slow cooker. Sprinkle with onion. Pour cola over pork.
2. Cover; cook on a low heat setting for 8 to 10 hours.
3. Remove pork from slow cooker, reserve 1/2 cup juices. Use 2 forks to pull pork into shreds. Place pork in slow cooker. Stir in barbecue sauce and reserved juices. Increase heat setting to high. Cover and cook for 30 to 45 minutes or until thoroughly heated. Spoon pork onto buns.

For more great recipes visit:

www.bettycrocker.com

Send recipes to: Jessica Brison

E-mail to: jbrison@central.coop or

Mail to: Central Electric Cooperative
P.O. Box 329, Parker, PA 16049

CEC Staff

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Director of Finance

Stephanie Deal
Director of Human Resources & Administration

Lisa A. Hoover
Director of Consumer Services

Christina J. O'Donnell
Director of Communication & Marketing

Fred E. Terwilliger
Director of Engineering & Operations

November contest winner:

Jason Lechner of West Sunbury



Answer Power Lines Survey and

Answer the survey provided in this issue of Central Electric Cooperative's Power Lines and win! It's simple — you can win a \$50 credit on your monthly electric bill by answering the Power Lines survey that appears below. After completing the survey and personal information return it with your bill payment. For a faster entry you may complete the survey online at www.central.coop.

Important Contest Rules:

1. The contest is open to all Central Electric Cooperative members with active accounts as of the drawing date.
2. Only one entry per member is permitted.
3. Employees and directors of Central Electric, along with members of their immediate families, are not eligible.
4. The winning entry will appear as a credit on the member's bill and may not be redeemed for cash.

Complete, clip and enclose the survey and personal information below and return it with your monthly payment!



1. How much of your monthly newsletter do you generally read?

- a. All
- b. Most
- c. Certain parts
- d. None of it

2. What types of articles would you like to see in your newsletter?

- a. Energy products
- b. Member benefits
- c. Energy saving tips
- d. Energy issues
- e. Featured members
- f. Recipes
- g. Other _____

Name: _____

Address: _____

Telephone No: _____ Account No: _____