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Learn how the ...

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Amazing heat pump can save you money



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Central Electric Cooperative Inc.
A Touchstone Energy Cooperative
The power of human connections

ISSUE NO. 3

YOUR CENTRAL ELECTRIC COOPERATIVE NEWS CONNECTION

March 2009

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Margery S. Terwilliger
Vice President

Althea M. Smith
Secretary/Treasurer

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Robert F. Sterrett
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Jody P. Weaver

Distribution Rates to Change

Central Electric Cooperative's Board of Directors has approved a new rate structure for all bills rendered after April 1. The cooperative is changing the rate you pay for the distribution of electricity. The change will increase the distribution base charge from \$16.50 to \$20.00 per month for residential members. The average residential member will see a monthly increase of 3.61 percent. All residential members will see an increase of \$3.50 in their monthly electric bill. Other rate classifications will also see changes; the amount of change will vary depending on service classification. The energy or kilowatt-hour charge for distribution, generation and transmission will not change for residential members. The increases are based on a cost of service and rate study conducted by a consulting firm specializing in utility rate design and approved by your board of directors.



Larry Adams
CEO & General Manager

Many members are probably asking why the increase now? Last year's rising prices affected many people: your family, friends and local businesses, and your cooperative. We were directly impacted by increasing costs in a number of operational areas. For example, in 2008 fuel for our vehicles cost \$100,000 more than in 2007. And then, unexpectedly in September the remnants of Hurricane

Rate Change/Page 2



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Power Lines

Rate Change/From Page 1

Ike cost the cooperative \$363,000 to restore power to our members. But most importantly, in order for us to consistently offer secure and reliable electricity we must continue to invest in changing out older distribution lines and replacing them with more durable aluminum, higher capacity conductors. Last year alone we replaced over 67 miles of old copper conductor and plan on replacing around 70 miles in 2009.

Electric utilities across the country are increasing their rates. You've seen the news reports about increases in electric rates, many of them dramatic. Regardless of that, the board of directors is always reluctant to approve increases in the cooperative's rates. However, we understand the importance of continuing a program to upgrade and replace older parts of the distribution system, some of which are between 50 and 70 years old, and the long term

benefits this has on service reliability and cost of operation. The following summary rate schedules for each service classification will give members a better understanding of how the rate change will affect their monthly electric bill. The large commercial rate classes are not shown due to their complex structure and variations. However, these members are being contacted individually and will receive specific information regarding their account. Also, the load control rate schedule did not change. All rate schedules are available on our Web site at www.central.coop or you can call the office to request a copy of the rate schedule for your account.

Central Electric Cooperative's board and staff continue working hard to improve service reliability and keep rates as low as possible. We strive to provide our members with the quality level of electric service you deserve.

Rate Changes Based on Service Classification

The following summaries are based on the average member usage for each service classification.

Residential Member Monthly Rate

Distribution:

Base Charge \$20.00 per meter per month
 \$0.02515 per kWh

Generation & Transmission:

\$0.06628 per kWh

The average residential member will see a 3.61 % increase in their monthly bill. This figure is based on 880 kilowatt-hours per month.

Seasonal Member Monthly Rate

Distribution:

Base Charge \$20.00 per meter per month
 \$0.06250 per kWh

Generation & Transmission:

\$0.06628 per kWh

The average seasonal member will see a 1.91% increase in their monthly bill. This figure is based on 130 kilowatt-hours per month.

Rate Change/Page 3

Power Lines

Rate Change/From Page 2

Small Commercial 1-phase Monthly Rate

Distribution:

Base Charge \$25.50 per meter per month
 \$0.02336 per kWh

Generation & Transmission:

\$0.06628 per kWh

The average small commercial 1-phase member will see a 2.44% increase in their monthly bill. This figure is based on 913 kilowatt-hours per month.

Small Commercial 3-phase Monthly Rate

Distribution:

Base Charge \$45.00 per meter per month
 \$0.02336 per kWh

Generation & Transmission:

\$0.06628 per kWh

The average small commercial 3-phase member will see a 1.46% increase in their monthly bill. This figure is based on 913 kilowatt-hours per month.

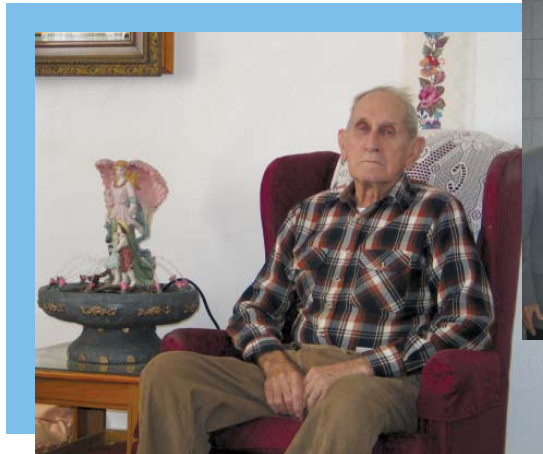
Bob Announces his Retirement from CEC's Board

Robert "Bob" Schroth announced his retirement from the board of directors on Jan. 26, 2009. He has played an important role as a member of the board for the past 20 years. Bob has been a member of Central Electric for over 50 years.

As a director Bob was on Central's Transportation Building and Grounds Committee and was also a

board member for the Pennsylvania Rural Electric Association. He is a huge supporter of Central's many committees including the Member Aware Advisory Committee (MAAC). When asked what he will miss the most he said, "I will miss all the people; employees and members." Bob stated, "Being a CEC board member was a very good experience and I would recommend it to anyone."

What's next for Bob? Well let's just say Bob and his wife Alice have a large, close family to keep them busy. Between his two sons, a daughter, eight grandchildren



Bob at his home in Fenelton, Pa.



Central Electric Cooperative's Board of Directors

and one great grandson Bob will be lucky if he can get a nap in everyday.

Central Electric's board and staff would like to thank Bob for his hard work and dedication over the years. We'll miss you Bob!

With Bob's departure, Central Electric's Board of Directors now has a vacancy in Butler County. More information will be available regarding the Butler County vacancy in April's issue of Power Lines. You can also watch for updates on our Web site at www.central.coop.

Power Lines



Congratulations Robert!

Robert Schick, a second grader from Keystone elementary school is the winner of our Christmas coloring contest. Robert is now the proud owner of a nano iPod. He was accompanied by his mother, Robin and his little brother, Garrett. In his spare time Robert enjoys playing baseball, football and soccer. When asked what his favorite food was he responded, "I love Penn State cookie dough ice cream."
Way to go Robert!



Central Electric Cooperative would like to thank all the children who participated in this year's Christmas coloring contest. We enjoyed displaying your coloring pages in our office!

Home Improvement Consumer Protection Act

As of July 1, 2009, Pennsylvania residents will gain some protection against unscrupulous contractors through Senate Bill 100. The Home Improvement Consumer Protection Act will require all contractors to register with the Pennsylvania Attorney General's Office.

Such individuals must disclose whether they have had a license suspended or revoked by any state or municipality. Contracts issued must contain important information such as the start and completion date, a description of work performed and consumer's rights under the law; and must include their registration number on all advertisements, estimates and work proposals. No home improvement contract will be valid unless it is clearly written and contains the contractor's registration number, detailed information

about the proposed work, and is signed by both the contractor and the homeowner.



Attorney General Tom Corbett said that his office received nearly 2,100 complaints in 2007 from consumers struggling with problems involving home improvement work from some of the following types of contractors: remodelers, heating & cooling firms, siding & roofing projects, window/door installations, painters, insulation specialists, pool installers and landscapers.

For more information concerning this legislation, contact the Pennsylvania Builders Association, 600 North 12th Street, Lemoyne, PA 17043 at 800-692-7339 or visit their Web site at <http://www.pahomes.org>.

Ken's
ilowatt
orner



www.central.coop
Check it out!
By Ken Maleski
CEC Consumer
Marketing Representative

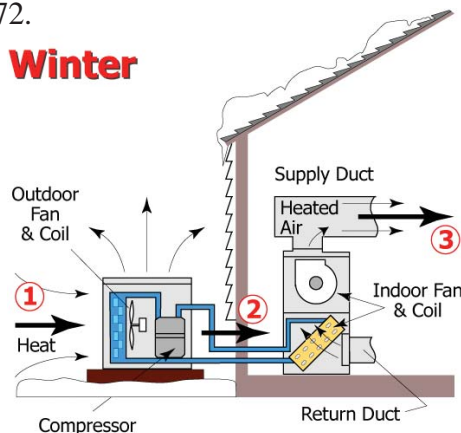


The Amazing Heat Pump

Many members are choosing heat pumps over other sources of electricity due to high fossil fuel prices. Here is what you need to ask your heating contractor if you are considering a heat pump:

- **What is its HSPF?**
(heating seasonal performance factor)
Make sure it is at least 8.0 or higher: For every unit of electricity it consumes, you receive eight units of heat.
- **What is your heat pump's SEER?**
(seasonal energy efficiency ratio)
Purchase at least a 14 SEER model or higher. Again, for every unit of electricity you pay for, 14 units of cooling will be delivered to your home.

- **What are the warranty terms on the heat pump's compressor?** Make sure it is at least five years or more. Some manufacturers are offering 10 to 12 year compressor warranties.
Call me for more information at 800-521-0570, ext#2172.



Go Electric Heating Seminar

TIME: 7-9 p.m.

DATE: April 21, 2009

LOCATION: Fairfield Inn & Suites
200 Fairfield Lane
Butler, PA 16001



Come join us and learn about the various types of competitive heating. Vendors and contractors will be available to answer questions.



Power Lines

A Healthy Recipe of the Month "Healthified" Cashew Chicken & Broccoli

INGREDIENTS:

- * 2 tsps canola oil
- * 1lb boneless, skinless chicken breasts, cut into 1 inch pieces
- * 1 tsp finely chopped ginger root
- * 2 cups fresh broccoli florets
- * 1 cup reduced-sodium chicken broth
- * 1/8 tsp crushed red pepper flakes
- * 2 cups frozen sugar snap peas
- * 3 Tbsps reduced-sodium soy sauce
- * 2 tsps rice vinegar
- * 1 Tbsp cornstarch
- * 1 tsp sugar
- * 2 medium green onions, sliced (2 Tbsps)
- * 3 cups hot cooked brown rice
- * 1/4 cup salted, roasted cashew halves and pieces



DIRECTIONS:

1. In a 12-inch non-stick skillet, heat oil over medium-high heat. Add chicken and ginger root; cook and stir 4 to 5 minutes or until chicken begins to brown.
2. Add broccoli, 1/2 cup of the broth and the pepper flakes. Cover; cook over medium heat 2 minutes. Add peas; cook 2 to 4 minutes longer, stirring once.
3. In a small bowl, mix remaining 1/2 cup broth, the soy sauce, vinegar, cornstarch and sugar, stir into chicken mixture. Add onions; cook, stirring frequently, until sauce is thickened. Serve over rice with cashews.

For more great recipes visit:

www.bettycrocker.com

Send recipes to: Jessica Brison
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CEC Staff

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Director of Consumer Services

Christina J. O'Donnell
Director of Communication & Marketing

Fred E. Terwilliger
Director of Engineering & Operations

In observance of Easter, Central Electric's office will be closed all day on Good Friday, April 10. Have a happy and joyous Easter holiday!



January contest winner:
Roy Seybert of Karns City
Read **Power Lines** and



Read your 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 reading Power Lines and then completing the quiz that appears below. Answer the questions (answers are contained in each issue of Power Lines), then complete the quiz and personal information and 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. True or False: Residential members will see an increase in their electric bill of \$3.50 per month for the base cost of providing service.

Answer: _____

2. True or False: HSPF stands for heating seasonal performance factor.

Answer: _____

3. True or False: Central Electric Cooperative will be hosting a Go Electric Seminar on April 21, 2010.

Answer: _____

Name: _____

Address: _____

Telephone no: _____ Account no: _____