

Power Lines



Central Electric Cooperative, Inc.
A Touchstone® Energy Cooperative
The power of human connections
1-800-521-0570



www.central.coop
P.O. Box 329
Parker - PA - 16049

ISSUE NO. 5

Your Central Electric Cooperative News Connection

MAY 2007

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May is National Electric Safety Month. Central



Electric offers several safety tips for

members. Page 3.

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Good Neighbor Programs

The Central Electric Cooperative Board of Directors passed a resolution at their March monthly meeting to establish two new programs known as the "Good Neighbor Energy Assistance Program" and the "Good Neighbor Scholarship Fund."

These newly developed programs were established as a result of approved legislation that allows electric cooperatives throughout Pennsylvania to retain unclaimed capital credits for certain local uses. Under Act 187 guidelines it states that all retained capital credit funds collected by Central Electric and the other PA electric cooperatives be used for one or more purposes which could include home energy assistance, educational assistance such as scholarships or civic purposes which would include community development.

Because the Co-op is already involved in community development, the Board felt there was a greater need to concentrate on energy and educational assistance.



Larry Adams
CEO & General Manager

What Exactly Are Unclaimed Capital Credits?

When you buy electricity from Central Electric Cooperative, you become a member/owner. You then have a share in the capital that remains at the end of the year. After all expenses for furnishing its members with energy have been satisfied, money left over, called "margins," is set aside for each member/owner in

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A Touchstone Energy® Cooperative

the form of Capital Credits. These credits are divided among all members, based on the amount and cost of electricity each purchased throughout the year. The members' Capital Credits become the Cooperative's equity, and make it possible for the Cooperative to secure loans and maintain facilities and services. When the equity level reaches a certain amount and the Cooperative's financial position is strong, the Co-op Board of Directors authorizes Capital Credits to be refunded to the membership.

Over the years, CEC has gone to great lengths to make sure every member who is entitled receives a capital credit refund. However there are instances when a member has left the system and failed to provide a valid forwarding address and their refund is returned to the Cooperative.

In cases such as this, Pennsylvania law required CEC to escheat the unclaimed property to the State Treasury after five years. Under the newly authorized Act 187, Central Electric is now able to retain these unclaimed capital credits rather than escheating them to the state as long as the funds are used for specific, qualified purposes in the CEC service territory.

Good Neighbor Energy Assistance Program

After extensive evaluation, the CEC Board of Directors approved two new programs for its members to best



utilize the unclaimed monies for 2006 and direct its dedicated uses that put CEC members first.

The initial program adopted by the board is the "Good Neighbor Energy Assistance Program."

In its first year of operation, approximately \$8,000 will be available to help less fortunate members pay their electric bills starting with the 2007-08 heating season. This money will be administered through the Cooperative's "Family Fund" program and will help supplement the existing program. Central Electric will use the current Family Fund guidelines for member eligibility. The Good Neighbor Energy Assistance Program will be

administered by the following agencies: Armstrong County Community Action Agency, Butler County Salvation Army, Clarion County Community Action Agency, Forest County Information and Referral Service and the Venango County Office of Economic Opportunity. Funding for the Good Neighbor Energy Assistance Program will be evaluated annually.

Good Neighbor Scholarship Fund

The second program is known as the "Good Neighbor Scholarship Fund" and will consist of eighteen \$1,000

scholarships to be awarded annually. Funds will be given in the form of one-time scholarships to selected students to attend an accredited post-secondary educational institution. To be eligible, Central Electric Cooperative, Inc. must serve the student or family members' permanent residence. Eligible high schools are those that are located in Central Electric Cooperative's service territory and have CEC members' children or dependents enrolled.



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The Cooperative will be responsible for coordinating the application process in accordance with eligibility guidelines set forth by CEC. A review committee appointed by the Board of Directors will be responsible for awarding the scholarship(s). The three main determining factors for eligibility will be based on the student's community involvement, academic standing and financial need. Selection of awardees will be final.

Co-op Committed to its Members

As a Touchstone Energy Cooperative, Central Electric has a strong commitment to its members and their well-being. We believe the passage of Act 187 is one of the most important legislative victories we've seen in many years. We owe a great deal of thanks to our State Legislature, State Senate and Governor for supporting this legislation. It will help many rural electric members throughout the Commonwealth with much needed financial assistance. That's the power of human connections.

May is National Electric Safety Month

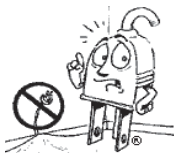
The importance of electricity in our lives is invaluable. It powers our very lives, and the notion of living without it is one we can barely imagine in this day and age. But with this great power comes great responsibility, and it is this responsibility - to provide your electricity safely and reliably - that Central Electric Cooperative, Inc., takes very seriously.

Here are some checks from the Electrical Safety Foundation International that you can make in your home today to ensure electrical safety.

Outlets - Check for outlets that have loose-fitting plugs, which can overheat and lead to fire. Replace any missing or broken wall plates. Make sure there are safety covers on all unused outlets that are accessible to children.



Cords - Make sure cords are in good condition - not frayed or cracked. Make sure they are placed out of traffic areas. Cords should never be nailed or stapled to the wall, baseboard or other object. Do not place cords under carpets or rugs or rest any furniture on them.



Water & Electricity Don't Mix - Don't leave plugged-in appliances where they might fall in contact with water. If a plugged-in appliance falls into water, NEVER reach in to pull it out - even if it's turned off. First turn off the power source at the panel board and then unplug the appliance. If you have an appliance that has gotten wet, don't use it until it has been checked by a qualified repair person.



Appliances - If an appliance repeatedly blows a fuse, trips a circuit breaker or if it has given you a shock, unplug it and have it repaired or replaced.



Outdoor Safety - Electric powered mowers and other electric tools should not be used in the rain, on wet grass or in wet conditions. Always use an extension cord marked for outdoor use and rated for the power needs of your tools. Inspect power tools and electric lawn mowers before each use for frayed cords, broken plugs or cracked housings. When using ladders, watch out for overhead wires and power lines. Stay at least 10 feet from all lines.



Congratulations Melanie!

A-C Valley fourth grader Melanie Lewis of Turkey City in Clarion County was the winner of the Central Electric 2007 Easter coloring contest.

Melanie is the daughter of Bill and Eddieliz Lewis and she has a 5-year-old sister, Allison. Melanie says her hobbies are playing teacher with Allison, coloring and playing video games.

Central Electric thanks all the children who participated and helped brighten up the office with their colored pages!

Reserve your Annual Meeting dinner now!

Make your reservations for the Cooperative's 2007 Annual Meeting dinner on Aug. 24, 2007 at Whitehall Campgrounds near Emlenton. A KFC chicken dinner free to members and their families will be served between 5 and 7 p.m. Return coupon by July 31 to CEC, P.O. Box 329, Parker, PA 16049 or telephone your reservations by calling customer service at 1-800-521-0570. Dinner tickets may be picked up at the dinner reservation table upon arrival.

ANNUAL MEETING DINNER RESERVATION

NAME _____

ADDRESS _____

MAP NO. _____ PHONE: _____

PLEASE RESERVE _____ DINNERS FOR ME.

MEMBERS ARE ASKED TO VACATE THEIR SEATS WHEN FINISHED WITH DINNER SO THAT OTHERS MAY BE SEATED.

Annual Meeting Tellers are needed

The Co-op Board is seeking members to serve as tellers during the Annual Meeting on Aug. 24, 2007. A tellers committee is needed to tabulate director election ballots returned prior to the meeting by either mail ballot or via the Internet, and for those who vote at the meeting. Eight tellers are needed, one from Armstrong County, two from Butler County, two from Clarion County, one from Forest County and two from Venango County.

If more members volunteer than are needed, a drawing will be held. If there are no volunteers from any of the counties, the Co-op directors will appoint needed tellers. If volunteering, please complete and return coupon below to: Central Electric Tellers Committee, P.O. Box 329, Parker, PA 16049.

2007 TELLERS COMMITTEE

I will attend the Annual Meeting and can serve on this committee.

NAME _____

ADDRESS _____

PHONE _____

COUNTY _____

Need a good deal on a GREAT water heater?



Central Electric will install an A.O. Smith 80-gallon high-efficiency water heater for just \$279.99 (plus tax) And take your old one away! Now, that's a GREAT deal! Call 1-800-521-0570

Osmose pole inspection & treatment program to begin

Beginning in late May 2007, Osmose Wood Preserving of America, will continue testing and treating Central Electric Cooperative electric poles to determine if they are safe or in need of replacement. Annual pole testing will take place on the electric distribution lines served by the Nectarine Substation located in Venango County. Specific Townships where the testing will occur include the following: Irwin, Clinton and Scrubgrass Townships in Venango County; Allegheny Venango, Marion, Mercer and Cherry Townships in Butler County; and Pine Township located in Mercer County. Testing will continue throughout the summer months. The testing is a continuation of the Cooperative's system maintenance program.

Central Electric has a comprehensive pole inspection and treatment program in place whereby we inspect each pole on the system every 10 years to assure that the poles are structurally sound, and equally important, safe to climb if the need arises. Central Electric's pole inspection and treatment program targets any pole older than 15 years for inspection. Inspection proceeds on a line-by-line basis inspecting every pole from the substation to the end of the line. This also includes member-owned poles such as meter poles that are attached to our electric distribution system. This occasionally puts us in the difficult position of informing our members that their equipment is unsafe and must be replaced in order to maintain a safe electric distribution system.

The inspection procedure begins with a visual inspection from the ground line to the top of the pole. If called for, a sonic test is performed to determine if there is any decay or voids/cavities inside the pole. If any voids are detected, the pole is bored to determine the extent of the damage. If it is determined that the pole remains sound, the inspector will inject an internal treatment to prevent any further deterioration from occurring and the pole will remain in service. The inspector then performs a partial excavation to a depth of about 6 to 9 inches at the base of the pole. The inspector then checks for any sign of decay, mold, insect problem or bleaching. Since this is the most susceptible part of the pole to decay or

infestation, special attention is paid to this area. If any sign of damage is present, the pole is excavated to a depth of about 18 inches and ground line treatment is performed. Any decayed or damaged area is scraped away and a preservative and moisture barrier is applied. This treatment substantially extends the life of the pole. Each inspected and treated pole is then tagged to identify which treatment was performed.

If a pole is determined to have a problem that is uncorrectable, it is classified as a "reject" or unsafe "danger" pole. These poles are also marked with a 2 1/2-inch square red tag noting the pole is unsafe and cannot be climbed by a lineman. Detailed records are kept noting all the circuits that have been inspected, which poles have received treatment, and any poles that have been "red-tagged" and need replaced.

While performing pole inspections, the inspector also checks the entire line for any obvious defects such as broken or damaged guy wires, bad cross-arms, cracked insulators, frayed wires or any other unsafe condition that can be observed from the ground up. This information is reported to the engineering department so that corrections can be made.

Each year CEC inspects and treats as required, about 5,000 poles with a rejection rate of less than 1% or about 40 poles per year. CEC's service territory covers approximately 5,000 square miles with 3,300 miles of electric distribution line. With an average of 16.33 poles per mile, that amounts to about 53,889 poles. This makes poles one of CEC's most important assets and the maintenance of these poles becomes a high priority. Poles are indeed an important aspect of the electric distribution business at CEC. At an average cost of \$750 to install, you can quickly determine we have a large investment in poles to support the lines carrying power to our members' homes and businesses. We have an even greater investment in the lines that transport the electricity. That's why it's critical we carry out an aggressive system maintenance program to assure our members a safe and reliable source of energy to meet their everyday energy needs.



What's Cookin'...

This recipe appeared in March Power Lines and was missing a key ingredient. The recipe calls for both baking powder and baking soda. We apologize for the omission and are re-running the recipe this month.

Banana Chocolate Chip Muffins

Ingredients

- 1 1/3 cup mashed bananas
- 1 egg
- 1/3 cup canola oil
- 1 cup sugar
- 1 1/2 cups flour
- 1 tsp. baking soda
- 1/4 tsp. baking powder
- 6 oz. semi-sweet chocolate chips



Directions: In a large bowl, combine bananas, egg and oil. Add in and stir until moist: sugar, flour, baking soda and baking powder. Stir in chocolate chips. Spoon batter into a paper-lined muffin tin, filling 2/3 full. Bake at 350 degrees for 10-12 minutes or until golden brown on top.

Recipe courtesy of the Michigan Country Lines, an electric co-op magazine serving Michigan electric cooperatives. It can be found online at: www.countrylines.com.

We want to hear from you! Send us your recipes! Got a family favorite, an easy one-dish meal, healthful snack or a sweet treat? Share it with the membership! Write to CEC, P.O. Box 329, Parker, PA 16049, Att: J.M. Heller, Recipes.

The Staff

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Director of Human Resources

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Director of Engineering & Operations

Lisa A. Hoover

Director of Consumer Services

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.

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 quiz and personal information below and return it with your monthly payment!



1. **True or False:** CEC Board of Directors passed a resolution at its March meeting to begin two "Good Neighbor" programs.

Answer: _____

2. **True or False:** May is National Fire Safety Month.

Answer: _____

3. **True or False:** It is too soon to submit Annual Meeting dinner reservations for 2007.

Answer: _____

Name: _____

Address: _____

Telephone number: _____

Account Number _____

Winner of March Power Lines quiz:
James R. Linamen of Emlenton
 Congratulations!



Central Electric's office
 will be closed on
Monday, May 28,
 in observance of
Memorial Day.