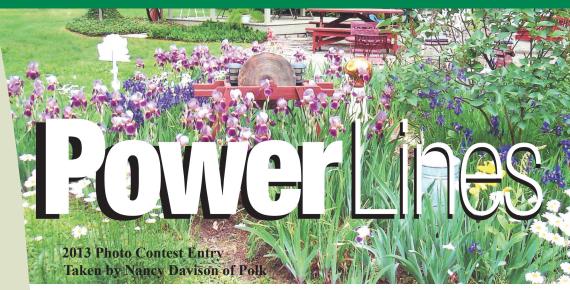
Inside: Learn How To ...

Attend the 2014 Annual Meeting of the Members

Volunteer to be a Teller for Our Board of Directors' Election



"Watts" Inside

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Kenneth Durrett Vice President

Althea M. Smith Secretary/Treasurer

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Good Choices

by Matthew Boshaw, CEO & General Manager

My mother used to say "Be careful what you wish for, you might get it." I know she wasn't the first or last to make that statement, but as I don't know who was, and we are in the month of Mother's Day, I'll give Mom the credit. Those words rang true earlier this year as a large number of electric consumers received very large bills because they signed variable-rate electric generation contracts with electric generation suppliers (EGSs). For most, the high bills are an unintended consequence of retail electric competition for which many electric consumers had asked.

Central Electric Cooperative's (CEC's) members have not yet been exposed to the retail generation market. As stated before, this is not because we are exempt from competition, but because no alternative electric generation suppliers (EGS) are

offering service to CEC members at this time. The primary reason there are no generation offers is the same reason that CEC exists in the first place.

Before electric cooperatives existed, the investor-owned utilities (IOUs) didn't serve rural America because rural areas were sparsely populated and contained mostly small, dispersed loads. The costs to serve these areas were simply not profitable. Ordinary citizens formed cooperatives to provide lifechanging electrical service to rural Americans using the not-for-profit business model that we still enjoy today. The retail electric generation market faces the same issues today as in the past. EGSs struggle to find a profitable marketplace in rural areas and very few, if any, have been successful.

In the IOU market, EGSs have created numerous offerings for residential consumers including

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Don't Forget to RSVP for our Annual Meeting of the Members! See Page 5 for details.

You Can Also Sign Up to be a Teller! Page 5 has all of the details. the variable-rate contracts that we have been hearing about in the news. These contracts pass the risk of wholesale generation price variances to the consumer, while maintaining a guaranteed profit for the EGS. When people first signed up, the relative stability of the market, coupled with signing incentives, made these contracts very attractive. The record-breaking cold and resultant huge increase in electric usage we saw this winter turned that stability upside down. The variable price spiked, along with the temperatures, leaving electric consumers holding exceptionally large bills. As our demand for electricity gets closer to the system's capacity, this price fluctuation could more easily repeat itself — even in less extreme weather conditions. Risk will be further magnified as older generation facilities are taken offline due to increased environmental regulation. Don't get me wrong, I am a strong believer in competition and open marketplaces bringing consumers choice, innovation and competitive prices and I applaud the efforts to establish a competitive marketplace for electricity. That being said, simple supply-and-demand economics suggest that if our demand exceeds our supply, prices will rise.

Our priorities at CEC remain to provide our members with safe, reliable and affordable electric service. The cooperative business model has demonstrated our ability to deliver the best value for our members for over 76 years. We are pleased that our members have not been exposed to the variable-rate contracts that you have heard so much about lately. We continue to be owned and governed by our membership and take seriously the responsibility placed on us by our membership to meet their best interests.

The retail electric generation market can be a complicated topic, even for those of us who work in this business. With that in mind, and as always, I welcome any questions that we may be able to help answer for our members. I know many of you still receive solicitations by mail or telephone from EGSs. Those come because of your zip code or area code being the same as IOU consumers and they market their services that way. Once they know you are a cooperative member they move on because, as I mentioned earlier, no EGSs are currently offering service to CEC members.

Go Paperless for a Chance to Win an iPad!

Sign up for paperless billing and turn off your paper bill before July 31 to be entered into a drawing for a free iPad! The drawing will take place on Aug. 1. Call us at 1-800-521-0570 or visit www.central.coop for more information.



I wrote an article in the February 2014 Power Lines concerning factory-built homes' poor energy efficiency. The article should have mentioned that I was referring to homes produced back in the 1970s and 1980s. Tracy Kirby of Colony Homes in Shippenville, Pa. invited me on a recent tour of their facilities to see how many of my article's concerns have been addressed by the industry. I learned that today's models are built with energy efficiency in mind. Improved insulation, air infiltration, ductwork design, windows and other building components work together in a total systems approach. Inspection oversight occurs both internally and externally. Here are some of the changes that help to make today's factory-built homes more energy efficient:

- Oversight: Design, construction, transportation and installation of factory-built manufactured and modular homes are closely monitored by the Pennsylvania Department of Community and Economic Development. Manufactured homes containing a chassis system are built to federal energy standards. Modular homes follow state energy codes. Each home receives an inspection seal verifying the energy code standard it was built to.
- <u>Total Systems Approach:</u> All components used in the factory-built homes work together to accomplish maximum energy efficiency. It begins with a well-designed flooring system. Ductwork, plumbing and electrical components are enclosed in a tightly sealed and insulated network.

Energy Efficient Factory-Built Homes

- <u>Insulation:</u> Roof systems are insulated with blown cellulose, slightly moistened to reduce movement during transport. Wall and flooring systems meet or exceed state and federal energy insulation requirements.
- <u>Air Infiltration:</u> Gasket systems are used in all areas where two separate building components come together, such as marriage walls, floors, exterior walls and ceilings. Foam sealants are applied to all penetrations for electrical and plumbing connections.
- <u>Ductwork Design:</u> Crossover and other ductwork connections are made of rigid metal and incorporate gaskets and mastic sealant to eliminate leakage.
- Windows and Doors: All windows are double-pane with reflective coatings for maximum energy efficiency. Doors are foam-filled to meet Energy Star standards.

Energy efficiency is first and foremost in the design of modern factory-built homes in Pennsylvania. Improved comfort and manageable energy bills are the result of detailed construction and outside third-party inspections. The industry has taken great strides to change its former negative image. I was impressed by the passion of those in the factory-built home industry who build a quality home at a competitive price. I would have no hesitation to own and live in one myself.

Sign-up for weekly energy-saving E-Tips by contacting me at kmaleski@central.coop

Don't Forget to Enter Our Photo Contest! Visit www.central.coop for more information.

SHAY

Plant the Right Tree in the Right Place

Did you know that tree limbs and branches are among the most common causes of power outages? By selecting the right tree and planting it in the right place, you can help reduce power outages for you and your neighbors.

■ Find the Right Tree. Trees come in all shapes and sizes and often change dramatically over their life. Before selecting your tree, make sure you know how tall and wide the trees and

their roots can grow.

Where you plant your tree is just as important as what type of tree you plant.
Shade may be a priority, but you must also think about how



Matt Alderson Manager of Safety and Operations Support

your tree will impact its surroundings, especially electric utility lines.

- Plan for Future Growth. Tall trees growing under or near power lines will eventually require pruning or removal. When planting large trees, plant a minimum of 30 feet from power lines; plant 20 feet away for medium trees.
- Work Safely and Hire Safely. Whether you're planting a tree or doing yard work, stay far away from power lines at all times. Always look up and note the location of the power lines, especially when using tools, ladders, poles or pruning saws. Never attempt to trim any vegetation growing near power lines. Contact CEC at 800-521-0570 if you have vegetation growing near power lines.

Hassle-Free Water Heaters



Member Herb Jankovich (left) with Dr. Waterheater.

Installing a water heater and participating in our load management program is as easy as lifting a finger and calling 800-521-0570. Let Dr. Waterheater, Inc. remove and discard your old tank and replace it with a Rheem® unit for only \$466.98 plus tax.

Local Teens Selected for Youth Tour

Two local high school juniors were recently selected to attend the June 2014 Electric Cooperative Youth Tour in Washington, D.C. The 2014 winners are Amanda Crate, Cranberry High School and Danielle Kepple, Karns City High School.

They will join over 1,500 students from across the nation to experience our nation's capital, sightsee, meet with federal legislators and learn about electric cooperatives.



Amanda Crate



Danielle Kepple

Mark Your Calendar for our Annual Meeting of the Members Picnic

Attend this year's Annual Meeting of the Members on Friday, Aug. 22 at Whitehall Campgrounds at 4:30 p.m. for a delicious meal and a chance to win a number of door prizes.

You can make reservations for the meeting by completing the adjacent form or calling us at 1-800-521-0570. Registration deadline is July 31.

This year's meeting will include children's entertainment with a carnival theme! For more information, or to check out the agenda, visit www.central.coop.



Name:
Address:
Map No:
Phone No:

Please reserve dinners for me.

Limit of four meals per member.

By attending the annual meeting, I grant CEC permission to use my likeness in photographs in any and all of its publications, including internal and external newsletters and website entries, without payment or other consideration.

Return coupon by July 31, 2014 to: Central Electric Cooperative, Inc., 716 Route 368, P.O. Box 329, Parker, PA 16049–0329

Tellers Needed for Elections

The cooperative board of directors is seeking CEC members to serve as tellers for the Annual Meeting on Aug. 22. The committee tabulates director election ballots returned prior to the meeting, via Internet or by mail, and votes cast at the meeting. Tellers must arrive by 4 p.m.

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 by our judge of elections. If there are no volunteers the cooperative directors will appoint needed tellers.

2014 Tellers Committee				
	2014	Tellers Collillittee		
Name:				
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Address:				
M N	DI N			
Map No:	Phone No:	County:		
Return coupon by July 31, 2014 to:				
Central Electric Cooperative, Inc., 716 Route 368, P.O. Box 329,				
Parker, PA 16049–0329				
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Recipe of the Month

Rhubarb Cake

Ingredients:

- 1-1/2 cups sugar
- 1-1/3 cups oil
- 3 eggs
- 3 cups rhubarb, chopped
- 3 cups flour
- 1/4 teaspoon ground cloves
- 1/4 teaspoon nutmeg
- 1/4 teaspoon cinnamon
- 1/4 teaspoon salt
- 1 teaspoon vanilla
- 1-1/2 teaspoon baking soda
- 1/3 cup chopped nuts

Topping:

- 1/3 cup sugar
- 1 teaspoon

cinnamon

- 1/2 cup chopped nuts
- Mix all together and put on cake before baking.

Directions:

Beat sugar and oil together. Add eggs. Add cloves, nutmeg, cinnamon, salt, vanilla and baking soda. Mix well. Add flour and mix well. Stir in rhubarb and nuts. Put into greased 9 x 13 pan. Sprinkle topping over cake. Bake at 350 degrees for 50 minutes.

Thank you to Kathy Lorch for submitting this recipe!

Send Recipes to:

Renee Spence at rspence@central.coop or mail to CEC, 716 Route 368, PO Box 329, Parker, PA 16049

CEC Management Team

Matthew P. Boshaw CEO, General Manager

CEO, General Manage

Dennis W. Beggs Christophe

CFO, Director of Finance and

Accounting

Stephanie Deal

Director of Human Resources

Lisa A. Hoover
Director of Member Services

Christopher W. Kossman

Director of Information Technology

Christina J. O'Donnell Director of Member and

Director of Member and Community Relations

Fred E. Terwilliger

Director of Engineering and

Operations

Read Power Lines and Win!

Last Issue's Winner:

Ruth Weiland of Karns City

Last Issue's E-Winner:

John Snyder of Butler

Read Power Lines and win! It's simple — you can win a \$25 credit on your monthly electric bill by completing and returning the quiz below. And you have a second chance at another \$25 bill credit by submitting a quiz online at www.central.coop.

If you do not have access to the Internet, indicate that on the quiz and we will also enter you in the online drawing. Just complete, clip and enclose the quiz and personal information below and return it with your monthly payment. For quiz rules visit www.central.coop.

to the retail ele	se: CEC members aren't exposed ectric generation market because no Ss are offering service.
	se: Large trees need planted a) feet from power lines.
	se: Today's factory-built homes are gy efficiency in mind.
How are we d	oing? (no wrong answer)
Name:	
Address:	
Phone:	Acct. #:



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