Inside Learn How to:

Give Your Home an Electrical Inspection

Apply for Our Good Neighbor Scholarship



"Watts" Inside

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Only as Needed

by Matthew Boshaw, CEO & General Manager

Central Electric Cooperative (CEC) is a private, not-for-profit, distribution electric cooperative. That said, in order to be a financially healthy organization we do need to have a remaining margin at the end of each year. This would be a profit in a forprofit company. For us the margin, or amount left over after we have met all of our obligations, is allocated to our membership based upon their usage and then ultimately returned to members in the form of a capital credit retirement. The last three retirements combined total over \$5 million dollars.

CEC's board has provided us with clear financial goals and priorities. First, extend the time between rate increases as far as possible, while still maintaining the financial health of the organization. Second, retire capital credits annually and work to decrease

the number of years of rotation of patronage capital. Third, create a plan to increase member equity in the organization incrementally. Finally, meet our lenders' financial requirements annually.

As I have reported to you on many occasions, we have been very successful in meeting these financial targets over the past several years. This can prove challenging as the priorities often have direct and opposite impact on one another. With that said, we have seen a steady incremental increase in our equity, we have met all of our lenders' revenue requirements, we have retired record amounts of capital credits and decreased the number of years of rotation, and we have not had a rate increase since July 2016.

You may have already seen our notice on the website, your bill, or the SmartHub app that we will need to implement a rate increase

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Power Lines

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"The cost to clear our rights-of way has more than tripled in the past ten years, far outpacing any other cost increases. As trees are the cause of a significant majority of our outages, increased costs also come from restoring more tree-related outages. Hopefully this illustrates that the increased trimming cost is an investment which will

Matt Boshaw, CEO & General Manager

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beginning in February. The increase will be an average of 5 percent based upon your usage. It will be entirely on the energy charge, and as mentioned will be the first since July 2016 and only the second since July 2013. As is evidenced by the infrequency of our increases, we make every effort to mitigate costs and avoid any rate increase.

We have had approximately the same number of employees for over 30 years despite our membership and infrastructure increasing substantially over that time frame. This group works tirelessly to maintain and improve the service you receive. Our wholesale power cost has remained competitive and stable over the past several years, aiding our ability to delay the need for an increase.

There are many factors which have led to our costs escalating. Incremental increases in the costs of our employee group are mitigated by the fact that the group remains the same size, but the single largest increase in our annual cost has been the increase in the cost to clear our rights-of-way (or tree trimming). The cost to clear our rights-of way has more than tripled in the past ten years, far outpacing any other cost increases. As trees are the cause of a significant majority of our outages, increased costs also come from restoring more tree-related outages. Hopefully this illustrates that the increased trimming cost is an investment which will decrease both outage time and cost in the long run.

I have shared our financial goals and priorities, and our plans for our

electric rate and the circumstances which have required them. I think I would be remiss if I didn't try to provide some frame of reference of the value electricity provides.

Are you aware that a day's worth of electricity costs less than \$5? I recognize that I am biased, but electricity is perhaps the most important commodity in the world. I previously wrote an article calling it the best thing since sliced bread but, since electricity was commercially available before the electric bread slicer it should be vice versa. Electricity provides us with light, heat, hot water, and access to knowledge and entertainment — just for starters. It is integral to nearly everything we do in our lives, and yet costs less than a cup of coffee at a fancy coffee shop (that shall remain nameless, so I don't get sued). I don't mention electricity's value in comparison to other things to justify a rate increase. Our demonstration for the need lies in the increasing cost to provide the service, coupled with our efforts to mitigate those costs.

There is no good time for the cost of something, so integral to our daily lives, to increase. My comments above are simply provided as a perspective on the value this commodity remains in comparison to things of lesser importance. Because we are a not-for-profit organization, this type of change is made only as needed. We appreciate your continued patronage and support of your cooperative.

SAFE Y MA ERS

Cheap Electronic Chargers Spell Trouble

It seems the chargers that came with our phone, digital camera, or other electronics disappear as often as a sock mate sometimes.

As a solution, many people reach for the low-cost, generic plug-in USB chargers and charging cables found in the sea of impulse items that flank the check-out line at your favorite drug, convenience, or big-box store. They're also popular items on numerous online shopping sites and are cheaper than dishing out money to replace them with their original maker's versions.

It can save money and it's so convenient, you rationalize. Without much more thought, in the virtual cart or on the counter it goes.

Inexpensive charging components may be one area you don't want to cut corners on. Amazon recalled 26,000 AmazonBasics portable lithium-ion battery chargers and power banks after the massive online retailer learned the units can overheat and ignite, causing fire and burn hazards. According to the U.S. Consumer Safety Product Commission, the products were sold between December 2014 and July 2017.

Along with being a potential fire hazard, using cheaply made charging components and devices can even cause electrocution. Dangers aside, they may cost you more in the long run since they can cause damage to whatever's on the other end of the cable.

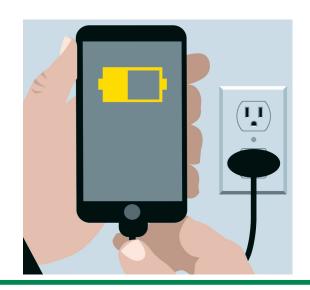
To keep safe around electrical devices and charging gear, CEC recommends the following:

- Do not leave items that are charging unattended.
- Always keep charging items away from flammable objects, especially bedding, and do not take them to bed with you. Tell kids and teens to NEVER place any charging device

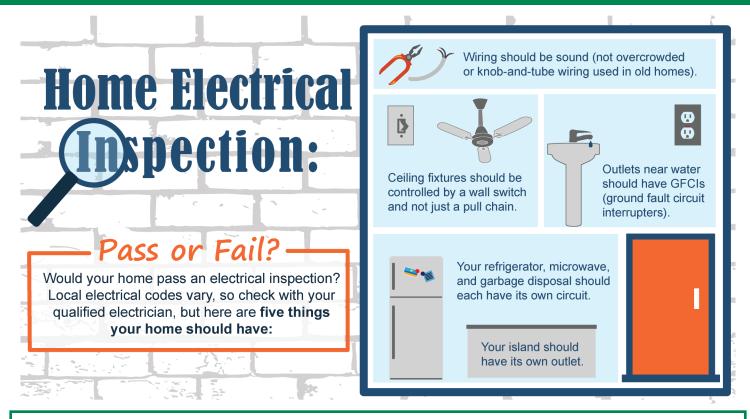
under their pillow. The heat generated cannot dissipate and the charger will become hotter and hotter. This could lead to the pillow or bed catching fire.

- Do not touch charging electronic devices with wet hands or while standing in water.
- Make sure charging components are certified by a reputable third-party testing laboratory.
- Only buy product-approved chargers and cables (those made or certified by the manufacturer). Using cheaper chargers can cause damage to the USB charge chip. Although it's tempting to save money, this can have a lasting impact on how quickly and effectively your device charges in the future.

The bottom line is this: Don't buy charging equipment with prices that seem too good to be true or from companies you've never heard of. And even if you've heard of the company, be leery of imposters.



Power Lines



2020 Good Neighbor Scholarship Program

Each year CEC offers the Good Neighbor Scholarship Program to students who are furthering their education by attending a college or trade school. To apply for the scholarship the applicant, or their parent or guardian, must be a member of CEC and must be accepted to a post-secondary educational or training institution. We will award ten, \$2,000 scholarships in May 2020.

Applicants must provide the following to qualify:

- Fully completed two-page application.
- 500-word, typed essay answering:
 - What does being a good neighbor mean to you?
- An appropriate, high resolution portrait (school or sport) style photo.
 - Photos can be submitted via the website or emailed to eshumaker@central.coop.
- Letter of acceptance from a post-secondary

institution or trade school.

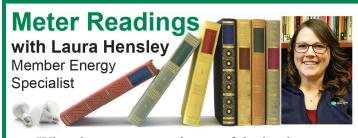
- Letter of recommendation from a non-relative.

This award is limited to one scholarship per applicant per lifetime. Application requirements can be submitted through www.central.coop or by mail. Applicants must be able to communicate how they contribute non-paid time to help their community, school, and/or church.

For more information and application forms, please visit www.central.coop or call 800-521-0570.

Mail the required documents to: Central Electric Cooperative Attn: Good Neighbor Scholarship P.O. Box 329 Parker, PA 16049

Deadline is March 15, 2020.



What do you suppose is one of the hardest working, yet least appreciated, household appliances? We often recognize how much we need our refrigerator and how hard the washer and dryer work for us. But, what about that water heater tucked away in the basement or utility room?

Water heaters are regularly heating water so we can clean clothes, dishes, and our bodies. We usually only stop to think about our water heaters when they need to be replaced. However, paying them a bit of attention now can help you save on your utility bill.

Since water is constantly heated in the tank, energy can be wasted even when a hot water tap isn't running. This is called standby heat loss. Some storage water heaters have heavily insulated tanks, which significantly reduce standby heat losses and lowers operating costs. Look for tanks that have a thermal resistance (R-Value) of R-12 to R-25. If your tank is not heavily insulated, or is warm to the touch, consider an insulated jacket. Adding adequate insulation could save four to nine percent on your water heating costs. If your current tank is R-16 or less, most industry professionals recommend an additional R-10 insulation blanket. A typical insulating blanket may be purchased for \$10-\$20,

Water Heater Efficiency

and may easily pay for itself within a year.

Reduce the workload of your water heater and increase efficiency by setting your tank's thermostat to 120 degrees. From the factory your tank may have been set to 140 degrees, but most households only require them to be set at 120 degrees. Water above that temperature can result in scalding, and for each 10 degrees of reduction in water temperature you can save three to five percent on your energy bill.

Another benefit of the 120 degree temperature is a reduction in mineral build up inside the tank and pipes. Corrosion and mineral build up shortens the life of the water heater and reduces tank capacity.

Cut back on the demand for hot water by installing low-flow faucets and shower heads, wash laundry in cold water, do not allow water to run while brushing your teeth and doing dishes, and do full loads in the dishwasher. Energy Star rated washers, dishwashers, and water heaters will also help you save.

If you are in the market for a new electric water heater, check with CEC for information about our current program.

We are currently offering a \$100 bill credit to members who join our Load Management Program — which utilizes existing electric water heaters. Call to find out more!

Family Fund Helps Families In Need!

You can help by rounding up your electric bill to the nearest dollar or by making a one-time contribution.

Call 800-521-0570 or visit www.central.coop for more information.

Power Lines

Recipe of the Month

Beef & Macaroni Lasagna

Ingredients:

- 1 pound ground beef
- 1/2 cup chopped onion
- 1 15-ounce can tomato sauce
- 1/2 teaspoon dried basil
- 1 7.25-ounce package of Kraft Mac & Cheese
- 2 tablespoons flour
- 1-1/2 cups milk
- 2 eggs, beaten
- 3/4 cup parmesan cheese
- 2 tablespoons margarine

Directions: Brown meat and drain. Add onions and cook until tender. Stir in tomato sauce and basil, cook 10 minutes. Prepare mac and cheese. Put half in greased 8-inch dish. Top with meat mixture and 1/2 cup parmesan cheese. Add remainder of the mac and cheese. Melt margarine in pan, blend in flour. Gradually add milk and cook until thickened. Add eggs. Pour over meat and macaroni. Sprinkle remaining cheese over top. Bake at 350 degrees for 45-50 minutes, or until brown.

Thank you to Kathy Guth for submitting this recipe!

CEC Management Team

Matthew P. Boshaw CEO & General Manager

Dennis W. Beggs Director of Finance and

Accounting/CFO

Stephanie Deal Director of Human Resources

Lisa A. Hoover Director of Member Services Christopher W. Kossman Director of Information Technology

Fred E. Terwilliger Assistant General Manager/COO

Read Power Lines and Win!

Last Issue's Winner:

Cora Steigerwalt of Valencia

Last Issue's E-Winner:

John Bowser of Grove City

Read Power Lines for a chance to win a \$25 credit on your monthly electric bill by completing and returning the quiz below. You can also have a chance at another \$25 bill credit by submitting a quiz online at www.central.coop.

If you don't have access to the Internet, indicate that on the quiz and we'll also enter you in the online drawing. Just complete and enclose the quiz and personal information below and return it with your monthly payment.

1. True or False: The cost to clear our rights-of-way
has doubled in the past ten years.
Answer:
2. True or False: Setting your water heater to
120 degrees increases mineral build up inside the
tank and pipes which reduces tank capacity.
Answer:
3. True or False: It's safe to bring a charging
electronic device to bed with you.
Answer:
H
How are we doing? (no wrong answer)
Name:
Phone: Acct. #:



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