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Join ACRE

Take Our Member Survey

Share Your Personal Safety Goal

Photographer: Breanna-McGaughey of Worthington

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In Case You Missed It ...

by Matthew Boshaw, CEO & General Manager

At our 81st Annual Meeting, I provided a brief "State of the Cooperative" presentation. For those who were unable to attend, I would like to provide a synopsis here. If you would like to see the full presentation, it is available on our website.

I love what I do for a living. I get to be part of a team that supplies electric service to people. We do important things here. We are not curing cancer or ending hunger, but we do provide a service that has become essential to most everything we do.

Central Electric Cooperative (CEC) provides SAFE,
RELIABLE electricity at a
REASONABLE COST to our
member-owners, is COMMITTED
TO THE COMMUNITIES
we serve, and dedicated to THE
COOPERATIVE DIFFERENCE.

This is CEC's mission statement and everything we do is intended to

support this. I want to share with you the specifics of how we support each of these five important areas in bold above.

First and always is safety, so it is appropriate I start with our efforts in this area. Nothing else really matters if we do not make an effort to provide this service to you safely. Five years ago, we suffered the tragic loss of an employee through an electrical fatality accident and we are collectively dedicated to that never happening again. As much as I do not like to bring it up, I believe it is important we never forget. Our safety program has significantly evolved over the years. 81 years ago, it was all about getting electricity out there and while we worked safely, all the risks and hazards were not as well understood as they are today.

At the beginning of 2017 we separated the safety function into its own department reporting directly

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to the CEO. This provides the attention and organizational priority that safety requires.

We purchase tools and equipment designed to allow all our employees to work efficiently and safely. We do a lot of training. This is important to ensure our employees are aware of the hazards they face and the best way to mitigate them. We established a cross-departmental Safety Committee that reviews process, facilities, and incidents and makes recommendations for improvement. We review, inspect and maintain our system, our facilities and our employees so we can correct mistakes, make repairs and continuously improve what we do. We participate with the National Rural Electric Cooperative Association Rural Electric Safety Achievement Program, which provides a comprehensive review of all aspects of our system, and identifies areas of strength and improvement.

Our program focuses on personal engagement and responsibility. We recently started collecting personal safety goals from each of our employees to further emphasize that which is most important to them — that one or two things that keep them engaged and for which they are not willing to compromise. In a recent article, I asked members to share their personal safety goals as well. Consider this another request for you to participate.

With all the great news I have provided, reliability is truly the elephant

in the room. But the way to eat an elephant is one bite at a time, so let me breakdown those bites.

In 2017, 48 percent of our outages were tree related and 32.4 percent were caused by power supply interruptions. Thus far in 2018, our numbers are not on target, though they have improved by about 100,000 total hours for the same period in 2017. That translates to about 4 hours per member. In 2018, tree-related outages account for 64 percent of outages with power supply interruptions accounting for another 19 percent. Here are some of the things we are doing about it. Since 2010, we have more than doubled the budget devoted to clearing our rights-ofway — tree trimming — from just under \$1.5 million dollars to over \$3.1 million. We are currently utilizing four different contractors to increase available resources. We are providing closer oversight of their work to "reclaim" our rights-of-way.

We have changed our engineering design standards to stiffen our system against storms. We have shortened span lengths, installed taller and thicker poles, improved and increased sectionalizing to allow outages to impact fewer members, and installed additional ties between substations allowing us to switch supply and decrease the length of power supply interruptions.

We are working with our generation and transmission (G&T)

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Reminders:

- Don't forget to take the Member Survey for a chance to win a Visa Gift Card or Bill Credit! Visit www.central.coop to take the survey or for more information. Completed surveys must be received by CEC by Nov. 15 to qualify for prizes.
- Check out our Photo Contest! You can vote online until Oct. 19. The winners will be posted online in late October at www.central.coop and in the December issue of this newsletter.

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cooperative, Allegheny Electric Cooperative, to hold our power suppliers accountable, and create solutions to the increasing frequency and duration of power supply interruptions. These efforts make a difference and reflect a long-term investment in the reliability of our system.

We manage our resources very efficiently. Our most recent Key Ratio Trend Analysis compares us to our peers in 145 categories and shows us with some of the lowest power costs in the country and one of the lowest cost per year to our members. We formalized our financial planning process with prioritized goals.

The first of these prioritized goals is our rates. We have had no rate increase since July 2016, with no planned increase through 2019. The second priority is the rotation of patronage capital. We work to retire capital credits every year and decrease the rotation of patronage capital. In the past 8 years, we have decreased the number of years we hold your money from 28 to 23 years with a goal to reduce it to 20 years. The next priority is equity management, where our goal is to incrementally increase our member's equity in the system each year with a target of 37 percent. Our equity has grown from just under 31 percent in 2010 to 34 percent in 2017. Our final financial priority is to meet or exceed our loan covenants and we consistently meet this goal.

CEC is a part of the communities we serve. Our employees live, work and volunteer in these communities. Our members make up these communities. These are very broad ideas, so let me identify some of the many ways we demonstrate our commitment. One way is we maintain relationships with our local politicians and leaders, evidenced by so many of them attending our annual meeting.

Another way is the LED bulbs you should have received courtesy of CEC and our G&T Cooperative. (Please remember to put them in right away to start saving.) These were from escheats

(unclaimed property) dollars that the commonwealth has allowed us to keep and use locally to directly benefit our communities. We also used this money to provide ten \$2,000 scholarships in 2017 and 2018, and augment our participation in Youth Tour. We made capital project contributions to not-for-profit agencies and implemented an employee directed giving program helping 70 not-for-profit agencies throughout our service territory. We also helped 378 families in 2017 and 2018 with energy assistance through our Family Fund. All at no cost to you!

Our employees sit on boards of Chambers of Commerce and economic development groups in Venango, Butler and Clarion Counties, and we participate in community events. We provide First Responders' Training for fire departments, police, ambulance services and others throughout our territory. This presentation serves to educate on the potential electrical dangers these dedicated people may face and steps to take for protection. We provide Safety City presentations to students throughout our territory, illustrating the potential dangers electricity can pose and educating them how to remain safe around it.

We are a private, not-for-profit version of the electric utility. The important principles of One-Member One-Vote, and local control provide protection so each member has an equal voice — and our members elect our board of directors and decide what we do. We broke records in 2017 and 2018 retiring over \$1.6 million in capital credits to you each year.

Our talented and dedicated employees, and their efforts throughout the year, and (of course) you, our members, are truly the cooperative difference. Without you, the cooperative does not exist. Thank you for your continued participation in and support of your cooperative.

SAFE Y MA ERS

Be on the Hunt for Safety

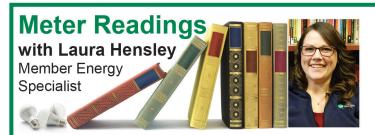
Wearing a bright orange vest, keeping your finger off the trigger until you're ready to shoot, and only pointing at your target. These are some of the safety measures associated with hunting, and electrical safety should be added to the list.

Never shoot near or toward power lines, power poles, transformers or substations. A stray bullet could not only damage equipment, potentially interrupting electric service, but could be deadly to the shooter. Damage to the conductor could drop the line to the ground, causing a possibility of electrocution to those nearby.

CEC encourages hunters to familiarize themselves with the area they will be in before heading out to hunt. Take note of power lines and electrical equipment, especially if you are going to be hunting in a densely wooded area where the equipment may not be visible.

Never place deer stands on utility poles or climb the poles! Energized lines and equipment on the poles can conduct electricity to anyone who comes in contact with them, causing shock or electrocution. Placing decoys or other hunting gear on power lines or other utility equipment is also hazardous. Anything attached to a pole, except for utility equipment, is a hazard to utility workers.

Don't make lineman hunt for damage or problems. Sometimes damage isn't noticed for several weeks or months, or unless an outage occurs. Report any damage to the utility.



What is a kilowatt hour (kWh)? This is the measure of energy we use to calculate your bill. Equivalent to 1,000 watts in one hour to be exact. The meter at your home, camp, or business is measuring the amount of energy you use in kilowatt hours and displays that amount on your meter.

What does this really mean to you? While actual appliances vary, here are some examples.

- A refrigerator using 180 watts running for 5.5 hours, uses 1 kWh.
- A 32 inch LCD TV using 125 watts being used for 8 hours, uses 1 kWh.
- A space heater using 1,500 watts being used for 40 minutes, uses 1 kWh.

What is a kWh?

- A dishwasher using 1,800 watts running for just over 30 minutes, uses 1 kWh.
- An electric clothes dryer using 3,000 watts running for 20 minutes, uses 1 kWh.

How about the LED light bulbs you received? You could use a 9-watt LED bulb for 112 hours to use 1 kWh. In comparison, a 60-watt incandescent light bulb will use about 1 kWh in just 17 hours.

Americans continue to use more electricity and it is understandable to be frustrated by increasing utility bills. It is important, however, to remember the increasing amount of things we actually plug-in at our homes. We use electricity for heating, cooling, lighting, food preparation, electronics and so much more. According to the U.S. Energy Information Administration, in 2016 the average residential-consumer used 897 kWh per month.

Visit www.central.coop for ways to save!

Make a Difference: Join ACRE®!

As a cooperative member you recognize that balancing electricity needs and environmental goals is becoming difficult. You want to know how much this is going to increase your electric bill and also what our nation's elected officials are doing to ensure that electricity remains affordable.

As a member-owned electric cooperative we have the responsibility to provide elected officials with the information they need to make good decisions and effective policies. You can help make sure these important lines of communication stay open by supporting the Action Committee for Rural Electrification® (ACRE®) Co-op Owners for Political Action. ACRE® is a grassroots organization of electric cooperative employees, directors and member-owners that is a growing force in Washington, D.C. and state capitals nationwide. ACRE® is a nonpartisan, political action committee focused on the future of electric cooperatives. Your decision to participate in ACRE® will support legislators who fight for electric cooperative members.

Many small voices joined together have a mighty impact. Please consider adding your voice to this worthy and deserving cause. Join Co-op Owners for Political Action by completing the adjacent form and sending it in with your bill. For more information you can also visit our website at www.central.coop or contact your ACRE® coordinator, Emily Bartley, at 800-521-0570 x2126.

Contributions to the National Rural Electric Cooperative Association (NRECA) Action Committee for Rural Electrification (ACRE) are not tax deductible. Contributions to ACRE are voluntary and will be used for political purposes. You have the right to refuse to contribute without reprisal. Any contribution guidelines presented are merely suggestions. You are free to contribute more or less than the suggested amounts, or not at all. NRECA will not favor or disadvantage anyone by reason of the amount contributed or a decision not to contribute.

Membership Form Yes. I Want to Join! There are two easy ways to contribute: 1. Have the amount added to your next electric bill. 2. Submit a check made payable to PREA ACRE. Add a one-time contribution to your electric bill: □ Regular Member: \$25 ☐ Keystone Member: \$50 ☐ Century Club Member: \$100 □ President's Club Member: \$500 □ Other \$ Submit a check: Amount enclosed \$ □ Please renew my amount at this level annually. **Membership Information** Name: Address: City: _____ State: Zip: ____ Account: **Federal Election Law requires** the following information for contributions equal to, or exceeding, \$200. Employer: _____ Occupation: Signature: _____ Date: _____

Return this form to ACRE c/o Central Electric Cooperative, P.O. Box 329, Parker, PA 16049.

Recipe of the Month

Apple Cake

Ingredients:

- 3 eggs, beaten
- 1-1/4 to 1-1/2 cups sugar
- 1 cup oil
- 2 cups flour, unsifted
- 1 teaspoon salt
- 1 teaspoon baking soda
- 1 teaspoon cinnamon
- 4-6 apples, chopped
- 1/2 cup walnuts, chopped

Directions: Beat eggs, add sugar and beat well. Add oil and mix well. In a separate bowl, mix flour and spices. Blend the two mixtures together. Add apples and nuts. Bake at 350 degrees for 1 hour in an 8x8 baking dish.

Thank you Marie Cherrison for submitting this recipe!

Send in your recipes to be shared today!

Send Recipes to: Renee Tritten at rtritten@central.coop or mail to CEC. P.O. Box 329. Parker, PA 16049

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:

David Gladowski of Glenshaw

Last Issue's E-Winner:

Charles McCleary of Shippenville

Read Power Lines and 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 guiz 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: CEC's cross-departmental Safety
Committee reviews process, facilities, incidents and
makes recommendations for improvement.
Answer:
2. True or False: A 9-watt LED bulb turned on for 112 hours uses 1 kWh.
Answer:
3. True or False: Utilizing utility equipment for hunting is a safe practice. Answer:
Share your personal safety goal!
Name:
Phone: Acct. #:



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