

## Inside: Learn How To ...

Vote for Your  
Directors

Register for the  
Annual Meeting

Inexpensively Cool  
Your House

## “Watts” Inside

A Recipe for Safe, Reliable  
Service & Great Value 1-3

Bylaw Changes Affecting  
the Membership 3

Vote for Your Directors 4

Register for the Annual  
Meeting 5

Cream Puff Cake Recipe 6

## Board of Directors

James M. Burd  
*President*

Margery S. Terwilliger  
*Vice President*

Althea M. Smith  
*Secretary/Treasurer*

Kenneth Durrett  
Robert F. Sterrett  
Bette D. Walters  
Jody P. Weaver  
Richard L. Weaver



## A Recipe for Safe & Reliable Service

*by Matthew Boshaw, CEO & General Manager*

Every year CEC surveys our members and employees, creates member committees (MAAC) and works closely with our member-elected board of directors to ensure that we are working toward what our members want. We ask a wide range of questions and get a lot of feedback and direction.

Not surprisingly, continued improvement of the system, safety and reliability and rate competitiveness are always at the top of our members' priority list. Perhaps a little less predictable is the most popular item in our monthly “Power Lines.” Is it “Ken’s Kilowatt Korner?” A good choice, but no. Is it the hugely informative message from the CEO? Sadly, no. It is, in fact, our monthly recipe submission.

So, in an attempt to take over

the top spot, this article will discuss CEC’s “recipe” to provide for safety and reliability; and competitive rates. As you will see through planning, implementation and the focused efforts of the team here at Central Electric, our reliability has steadily improved and our rates have improved significantly compared to our neighboring utilities.

### Ingredients: Rates

Compared to surrounding electric utilities, CEC’s rates have historically fallen about mid-range, but we are closing the gap. In 2000, CEC’S rates trailed West Penn by 32 percent; today we are down 12 percent.

The good news for our members is that we expect this trend to

***A Recipe for Safe & Reliable  
Service/Page 2***

## ***A Recipe for Safe & Reliable Service/From Page 1***

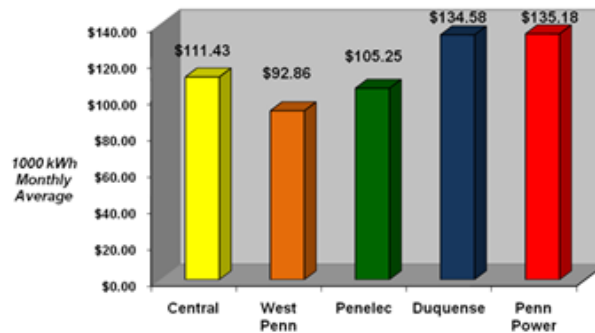
continue and our rates to draw even or go below the surrounding electric providers. This is for three reasons;

1. Rate caps are coming off investor-owned utilities and their

### **Bylaw Changes Affecting the Membership:**

1. Joint Membership
2. Membership Qualifications
3. Membership Agreement
4. Membership Termination

**2010 Monthly Residential Rate Comparison**



rates will increase. CEC does not have rate caps so this issue will not affect our members. However, it is important to note that while rate cap removal will not affect your rates, we may experience a rate change due to our power supply. We are waiting for Allegheny Electric Cooperative (our supplier) to give us a final decision on energy costs for 2011. However, we do not expect a significant rate increase over the next 12 months.

2. By far, the cost of purchasing power has the biggest impact on your bill. Washington is considering limiting the amount of carbon emitted (as from coal) with “cap and trade” legislation. This will make coal-generated electricity more expensive. While many of our neighboring

electric utilities are invested heavily in coal, CEC is much less so.

3. CEC’s employees work diligently to keep our operational costs in check.

### **Reliability**

The second major ingredient is reliability. CEC is focused on two programs that improve our reliability: line replacement and rights-of-way maintenance.

In 1993 we embarked on a wire replacement program and have replaced approximately 712 miles of old copperweld wire. Last year we replaced 71 line miles, with only about 182 line miles of this wire remaining on the system to be changed. This long-term project should be completed within three years.

Another way to maintain reliability is to maintain our rights-of-way. The total amount of line miles completed during 2009 was 427.

The cumulative result of these efforts is a system improvement over the past 20 years, of reliability of more than 40 percent, from 14.18 outage hours per member a year to 8.25.

CEC is doing everything within its control to provide reliable service to members. However, we have no control over devastating storms or

## ***A Recipe for Safe & Reliable Service/Page 3***

## ***A Recipe for Safe & Reliable Service/ From Page 2***

the companies that provide power to us. In fact, in 2009 storms were responsible for 45 percent of outages while power suppliers caused 33 percent of our outages. As with any recipe, these important ingredients are only as good as the chefs. The employees at CEC are a hard working, dedicated group who are committed to providing

our members with safe, reliable service at the lowest possible cost. We will continue to invest in our infrastructure, continually improve our reliability to our members and work hard to provide reasonable rates.

Okay, go ahead and read Ken's Kilowatt Korner and our recipe of the month and we'll keep working on this recipe!

## **Bylaw Changes Affecting the Membership**

### **Joint Membership**

Effective Aug. 1, 2010 members who are husband and wife will be considered joint members of the cooperative unless they notify the cooperative within 30 days of the effective date that they choose to designate individual membership.

According to the bylaw change, whether you are married at the time you become a member or afterwards you and your spouse will hold a joint membership in the cooperative. Joint members have the same rights and obligations as an individual member. For example, when either joint member signs a document or votes for a director, those actions are considered with equal weight to an individual member. Either joint member can take these actions, but it is only considered as one vote or action. Also, any notice, waiver, or termination of service by either joint member affects both joint members. The cooperative must also be notified in writing if the joint members decide to divorce.

### **Membership Qualifications**

Members must be of age to enter a legally

binding contract and receive electric service from the cooperative. Members can occupy more than one location on cooperative lines but still only have one membership and one vote.

### **Membership Agreement**

Members must:

- Agree and comply with the Articles of Incorporation, bylaws, rules and regulations or membership may be terminated.
- Pay the cooperative for your electric service at the rate specified and on time.
- Allow the cooperative access to our equipment on your property.
- Grant access to rights-of-way on your property for trimming purposes and to extend service to other members.

### **Membership Termination**

Members who stop service from the cooperative for any reason will have their membership automatically terminated and must pay any debts owed to the cooperative.

## Vote for your directors at the Annual Meeting

Thank you to CEC's 2010 nominating committee for reviewing, interviewing and nominating the candidates to fill the office of cooperative directors for Armstrong and Butler counties. Nominating committee members were Harvey W. Loose, Donald F. Christy, Charles R. Schreffler, Dennis Lamb and Carl E. Gadsby. Look for your ballot in the mail and vote. You can vote by mail, electronically, or in person at the Annual Meeting.

### Armstrong County



**Margery S. Terwilliger**  
1803 State Route 268  
East Brady, PA 16028  
Incumbent Nominee

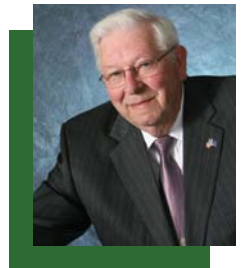
Mrs. Terwilliger is Central's Armstrong County director. This year she is running unopposed. Marge became a credentialed cooperative director in 2007 and received her board leadership certificate in 2009. She currently serves as vice president on Central's board. Marge has been a Central Electric Cooperative member since 1953 and was elected to the board of directors in 2002.

She serves as the voting delegate to the Pennsylvania Rural Electric Association (PREA). Marge is a charter member of the Brady's Bend Historical Society and resides in East Brady.

### Butler County

Mr. Burd is Central's Butler County director. He became a credentialed cooperative director in 2006 and currently serves as Central's board president. Jim has been a Central Electric Cooperative member since 1963, and served as a Pennsylvania state representative from 1977 to 1991.

Jim served in the Korean War with the 7th Division Signal Corps. He is semi-retired and self-employed as the owner and operator of a custom sawmill business located at his residence in Saxonburg.



**James M. Burd**  
396 Freeport Street  
Saxonburg, PA 16056  
Incumbent Nominee



**William J. Eichner**  
110 Eichner LN, Box 305  
Eau Claire, PA 16030  
Prospective Nominee

Mr. Eichner has been a Central Electric member since 1970. He retired from Sisters of Divine Providence, as director of buildings and grounds, after 40 years of service. Prior to his position as director Bill served in the Vietnam War as a helicopter pilot.

He owns and operates a farm in Eau Claire with his wife Amelia. They have three daughters, Theresa, Toni and Anne; and four grandchildren, Sam, Madi, Alex and Michael.

## Don't Forget to Register for this Year's Annual Meeting!

Attend this year's Annual Meeting on Aug. 27, at Whitehall Campgrounds for a chance to win a number of door prizes. Also, submit your recipe for a chance to win a special prize and have your recipe published in "Power Lines." Just bring your favorite recipe to the meeting and drop it off at the registration table.

You can make reservations by completing the form below or calling us at 800-521-0570. Registration deadline is July 30.

**Important reminder:** You must display a state-issued handicapped parking permit to park in the handicapped lot at this year's Annual Meeting.



### Annual Meeting Registration Form

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Account No: \_\_\_\_\_ Telephone No: \_\_\_\_\_

Please reserve a total of \_\_\_\_\_ dinners for my family as we will attend the Annual Meeting dinner on Aug. 27, 2010.

Children's entertainment is provided for children ages 5 through 10. Please indicate how many children will be attending: \_\_\_\_\_ Ages of children: \_\_\_\_\_

Contact at meeting in case of emergency: \_\_\_\_\_

*(A child with a medical condition must be accompanied by an adult.)*

Submit your question before the meeting to allow us to answer it efficiently. You may ask a question at the meeting even if you did not submit it ahead of time. My question: \_\_\_\_\_

*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 Web site entries, without payment or other consideration.*

**Return coupon by July 30, 2010 to:**

**Central Electric Cooperative, Inc., P.O. Box 329, Parker, PA 16049**

**K**en's  
ilowatt  
corner



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



## Cheap Cool!

Here are a few tips to help keep your home comfortable when the weather seems unbearable.

- Close doors and windows in the morning on the eastern side of your home. Reverse the process in the evening by opening the eastern side doors and windows and closing those on the western side.
- Draw drapes and mini blinds.
- Run ceiling fans. Do not operate window fans on the sunny-side of the house. This will draw in warm, humid air.

- Shift household chores that produce heat (clothes dryer, oven, iron, etc.) to cooler parts of the day.
- Wear light-colored, loose-fitting clothes.

Lower indoor temperatures and electric bills are always COOL! Also, remember to listen to CEC's Peak Alert broadcasts on your local radio stations. They alert you to conserve energy when electric costs are at their highest rate.



## Recipe of the Month

### Cream Puff Cake

#### Ingredients:

- 1 stick margarine
- 1 cup water
- 1 cup flour
- 4 eggs
- 4 cups milk
- 3 packages vanilla instant pudding
- one 8-ounce cream cheese
- 1 container of Cool Whip®

#### Directions:

##### Crust

1. Heat margarine and water on stove until boil.
2. Remove from heat, add 1 cup of flour and stir.
3. Let cool then add 4 eggs.
4. Spread into a 9 x 13 pan and bake at 400 degrees Fahrenheit for 30 minutes. Let cool.

##### Filling

1. Beat together milk, instant pudding and cream cheese.
2. Spread on crust. Top with Cool Whip®, dribble with chocolate syrup and refrigerate.

*Recipe submitted by Pattie Roydes of Tarentum*

#### Send Recipes to:

Jessica Brison at [jbrison@central.coop](mailto:jbrison@central.coop) or mail to  
Central Electric Cooperative, PO Box 329,  
Parker, PA 16049

## CEC Staff

Matthew P. Boshaw  
*CEO and General Manager*

Lisa A. Hoover  
*Director of Consumer Services*

Dennis W. Beggs  
*Director of Finance*

Christina J. O'Donnell  
*Director of Communication  
and Marketing*

Stephanie Deal  
*Director of Human Resources  
and Administration*

Fred E. Terwilliger  
*Director of Engineering and  
Operations*

## Read Power Lines and



Last Issue's Winner:

**Martin L. Anderson of Clarion**

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 completing the quiz below.

### 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. For a faster entry you may complete the survey online at [www.central.coop/quiz](http://www.central.coop/quiz).

**1. True or False:** According to the bylaws, whether you are married at the time you become a member or afterward you and your spouse will be individual members in the cooperative.

**Answer:** \_\_\_\_\_

**2. True or False:** Submit your favorite recipe for a chance to win a special prize.

**Answer:** \_\_\_\_\_

**3. True or False:** The average outage hour per member last year was 14.18.

**Answer:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Telephone No:** \_\_\_\_\_ **Account No:** \_\_\_\_\_



**Central Electric Cooperative**

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