

# REA Energy Cooperative, Inc.

A Touchstone Energy® Cooperative 



One of 14 electric cooperatives serving Pennsylvania and New Jersey



Chad Carrick  
President & CEO

**REA Energy Cooperative, Inc.**  
75 Airport Road • P.O. Box 70  
Indiana, PA 15701-0070  
724-349-4800 • 800-211-5667

**Ebensburg District Office**  
127 Municipal Road  
Ebensburg, PA 15931  
814-472-8570

Website: [www.reaenergy.com](http://www.reaenergy.com)  
Email: [reaenergy@reaenergy.com](mailto:reaenergy@reaenergy.com)

**Staff**

**Barry Baker**

Indiana Operations Manager

**Erin Bauer**

ACRE Coordinator

**Shane Cribbs**

Network & Systems Manager

**Dave Daugherty**

Safety Supervisor

**Jeff Dishong**

Ebensburg Operations Supervisor

**Stacy Patterson-Hilliard, CCC**

Communications Coordinator

Local Pages Editor

**Chris Masterson**

Reliability Supervisor

**Patrick McAndrew**

Manager of Engineering

**Bryon Roland**

Purchasing & Facilities Supervisor

**Brendan Short**

Right-of-Way/Forestry Supervisor

**Renee Spalla**

Supervisor of Consumer Services

**Chris Weller**

Load Management Supervisor

**Outages & Emergencies**

1-800-332-7273

724-463-7273

**Office Hours**

Indiana Office: 7 a.m. - 3:30 p.m.

Ebensburg Office:

7 - 11 a.m. and 11:30 a.m. - 3:30 p.m.

Monday - Friday

## Guest Column



### A look back at 2016

By Stacy Hilliard, CCC, *Communications Coordinator*

AS 2016 draws to a close, we stop and reflect on events of the past year. This was a very productive year for REA Energy, one full of many accomplishments. Let's take a look back at the past 12 months at your cooperative.

- ▶ **System Upgrades/Maintenance** – As part of an ongoing process of upgrading equipment, the cooperative upgraded 39.5 miles of line this past year. One of the upgrades in the Curry Run area allowed us to increase capacity and reliability.
- ▶ **New Members** – From November 2015 through October 2016, 779 new members joined the cooperative.
- ▶ **New Employees** – Five new employees joined the ranks of your cooperative in 2016. Brian Woomer, financial analyst; Ryan Baker, electronic/substation technician; Marissa Barnouski, marketing specialist; and Autumn Wilson, member services representative, all work at the Indiana Headquarters Office. Max Bodenschatz, journeyman lineman, works at the Ebensburg District Office.
- ▶ **New President & CEO** – Chad Carrick, the cooperative's former chief operating officer, assumed the position of president & CEO in September.
- ▶ **Retirements** – REA Energy had two employees retire in 2016. From the Indiana office, Gary Grindle, president & CEO, retired in September. From the Ebensburg District Office, Jerry Huber, journeyman lineman, retired in September.
- ▶ **Area Meetings** – This year, two area meetings were held in March. Nearly 275 members attended meetings in

Brush Valley and Ebensburg.

- ▶ **Annual Meeting** – This year's 79th annual meeting was held Thursday, Sept. 29, at the Kovalchick Convention Complex, Indiana, Pa. In Districts 3 and 4, incumbents Michael Bertolino and James Harteis ran unopposed and were re-elected to serve their respective districts. Officers for the board of directors for 2016-2017 will be: Michael Bertolino, chairman; James Harteis, vice chairman; and Robert Neese, secretary/treasurer. Harteis will be the Allegheny director and Rick Shope will be the PREA director.
- ▶ **REA Energy Services** – REA Energy Services, our for-profit subsidiary, had another great year in 2016. We continued to sell and install various electrical services, along with heating, ventilation, and air conditioning products (HVAC). All profits flow back from the subsidiary to the cooperative, which reduces costs and helps keep rates low. REA Energy Services recently expanded its product line to include Fujitsu and Maytag models of HVAC systems. Thank you from the board, management and employees for all your support through the last 79 years and for the years to come! 

REA Energy will close at noon Friday, Dec. 23, 2016, and reopen Tuesday, Dec. 27, 2016, at 7 a.m. in observance of Christmas. Please call 724-463-7273 or 800-332-7273 to report any power outages. Payments can be placed in the drop box at both locations or made online using the Member Portal at [www.reaenergy.com](http://www.reaenergy.com).

# Being a cooperative member pays

By Stacy Patterson-Hilliard, CCC  
*Communications Coordinator*

**DID YOU** know you own REA Energy Cooperative, Inc.? A cooperative is described as a business owned and governed by members who use its services. Democratically controlled and operated on an at-cost, not-for-profit basis, a cooperative from time to time may return excess revenue, called margins, to members based on patronage. As an owner-member, you are entitled to these margins, when financial conditions permit. These are known as capital credits.

What are capital credits? Throughout cooperatives, capital credits are defined as: “Margins assigned to cooperative members each year based on their purchases (in the case of electric cooperatives, electricity) from the cooperative. Used by the cooperative as working capital for a period of time, then paid to individual members, capital credits should not be confused with profits, which are a return on capital.”

A cooperative does not earn profits in the sense that other businesses do. Instead, any margins, or revenues remaining after all expenses have been paid, are returned from time to time to the members in proportion to their use of the co-op’s services through capital credits allocations and retirements.

The size and timing of any refund that a member may receive depends on financial conditions. First, REA Energy must make a margin (the cooperative takes in more money than it needs to operate). Next, the board of directors has to decide REA Energy is financially sound enough to refund a portion or percentage of outstanding capital credits, and then determine that percentage.

The books of REA Energy are set up and kept in a manner so that at the end of each fiscal year, the amount of capital, if any, furnished by each member is clearly reflected and credited in an appropriate record to their capital account.

Capital credits represent each member’s share of the cooperative’s margins and ownership of the co-op. It is used

as working capital to maintain the system until the board of directors authorizes a retirement. These retirements can only be made when they will not impair the operations of REA Energy.

When allocated, the patronage capital will go to each membership based on the amount of revenue provided by the member after deducting the cost of generation and transmission service and transition costs. Upon request, a member will be provided with the details of the capital that has been credited to his/her account and the balance of such account.

### Some things to remember:

- ▶ A member’s earned capital credits are reserved for them even if they discontinue REA services. When refunds are issued, we will attempt to reach you at your last known address.
- ▶ If a member is deceased when refunds are issued, the monies will belong to their estate. The capital credits will be paid to the executor/ executrix or heirs. To obtain the

funds, there are forms that REA Energy will need to have completed and returned to the cooperative before any distributions will be made.

- ▶ There is a difference between “allocated” and “retired” capital credits. Allocated capital credits are the amounts assigned to each member who was billed for service during a year in which margins were earned; these amounts are retained until the retirement of a certain year. When these capital credits are retired, REA will then issue refunds.
- ▶ REA Energy follows a first-in, first-out practice when retiring capital credits. This is a method of retiring capital credits where the earliest credits are retired first. For example, your neighbor may receive a refund when you do not because they were a member prior to and during the year that the capital credits are being refunded for. ☀

**OPERATING COSTS:** Capital items, such as the electric lines, right, and the substation, below, are part of the cooperative’s operating costs that must be taken into account when looking at margins.



# REA Energy's Member Portal Now Online!

REA Energy members can now pay bills online. Through the cooperative's Member Portal you can:

- View your bill
- View your usage history
- Make a one-time monthly payment
- View your payment history
- Schedule a future payment
- Enroll in automatic monthly payments

To sign up, visit the [www.reaenergy.com](http://www.reaenergy.com) homepage and click on the link for the Member Portal. From there, you will be redirected to a page that looks like the one below. When you click "Sign Up," you simply need to fill in the information at the bottom of the page. Once you submit valid data and your User ID is created, you can log in with your User ID.

## REA Energy Co-op Connections discount list

700 Shop – 724-465-8411 – 25% off the regular price by showing REA card. Excludes North Face brand.

Allegheny Chesapeake Physical Therapy – 800-332-5740, ext 317 – \$10/Month Gym Memberships at Allegheny Chesapeake Physical Therapy's Ebensburg, Johnstown, Northern Cambria or Portage offices.

Aztec Travel Service – 724-349-1740 – \$25 off a 7-night or longer land package or cruise.

B & M Lawncare – 724-388-3478 – Free estimate on lawn care or landscaping.

Bassett Auto Repair – 814-487-4144 – Offer 1: Free tire rotation with purchase of an oil change. Offer 2: If your check engine light is on, stop by the shop for a free computer analysis of the problem.

Bender Auto Repair – 724-639-0047 – Offer 1: \$50 off insurance deductible. Offer 2: Free tire

rotation with state inspection. Offer 3: Free tire rotation with oil change.

Benjamin's Restaurant – 724 465-4446 – 10% off total purchase, excluding alcohol or any special offers or coupons.

Blessings Photography – 814-472-8802 – 10% off sitting fee.

Boldin Associates – 724-840-3250 – 10% Discount Management Consulting for small and medium size businesses.

Britta's Cuts and Styles – 724-388-8959 – \$5 off any color service.

Byrne Millwork – 814-659-5106 – Offer: 5% off custom lumber sawing.

Cole's Auto Repair – 814-943-5021 – 10% off gross total on all invoices.

Country Hollow Collectibles – 814-674-8734 – \$10 off retail price of Nascar Diecast. Cannot accept credit cards.

Creative Dreams – 724-545-1862 – 10% off total sale, excluding food.

Creative Fabrics and Quilt Shop – 814-419-8227 – 10% off 1-yard cut of regular price fabric.

Custom Eyes, Face and Body – 724-354-6084 – Offer 1: Receive a free light microdermabrasin when you purchase a 1-hour facial for \$40. Offer 2: Purchase the "Girlfriend Package" (2 or more) which includes: a 1-hour facial and a 1-hour massage for \$80 and receive a free Paraffin Wax Mask Treatment when you mention this ad. Offer 3: Purchase the group package (4 or more) and receive your 30-minute facial and 30-minute massage for \$50 per person.

D. Edward Leasing Co, Inc. – 800-635-8756 – 10% discount on all yearly rentals.

D. C. Sales & Services, Inc. – 724-254-9920 – 10% discount on any invoice with a discount limit of \$50. Not valid with any other discount or promotion.

(continues on page 14d)

Daniel J. Carney, Inc. Water Treatment Systems – 814-886-2777 – \$100 discount on any system over \$1,500.

Darlene's Flower and Gift Shop – 724-354-3110 – Free Mylar balloon with any floral arrangement (\$25 minimum).

DD's Unique Boutique – 724-840-1769 – 10% off total sales.

Dog Hollow Speedway – 814-948-4252 – \$2 off grandstand admission.

Dr. William Fetchko – 724-354-3512 – Free home care kit with first visit.

Dynamark of Western PA – 800-735-4830 – \$25 discount on new installations.

Ebensburg Bedding – 814-472-7470 – \$20 off any box spring mattress set.

Align Sports Chiropractic – 724-801-8622 – 20% off when paid at time of service.

Fleming's Tax Service – 724-254-2158 – Free gift with tax preparation.

Flower Gallery and Balloons of Indiana – 724-349-5040 – Offer 1: 15% off on in-house purchases or local deliveries. Offer 2: Free wire out service for out-of-town orders.

Fore Golf Driving Range – 724-349-8669 – Buy one large bucket of golf balls, get a small bucket free.

Fox's Pizza – Blairsville – 724-459-0110 – 1 Big Daddy (Plain) for \$9.99.

Fox's Pizza Den – Shelocota – 724-354-3698 –

One two-topping Big Daddy, 12 wings, two-liter soda for \$24.99.

Frank Slavinski State Farm Agent – 814-539-4178 – Free financial insurance review and portfolio analysis.

Gaboda Building and Remodeling – 814-322-3437 – 10% discount on all remodeling.

Gatti Pharmacy – 724-349-4200 – 15% off Sunmark brand items.

Gearhart's Craft and Pets – 814-472-6410 – 10% off total sales.

Gingerbread Running Company – 724-464-0900 – 10% off purchase.

Gone For a Day Sports – 724-354-4665 – 3% off total sales.

Hair Color Experience – 724-349-2003 – 10% off first visit.

Henigin's Small Engine Repairs – 724-459-8380 – 10% off fast-moving parts: air filters, fuel filters, oil filters, spark plugs, two-cycle oil, lawnmower blades.

High Street Emporium – 814-472-6990 – 10% off total sales.

Horses and Hounds – 724-349-3144 – 5% off full grooming.

Hubcap's Pizza – 814-674-7784 – 10% off pick up or eat in.

Indian Springs Eye Associates, PC – 724-471-4856 – Offer 1: 20% off eye exam – restrictions apply. Offer 2: 20% off eyewear – restrictions

apply. Offer 3: 15% off contact lenses – restrictions apply.

Indiana Agway – 724-349-3560 – 5% off sales of \$50 or more. Cash or check only. Excludes livestock feeds and sale items.

Indiana Eye Care – 724-349-8000 – Offer 1: Discounted eye exam – Discounts cannot be combined with insurance or other discounts. Offer 2: 30% off complete pair of glasses and/or sunglasses – Discounts cannot be combined with insurance or other discounts.

Indiana Floral – 724-465-2608 – 10% off in-store & local deliveries (excluding delivery price).

Italian Village Pizza – Ebensburg – 814-472-2202 – Offer 1: Free order of mozzarella sticks with purchase of any large specialty pizza at menu price. Offer 2: Two large (12 cut) 1-topping pizzas for \$19.99 plus tax. Offer 3: One medium (8 cut) 2-topping pizza, 1 order of breadsticks, 12 wings, and 2-liter soda for \$22.99 plus tax. Offer 4: ANY TWO 12-inch oven-baked hoagies or cheese steaks and 2-liter soda for \$15.49 plus tax.

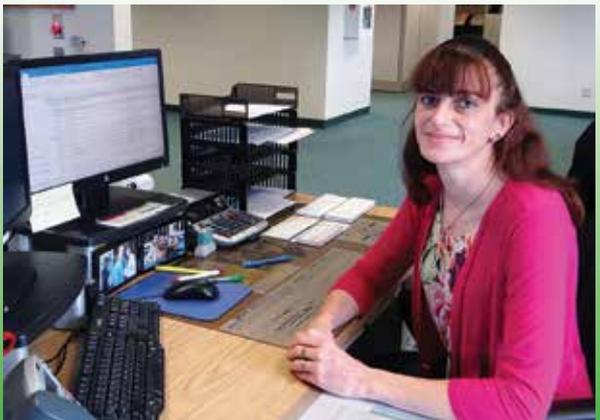
Jennifer Frumpkin Massage Therapist – 724-354-4277 – One hour massage for \$45.

JGB Company, AMSOIL Synthetic Lubricants – 814-749-9409 – Free shipping – can buy retail, sign up – preferred customer, sign up – dealer, sign up – retail account, sign up – commercial account.

**Look for more ways to save in January's issue of Penn Lines.**

## New face at REA Energy

Autumn Wilson started in the position of a member services representative at the Indiana Office on Oct. 19, 2016. Her job duties will include member signup, receiving utility payments and balancing drawers. Autumn enjoys anything outdoors and spending time with her friends and family.



REA Energy contractors will be completing tree-trimming work in the following areas in December:

- ▶ Contractor crews from Asplundh Tree Expert Co. will be trimming the rights-of-way of the Cherryhill and Curry Run substation areas, in addition to emergency maintenance areas. All crews will carry cards and have magnets on their vehicles identifying them as REA Energy contractors.

## Your Board of Directors



Michael J. Bertolino  
Chairman  
District 3



James Harteis  
Vice Chairman  
District 4



Robert P. Neese  
Secretary/Treasurer  
District 5



Herman Blakley  
District 9



Sam Eckenrod  
District 1



Wayne Farabaugh  
District 8



John R. Learn  
District 6



Jack R. Rising  
District 7



J.R. "Rick" Shope  
District 2