

FROM THE MANAGER/CEO

## Building a better world 2012 marks the International Year of Cooperatives

### New Enterprise Rural Electric Cooperative, Inc.

A Touchstone Energy® Cooperative 



One of 14 electric  
cooperatives serving  
Pennsylvania and  
New Jersey

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**Rick L. Eichelberger**  
General Manager & CEO

**IN TODAY'S** uncertain economic times, we often think about a better world. We want our children and neighbors to succeed, and we need a strong and sustainable community.

But how do you build a better world?

History tells us that when we band together, we can do anything. Together, we can build a better world.

That's where cooperatives come into play.

This month, we kick off a year-long celebration marking the International Year of Cooperatives 2012. Our theme, "Cooperative Enterprises Build a Better World," resonates loud and clear in our turbulent national — and global — economy. The year offers a chance for us to showcase our legacy of innovation and achievement, and reminds us of what's important in business — putting people first.

You're a member of New Enterprise Rural Electric Cooperative, so you know we're focused on providing safe, reliable and affordable power. But this community-driven business model doesn't stop at your light switch. There are 29,200 co-ops across America taking many forms, from farmers banding together to get a fair price on supplies to credit unions delivering low fees and reasonable interest rates on loans. Our business model works for dairy farmers and small business owners, financial institutions, grocery stores, insurance, housing and child care.

One out of every four Americans is a co-op member; there are more than 1 billion members around the world. Co-ops fill a community need, giving a voice to folks that profit-driven businesses often overlook. Co-ops share a common set of principles and values, including self-help and — one of my favorites — democracy.

Electric cooperatives may only serve 12 percent of Americans, but our lines


cover 75 percent of this great nation. By banding together, we deliver power to 42 million rural Americans in 47 states.

Through NRECA international programs, co-op linemen are volunteering overseas to deliver electricity to 2 billion people living without power. Over the last 50 years, these efforts have provided light and hope to 100 million people in more than 40 countries.

During International Year of Cooperatives 2012, it's important to remember co-ops put people first. We brought electricity to this community to improve our quality of life and provide opportunities for young people so they wouldn't have to seek them in electrified cities. Nearly three-quarters of a century later, we still want our children to succeed. That's why we support the NRECA Youth Tour. Last summer we sent three high school seniors-to-be to our nation's capital to learn about leadership, teamwork and our nation's ideals. These budding leaders will help us build a better world.

We also want to celebrate our legacy of innovation. Co-ops adapt quickly to change, and we work together — cooperatively — to find solutions to improve service for our members. Can you imagine profit-driven utilities working together to keep bills affordable?

At New Enterprise Rural Electric, innovation takes many forms, from our renewable energy efforts and our energy efficiency TogetherWeSave.com and HomeEnergySuite sites on our website to our technology efforts that are transforming the electric grid. Each innovative step forward builds a better community for all of us.

Whenever a community faces a need — a challenge to make life better — the cooperative business model comes into play. By putting people first and innovating to meet member needs, cooperative enterprises build a better world. To learn more, visit [www.go.coop](http://www.go.coop). 

# History of electric co-ops

**AS LATE AS** the mid-1930s, nine out of 10 rural homes were without electric service. The farmer milked his cows by hand in the dim light of a kerosene lantern. His wife was a slave to the wood range and washboard.

The unavailability of electricity in rural areas kept their economies entirely and exclusively dependent on agriculture. Factories and businesses, of course, preferred to locate in cities where electric power was easily acquired. For many years, power companies ignored the rural areas of the nation.

The first official action of the federal government pointing the way to the present rural electrification program came with the passage of the Tennessee Valley Authority (TVA) Act in May 1933. This act authorized the TVA Board to construct transmission lines to serve “farms and small villages that are not otherwise supplied with electricity at reasonable rates.”

## Rural Electrification Administration

The idea of providing federal assistance to accomplish rural electrification gained ground rapidly when President Franklin D. Roosevelt took office. On May 11, 1935, President Roosevelt signed Executive Order No. 7037 establishing the Rural Electrification Administration (REA). It was not until a year later that

the Rural Electrification Act was passed, and the lending program that became the REA got under way.

Within four years following the close of World War II, the number of rural electric systems in operation doubled, the number of consumers connected more than tripled, and the miles of energized line grew more than five-fold. By 1953, more than 90 percent of U.S. farms had electricity.

Today, about 99 percent of the nation’s farms have electric service. Most rural electrification is the product of locally owned rural electric cooperatives that got their start by borrowing funds from REA to build lines and provide service on a not-for-profit basis. Today, REA is the Rural Utilities Service and is part of the U.S. Department of Agriculture.

As a cooperative, New Enterprise REC is committed to providing our members with reliable, affordable electricity by following the cooperative principles listed below. On occasion, New Enterprise REC likes to remind you what it means to be a cooperative member and to inform new members what a cooperative is and what it stands for.

## Adherence to the seven cooperative principles is what makes cooperatives different

1. Voluntary and Open Membership —

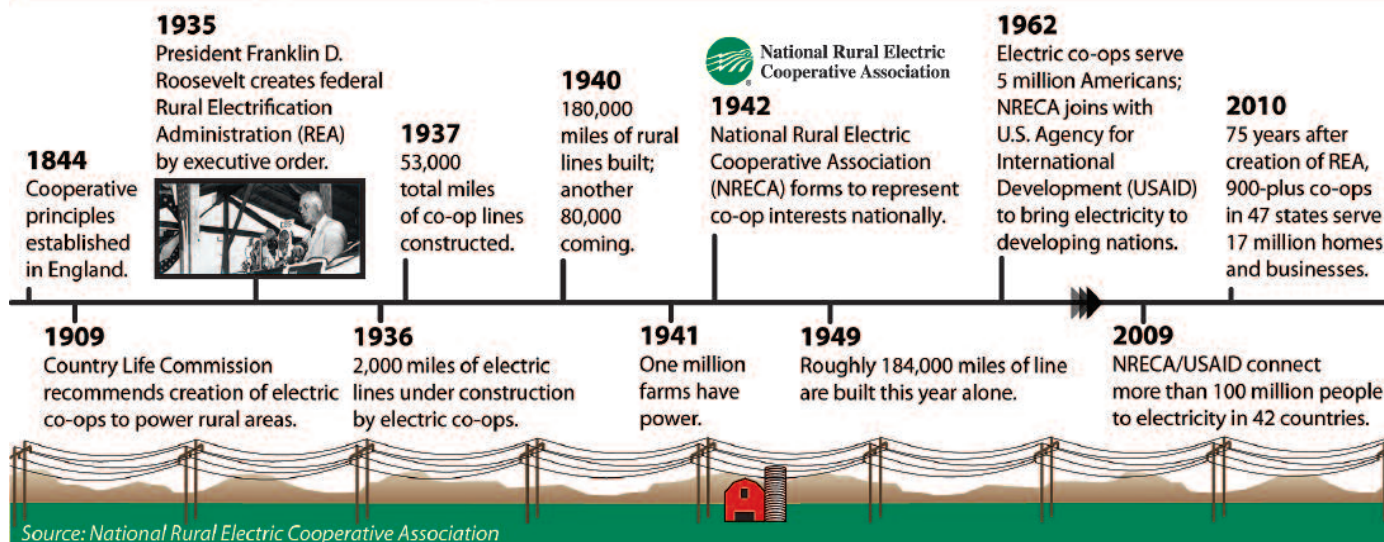
Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.

2. Democratic Member Control — Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. The elected representatives are accountable to the membership. In primary cooperatives, members have equal voting rights (one member, one vote) and cooperatives at other levels are organized in a democratic manner.

3. Members’ Economic Participation — Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing the cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefitting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

4. Autonomy and Independence — Cooperatives are autonomous, self-help organizations controlled by their

## How Electric Cooperatives Energized Rural America



members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

5. Education, Training, and Information — Cooperatives provide education and

training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public, particularly young people and opinion leaders, about the nature and benefits of cooperation.

6. Cooperation Among Cooperatives — Cooperatives serve their members

most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures.

7. Concern for Community — While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by their members. ☀

## October co-op calendar:

Oct. 24 - Last day to make payment arrangements to avoid October disconnect. Call Brawna at extension 224.

Oct. 26 - Disconnect accounts with past due balances.

Oct. 28 - Regular payment and meter reading due date.

## Energy Tip of the Month

When buying a new appliance, check the black and yellow Energy Guide label. This label provides an estimate of the product's energy consumption and efficiency. It also shows the highest and lowest energy efficiency estimates of similar models. Most major appliances — such as refrigerators, dishwashers, and clothes dryers — are required to have these labels.

**ENERGYGUIDE**

Refrigerator-Freezer

- Automatic Defrost
- Side-Mounted Freezer
- Through-the-Door Ice

XYZ Corporation Model ABC-L  
Capacity: 23 Cubic Feet

**Estimated Yearly Operating Cost**

**\$67**

Cost Range of Similar Models: \$57 to \$74

**630 kWh**  
Estimated Yearly Electricity Use

Your cost will depend on your utility rates and use.

• Cost range based only on models of similar capacity with automatic defrost, side-mounted freezer, and through-the-door ice.  
• Estimated operating cost based on a 2007 national average electricity cost of 10.65 cents per kWh.  
• For more information, visit [www.ftc.gov/appliances](http://www.ftc.gov/appliances).

**ENERGY STAR**

**Lists key features of the appliance you're looking at and the similar models that make up the cost range below.**

**The maker, model, and size tell you exactly what product this label describes.**

**What you might pay to run the appliance for a year, based on its electricity use and the national average cost of energy. The cost appears on labels for all models and brands, so you can compare energy use just like you would price or other features.**

**The cost range helps you compare the energy use of different models by showing you the range of operating costs for models with similar features.**

**An estimate of how much electricity the appliance uses in a year based on typical use. Multiply this by your local electricity rate on your utility bill to better judge what your actual operating cost might be.**

**If you see the ENERGY STAR logo, it means the product is better for the environment because it uses less energy than standard models.**

## Don't let electrical hazards haunt Halloween!

Halloween is the most festively frightening night of the year. But don't make yours fraught with danger. Here are some safety reminders:

- ▶ As you are decorating, make sure you and your parents check for cracked sockets, frayed, loose or bare wires, and loose connections.
- ▶ Fasten all outdoor lights securely to trees and other firm supports. Do not use nails or tacks that could puncture insulating cords and damage wires.
- ▶ Make sure decorative lighting is well-ventilated, protected from weather, and remains a safe distance from anything flammable like dry leaves and shrubs. Do not coil extension cords while in use or tuck under rugs or drapes.
- ▶ Make sure all outdoor electrical lights and decorations are plugged into an outlet protected with a ground fault circuit interrupter (GFCI). If your outlets aren't equipped with GFCIs, have an electrician install them or buy a GFCI adapter plug. Don't overload outlets with too many extension cords and strands of lights.
- ▶ Keep power cords off walkways and porches that trick-or-treaters may use. You don't want them to trip.
- ▶ Have mom or dad leave the porch light on for trick-or-treaters, and be sure to turn out all spooky lights and decorations before leaving home or going to bed. This will also save energy. For more tips, visit [www.SafeElectricity.org](http://www.SafeElectricity.org).



# KIDZCORNER



## Freaky Halloween fun

For your next mad scientist's blast, create a freakily fun (but not edible!) centerpiece by suspending plastic toys – critters, doll parts and any other weird bits and pieces you've got lying around – in clear gelatin.

### MATERIALS

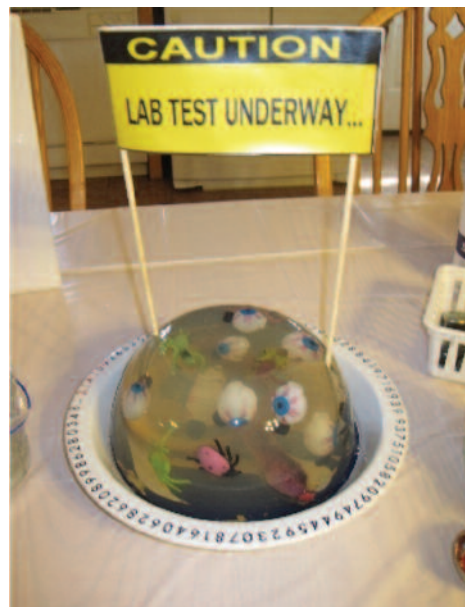
- ➡ 5 cups boiling water
- ➡ 8-inch heat-proof bowl
- ➡ 12 packets clear gelatin (we used Knox brand)
- ➡ 4 cups cold water
- ➡ Small plastic toys
- ➡ Plate or cake stand
- ➡ Paper and markers
- ➡ Tape
- ➡ 2 wooden skewers

### INSTRUCTIONS:

1. Pour the boiling water into the bowl. Add the gelatin and stir until it dissolves.
2. Stir in the cold water. Refrigerate for one hour.
3. Add the heaviest plastic toys (the ones that will sink to the bottom) to the gelatin and return it to the refrigerator. After 45 minutes, gently push the lighter toys into the half-set gelatin. Return the bowl to the refrigerator for at least 4 more hours, or until the gelatin is very firm.
4. To release the gelatin from the bowl, set the bowl in very warm water for 2 to 3 minutes (but do not submerge), then turn it out onto a plate or cake stand.
5. Make a "Caution" sign with the paper and markers, tape it to the skewers, and insert them into the gelatin.

### VARIATIONS:

For an edible version of this lab test gone awry, make the centerpiece with gummy candies and flavored gelatin.



## Thanks for "Doing the Electric Shift"

You may have seen or heard television or local radio ads describing our "Electric Shift" initiative this summer. Hopefully you also read about it in *Penn Lines* or took note of our bill insert in July. No matter how you were reminded, your electric co-op thanks you for participating in the "Electric Shift," as your efforts this past summer helped stabilize our future wholesale power costs.