

# Claverack Rural Electric Cooperative

A Touchstone Energy® Cooperative 



One of 14 electric cooperatives  
serving Pennsylvania and New Jersey

## Claverack REC

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Website: <http://www.claverack.com>

## BOARD OF DIRECTORS

**James E. Luce, Zone 6**  
**Chairman**

570-833-5668

**Charles R. Bullock, Zone 7**  
**Vice Chairman**

570-833-4017

**Steven T. Sliwinski, Zone 9**  
**Secretary/Treasurer**

570-364-5250

**Danise C. Fairchild, Zone 1**  
**Vice Secretary/Treasurer**

570-265-3599

**Dr. Robert R. Faux, Zone 2**

570-574-3531

**Angela S. Joines, Zone 3**

570-756-4979

**Gary L. Hennip, Zone 4**

570-247-7233

**Michael J. Coleman, Zone 5**

570-934-2787

**Charles R. McNamara, Zone 8**

570-553-4385

**Bobbi Kilmer**

**President & CEO**

### Staff

**Annette Bender, Executive Assistant**

**Steve Allabaugh, Director, Engineering**

**Doug Nichols, Director, Operations**

**Shelley Young, Director, Financial Services**

**Brian Zeidner, Director, Member Services**

### Office Hours

Monday through Friday

7:30 a.m. - 4 p.m.

Jeff Fetzer, CCC, Local Pages Editor

## From the President & CEO



## You're engaged!

By Bobbi Kilmer

**THANKS** to all who attended this year's annual meeting in July, making it an overwhelming success. What I enjoy most about the annual meeting is having an opportunity to meet and visit with our members. Our members are truly engaged in their electric cooperative, and I like being able to discuss concerns and answer questions that come up.

I'd like to share some of the questions and concerns I heard throughout the evening.

**Cybersecurity.** Protecting the security of our data is something we take very seriously. In recent years, we have installed a number of protections within our computer networks. We also require all of our employees to participate in cybersecurity training. Additionally, we have updated many of our procedures, especially those that involve credit card payments, in order to protect your information.

**Grid Security.** We know that the security of our electric grid is a subject of concern for many. We follow industry best practices in the installation and use of automation within our electric distribution system. While the security of the transmission grid is well outside of our control, we encourage and support elected officials and those in the private sector who are taking steps to improve both the security of our grid and our ability to respond should there be a failure resulting from a cyber or physical attack.

**Power supply.** Our power is supplied by Allegheny Electric Cooperative, Inc. Allegheny is a 10 percent owner of the Susquehanna Steam Electric Station.

This nuclear generating plant, located near Berwick, supplies approximately 65 percent of our power needs. We are extremely fortunate to have access to this carbon-free, competitively priced power. Allegheny also owns a small hydroelectric facility at Raystown Lake, which, along with a slice of hydropower from the New York Power Authority, supplies another 5 percent of our power needs. The remainder is purchased by Allegheny from the market through a portfolio of various contracts.

**Broadband.** Late last year, Claverack commissioned a study to determine the feasibility of becoming a provider of high-speed internet to our members using a fiber-to-the-home network. Based on the cost of construction and the financial risk associated with this type of system, we have concluded that it would not be in the cooperative's best interest to pursue that type of system without significant outside funding. We are, however, continuing to explore funding opportunities, new technologies and partnerships.

**Right-of-way maintenance.** We increased our budget for right-of-way maintenance significantly in 2017 to help address the problems associated with the emerald ash borer and fast re-growth due to the mild winters. We are also working with a utility forestry consultant to find better and more efficient ways to manage our rights of way.

We always appreciate hearing your questions and concerns. Please feel free to call our office or email us through our website, [www.claverack.com](http://www.claverack.com). 

## Speakers focus on ‘three Rs’ at 80th annual meeting

By Jeff Fetzer

BEFITTING the setting, the “three Rs” — rates, reliability and rural voices — took center stage at Claverack’s 80th annual meeting at Elk Lake High School Thursday, July 13.

Speaking before an estimated 600 to 700 members and guests gathered in the high school auditorium, Claverack President & CEO Bobbi Kilmer focused much of her executive report to the membership on rates and reliability.

### Rates

“We have kept rates stable again this year,” she said, “At this point, 2018 is looking good, as well.”

Kilmer cautioned that the budgeting process for the coming year won’t be completed until November and that things can sometimes change quickly in an industry at the mercy of the weather.

She pointed out that costs associated with a fast-moving storm that struck the cooperative’s territory in May, knocking about 10,000 members out of power, exceeded \$300,000. Despite those unanticipated extra expenses for storm restoration, coupled with a mild winter that reduced sales of electricity, Kilmer said the cooperative remains financially sound.

“The cooperative is in really excellent



ON BOARD: Claverack Rural Electric Cooperative President & CEO Bobbi Kilmer, left, congratulates members re-elected to the co-op board of directors at the Cooperative’s July 13 annual meeting at Elk Lake High School. Pictured with Kilmer are, from left, directors Angela Joines of Jackson, Dr. Robert Faux of Tunkhannock and Danise Fairchild of Wyalusing.

condition,” she said. “Our financial stability has helped us to keep rates steady, to upgrade and maintain our system and also to retire capital credits — all this with minimal new debt.”

She said Claverack was able to retire capital credits for the seventh consecutive year and has retired nearly \$7.3 million in capital credits to former and current members since 2011.

“We plan to keep returning capital credits to our members as long as our financial position permits,” she said.

Kilmer noted that the cooperative’s affiliation with its power supplier, Allegheny Electric Cooperative, Inc., is one of the reasons the co-op and its members are able to enjoy stable rates that are comparable to those of much larger neighboring electric utilities like Penelec.

“Power supply is a big part — about half — of your bill,” she said. “We continue to benefit from our relationship with Allegheny Electric Cooperative and are fortunate to have access to low-cost power from nuclear sources, hydro and purchased power.”

### Reliability

Kilmer reported that improving reliability remains one of the cooperative’s top priorities.

“Outages and blinks are frustrating and disruptive,” she said. “We continually look to identify those areas of our system with the worst records in terms of outages. We then prioritize work in those areas.”

She said the cooperative also has been proactive in upgrading lines and updating substations in recent years to further enhance reliability.

“The most important thing we can do to improve reliability is to be very aggressive in our right-of-way clearing and spraying program,” the CEO said, adding the cooperative will invest over \$1.9 million in right-of-way maintenance this year.

Kilmer also followed up on her announcement at the 2016 annual meeting that Claverack would be exploring the possibility of becoming a high-speed internet provider. Following a feasibility study, she and the co-op board concluded the costs of constructing and operating a fiber optic high-speed internet system are too high to allow such a project to move forward.



FAMILY DINERS: Claverack members Ed and Tina Curtis of Hop Bottom and their five children, Melanie, Jack, Ardan, Anya and Raegan, dine on chicken dinners in the Elk Lake High School cafeteria on Thursday, July 13. Nearly 900 chicken dinners were served during the evening. The dinners were prepared by students and staff of the Susquehanna County Career and Technology Center.



**CO-OP CONVERSATIONS:** Claverack members, from left, Andrea and Eric Gimbal, who have a seasonal home in Springville, chat with operations department employees Doug Nichols and Bucky Camburn during the co-op's annual meeting at Elk Lake High School July 13.



**REGISTRATION INFORMATION:** Kimberly Hollister, a Claverack member from Montrose, receives dinner tickets and instructions from Claverack employee Fred Allis at the annual meeting registration table.

“We looked at the costs and challenges of building a fiber-to-the-home network,” she said. “We were in for quite an eye-opener. The costs associated with that type of system would be a show stopper without considerable outside funding to offset the costs.”



**MEETING GREETINGS:** Claverack Director of Finance Shelley Young welcomes Claverack member Jeanette Dick of Kinglsey to the cooperative's 80th annual meeting on Thursday, July 13. The meeting drew nearly 900 members and guests to the Elk Lake High School, where they enjoyed barbecued chicken dinners, heard business reports from the cooperative and learned director election results.

She said the co-op will continue to follow the issue and watch for developments in funding and partnership opportunities.

“We do believe that access to high-speed internet is critical for the future of our rural areas,” she said. “So we have not abandoned the notion that

the cooperative may someday be a part of the solution.”

### Rural voices

Guest speaker Stephen Brame, vice president – public affairs & member services for the Pennsylvania Rural Electric Association, spoke on the need for rural residents to remain engaged in the political process.

“For far too long, rural voices haven't been heard,” he said. “Well, I am happy to report things have changed. In 2016, you found your voice. I can guarantee, they hear you now.”

Brame challenged cooperative members to continue to let their voices be heard and to remember the important role rural communities have played and continue to play in the history of this nation.

“The values of rural communities are the traditions that built this country,” Brame said. “We power this nation with energy sources like oil, natural gas, coal, nuclear, solar, wind. We feed this nation and the world with our unmatched agricultural production and innovation. We serve and defend this nation. That's what rural America does every day, and it should never ever be taken for granted.”

Brame said looking around the Elk Lake High School auditorium and seeing 600 to 700 Claverack members enjoying each other's company and taking an interest in their cooperative bodes well for the future of America.

“I think rural America is what provides us hope for a very, very bright

future,” he said. “The example is here in this room. It's what America saw in the last election cycle in a very big way. Stay engaged. I can hear you; America can hear you. Thank you for lending your voice to our rural communities.”

In other business at the meeting, incumbent directors Danise C. Fairchild of Wyalusing, Dr. Robert R. Faux of Tunkhannock and Angela S. Joines of Jackson were unanimously re-elected to represent Zones 1, 2 and 3, respectively, on the Claverack board of directors.

During a reorganizational meeting immediately following the annual



**LIGHTING UP:** Claverack member Margaret Miner of Elk Lake happily accepts a complimentary LED lightbulb from co-op employee Bernie Barrett.

meeting, Luce was re-elected board chairman, Charles R. Bullock of Friendsville was elected vice chairman, Steven T. Sliwinski of Troy was re-elected board secretary/treasurer, and Fairchild was re-elected vice secretary/treasurer. 🌞

# DON'T TEXT AND DRIVE!

Do you really want to tell  
their family that you  
looked down for just a  
second?



Whether it's a pedestrian, another driver or someone working along the roadway -  
distracted driving puts your life and the lives of many others at risk.

A safety message from:



Claverack Rural  
Electric Cooperative, Inc.  
*"Powered by Excellence"*

## Install a heat pump, receive a rebate

IF YOU are planning to build a new home or replace your existing heating system, Claverack encourages you to consider installing one of the most energy-efficient heating and cooling systems on the market: heat pumps.

In addition to saving money on heating bills, members who install either a geothermal (ground-source) or air-source heat pump in their homes are eligible for a rebate from Claverack.

Rebates are based on the type of heat pump you install. Claverack offers a \$100-per-ton rebate for air-source heat

pump installations, and \$150-per-ton rebate for ground-source heat pumps. The maximum rebate amount is \$900. Only heat pumps installed within the past 12 months are eligible for rebates.

Additional information about heating and cooling is available on Claverack's website, [www.claverack.com](http://www.claverack.com).

The co-op can also direct members to local mechanical contractors who sell, install and service heat pumps. Please call the Claverack office at 1-800-326-9799 for more information about these installers or our rebate program. ☀

**CLAVERRACK  
RURAL ELECTRIC  
COOPERATIVE  
WILL BE CLOSED  
MONDAY,  
SEPT. 4, 2017, IN  
OBSERVANCE OF  
LABOR DAY.**