

From the PRESIDENT & CEO:

Generations apart



by **Craig Eccher**
President & CEO

For many of us, spring offers a great time for tackling new projects. That's also the case here at Tri-County, as we gear up for another busy construction season.

It is also the time of year when representatives of electric cooperatives from across the nation travel to Washington, D.C., to meet with federal legislators on pressing matters facing the utility industry and our program. One issue that will undoubtedly surface at this month's annual gathering is the increasing cost of power generation.

At spring meetings of your cooperative's Member Advisory Committee, I reported that generation prices are expected to remain stable for Tri-County and the other 13 Pennsylvania and New Jersey cooperatives that are member-owners of Allegheny Electric

Cooperative, Inc. (Allegheny), our wholesale power supplier. We are in an especially enviable position compared with most other electric utilities in the region. Rate stability is something you just don't hear most utilities talking about in today's generation environment.

That's due to the fact that for most electric utilities, generation costs are tied directly to natural gas pricing. And because natural gas prices have soared over the past year, generation prices have risen dramatically. That's why we are witnessing the recent wave of generation price increases being sought by private power companies in Pennsylvania and elsewhere.

For example, Pike County Light & Power, a small private power company serving about 4,200 customers in Pike County, has enacted a generation rate increase of 73 percent. New Jersey's private power companies have seen generation prices increase by about 51 percent. Maryland, Delaware, and Connecticut have experienced similar scenarios.

In our part of the state, FirstEnergy/Penelec, PPL Electric Utilities, and Allegheny Power have been awarded 5 percent increases in generation and stranded costs by the state Public Utility Commission (PUC). In addition, FirstEnergy/Penelec last month filed a request with the PUC for additional generation rate increases because, the utility contends, the generation rate it is charging customers today is significantly below current market prices. The rate hike request was filed despite a state-imposed generation rate cap that remains in effect for most of the state's larger electric utilities until the end of 2010.

Under the Pennsylvania's electric deregulation law of 1996, generation



One of 14 electric cooperatives
serving Pennsylvania and New Jersey


rates are supposed to directly pass through to consumers for the purchase of electricity on their behalf. Utilities are not permitted to make a profit or margin on generation charges to consumers.

At Tri-County, we purchase generation through Allegheny Electric Cooperative. Most of the power we receive does not come from generating plants fired by expensive natural gas or from open wholesale power markets. Instead, 70 percent of the power we buy on your behalf comes from low-cost nuclear and hydroelectric resources that we — through Allegheny — own or have under long-term contract, with the rest purchased off the open market under a favorable contract.

As an electric cooperative, Allegheny's generation pricing reflects what it actually costs to produce electricity, not what market pricing dictates. And with the recent run-up in natural gas costs, market prices are substantially higher than what Allegheny Electric provides on our behalf.

I am very confident Tri-County's generation pricing will remain stable well into the future. I also expect that over the next few years regulators and legislators will be spending a great deal of time tackling the issue of rising energy costs, which, as we are all aware, can hit our budgets very hard.

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TRI-COUNTY MEMBER ON FAST-TRACK TO MOTOCROSS SUCCESS

by Jeff Fetzer

Mike Egleston handled more than a few difficult pitches while playing for the Detroit Tigers' farm system in the early 1970s. But the long-time Tri-County member wasn't ready for the curveball his son Phil tossed his way about three years ago.

"He told me he was quitting college to pursue a motocross career," recalls the senior Egleston with a grimace. "I'll never forget it. I was a little sick to my stomach."

Phil "Miles" Egleston had just completed his freshman year of college and decided he had had enough of the classroom. What he really wanted to do was build and operate a motorcycle racing facility on his parents' 800-acre farm near Elkland in northern Tioga County.

Since Mike and wife Jody owned the farm, Phil needed his father's blessing. He didn't get it, at least immediately. The elder Egleston said he needed a couple of weeks to think over his son's proposal.

After two weeks and a lot of soul searching, Mike gave his son's motorcycle race track proposal the green flag, along with his commitment to assist with the project.

"I told him, 'If you have enough guts to ante up your college money, I'll match it and see what happens,'" Mike Egleston recalls.

He had added one caveat: "I told him I didn't care what we were doing, but we would get here (at the track site) in the morning and stay until dark. My father always said if you work hard enough, things are going to work out. That's my philosophy, too."

Phil was well aware of his father's work ethic going into the project.

"He's never relaxed a day in his life," says Phil. "He can't work enough. I hope I have that energy when I get to be his age."

For years, Phil notes, his father would rise at 1:20 a.m. and head out to the barn to milk cows. Following chores and breakfast, he would run the 16.8 miles from his home to Cowanesque Valley High School in Westfield, where he taught physical education for 21 years. After school, he coached basketball, would catch a ride back to Elkland, and then take care of the evening milking on the dairy farm that he ran with his father.

Now retired from teaching and coach-



ZOOM ZOOM: Tri-County member Phil Egleston powers around a turn at Miles Mountain Motocross. Egleston's facility has hosted sanctioned motocross races for the past two seasons.

ing, out of the dairy business and cutting back to an 8-mile-a-day jog, the 57-year-old is devoting his efforts full-time to making the father-son business venture, Miles Mountain Motocross, a winner.

And Mike Egleston is no stranger to success. He was a member of the 1966 Elkland Rams basketball team that won the District 4 championship. He played basketball and baseball at Penn State University. A first baseman, Egleston won the Penn State baseball team's most valuable player award in 1969 and went on to play Minor League Baseball for the Detroit Tigers. As a coach, Egleston led the Elkland Lady Rams girls basketball team to a state championship title in 1996.

"I always told kids in basketball that you can't be afraid of failure," he says. "As a coach, the only thing I feared was not being prepared. It's the same thing here."

The preparations of father and son are evident at Miles Mountain, located just off of state Route 49 near Elkland. The facility houses a 1.5-mile long motocross race track, a supercross track, and a 24-mile riding trail for motorcycles and four-wheelers.

Motocross is a form of racing in which riders race off-road motorcycles on a dirt

track that incorporates natural terrain features with many turns and a number of man-made jumps. Supercross takes place on a much smaller track with more extreme man-made jumps and terrain features.

The man behind Miles Mountain Motocross, 22-year-old Phil Egleston, grew up in Elkland, where he played basketball and developed a passion for racing off-road four-wheelers, also known as quads.

When Phil was in high school, he and his father began building a practice track on the family's farmstead. With the track halfway completed, Phil converted from racing quads to racing motorcycles.

"It was just a track for me and my buddies to ride on — basically a cow pasture with some jumps on it," Phil says. "There were 10 or 15 of us who rode here regularly, and we would let everybody come and ride for free. After a while we started getting 50 or 60 riders here on the weekends."

After graduating from Elkland High School in 2002, Phil left for college to pursue a business management degree. After two semesters, Phil says he realized he wanted to put his efforts into building a motocross track instead of bookwork.



"Not too many parents would support you in a decision like that," says Phil, "but mine did, luckily."

Phil admits that converting his practice track into a full-blown racing facility was a lot more involved than he had envisioned.

"I just thought I'd open a track and people would come ride," he says. "There was a lot more to it than that." Before he could begin, he had to obtain a plethora of permits. The warm weather months of 2003 found Phil working to lengthen, widen and otherwise improve the original practice track. In addition, he constructed all of the roads and parking areas on the grounds, helped build a three-story observation tower, a concession stand and a pump house, and erected more than two miles of fencing.

By the fall of 2003, Miles Mountain Motocross was ready for business. The facility hosted three "outlaw" motocross races late in the year to prove the facility was worthy of being sanctioned. Those races drew about 60 to 70 competitors and ran smoothly, according to the younger Egleston. That led to sanctioning approval the following year from the American Motorcyclist Association (AMA).

This month, Miles Mountain begins its third season as a sanctioned track and will host about 20 events throughout the summer, including 11 motocross races, three supercross races, a hare scramble, and a Poker Run.

The motocross and supercross tracks are also open for practice sessions from 10 a.m. to 4 p.m. every Saturday from early April through the end of October.

On race weekends, about 25 to 30 part-time employees — friends and family members, mostly — are called upon to assist with running computers, flagging, counting laps, running the concession stand, and operating equipment.

Both men report that all of the time and effort is beginning to pay off. Last

year, motocross races at Miles Mountain typically drew 180 to 200 riders from throughout the Northeast, as well as hundreds of spectators.

"It's paying the bills," says Phil, "and someday it will do a lot more than that. But I wouldn't care if I was just scraping by. It's worth it if you are doing something you really love to do."

Miles Mountain is also drawing the attention of professional motocross riders. Pro Paul Carpenter of Ithaca, N.Y., regularly practices at the facility, and one day last fall, world-class rider Ivan Tedesco of California showed up at the track for a day of practice.

"I'd hold it against any track out there," says Phil of the motocross track he designed and constructed. "Paul (Carpenter) told me last summer that this is his favorite track. That's the best compliment you could hope for. He's raced all over the world."

It's those kind of accolades Phil hopes will help him achieve of his goal of hosting a national AMA motocross event at the Elkland facility within the next three to five years.

Outdoor national events typically draw 25,000 to 30,000 spectators and all of the big names of professional motocross racing.

"If you can get a national, you've got it made," says Phil, noting spectators pay about \$25 each at the gate.

Phil classifies Miles Mountain as an "old-school" motocross track that harkens back

to the sport's formative years in the 1970s. Unlike most newer tracks, which are built on flat fields, Miles Mountain features a great deal of natural elevation change.



FLYING HIGH: A rider sails over one of the jumps on the Miles Mountain Motocross track. The 1.5-mile track is open for practice sessions on Saturdays from April through October and draws some nationally ranked professional riders.



MOTOCROSS DUO: Phil Egleston and his father, Mike, teamed up to make Phil's dreaming of operating a motocross racing facility a reality in 2002. About 20 riding events will be held on the family's 800-acre farm over the course of the summer.

"Everything here is really natural," Phil says. "We have about 300 feet of elevation change from the lower section to the top section — that's crazy. The track is really fast, with a lot of long straightaways where the bikes can hit 60 miles an hour. And the best thing about our track is that we have a lot of big jumps, but they are super forgiving. If you come up short, you're not going to break anything."

The facility is also well-kept. The Eglestons log about 60 hours each week of the racing season grooming, watering, and maintaining the track and facilities.

"We're out there everyday working on the track," Phil says. "Come race day, everything is golf-course status: Dad keeps me in line with that stuff."

Phil has already made his next business pitch to his father: He wants to construct an indoor motocross practice facility on the property. The 160-by-400 building he envisions would enable riders to practice in a weather-protected environment throughout winter months.

The Eglestons are preparing to have a feasibility study done to determine the merit of proceeding with such a project. Construction could begin next summer.

Additional information about Miles Mountain Motocross can be found on the Internet at www.milesmountainmx.com or by calling 814/258-0204.

Teach children to avoid outdoor electrical dangers

With the weather warming and kids returning to outdoor activities, now's a good time to review outdoor safety tips aimed at helping children avoid dangers of overhead electric lines and electrical equipment.

- Kites should only be flown in open areas, free of overhead power lines. If a kite does get caught in a power line, tell your child not to attempt to retrieve it. They should instead ask an adult to call Tri-County to have the kite removed by a professional lineman.
- Fly kites only in dry weather. Wet kite strings can conduct electricity from power lines and lightning. Also be sure the kite is made of wood, plastic, or paper; there should not be any metal, foil, or wire on the kite.
- Before climbing any tree, a child must know to look for power lines that may be hidden among branches. They should not climb any tree in close proximity of electric lines.
- Teach children to never throw things at or over electric lines, utility poles, transformers, or other electrical equipment.
- Never cast fishing lines over or near electric lines.
- Children should not play near utility poles, power lines, or support wires on poles.
- Make sure your child knows to stay far away from wires on the ground and to always report downed wires to an adult.
- Children should never climb a utility pole or attempt to enter a substation.
- Teach children to stay away from electric substations, pad-mount transformers, and areas where "Danger: High Voltage" signs are posted.
- If someone is injured by electricity, make sure older children know to call 911 to report the incident.

Before digging in to spring projects, notify PA One Call

With the arrival of spring, many members are gearing up for outdoor construction projects. If these projects involve excavating or moving earth with powered equipment, please be aware that state law requires those performing the work to notify the Pennsylvania One Call System at least three working days before digging begins.

The purpose of PA One Call is to prevent damage to underground facilities such as electric, cable, telephone, gas, water, and sewer lines during excavation. Digging by an uninformed homeowner or contractor not only has the potential to damage utility lines, it can also be extremely dangerous when underground electric or gas lines are involved.

By calling the PA One Call's toll-free number at least three working days before you plan to begin your project, you or your contractor will know exactly what lies beneath the surface – safeguarding everyone involved.

State law requires that the person performing the excavation be responsible for notifying the PA One Call System. There is no charge for a homeowner doing work on his or her own residential property.

Get your project off to a safe start. Before you dig, call or have your contractor call the PA One Call System at 1-800-242-1776. Additional information is available on the Web by visiting www.pa1call.org.



Those unwelcome signs of summer

Attaching signs to utility poles is not only unsightly, it creates safety concerns for our line workers — and it's illegal.



Our line crews are required to climb up and down utility poles in all kinds of weather, day and night. Signs advertising yard sales, parties, or political candidates that are nailed, stapled, tacked, or screwed into utility poles create a potential danger to our workers.

The safety of our linemen depends upon their ability to dig into poles with their climbing hooks. Nails and other metal fasteners can cause workers to slip while climbing, and climbers or boots may get caught on the fasteners, causing falls.

In addition, protruding nails, screws, and staples can cause cuts and other injuries to workers as well as damage clothes or protective gear.

Please don't endanger electric cooperative linemen by cluttering power poles with signs. There are many better ways to get your message out.

Mark your Calendars! Annual Meeting set for July 8

Tri-County Rural Electric invites members to join us at the Williamson High School on Sat., July 8, for our 2006 Annual Meeting.

We will provide a catered lunch, door prizes, and a variety of displays. There's fun and games in store for the kids, too.

Don't miss out on this great opportunity to meet your Tri-County representatives, vote for directors, and enjoy the fellowship of your co-op neighbors.



Notice...

All Tri-County offices will be closed on Monday, May 29, in observance of Memorial Day.