

From the
PRESIDENT & CEO:

Thanks for joining us



by Craig Eccher

Thanks to all who attended Tri-County's annual meeting in July. What a great day. The weather was perfect. The event ran smoothly. Our guest speaker was terrific. And I enjoyed having the opportunity to visit with members and talk about our electric cooperative.

More than 450 members and guests took time out of their busy schedules to participate in our yearly gathering. We were pleased to offer several new outdoor attractions this year, including bucket truck rides and a pole-climbing exhibit, where

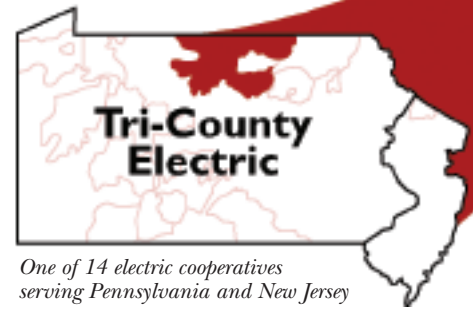
anyone could strap on a pair of climbing hooks and try to work their way up a utility pole.

We also were pleased that our friends at private power company FirstEnergy/Penelec once again allowed us to use their high-voltage safety trailer throughout the day. Our Operations Department uses the safety trailer to conduct demonstrations showing dangers associated with high-voltage electric lines and equipment, as well as the potential for harm created when property owners fail to properly install back-up generators.

As always, we had outdoor activities for the kids, including some very spirited sack races. Inside the school, members had the opportunity to take in the sounds of entertainer Andy Boardman, participate in a mini-health screening hosted by Laurel Health System, and speak with representatives of Asplundh Tree Experts and electrical equipment manufacturer Cutler-Hammer. In addition, Tri-County employees manned displays featuring geothermal heat pumps as well as our new line of high-efficiency Marathon water heaters.

Members who attended the business meeting heard reports from the board and management regarding the governance and operations of your cooperative, as well as from Tri-County's Rural Electric Youth Tour delegation.

I focused my talk on Tri-County's accomplishments of the previous year, our plans for future system improvements, and, the topic that seems to be on everyone's minds — electric rates. Highlights of my speech, as well as a detailed report of the annual meeting proceedings,



One of 14 electric cooperatives serving Pennsylvania and New Jersey

appear on the following pages of this issue of *Penn Lines*.

Our guest speaker, former NFL defensive tackle Dave Rowe, kept everyone entertained with humorous tales from his football career. Dave spent 12 years in the NFL and played for the Oakland Raiders during the 1976 season when they defeated the Minnesota Vikings in Super Bowl XI. Dave even circulated his Super Bowl ring through the auditorium for members to view. After the meeting, he signed autographs and posed for pictures.

I received a lot of positive feedback from members who attended the meeting, which was my first one as your cooperative's president & CEO.

I hope everyone who attended the meeting enjoyed it. If you have suggestions for next year's meeting, we'd be happy to hear them. We want to make our annual meeting as enjoyable and informative for you as possible.

If you weren't able to make it this year, I hope you will consider attending in 2007. The annual meeting provides you, as owner-members, with a great opportunity to learn more about your electric provider and talk directly to the folks at Tri-County who work to keep the power flowing to your homes and businesses. It's your day. Please take advantage of it.

Tri-County Rural Electric Cooperative

A Touchstone Energy® Cooperative 

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Gerald A. Kite	<i>Vice Chairman</i>
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Summer Hours

7 a.m. - 5 p.m. (Mon.-Fri.)



Tri-County 'Lighting the Way' for 70 years

by Jeff Fetzer

Tri-County Rural Electric Cooperative celebrated 70 years of "Lighting the Way" during its 2006 annual meeting July 8 at Williamson High School.

"Over the past 70 years, Tri-County has seen a lot of change within the co-op and the region we serve," said Tri-County President and Chief Executive Officer Craig Eccher. "We have also seen a significant change within our industry. Unfortunately, not all has been good for the consumer."

Eccher, appointed to the cooperative's top management post in March, delivered his first executive report before approximately 460 members and guests on hand for the co-op's 69th annual meeting. The theme of this year's meeting was "Lighting the Way," chosen to symbolize the cooperative's commitment to the future.

"Many utilities have gone through massive mergers," he said. "Their new owners and headquarters are often located out of state — sometimes even out of country. What drives



PIGSKIN PRIZE: Tri-County member Stuart Ames of Mosherville displays a football, autographed by former NFL defensive tackle Dave Rowe, that he won as a door prize during the annual meeting.



COOPERATIVE LEADERS: Former NFL defensive tackle Dave Rowe and Tri-County Rural Electric Cooperative President & CEO Craig Eccher congratulate incumbents who won reelection to the cooperative board of directors at Tri-County's annual meeting. From left are Gerald Kite of Austin, District 1 director; Rowe; Alston Teeter of Milan, District 7 director; Dr. James Davis of Elkland, District 4 director; and Eccher. Rowe, who has worked for an electric cooperative in North Carolina for 20 years, was guest speaker at the gathering.

these companies is the desire to maximize return for the shareholder."

At Tri-County, Eccher related, the focus has always been maintaining rate stability, providing reliable electric service and delivering exceptional customer service.

"Not only are you an owner," Eccher said. "You are a customer, and we strive to serve you in the most efficient and reliable ways, while maintaining fiscal reliability."

Rate fate

Despite double-digit generation rate increases being implemented at electric utilities elsewhere in Pennsylvania and surrounding states, Eccher said Tri-County members can expect to see relatively stable generation prices.

"Although only 10 percent of generation in our region is produced by natural gas, the market price of electricity is based on natural gas," he said. "With utility rate caps expiring, consumers of many private power companies will see large rate increases, which

will reflect market pricing. This is not the case for cooperative members."

Eccher explained that Tri-County's wholesale power supplier, Allegheny Electric Cooperative, owns a generation mix of low-cost hydroelectric and nuclear power and has only limited exposure to open market pricing.

"I foresee our generation prices remaining fairly stable, with only slight increases in the future," he said.

Eccher, the cooperative's fourth CEO since its incorporation in 1936, reported that Tri-County invested over \$3.4 million in the electrical system in 2005. The co-op added more than 16 miles of line, replaced more than 200 poles, and cut and maintained more than 365 miles of right-of-way during the course of the previous year.

He said the cooperative's biggest challenge will be controlling the rising cost of materials, which can affect the distribution rate. Distribution rates cover costs associated with owning and maintaining wires and equipment used to deliver electricity to members.



WHAT'S COOKING: Author and Tri-County member Kallie Shaw of Troy signs a copy of her cookbook, "Seat of the Pants Country Cooking," for Sharon Johnson of Genesee prior to the start of the July 8 annual meeting.

Over the past two years, Eccher noted, the cost of utility poles has climbed 19 percent; conductor, 47 percent; transformers, 35 percent; and copper ground wire, 130 percent.

"Your co-op has continued to manage past cost increases by leveraging our partnership with our sister co-op, Claverack Rural Electric, by sharing personnel, material and equipment," he said. "We also have been able to tow the line with shared services from our subsidiary, C&T Enterprises."

Big talker

Guest speaker at the co-op's annual meeting was Dave Rowe, manager of member s& public relations for Randolph Electric Membership Cor-



READY TO ROLL: These lucky youngsters display the bicycles they won in the child's grand prize drawing held immediately following the annual meeting. Winners were, from left to right, Rachel Crew, Brock Wandler, and Ezeck Warren.

poration in North Carolina and a former professional football player.

The 6-foot-6-inch Rowe provided colorful tales about 12-year career in the National Football League. Rowe, a second-round draft pick of the New Orleans Saints in 1967, played college football for Penn State, and was the first player under head coach Joe Paterno to be drafted into the NFL.

A defensive tackle on the Oakland Raiders' Super Bowl XI championship team, Rowe even

circulated his Super Bowl ring through the auditorium for cooperative members to view.

After retiring from the NFL following the 1978 season, Rowe went to work for his local electric cooperative. He soon left his co-op job when a more lucrative offer came along, only to return to the co-op



HOT PRODUCT: Member services representative Steve Salada, left, discusses water heater options with co-op members Bill and Jean Barnyock of Hector Township, Potter County. The co-op recently began carrying Marathon brand water heaters, which members may lease or purchase from the cooperative.



CLOSER LOOK: Tri-County member Paul Grego of Morris examines Dave Rowe's championship ring from Super Bowl XI. Rowe, guest speaker for the annual meeting, circulated the enormous ring through the auditorium during his speech.

eight months later.

"I'm a people person, and that's what co-ops are all about," he said. "We are in the people-helping-people business."

Rowe, who has worked at Randolph Electric for over 20 years, plans to retire next year.

Directors re-elected

In other business during the meeting, Tri-County members re-elected three incumbents to the cooperative board of directors..

Tri-County members unanimously re-elected Gerald A. Kite of Keating Summit, Dr. James R. Davis of Elkland, and

Alston A. Teeter of Milan to represent Districts 1, 4, and 7, respectively, on the co-op board. All three directors ran unopposed in the election.

Three of Tri-County's nine board seats were up for election this year. Directors are elected to three-year terms.

During a board reorganizational meeting that immediately followed the annual meeting, Davis was re-elected chairman; Kite, vice chairman; and Teeter, secretary-treasurer.



PAiD program saves time, stamps, and late-fee worries

If you are looking for ways to simplify your life, Tri-County's Payment Automatically Deducted (PAiD) program may be for you. By participating, you can avoid the hassle of searching for stamps, licking envelopes, and worrying about whether your payment arrives on time. Best of all, with Tri-County's PAiD program, there are no sign-up charges or transaction fees.

When you use PAiD, payment for your electric bill is automatically drafted from your checking or savings account each month. Even if you are out of town, your bill will be paid on time. You'll never have to worry about paying a late fee again.

Signing up is easy. Simply complete the form that appears below and return it to Tri-County. Make sure to check with your bank for the

bank's Federal Reserve routing number.

Here's what happens after you sign up:

- The first automated payment will be made on the second billing period after we receive your completed form. The first month will be a trial run to verify account numbers, so no money will be moved.
- You will continue to receive a monthly bill statement.
- Your bill statement will alert you to the date that your payment will be automatically withdrawn.

To become a PAiD participant, just complete and return the coupon below — we'll do the rest. For additional information about Tri-County's PAiD program, call 1-800-343-2559.

I authorize Tri-County Rural Electric Cooperative to instruct my financial institution to make electric payments from the account listed below. I will notify Tri-County if I decide to discontinue this payment service or change banks or account numbers.

Customer Name (as it appears on your bill)

Address

City

State

Zip Code

Tri-County Account Number

Name of Financial Institution

Address of Financial Institution

Bank Account Number:

Checking

or Savings

Bank's Federal Reserve Routing Number

Account Holder Signature

Date

Steer clear of downed power lines



Lightning storms, heavy snowfall, high winds and car accidents can all bring power lines crashing to the ground.

The Electrical Safety Foundation International (ESFI) advises people to use extreme caution any time they encounter a downed line, and offers these tips:

- Move away from any downed line you see and anything touching it. Shuffle away with small steps, feet close together and on the ground at all times.
- Do not touch anyone who is in direct or indirect contact with the downed line. Call 911.
- Do not use another object to move a downed power line or anything in contact with the line. Even wood can conduct electricity.
- If you are in a car that is in contact with a downed line, stay inside the car until the electric utility moves the line and indicates it is safe to exit. Honk your horn for help and to keep others away. If you have a cellular telephone, it is safe to use it to report your situation.
- If you must leave the car — and the only time you should do so is if you smell gasoline or a fire is present — jump clear of the vehicle, keeping both feet together and being sure to avoid contact with the car and the ground at the same time. With both feet remaining together, hop away from the danger site.
- Assume that any downed wire you see is an energized power line, and report it immediately to the police, fire department and local electric utility.

These and other electrical safety tips are available at ESFI's Web site at www.electrical-safety.org or by phone at 703/841-3229.

