

Claverack Rural Electric Cooperative

A Touchstone Energy® Cooperative 



One of 14 electric cooperatives serving Pennsylvania and New Jersey

Claverack REC

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Secretary/Treasurer**

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President & CEO**

Staff

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Nick Berger, Sr. Director, Engineering and Operations

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Monday through Friday

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

Jeff Fetzer, Local Pages Editor

From the President & CEO



Fair pairs well with co-op annual meeting

By Steve Allabaugh

WHAT AN awesome day. Claverack's 85th annual meeting on Aug. 31 was a day of milestones.

For one, it marked Claverack's 85th anniversary. Second, it was the first time we held the annual meeting in conjunction with the Wyoming County Fair, and third, it gave me the opportunity to speak at the podium, in person, to our members for the first time, as our last two annual meetings were held virtually due to the pandemic.

We weren't sure what to expect when we decided to move the meeting to the fairgrounds. Would we have good turnout for the meeting? Nice weather? Would our members like the new venue?

When all was said and done, the Wyoming County Fair proved to be an ideal site for our return to an in-person annual meeting. Mother Nature cooperated. The weather was perfect — not too hot and free of rain. More than 1,600 members and guests passed through our registration area throughout the day, with over 350 joining us under the tent at 3 p.m. for the official meeting of the membership.

During the business meeting, board Chairman Bob Faux and I covered a lot of ground on some really important issues and challenges facing the cooperative — namely, rates and reliability — as well as the exciting broadband initiative we have embarked upon. You can find detailed coverage of the annual meeting on the following pages of this issue of *Penn Lines*.

A big thanks to the fair for accommodating us, as well as to the many members who attended! We truly

enjoyed seeing you and listening to your concerns and appreciated the many positive comments you offered throughout the day. We were also pleased to have Wyoming County Commissioner Ernie King, U.S. Congressman Fred Keller, state Reps. Clint Owlett and Tina Pickett, and Tom Williams, communications and outreach director for state Sen. Lisa Baker, join us for the event.

As I delivered my annual meeting address, I was especially moved when members broke into applause as I acknowledged our co-op employees. They've worked tirelessly to restore outages over the past few years as we've battled the ash tree situation and frequent storms. They worked just as tirelessly to ensure this year's annual meeting went off without a hitch, and I thank them for their efforts to make the day a success.

My favorite part of every annual meeting I have participated in since joining the cooperative in 2005 is having one-on-one interactions with our members. This year was no different, and it was so great that we were able to gather again and meet face-to-face.

The fairgrounds offered a perfect setting for that. From the time the fair gates opened at 10 a.m. until the annual meeting began at 3 p.m., Claverack's registration and exhibit area was a beehive of activity.

A nonstop flow of members dropped by to register for the meeting, check out our electric car, talk with employees and staff about issues pertaining to their Claverack accounts, and ask questions about our project to begin delivering

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A blue-ribbon day for Claverack's 85th annual meeting

By Jeff Fetzer

JUDGING by attendance and positive comments heard throughout the day, Claverack's decision to team up with the Wyoming County Fair for the co-op's 85th annual meeting was a winner.

On a picture-perfect late summer day, 942 Claverack members registered for the event, held Aug. 31, and the total number of members and guests passing through the co-op registration area during the day topped 1,600.

Claverack last held an in-person annual meeting in 2019 — before the COVID-19 pandemic shut down large gatherings. Conducting the annual meeting at the fairgrounds was one of several notable changes that have taken place at the co-op over the past two years.

Since the last in-person annual meeting, held at Elk Lake High School in July 2019, Claverack has a new president and chief executive officer, Steve Allabaugh, who replaced longtime CEO Bobbi Kilmer, following her retirement in January 2021. The co-op's fleet now includes a fully electric vehicle, which was a popular display at the fairgrounds during the annual meeting. Claverack is in the process of rolling out a high-speed fiber-optic internet service, Revolution Broadband. And there is a new director of engineering and operations, Nick Berger, a new director of broadband operations, Kyle Lane, and a new board chairman, Dr. Robert Faux, who



ON BOARD: Claverack Rural Electric Cooperative President & CEO Steve Allabaugh congratulates members elected to the board of directors at the co-op's 85th annual meeting. Shown, from left, are: Allabaugh and Directors Charles McNamara of Friendsville, Tony Ventello of Towanda and Charles Bullock of Meshoppen.

succeeded Charles Bullock in that post following the 2021 annual meeting, conducted virtually via Zoom.

But like past annual meetings, the gathering gave members the opportunity to talk one-on-one with co-op employees throughout the day and featured a traditional business meeting, during which co-op officials discussed traditional topics, like rates and reliability, in addition to the co-op's ambitious plans to become a broadband provider.

From 10 a.m. until the start of the annual meeting five hours later, a steady flow of members visited the co-op's registration and exhibit area to talk with co-op personnel about Clav-

erack's new venture into broadband internet service, ask questions about the co-op's Tesla Model 3 electric vehicle, and chat about issues pertaining to their electric service.

When the meeting was called to order at 3 p.m., more than 300 co-op members and guests were seated in the shade of the co-op's tent to hear Allabaugh and Faux deliver their inaugural addresses to the membership from the annual meeting stage.

Reliability issues a top concern

Both co-op officials addressed the reliability issues Claverack has experienced in recent years. This is primarily due to the large-scale die-off of ash trees in the region caused by the emerald ash borer, a forest pest that has decimated the ash population across the eastern United States.

"We are now seeing the full effects of danger ash trees on reliability," Faux told the crowd during his address. "We are acutely aware of increasing reliability issues associated with both our lines and the transmission lines owned by others that bring power to our substations."

To address the problem, Faux said the cooperative has substantially



WELL ATTENDED: A crowd of more than 300 listens as President & CEO Steve Allabaugh discusses cooperative business during Claverack's 85th Annual Meeting, held Aug. 31, at the Wyoming County Fairgrounds. Among those in attendance were Tom Williams, communications and outreach director for state Sen. Lisa Baker, Wyoming County Commissioner Ernie King, U.S. Congressman Fred Keller, and state Reps. Clint Owlett and Tina Pickett, who are seated in the front row.

increased its right-of-way clearing budget, hired an in-house professional forester and started using drone technology to more efficiently identify and target trees posing threats to the cooperative's electric lines.

Allabaugh told the crowd the cooperative spent about \$1.5 million on vegetation management in 2015. This year, it has a right-of-way budget of \$3.7 million — almost \$240 per member. And plans call for adding a third ash tree-cutting crew next year, which will result in the quadrupling of right-of-way maintenance expenditures since 2015, when the emerald ash borer had just begun impacting the region.

In the first eight months of this year,



SERVICE WITH SMILES: Claverack members Peter and Carol Conigliaro of Franklin Township and granddaughter Claire Mullin, 5, register for the annual meeting with the assistance of Claverack Member Services Representative Maria Belcher. The Conigliaros were among an estimated 1,600 members and guests who passed through the co-op's registration area during the cooperative's annual meeting, which was held in conjunction with opening day of the Wyoming County Fair on Wednesday, Aug. 31.



SCREEN TIME: Claverack member Jeff Armstrong, left, of Milk Can Corners and the cooperative's director of engineering and operations, Nick Berger, view a digital map displaying Armstrong's property at the co-op's engineering booth.

Allabaugh said, the co-op's two dedicated ash tree crews have cut down 8,000 dead or dying ash trees from members' properties, and the vast majority of those trees were located outside of the cooperative's standard 40-foot rights of way.

"Despite these efforts and large investments," Allabaugh said, "in 2021, we saw a fourfold increase in the amount of time members were without power compared to 2020, mostly because of this simultaneous failure of ash trees across our territory. This trend has continued into 2022, and what started as a scuffle has evolved into real fistfight."

Reliability issues have been exacerbated by an increase in the frequency of intense storms in recent years.

"Mother Nature hasn't been completely kind to us," Allabaugh said, noting the co-op experienced the most devastating outage in its history in April, when the region was hit with a wet, heavy snowfall followed by high winds.

More than 90% of Claverack's members lost service during the course of the storm, and some were without power for up to a week, he said. The storm resulted in about 100 broken poles, required mutual assistance from more than a dozen outside companies, and cost the cooperative and its membership about \$1.8 million.

Rates likely to rise

Despite the increased costs associated with power outages and higher spending for right-of-way maintenance, the cooperative has been able to maintain stable electric rates.

"I am really happy to report that we have been able to



READY FOR REVOLUTION: A steady stream of co-op members visited Claverack's Revolution Broadband booth throughout the co-op's annual meeting day to learn details about Claverack Communication's fiber-optic internet project. Director of Broadband Operations Kyle Lane, seated, delivers some good news to co-op members Terry and Brian Primrose, whose home in the Standing Stone area of Bradford County is the first construction area of the fiber project. "We can hardly wait; we are so happy," says Terry, who has been attending the annual meeting regularly since the 1990s.



INAUGURAL ADDRESS: Claverack President & CEO Steve Allabaugh delivers his first in-person address to the cooperative membership from the annual meeting stage at the Wyoming County Fairgrounds. Although Allabaugh has served as CEO since January 2021, last year's annual meeting was held virtually due to the COVID-19 pandemic.

largely hold the line on rates, so far," Allabaugh told the audience. "But we are not immune to what is happening around us."

He pointed out that seven of the state's investor-owned electric utilities increased their default generation rates by 16% to 45% on June 1, and the Pennsylvania Public Utility Commission recently announced that five of those utilities would be increasing their default generation rate again, some by

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85th annual meeting

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as much as 19%, on Sept. 1.

Claverack's electric generation is supplied by Allegheny Electric Cooperative, Inc. (Allegheny), which owns the Raystown Hydroelectric Generation Station and partially owns the Susquehanna Steam Electric Station, a nuclear power plant in Berwick. Those two power facilities supply about 60% of the electric needs of the cooperatives in Pennsylvania and New Jersey. The remaining 40% is secured through market purchases.

"Allegheny is in the process of negotiating some of those market contracts for 2023 and beyond," Allabaugh said. "At current market prices, these costs are likely to be higher and could result in an increase to the generation/transmission portion of your electric bill."

The CEO said he expects Claverack will be able to hold the line on its distribution rate for the remainder of the year. The distribution rate is a monthly charge that covers the cooperative's costs for billing, meter reading, equipment and maintenance of the local electric system.

Allabaugh cautioned, however, that rising inflation, which has impacted everything from fuel costs and labor to materials and equipment, will likely impact distribution rates in 2023.

"We are seeing double-digit percentage increases in the cost of materials and

equipment we use every day," Allabaugh said. "Thankfully, gas prices have started to trend down over the past month. We are hopeful some of these costs and supply chain constraints will moderate over the next months."

Allabaugh said Claverack will conduct a comprehensive rate study later this year that will examine both generation and distribution rates.

"It's too early to make any projections," Allabaugh said. "I can tell you we will work as hard as we can to keep those rates down and ensure that we continue to provide you with an affordable source of power."

Getting ready for Revolution

Both Faux and Allabaugh discussed the progress of the cooperative's broadband subsidiary, Claverack Communications, to bridge the rural digital divide in parts of the co-op's service territory by providing fiber-to-the-home internet service through its Revolution Broadband brand.

"Our area has been lacking an essential service that affects its economic viability," said Faux. "After a number of years of due diligence and research on the feasibility of providing broadband service to unserved and underserved members in the Claverack footprint ... Claverack will soon be providing internet, in-home Wi-Fi, and phone service."

In addition to ensuring that all Claverack members have access to high-

speed internet, whether through Revolution Broadband or another provider, Allabaugh told the annual meeting attendees that the fiber project will enhance the Claverack electric system by enabling high-speed communications capability for the local grid.

He reported that the cooperative began construction of its first 300 miles of fiber in the Lime Hill and Herrick substation service areas in Bradford County in late July, and customers in those areas are expected to be able to begin receiving high-speed internet service from Revolution in early 2023.

Directors re-elected

Results of director elections were announced at the conclusion of the meeting. Because this year's election was uncontested, the cooperative's Credentials & Elections Committee decided to dispense with formal balloting and cast a unanimous ballot at the meeting on behalf of the sole nominee for each zone.

As a result, incumbent Directors Charles Bullock, Charles McNamara and Anthony Ventello were unanimously re-elected to represent Zones 7, 8 and 9, respectively, on the cooperative board of directors. ❁

From the President & CEO

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broadband to unserved and underserved areas of our service territory. There was a huge amount of interest — and a lot of excitement — surrounding our Revolution Broadband fiber internet service, and we can't wait to be able to begin providing this needed service to parts of our service territory next year.

Those of you unable to join us for the annual meeting missed a great day at the county fair — and all the fantastic food that goes along with it. Given the terrific turnout and many favorable reviews of this year's meeting, it's safe to say we will likely return to the fair again for next year's annual meeting.

Overall, it was a great day, and I am really looking forward to doing it again in 2023! ❁



TESLA TALK: Claverack representatives Grayson Bailey, left, and Lynn Jennings field members' questions about the co-op's Tesla Model 3 electric vehicle. The battery-powered car drew considerable interest throughout the annual meeting day, which took place in conjunction with the Wyoming County Fair on Aug. 31.

LOOKING BACK WITH CLAVERACK



CASH COWS: Claverack REC's roots in agriculture were readily apparent in the 1950s, when four calves were awarded to youngsters attending the annual meeting each year. The winners and their calves would return to the annual meeting the following year for judging and the opportunity for cash prizes. In September 1956, the lucky winners of the calf giveaways were featured in Claverack's monthly newsletter, *Claverack Chatter*. Winners were, from left: Jersey – Dale Winters, 11, grandson of Thomas Jordan of New Albany; Ayreshire – Arlene Frankie Clark, 11, granddaughter of A.L. Clark of Wysox; Guernsey – Charles Miner, 10, son of Delmar Miner of Athens; Holstein – James E. Luce, 11, son of George Luce, Meshoppen. Later in life, Jim Luce would serve on the Claverack Board of Directors for more than 16 years. At the time of his passing in April 2019, Luce was chairman of the board.

REVOLUTION BROADBAND



REVOLUTION BROADBAND IS WELL UNDERWAY

The interest we've been receiving about high-speed internet has been tremendous!

Lime Hill substation area nears completion

We're excited to be nearing completion of mainline fiber construction in the Lime Hill substation area. When finished, there will be enough fiber in place to serve approximately 1,000 homes and families.

Next up: Herrick substation

In October, we'll begin installing the mainline fiber for the Herrick substation area. The Herrick project will provide access to fiber broadband service to about 1,200 homes.

The big picture

Although we've run into delays in acquiring essential electronic equipment, we are moving as fast as possible to make great broadband service available, and we hope to begin connecting our first internet customers in early 2023. We will let you know as soon as we're ready to start taking orders. In the meantime, please visit our website at RevolutionBroadband.net

to let us know you're interested in our internet service when it becomes available.

Once we go live, here's what you can expect from Revolution Broadband:

- Enough bandwidth and speed (up to 1 Gig!) to power all your devices simultaneously — without buffering or lag
- Industry-leading managed Wi-Fi system (modem/router) included with all internet packages
- The CommandIQ app, which gives you network visibility, parental control settings, guest network setup, and much more

Visit us today – at RevolutionBroadband.net – to register your interest in getting fiber internet and to learn more about Revolution Broadband.