

# REA Energy Cooperative, Inc.

A Touchstone Energy® Cooperative 



One of 14 electric cooperatives serving Pennsylvania and New Jersey

## REA ENERGY COOPERATIVE, INC.

75 Airport Road • P.O. Box 70  
Indiana, PA 15701-0070  
724-349-4800 • 800-211-5667

## EBENSBURG DISTRICT OFFICE

127 Municipal Road  
Ebensburg, PA 15931  
814-472-8570

Website: [www.reaenergy.com](http://www.reaenergy.com)  
Email: [reaenergy@reaenergy.com](mailto:reaenergy@reaenergy.com)

**Chad Carrick**  
President and CEO

### STAFF

**Barry Baker**  
Indiana Operations Manager

**Erin Bauer**  
ACRE Coordinator

**Shane Cribbs**  
Network & Systems Manager

**Dave Daugherty**  
Safety & Right of Way Manager

**Jeff Dishong**  
Ebensburg Operations Supervisor

**Lisa Gardill**  
Accounting & Finance Manager

**Nick Hartman**  
Manager of Engineering

**Stacy Hilliard, CCC, CKAE**  
Communications & Marketing Manager  
Local Pages Editor

**Bryon Roland**  
Purchasing & Facilities Manager

**Renee Spalla**  
Supervisor of Consumer Services

**Chris Weller**  
Load Management Supervisor

**OUTAGES & EMERGENCIES**  
844-920-3395

**OFFICE HOURS**  
Indiana Office: 7 a.m. - 3:30 p.m.

Ebensburg Office: 7 a.m. - 3:30 p.m.  
Monday, Wednesday and Friday  
Closed Tuesday and Thursday

## Being a Member Pays



**STACY HILLIARD**

**DID YOU KNOW YOU OWN** REA Energy Cooperative? A cooperative is a not-for-profit business governed by the members who use its services. Democratically controlled and operated at-cost, a cooperative may return excess revenue, called margins, to members based on patronage. As a consumer-member, you are entitled to these margins when financial conditions are favorable. These are known as capital credits.

This year, your cooperative is paying out capital credits through the year 1984. If you were a member of the cooperative at that time, you should have received a check in the mail in October.

## What are capital credits?

Capital credits are defined as: “Margins assigned to cooperative members each year based on their purchases from the cooperative (in the case of electric cooperatives, electricity). Used by the cooperative as working capital for a period of time then paid to individual members, capital credits should not be confused with profits, which are a return on capital.”

A cooperative does not earn profits like other businesses. Instead, any revenues remaining after all expenses have been paid are returned to members from time to time in proportion to their use of the co-op’s services. The size and timing of any refund a member may receive depends on the cooperative’s financial condition. The board of directors must decide if REA Energy is financially sound enough to refund a portion of outstanding capital credits.

REA Energy’s finances are set up so any capital furnished by each member is clearly reflected and credited to their capital credits account at the end of each fiscal year. Capital credits represent each member’s share of the cooperative’s retirements and can only be returned when they will not impair the operations of REA Energy.

When allocated, the capital credits — sometimes called patronage capital — go to each membership based on the amount of revenue provided by the member after deducting the cost of generation and transmission service and transition costs from their account. Upon request, a member will be provided with the details of the capital that has been credited to his/her account and the balance of the account.

## Some things to remember:

- ▶ A member’s earned capital credits are reserved for them even if they discontinue REA Energy’s services. When refunds are issued, we will attempt to reach you at your last known address, so it is important for REA Energy to always have your current address.
- ▶ If a member is deceased when refunds are issued, the capital credits will belong to their estate and be paid to the executor/executrix. REA Energy will need to have certain forms (available at our offices) completed and returned to the cooperative before any distributions will be made. Per Pennsylvania law, if both the member and their executor are deceased, the monies will be returned to the state. After a waiting period, these funds are returned to

*Continued on page 16B*

**BEING A MEMBER PAYS**

*Continued from page 16A*

the cooperative as escheats funds that may be used for member assistance, community projects and education/scholarships.

- ▶ There is a difference between “allocated” and “retired” capital credits. Allocated refers to the amounts assigned to each member who was billed for service during the year that margins were earned; these amounts are retained until the retirement of a certain year. Once retired, REA Energy will issue refunds.
- ▶ REA Energy follows a first-in, first-out practice when retiring capital credits, where the earliest credits are retired first. For example, your neighbor may receive a refund when you do not because they were a member during a year when capital credits are being refunded and you were not.

**What happens to unclaimed capital credits?**

Sometimes, patronage capital retirement checks remain unclaimed. This may be due to an address change, name change or death; however, we will continue to try to reach these individuals or their heirs. A complete list of individuals who have unclaimed capital credits prior to 1980 can be found at [reaenergy.com](http://reaenergy.com). You can access the list by clicking on the capital credits button in the top right corner of the homepage. If the monies remain unclaimed, REA Energy will eventually return the money to local communities through various means.

If you know any of the individuals listed on the website, please contact us at [memberservice@reaenergy.com](mailto:memberservice@reaenergy.com), 724-349-4800 or 800-211-5667. 📍

**STACY HILLIARD, CCC, CKAE**  
COMMUNICATIONS & MARKETING MANAGER

**LOCAL LEGISLATORS VISIT REA ENERGY**



State Reps. Brian Smith and Jim Struzzi and state Sen. Joe Pittman visited REA Energy’s Indiana office to tour the facilities and discuss legislation that could impact Pennsylvania electric cooperatives and their members.

**YOUR NEWLY ELECTED REA ENERGY DIRECTORS**



**Michael Bertolino**  
District 3



**Thomas Aurandt**  
District 4

# Annual Meeting Wrapup

KAYLA KING, MARKETING AND BUSINESS DEVELOPMENT SPECIALIST

## REA ENERGY COOPERATIVE, INC.

(REA) held its 87th annual meeting Thursday, Sept. 19, at the Kovalchick Complex in Indiana, Pa. Nearly 400 members attended in person and virtually.

The Credentials and Elections Committee members who witnessed the annual meeting were John “Tom” Brady, Louise Bendis, Chairman Robert Fairman, Dennis Gillespie, Paula Hencel, R. Michael Keith, Shelby Miller, Janice Reichert and John Shrift.

## Election results

This year, Districts 3 and 4 were up for regular election. In District 3, incumbent Michael Bertolino, board chairman, ran unopposed and was declared re-elected.

District 4 was a contested race this year; incumbent Thomas Aurandt ran against Howard Terndrup. The cooperative’s attorney, Tom Leventry, announced during the annual meeting that Aurandt, with 336 votes out of 606 total, won the seat for District 4.

## Cooperative updates

This year’s special guest was Matt Leonard, PREA/Allegheny manager, government & regulatory affairs. He spoke on several topics, including federal and state legislation that could impact cooperatives, energy grid reliability grants, generation mandates, and this year’s election.

“I have to say your board of directors and the staff at REA are very engaged with local officials at the state and federal levels,” Matt said. “You have a great group of people working on your behalf, and they are as engaged, if not more engaged, than any other cooperative in the state with your elected leaders in helping me explain what it

is that we’re doing.”

Bertolino and REA President & CEO Chad Carrick held a town-hall-style presentation for their reports on the cooperative. Communications and Marketing Manager Stacy Hilliard moderated.

Bertolino said the work ethic of the cooperative’s staff, the tree-trimming program and the purchase of In The Stix Broadband are some cooperative accomplishments he is proudest of since becoming board chairman.

“I am proud of the board, the management and the employees of REA for a job well done over the years and being able to serve all our members of the cooperative with a smile and good work,” Bertolino said. “Thank you so much.”

Carrick discussed some of our members’ most frequently asked questions. One of the most popular ones concerns the rollout of broadband through REA’s subsidiary, In The Stix Broadband. Information about the three main fiber phases and the company’s existing infrastructure was presented during the annual meeting. Upon completion, the REA Energy fiber ring build will have more than 450 miles of connectable fiber, giving those in Indiana and Cambria counties an option for high-speed fiber internet. The ring is currently under construction, with approximately 90 miles completed.

Carrick also shared his top concerns about the cooperative.

“The No. 1 thing that I worry about is, of course, safety,” he said. “Safety, obviously, for the employees, the folks on the front lines and the folks at the front counter. Everybody understands nowadays that it’s dangerous out there. We see safety as a foundation in



**MAKING CONNECTIONS:** REA Energy Board Chairman Michael Bertolino, left, and President & CEO Chad Carrick, right, welcome Matt Leonard, PREA/Allegheny manager, government & regulatory affairs, to the cooperative’s 87th annual meeting.

everything we do at the cooperative.”

Carrick wrapped up with a discussion on blinks, outages and reliability.

While most of the cooperative’s outages occur because of downed tree limbs during major storms (storms and fallen trees made up approximately 70% of all outages in 2023), REA has also experienced numerous outages and blinks from our transmission supplier, FirstEnergy. Carrick shared that the co-op has an established relationship with local Penelec employees, which helps when we are trying to get power restored. REA Energy has also invested more than \$40 million in tree trimming and system improvements over the past five years to decrease outage frequency and times.

“The board just passed a four-year construction work plan for \$42 million,” he said, “so you can see we’re getting pretty aggressive with making certain our members receive reliable power.”

## Other business

Immediately following the business meeting, the board held a reorganization meeting and elected officers for 2024-2025. They are Bertolino, chairman; Wayne Farabaugh, vice chairman; and Robert Neese, secretary/treasurer. Farabaugh was chosen to serve as the cooperative’s representative on the PREA board, and Neese will serve as the alternate PREA delegate. 📍

## REA ENERGY COOPERATIVE, INC. BOARD OF DIRECTORS

**District 1** Tom Beresnyak

**District 2** Rick Shope

**District 3** Michael Bertolino

**District 4** Thomas Aurandt

**District 5** Robert Neese

**District 6** John Learn

**District 7** Anthony Enciso

**District 8** Wayne Farabaugh

**District 9** Sandra Dill

# Electrical Safety Tips for Hunters



- Keep clear of electrical equipment.
- Do not shoot at or near power lines.
- Know where power lines are located where you hunt.
- Be vigilant in areas where lines are less visible.
- Never place deer stands on utility poles.
- Never place decoys on power lines or equipment.



## IMPORTANT NOTICE!

REA Energy Offices will be closed Monday, Nov. 11, in observance of Veterans Day and Thursday, Nov. 28, in observance of Thanksgiving. Please call 844-920-3395 to report any power outages. Payments can be placed in the drop box at both office locations, by calling our payment system at 844-920-3395, or via SmartHub at [reaenergy.com](http://reaenergy.com).

### Right-of-Way Management/Facility Construction News

REA Energy contractors from Penn Line Tree Service will be trimming the rights of way in the Uniontown substation area in addition to emergency maintenance areas in November.

Members in the affected areas will be notified. Contractors will perform all right-of-way work per REA Energy specifications. All contractors will carry employee identification cards, and their vehicles will display their company name. If you have any questions, call 724-349-4800 or view the specifications at [reaenergy.com](http://reaenergy.com).

## Your Board of Directors



Michael J. Bertolino  
Chairman  
District 3

Wayne Farabaugh  
Vice Chairman  
District 8

Robert P. Neese  
Secretary/Treasurer  
District 5

Sandra Dill  
District 9

Tom Beresnyak  
District 1

Anthony Enciso  
District 7

Thomas Aurandt  
District 4

John R. Learn  
District 6

J.R. "Rick" Shope  
District 2

*REA Energy is an equal opportunity provider and employer.*