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Your Touchstone Energy® Partner
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HREA Annual Meeting is April 16

Join us for a good meal, entertainment and information about your cooperative

This year's annual meeting will once again be held at Liberty High School on Thursday, April 16. The doors will open at 6 p.m., with dinner service beginning at 6:05 p.m. This year's entertainment will begin at 6:15 p.m. The business meeting being called to order and presided over by Board President Mike Cross around 7:00 p.m. Following a few brief reports, we will conclude the evening with Operations Manager Sam Satterfield conducting the prize drawings.

Our 2014-2015 Youth Tour and Youth Leadership Council representative, Mr. Seth Law, will entertain us with a speech, and we will also announce the 2015-2016 Youth Tour representative(s) and scholarship winners. Hopefully, these young people will help elevate interest in this program for the future as we have noted declining interest in the past several years. As you will hear, the program offers a great opportunity for rising high school juniors and seniors to actively participate in an educational and fun experience focused on the cooperative business model.

We plan to have some informational demonstrations set up in the cafeteria, including the geographic information system, the electronic staking system, the automated metering infrastructure system and the aerial right-of-way cutting program. As always, the cooperative's directors, managers and I will be available for questions throughout the evening. We look forward to catching up with old friends and hopefully meeting and making new friends.

If you are planning to join us at the meeting, please call the office at 304-624-6365 and let us know how many in your party will be attending by April 10.

Legislative and regulatory activities

In recent West Virginia legislative action, portions of the Alternative and Renewable Energy Act were repealed. Those portions eliminated the need for electric utilities to either purchase certain alternative or renewable energy or purchase energy credits to cover at least 10 percent of its 2014 distributed load. Originally, the bill that was passed exempted municipalities and electric cooperatives from the bill's requirements; however, the West Virginia Public Service Commission (PSC) was able to make the bill applicable to all electric utilities through its rules and regulations. As of this writing, the PSC has not issued any changes or revisions to its rules and regulations, so it is unclear what is really going to be required of utilities going forward. The net metering portions of the act remain in force.

We also want to reiterate that the Harrison Rural Electrification Association has nothing to do with the eminent domain proceedings that FirstEnergy has initiated to build its new 138-kV lines in the area. The one between Lost Creek towards Hasting's Run is being required by the Federal Energy Regulatory Commission to add redundancy to existing FirstEnergy service territories and crosses existing HREA rights-of-way. The second line runs from Oak Mound toward the gas compressor stations, etc., around Varner Road to add capacity for those projects and alleviate pressure on existing 138-kV lines. This one also crosses several HREA rights-of-way.

Suggestions that HREA needs these new rights-of-way and are party to pursuing eminent domain in these cases are completely false.

Hope to see you all soon at the annual meeting.

Manager's Corner

by Terry Stout, CEO/General Manager

President's report on 2014

MICHAEL CROSS, PRESIDENT

I HAVE SPENT THE MAJORITY of my professional career working with and for electric cooperatives. I have worked as a registered electrical engineer, a general manager, a consultant for an international initiative and as a director on this board, where I have been able to fulfill various leadership positions for HREA. To say that the electric cooperative business is in my blood would be an understatement. It is not an easy business, and you become accustomed to facing various challenges knowing that you do so with less money and less people but never with less effort. It is personally rewarding to be a part of the decision-making process that evaluates available technology in order to better serve the membership well into the future.

I led the implementation of the cooperative's first automatic meter reading (AMR) system about 15 years ago. Back then, we were impressed that we could obtain accurate readings every 27 hours from a frequency on our existing electric lines. Today, as we near completion of that system's replacement with the new advanced metering infrastructure (AMI), it is amazing that we can read every meter on the system in about 20 minutes, and it is still uses our existing electric lines. Another improvement of AMI over the old AMR system is the enhanced accuracy of things like blink counts, outage durations and voltage at the meter. Much of this improvement is based on the industry's transition from good old mechanical meters to the newer, less expensive electronic meters. Essentially, we now have better data from which to analyze system performance, which allows for more informed decisions on prioritizing where capital and maintenance dollars need to be spent.

Another technological project the cooperative has implemented is the geographic information system (GIS), which replaces our old paper map system. Every time we look at this system, I cannot help but reminisce about my early days with electric co-ops, when I used the Leroy Ink System to draw maps on linen. This is much more efficient and accurate. Having led a GIS implementation at a co-op in Bangladesh, I am very happy that we have been able to add this system at HREA. Our mapping can be updated daily as we complete work, which provides our crews with up-to-date information so they can successfully do their day-to-day jobs. It also will allow a daily update to our engineering analysis software, which we use to evaluate the strength of our system. In the past, this software was only updated once or twice a year and was based on an overall circuit diagram. Now we have a detailed model that we can use to evaluate more specific parts of the system right down to each metered service. This project not only improves our ability to locate services and other infrastructure, but it also allowed us to update our data on every pole, span of wire and other devices on our system. All of this serves as the foundation we can build upon to again determine where we need to focus our attention and our dollars to provide the membership with better service.

The only things that are absolute in this life are death, taxes and change. While we can't do a whole lot about the first two, it is very exciting to be an integral part of making positive changes at the cooperative that will elevate our ability to serve you, the membership, more efficiently and more effectively. I thank you for allowing me to be a part of these changes and seeing some of my goals come true.

Secretary/treasurer's report on 2014

DARRELL POWELL, SECRETARY/TREASURER

THE 2014 OPERATING YEAR ENDED on a positive note, with revenue increasing around 11 percent over 2013. This increase was mainly from increased kilowatt-hour sales due to the addition of 30-plus members in the commercial sector. Our cost of electric service increased about 6 percent and less than revenue because of our use of available credits associated with the implementation of the new automated metering infrastructure system, coupled with the complete meter replacement program. The cooperative has increased its focus on fiscal responsibility and fully anticipates seeing continued improvement into the future.

The cooperative was in compliance with the minimum financial ratios required by our loan covenants with the U.S. Department of Agriculture's Rural Utilities Service, the National Rural Utilities Cooperative Finance Corporation and CoBank. These ratios include times interest earned, assets as a percentage of equity and modified debt service coverage for the life of the loans. They are the predominant ratios used by our lenders to measure the cooperative's ability to repay the associated loans.

The cooperative has reached the point where all cost savings achieved through long-term debt reductions is re-invested into improving our infrastructure, which in turn will improve service reliability. At times this can be a delicate balancing act, but it is a goal well worth the effort to achieve.

A copy of the audited financial reports is included in the annual report. If you would like to see and review the complete audit report, you may visit our Charles Pointe office.

Aerial saw keeps power lines clear

BY SAM SATTERFIELD, OPERATIONS MANAGER

Trimming trees along power lines is not only a huge job, but it's also a dangerous job. It can be done by having a trained tree trimmer climb up into the trees and trim with a chainsaw or by using bucket trucks or other specialized equipment designed to reach up and cut from the ground. Power line rights-of-way have been trimmed with those types of methods for years.

But another method of tree trimming, aerial side trimming, is like something out of a James Bond movie. A helicopter with numerous saw blades suspended from it trim right from the skies. The saw consists of 11 circular saw blades of 24 inches each attached to a 40-foot-long aluminum bar, and the bar itself is suspended from the helicopter with sections of aluminum pipe. The blades are belt-driven by a 45 horsepower, two-cycle engine that is mounted at the end of the bar and can be controlled by the pilot.

Harrison Rural Electrification Association is looking into using this method because it's much more efficient than the older methods for some types of growth. The aerial saw can trim 4 to 6 miles of power line right-of-way each week. While the aerial saw is cutting, a ground crew follows the helicopter's path, communicating with radios for safety, to clean up debris and branches. After the aerial saw gets started, down the line more ground crews follow the right-of-way path to work on clearing the ground floor manually or using specialized equipment. That process in itself can take months to complete what the aerial saw cut in a week, depending on the density of growth and terrain. The process is very effective to eliminate the side growth in a timely manner to help reduce exposure from the side growth contacting the conductors.

Asplundh Tree Expert Co., in cooperation with Rotor Blades, Inc., have been working together for several years providing service to electric utilities. Information about both companies can be found online that provides articles and videos of the saw in action.

Strong passwords are essential to safety online

BY LLOYD MASON

Nowadays, if we want to receive or pay for an online product or service, we must first prove who we are — an interestingly familiar concept and not at all new to the Web. Most websites have adopted the practice of requesting customer to create an account. This account is a profile of your stored information in a database of customers. It allows for enough user data to be stored that the company can validate the user's identity by comparing stored information to the information requested at log-in.

The two "key" pieces of information are:

User name: This is the name we are asked to provide when setting up the new account.

Password: This is also decided at the same time the user name is selected. Each website has its own criteria for passwords, but in general, a password should be a randomized series of numbers, characters and symbols. They should not contain info that is shared on social media, especially nicknames, pets' names, birthdays, a child's name or any other commonly known piece of information about you.

A good way to look at that concept is like this: Anything that you ever post on social media becomes part of a vast online library about you. So if anyone other than you wants in, just a little research on a social media site can harvest quite a bit of information. In this way, information that was provided by you can be used against you. The problem is once one of your accounts has been hacked, finding the rest of your online resources is just a matter of time. Online banking, insurance, bureau of motor vehicles, hospitals and schools are just a few examples of places that keep your personal information on file.

Finally, never use the same password for everything — don't do it, not ever.

'Til next time @TECH CORNER, think before you click and make it a safe day.

LLOYD MASON *is the manager of information technology at Harrison Rural Electric Association. He writes monthly on technology issues affecting our cooperative and members.*

If it's not in use, TURN OFF THE JUICE

Saving energy saves more than money

BY ANNE PRINCE

Reducing household energy use doesn't mean doing without. It doesn't require walking around your house wearing extra sweaters and earmuffs in the dead of winter or stripping down to the bare essentials in the summer. It means being smarter about how you manage the energy you do use.

Consider HREA your trusted resource for exploring energy-saving strategies. Not-for-profit, member-owned electric co-ops want to help their members.

Energy efficiency means performing the same job and getting a similar outcome using less energy. This efficiency is often achieved through a mechanical change, such as replacing an older, less-efficient appliance with a new model, but sometimes a minor change of habit is all that's needed — that could include dimming lights, turning down the thermostat or washing clothes in cold water instead of hot.

The benefits of energy efficiency

Modern life means we are placing increasing demands on all forms of energy. For example, consumers are more reliant on devices, computers, cellphones, sophisticated home entertainment and video gaming systems, and "smart" technology that all use electricity. The wide array of new electronic devices is improving our quality of life, and electric co-ops are promoting efficiency to bring new conveniences at a lower cost.

Energy efficiency is sometimes referred to as the "first fuel" because the easiest way to reduce fuel cost and carbon dioxide emissions is to save energy. Protecting and preserving the quality of water and air is our shared responsibility. Using less energy may even boost the economy by relieving the ever-tightening family budget, allowing dollars to be spent on more tangible goods.

According to the January 2014 Nielson U.S. Consumer Energy Sentiments Report, 91 percent of consumers are willing to change their energy-use behavior to save money on energy costs. The same report indicates that 77 percent would change their behavior out of concern for the environment.

Your co-op can help you use less electricity

Consumers recognize that becoming more energy efficient is the smart and right thing to do, but they are also looking for guidance on how to do just that. HREA is your trusted, local resource for helping you do develop individual plans tailored to your needs and our climate here in Clarksburg West Virginia. Our employees understand better than most that every household has its own complex energy system.

HREA offers energy audits, energy-saving tips and recommendations on how your home or business can save the most energy and money, from big changes to small. Contact us at 800-540-HREA

ANNE PRINCE *writes for the National Rural Electric Cooperative Association, the service arm of the nation's 900-plus consumer-owned, not-for-profit electric cooperatives.*