

New Enterprise Rural Electric Cooperative, Inc.

A Touchstone Energy® Cooperative 



One of 14 electric cooperatives
serving Pennsylvania and New Jersey

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Office Hours
Monday through Friday
7 a.m. - 3:30 p.m.

Emergency Outage Number
814-766-3221
1-800-270-3177

From the General Manager/CEO



The future of lighting is here!

By Mark Morrison

SOME of you have already received a small box from New Enterprise Rural Electric Cooperative, delivered by your mail carrier; others will be receiving it soon. Inside, there are four free, Energy Star-certified, 60-watt equivalent, light-emitting diode (LED) lightbulbs. That's right — the bulbs are free, compliments of your electric cooperative, New Enterprise Rural Electric.

The LED bulbs are part of an electric cooperative energy efficiency program underway across Pennsylvania and New Jersey.

Lighting technology has advanced so rapidly that the installation of each of these LED bulbs is expected to save you \$6.22 per year or more than \$140 in electricity costs over the life of the bulb (estimated to be about 23 years at average use). That's because an LED bulb improves lighting efficiency by 80 percent over traditional incandescent bulbs.

Eighty percent is a lot — enough of a difference that we are encouraging you to take an unusual step. As soon as you receive your free LED bulbs, select four of your most-used incandescent bulbs and replace them immediately with the new bulbs.

Most of us don't spend a lot of time thinking about our lightbulbs, at least until one leaves us in the dark. But you will begin saving money the minute you install your new LED bulbs, and what could be better than installing free bulbs that shine brighter, last longer, and are less expensive to use than your current incandescent bulbs?

The benefits to the consumer-mem-

bers of this lightbulb initiative are obvious, but you may wonder what benefit the cooperative gains from giving away lightbulbs to all consumer-members. The answer is that we purchase the electricity we provide to you — our consumer-members — from Allegheny Electric Cooperative, Inc. (Allegheny), a Harrisburg-based cooperative owned by the 14 distribution cooperatives in Pennsylvania and New Jersey. Allegheny owns a hydroelectric plant and 10 percent of a nuclear power plant, and together with some long-term hydropower contracts, these sources provide about two-thirds of the power needed for the cooperatives. The remainder is purchased on the open market, where the price can fluctuate significantly.

When cooperative consumer-members across the two states install the new LED bulbs, it will reduce the amount of power Allegheny must purchase from the open market, which in turn will ultimately decrease costs by reducing the need for Allegheny and local cooperatives to purchase power from the open market.

The LED is one of the most energy-efficient lighting technologies available today. LED bulbs, which last longer, are more durable, and offer comparable or better light quality than other types of lighting, have the potential to change the future of lighting.

If you haven't already received your gift of light from the cooperative, watch your mailbox and remember, your savings will begin the day you install your new LED lightbulbs. 

Balance Sheets

Years Ended December 31

ASSETS

	<u>2017</u>	<u>2016</u>
<u>Property, Plant, And Equipment:</u>		
Total Property, Plant and Equipment	\$6,637,181	\$6,414,507
Less Accumulated Depreciation	<u>4,965,292</u>	<u>4,796,778</u>
Net Property, Plant and Equipment	<u>1,671,889</u>	<u>1,617,729</u>
<u>Other Assets:</u>		
Deferred Charges	<u>228,225</u>	<u>273,870</u>
<u>Current Assets:</u>		
Cash on Hand	1,100	1,100
Cash in Bank – Demand	322,225	424,686
Cash in Bank – Certificates of Deposit	575,000	575,000
Accounts Receivable – net of allowances For doubtful accounts of \$20,000	433,790	466,582
Investments	3,696	3,167
Inventory of Materials	231,663	236,223
Prepaid Insurance	<u>22,038</u>	<u>21,286</u>
Total Current Assets	<u>1,589,512</u>	<u>1,728,044</u>
Total Assets	<u>\$3,489,626</u>	<u>\$3,619,643</u>

EQUITIES AND LIABILITIES

	<u>2017</u>	<u>2016</u>
<u>Equities</u>		
Membership Fees	\$14,490	\$14,500
Patronage Capital	780,657	823,891
Assigned Capital Credits	<u>1,887,289</u>	<u>2,016,731</u>
Total Equities	<u>2,682,436</u>	<u>2,855,122</u>
<u>Current Liabilities</u>		
Accounts Payable	434,776	349,111
Accrued Payroll	24,888	24,231
Customer Deposits	43,640	46,825
Accrued Taxes	7,896	8,028
Accrued Interest	1,570	1,784
Notes Payable – Current Portion	<u>41,422</u>	<u>40,122</u>
Total Current Liabilities	<u>554,192</u>	<u>470,101</u>
<u>Long-Term Liabilities</u>		
Notes Payable – Long Term	<u>252,998</u>	<u>294,420</u>
Total Liabilities	<u>807,190</u>	<u>764,521</u>
Total Equities and Liabilities	<u>\$3,489,626</u>	<u>\$3,619,643</u>

Statements of Income

Years Ended December 31

	<u>2017</u>	<u>2016</u>
<u>Operating Revenue</u>		
Electric Power	\$5,605,494	\$5,745,786
Cost of Electric Power	(3,193,541)	(3,350,871)
Gross Profit	2,411,953	2,394,915
Other Operating Income	404,162	257,270
Total Operating Revenue	2,816,115	2,652,185
<u>Operating Expenses</u>		
Salaries and Wages	992,310	936,920
Advertising and Meetings	46,715	44,278
Depreciation	168,514	173,514
Director Fees and Expenses	48,648	41,907
Dues	61,259	56,864
Engineering and Mapping	3,147	135
Insurance	228,346	204,319
Legal and Accounting	12,165	13,625
Maintenance – Building	17,501	19,164
Maintenance – Transmission Lines	570,975	578,041
Office	174,672	168,011
Operation of Trucks	83,666	68,704
Other Miscellaneous	8,900	31,610
Pension Plan	270,177	263,986
Small Tools	19,311	30,639
Taxes – Other	8,204	7,484
Taxes – Sales Tax	0	0
Taxes – Payroll	73,753	70,395
Uncollectible Accounts Expense	0	6,396
Total Operating Expenses	2,788,263	2,715,992
Operating (Loss)/Income	27,852	(63,807)
<u>Non-Operating Income (Expense):</u>		
Gain on Sales of Fixed Asset	2,510	0
Other Expense – Interest Expense	(10,013)	(11,278)
Other Income – Interest Income	8,563	10,827
Non-Operating (Loss)/Income	1,060	(451)
Net (Loss)/Income	<u>\$28,912</u>	<u>\$(64,258)</u>

Complete financial statements audited by Fiore, Fedeli,
Snyder and Carothers are available upon request.

Changes to Disconnection for Non-Payment Policy

New Enterprise REC has changed a number of things for any account disconnected for non-payment.

► **Reconnection of service will only occur during normal business hours, Monday-Friday, 7 a.m. to 3:30 p.m. Meters will not be reconnected on holidays that fall on Friday. Payments must be in our office by 2 p.m.; otherwise, service will be reconnected the next business day.**

► **No cash will be accepted at the door. Only MasterCard or Visa can be accepted by calling or coming to the office to make the payment.**

Should your meter be disconnected, a door hanger will be left with the amount you need to be reconnected. Cash, MasterCard or Visa can be used as payment by coming to the office. No agreements can be made once the meter is disconnected.

No collecting at your door

We will no longer be collecting payments at the door. An attempt will be made to contact you the day before we will be disconnecting. At this time, you can make the payment of your past due amount or your agreement amount. Payment can also be made after hours by going to website, www.newenterpriserec.com, or during the day at our office. Payments need to be made with MasterCard, Visa or cash. All payments must be in our office by 7 a.m. the morning of the disconnection date. This date is printed on your billing statement and/or your important notice.

In the past, our employees have come to your door to collect. They will no longer be doing this. If payment isn't received in our office, they will disconnect your meter and leave a door hanger instructions on with how you can be reconnected.

If you are unable to pay the full past due balance, call Brawna at 814-766-3221 or 800-270-3177, extension 4602, to set up a payment agreement. Once an agreement is established, it must be followed as stated to prevent disconnection. If a payment is missed or a partial payment is made, your meter will be disconnected.

Please contact the office to update your cellphone number, landline phone number or email addresses.

Be safe near water this summer

EACH YEAR, 3,800 people die from drowning. Electric shock drowning occurs when an electric current escapes boats, docks or lights near marinas, shocking nearby swimmers.

There are no visible signs of current seeping into water, which makes this a hidden danger. The electric shock paralyzes swimmers, making them unable to swim to safety.

Electrical safety tips for swimmers:

**Never swim near a boat or launching ramp. Residual current could flow into the water from the boat or the marina's wiring, potentially putting anyone in the water at risk of electric shock.

**If you feel any tingling sensations while in the water,

tell someone and swim back in the direction from which you came; immediately report it to the dock or marina owner.

Boat owners:

**Ensure your boat is properly maintained and consider having it inspected annually. GFCIs and ELCIs should be tested monthly. Conduct leakage testing to determine if electrical current is escaping the vessel.

**Use portable GFCIs or shore power cords (including "Y" adaptors) that are "UL-Marine Listed" when using electricity near water.

**Regularly have your boat's electrical system inspected by a certified marine electrician. Ensure it meets your local and state NEC, NFPA, and ABYC safety codes. ⚡

IF YOU SEE ELECTRIC SHOCK DROWNING TAKING PLACE:

- TURN POWER OFF**
- THROW A LIFE RING**
- CALL 911**

DO NOT enter the water. You could become a victim, too.

Sources: Electrical Safety Foundation International, Centers for Disease Control and Prevention