

Bedford Rural Electric Cooperative

A Touchstone Energy® Cooperative 



One of 14 electric cooperatives
serving Pennsylvania and New Jersey

BEDFORD REC

P.O. Box 335
Bedford, PA 15522
814-623-5101

Email: support@bedfordrec.com
Website: www.bedfordrec.com

BOARD OF DIRECTORS

President & Allegheny Director

Ronald W. Wilkins
Napier and Harrison Twps.,
New Paris, Manns Choice and
Schellsburg Boroughs

Vice President & PREA Director

Donald E. Hoenstine
Kimmel and King Twps.

Secretary

Paul L. Rummel Jr.
Bedford and Cumberland Valley Twps.

Treasurer

Reuben R. Lafferty
Juniata Twp., Bedford County, and
Allegheny Twp., New Baltimore Borough,
Somerset County

Assistant Secretary

Earl W. Garland
East Providence Twp., Bedford County,
and Brush Creek Twp., Fulton County

Assistant Treasurer

Dale R. Sprigg II
West St. Clair, Pavia, and Lincoln Twps.,
Pleasantville Borough

Brian I. Hoover

Monroe and West Providence Twps.,
Everett Borough

Troy A. Mickle

East St. Clair Twp., Bedford County

Travis L. Wigfield

Colerain, Snake Spring and
South Woodbury Twps.

Attorney

James R. Cascio

OFFICE HOURS

Monday through Friday
7:30 a.m. - 4:00 p.m.

Board President and General Manager's Report

AS BEDFORD RURAL ELECTRIC COOPERATIVE (REC) celebrates its 86th anniversary, we want you to know our future is secure and bright. From humble beginnings in 1939, our commitment to you, our members, has remained constant. We exist solely to illuminate your lives and communities with safe, reliable electricity, and we rely on the incredible spirit of cooperative cooperation to accomplish this mission.

Our future is indeed bright, exhibited by the hard work and dedication of our employees and the connections we make every day. We make these connections not just through the energy we deliver but through the partnerships we develop, the projects we help to fund and the programs we implement to enrich the lives of our consumer-members. These connections are not always apparent when you flip on the light switch, but in the same way electricity lights up a dark room, our efforts brighten the communities we serve.

As a cooperative, we operate much differently than other utility companies. Each year at the annual meeting, you elect directors to serve on our board. They are your neighbors, which means decisions involving the co-op are made locally, not in a far-away city by someone who is not invested in our communities.

When you pay your bill each month, your money stays here. It pays for the electricity you use, improves the service and reliability of our system, and supports our local economy. None of your money is used to pay dividends to distant shareholders who have never heard of us.

Community has been at the center of everything we have done since June 2, 1939, when we were officially incorporated and recognized by the Rural Electrification Administration, a New Deal program from the Great Depression. A group of local visionaries took it into their own hands to bring affordable electricity to rural areas of Bedford, Fulton and Somerset counties. At that time, more than 90% of rural America lived without electricity. Today, the leadership and hard work of those folks continue to power our landscape. Their vision solidified the rural communities we live in today.

As a cooperative, Bedford REC is governed by seven cooperative principles that put the needs of our members first and reflect our core values. Those principles are:

Voluntary and Open Membership — Our services are available to all people who are willing to accept the responsibilities of membership.

Democratic Member Control — Each member receives a single vote, equal to the vote of all other members. Elected directors are accountable to the members, and elections are held annually.

Members' Economic Participation — Our profits are used to fund improvements and growth. They are credited to members' accounts and eventually returned to the membership as capital credits.

Autonomy and Independence — We are independent, democratic and always member-controlled.

Education, Training and Information — We educate and train our members, directors, and employees so they grow and improve. We also teach legislators and the public about the benefits, nature, and concerns of the cooperative.



RON WILKINS,
PRESIDENT



BROOKS SHOEMAKER,
GENERAL
MANAGER & CEO

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Cooperation Among Cooperatives

— We work with other cooperatives on local, state and national levels.

Most visibly, co-ops help each other recover from storm damage.

Concern for Community — We are active community members, supporting educational activities, community events, fundraisers, civic organizations and our members who are facing hardships.

Headquarters update

The building project is progressing nicely. It consists of a 12,000-square-foot office and a 22,000-square-foot garage/shop/warehouse. The building was designed to mirror the space we currently occupy while being better organized. Most important, the new location has traffic-light access at two locations, so our trucks and pole trailers, which can be close to 90 feet long, do not have to pull across traffic like at our current location. Construction began on the \$15 million project last summer, and we hope to occupy the facility by early 2026.

The numbers

We had a good year in 2024. We sold 231.5 million kilowatt-hours, which generated more than \$29.2 million of operating revenue. Sales and revenue were both down compared to last year. We finished the year with margins (our “net profit”) of more than \$2 million, which includes more than \$1.1 million in allocated, but unrealized, margins from our wholesale power supplier, Allegheny Electric Cooperative, Inc.

Our annual “Christmas present” to our members returned more than \$1.5 million of capital credits to your pockets. Since 2014, we have retired more than \$15.8 million. Over the past 43 years, Bedford REC has returned \$28.7 million to the members — just one more advantage of being a cooperative member. Economic

participation and regular capital credits refunds are hallmarks of the cooperative business model. The cooperative board demonstrates that annually and strongly believes in that philosophy. The past 10 years of record retirements have been part of our continuing equity management plan, designed to shorten our cycle of returning capital credits. We wanted to get the money back into the pockets of members sooner. The board anticipates, if our financial condition remains strong, a retirement of around \$1.5 million in 2025.

Operationally, 2024 was a busy year for our employees. We energized 63 new services and replaced old poles and wire from the late 1940s through the 1960s. As we have re-engineered the system over the past 35-plus years, we have made every effort to move our lines off your fields and hillsides to roadside locations. This makes it easier to access them during outages, and members no longer have to navigate around them.

Finally, 2024 represented the second year of our major shift in operational focus. We are no longer rebuilding 20 or 30 miles of our system each year. We have done that work annually since the 1990s, and system poles and wires have been upgraded and strengthened. Instead, we have shifted to a technological approach. We are currently installing a new automated meter reading system, which will give us more and better diagnostics than ever before. These changes will help us serve you better.

Member focused

Electric cooperatives are special because they are owned by the consumer-members they serve and are guided by a set of seven principles reflecting the interests of those they serve. Collectively, co-ops serve 42 million people in 48 states, power more than 22 million homes, businesses, schools, and farms, and are not-for-profit organizations that return more than \$1 billion annually to their consumer-members. We are

proud to be part of that network.

We have worked hard to deliver power to you as efficiently, affordably and transparently as possible. Despite recent rate increases created by COVID-19 fallout and record inflation, did you know your rates are still cheaper than those of neighboring investor-owned utilities? They have been for many years. That’s right: The big guys, with hundreds of thousands of customers, can’t match your cooperative’s efficiencies.

In fact, the question most frequently asked here at the office is: “How can I switch to Bedford REC?” Of course, that isn’t possible if you’re not in our territory, but many folks would love to be in your shoes. Our members have access to a local office where they can work one-on-one with member service representatives to handle all of their needs — paying their electric bill, scheduling service work (often at no charge) and, yes, sometimes lodging a complaint.

We’re different. The management, staff, and board of directors are here to answer any of your questions or concerns. We’re your electric cooperative. When members call their cooperative for service, they get a response. We’re working together to keep your electric bills affordable. We’re controlling costs through innovation. We’re continuing to put you, our members, first.

No matter what the future brings, one thing is certain: We’re looking out for you because we are still the people you can count on! 📧

THANK YOU TO ALL MEMBERS AND GUESTS WHO ATTENDED OUR 2025 DRIVE-THRU ANNUAL MEETING

DIRECTOR ELECTION RESULTS:

- ▶ DALE SPRIGG II - DISTRICT 3
- ▶ TRAVIS WIGFIELD - DISTRICT 7
- ▶ EARL GARLAND - DISTRICT 9

The random door prize drawing is complete, and winners were notified by mail

Bedford Rural Electric Cooperative, Inc. 2024 Members' Financial Report

Balance Sheet

	December 31,	
	2024	2023
ASSETS		
Net Utility Plant	\$ 48,107,798	\$ 42,606,639
Equity in Associated Organizations	16,442,649	15,670,806
Cash and Temporary Investments	1,058,462	311,730
Accounts Receivable	1,710,971	1,824,334
Materials and Supplies	1,193,391	1,251,356
Other Assets	751,528	1,616,158
TOTAL ASSETS	\$ 69,264,799	\$ 63,281,023
LIABILITIES AND EQUITIES		
Long-Term Debt	\$ 23,744,667	\$ 20,196,546
Consumer Deposits	770,826	615,301
Accounts Payable	3,640,719	2,385,048
Other Liabilities	4,961,367	4,265,228
Operating Reserves	233,707	233,707
Equities	721,758	816,013
Patronage Capital	35,191,755	34,769,180
TOTAL LIABILITIES AND EQUITIES	\$ 69,264,799	\$ 63,281,023

Statements of Revenue and Patronage Capital

	December 31,	
	2024	2023
OPERATING REVENUES	\$ 29,248,879	\$ 34,010,192
OPERATING EXPENSES		
Cost of Power	\$ 19,903,620	\$ 24,544,197
Distribution - Operation and Maintenance	3,290,068	3,381,507
Customer Service and Information	857,220	834,421
Administrative and General	1,633,178	1,644,145
Taxes	17,035	15,862
Depreciation	1,692,063	1,590,311
Interest on Debt	997,722	908,433
TOTAL OPERATING EXPENSES	\$ 28,390,906	\$ 32,918,876
OTHER OPERATING INCOME		
G&T and Other Capital Credits	\$ 1,201,394	\$ 1,737,555
Net Operating Margins	\$ 2,059,367	\$ 2,828,871
Non-Operating Margins	21,289	11,306
NET MARGINS	\$ 2,080,656	\$ 2,840,177
PATRONAGE CAPITAL, Beginning of the Year	34,769,180	33,515,751
PATRONAGE CAPITAL, Before Capital Credits Retirement	36,849,836	36,355,928
CAPITAL CREDITS RETIREMENT	1,658,081	1,586,748
PATRONAGE CAPITAL, End of the Year	\$ 35,191,755	\$ 34,769,180

Buffamante Whipple Buttafaro, Professional Corporation, P.O. Box 849; Jamestown, N.Y. 14702-0849, audited the cooperative's accounts and records. A complete copy of their report is available for inspection at Bedford Rural Electric Cooperative, Inc.'s office in Bedford, Pa.

ELECTRICITY 101

To stay safe around electricity, start with these **SEVEN** basic tips:



1.

DON'T OVERLOAD OUTLETS OR CIRCUITS

Plugging in too many items or drawing too much power on a circuit can cause overheating, fire and damage to devices.



2.

DON'T USE FAULTY ELECTRICAL CORDS OR PLUGS

Do not use cords that look frayed, worn or cracked. Do not use broken plugs. Never remove the grounding pin from a three-pronged plug.



3.

HAVE YOUR ELECTRICIAN'S NUMBER IN YOUR PHONE

Most electrical repairs or installations are not DIY projects. Hire an expert to avoid serious injury or wiring problems.



4.

BE CAREFUL AROUND H₂O

Never use electricity while standing in damp or wet conditions. Keep all electrical devices away from water, including cell phones that are charging.



5.

EVALUATE YOUR APPLIANCES

Do not use appliances in disrepair. Older or broken appliances can overheat, start a fire, and cause serious injuries.



6.

TEST YOUR GFCIs

Outlets near a water source should be equipped with GFCIs, which help prevent shock and electrocution caused by ground faults. Test monthly to make sure they are working.



7.

MAKE SURE YOUR HOME IS UP TO CODE

Your home should be properly wired and electrically sound. Contact a reputable electrician to evaluate your home.

 Safe
Electricity.org®

Bedford Rural
Electric Cooperative
will be
**CLOSED ON
MEMORIAL DAY,
MAY 26**

OUTAGE REPORTING

In case of an outage...

- 1 Check your fuses or circuit breakers.
- 2 Check with your neighbors, if convenient, to see if they have been affected by the power failure.
- 3 Call the 24-hour number, 814-623-7568, OR call 800-808-2732* during office hours.

**(Please help us save money – only use this number if toll charges apply.)*

Please give the person receiving the call your name as it appears on your bill, your telephone number and your map number, if known. Any specific information about the outage will also be helpful in pinpointing the problem.

**To report an outage
call: 814-623-7568**

During widespread power outages, many members are calling to report power failures. You may receive a busy signal, or in certain cases, your call may go unanswered. This occurs in after-hours outages when the office is not fully staffed. Please be patient and try again in a few minutes.