Bedford Rural Electric Cooperative

A Touchstone Energy® Cooperative



One of 14 electric cooperatives serving Pennsylvania and New Jersey

Bedford REC

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Office Hours Monday through Friday 7:30 a.m. – 4:00 p.m.

From the General Manager



Battling soaring costs

By Brooks Shoemaker

BEDFORD Rural Electric Cooperative, like our fellow cooperatives across the country, is digging deeper when restocking our warehouse and planning ahead to prevent a shortage of essential parts and equipment.

Fallout from the COVID-19 pandemic, coupled with natural disasters, have combined to trigger an industrywide parts shortage, driving up operating costs and creating logistical challenges. We expect these to be long-term challenges. In the interim, we are continually working with our suppliers to ensure we sufficiently maintain our inventory of materials. However, keeping essential parts flowing is getting to be more challenging and expensive. Backlogs exist across the board, with transformers, conductors, meter bases and fiberglass products at the top of the list. We have been receiving letters for some time now from manufacturers and their representatives about lead-time extensions, price increases, shipping delays, and production curtailments.

Troubles began in early 2020 as the pandemic forced many manufacturers to reconfigure their plants to accommodate social distancing, which slowed production, packaging and shipping, and deliveries. As a result, some items critical to the co-op's infrastructure, such as wire, transformers, crossarms and cable, have seen double-digit increases in costs over the last year. We are paying 40% more

for a transformer now than just a year ago. PVC pipe is up over 250% — and there's no immediate relief in sight.

Commodity prices are also soaring, with the cost of steel, copper, petroleum-based items and natural gas skyrocketing since the pandemic began. In addition to the obvious inflationary price pressures that we are all seeing in our daily lives, delays in production and limited distribution pathways ensure that it will continue to take longer to receive ordered equipment for the foreseeable future. Most manufacturers are quoting lead times of more than 50 weeks for new orders, and some are limiting quantities. Orders for line vehicles, digger and bucket trucks are currently being accepted for 2027!! That's right: Five years from now! We are looking at 60-plus-weeks lead time for transformers. Deliveries for some highly specialized substation equipment are scheduled, but not guaranteed for 2024. We do not anticipate either of these issues to go away this year or even next. Current projections show that perhaps by the second quarter of 2024, we might begin to see a return to some sense of normalcy.

In my 25 years in the utility business, I have never seen every major item used by the cooperative as vulnerable as they are today. In the past, we have encountered supply-chain issues with certain products, but typically those

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Look before cutting fuel costs, says Sprigg

By Linda Williams

EVERYONE is looking for ways to cut fuel costs, says Dale Sprigg of Dale Sprigg Heating and Cooling and a member of the board of directors for Bedford Rural Electric Cooperative.

"They want to be able to heat and cool their homes at a lesser cost," he says. "With the recent increase in fuel oil, the demand is higher than ever.

"You do have to remember if you change from oil to electric, you will still have energy bills," Sprigg adds. "The difference will be that instead of filling the oil tank in the summer for a high sum, the money will be evened out throughout the year in your electric bill. Hopefully, it will add up to less dollars.

"Green energy is definitely coming," the expert adds, "but it cannot get here overnight. It will take years to do it right." He feels solar energy, especially in cloudy Pennsylvania, is a long way off.

Sprigg says he always tells his customers to first make certain their homes are well insulated.

"I mean, look at windows, around doors, fireplaces — anywhere heat can escape. A purchase as small as mini-blinds might be of help, or put more insulation in the attic, even if it means getting rid of all the 'stuff' that is stored up there. If you don't get your furnace cleaned annually, do so. Be sure your furnace is working as efficiently as possible."

Sprigg tells the story of a customer who was certain her fuel system had a leak because it was using so much fuel. He arrived at her house on a snowy day, and the roof had no snow on it. "That was the first clue," he says. "If the snow doesn't stay on your roof, the insulation in your attic needs to be improved."

At the Bedford REC website, consumers can get ideas for alternative heating and cooling systems. Geothermal was one of the first alternatives, but was expensive and worked better



ELIGIBLE FOR A REBATE: Mini-split systems have become extremely popular with consumers looking to save money. Bedford REC members who buy and install these and other alternative heating and cooling systems are eligible for rebates.

on new homes. "Truth is," Sprigg says, "today's less-expensive, less-cumbersome systems are just as efficient. Technology doesn't stop improving."

There are cooperative rebates for dualfuel systems, electric thermal storage heating and mini-split systems, which Sprigg says have become extremely popular, almost overnight. "I am installing them in hunting cabins, and they are being used in RVs," he says.

If your unit is Energy Star®-rated, the cooperative rebate can be as much as \$200.

Mike Press, a Bedford REC member, moved into his house in 2015. He had one window air conditioner and oil heat. That winter, he used 750 gallons of oil, which with prices today would cost more than \$3,000.

After installing a mini-split, the most fuel he used in one winter was 250 gallons, and that was only because he went to Florida for two months and set the temperature to keep the pipes from freezing. His Florida time has now been cut back and, likewise,

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WAYS TO SAVE: Bedford REC Board member Dale Sprigg, who owns a heating and cooling company, says a well-insulated home is one of the best ways to save on energy costs.

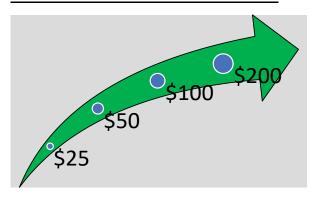
ELECTRIC APPLIANCE REBATE PROGRAM

How Does It Work?

Bedford Rural Electric Cooperative is offering a rebate, in the form of a bill credit, for the purchase of certain new appliances that qualify. Your new purchase needs to be an Energy Star®-rated appliance. To see if your new appliance qualifies, please check out the "Terms & Conditions" link on our website and visit energystar.gov.

Once you view the terms and conditions and verify your appliance qualifies, fill out the Appliance Rebate Application and email it to rebate@bedfordrec.com; mail to P.O. Box 335 Bedford, PA 15522; or drop it off at the Bedford REC office at 8846 Lincoln Highway in Bedford.

What Are the Rebate Amounts?



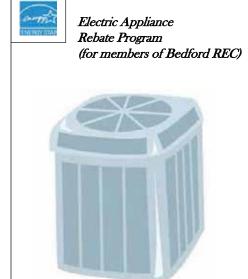


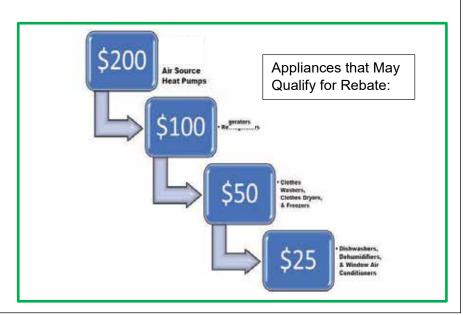












BEDFORD RURAL ELECTRIC COOPERATIVE, INC

From the General Manager

(continued from page 14a) issues worked themselves out within weeks or months. We were never forced to question our ability to meet our daily business needs or respond to emergency restorations.

Do you agree the future is a huge moving target? Additionally, there is the expected nationwide wave of electric vehicles that, depending on adoption rates, could require the wholesale, unplanned replacement of poles, conductors and transformers to meet the electric demand.

Despite all of this adversity, the cost of electricity remains a great value considering how much we depend on it. Over the last five years, our rates have increased 2.5%, or 0.5% annually. The co-op is in a strong position financially and will continue to be in the future because of the amount of time employees invest in thinking about what comes next.

Electric rates across the country are projected to increase in the foreseeable future. We are currently evaluating ours for 2023, but rest assured, we continually strive to decrease or maintain costs, improve the efficiency of our operations and equipment, and provide competitive rates for our members. This focus began long before the pandemic and remains a guiding light for Bedford REC's strategic planning.

Energy Efficiency Tip of the Month

Did you know the combined use of large appliances, like dishwashers, clothes dryers and washing machines, accounts for the largest percentage of electricity use in the average U.S. home? Take small steps to save energy when using these appliances.

Only run full loads in the dishwasher and thoroughly scrape food from dishes before loading. Dry towels and heavier cottons separately from lighter-weight clothing and clean the lint screen after every use. Wash clothing in cold water to save energy used to heat water.

Look before cutting fuel costs

(continued from page 14b)

his oil use. In the summer, he would use the window air conditioner 24/7, and his average electric bill was \$150. Now, the house is much cooler, and his average bill is \$90. Press has two units, one in the kitchen/living area and a second in the bedroom, and both are wall mounts.

Three familiar names when it comes to mini-splits are Fujitsu, Bosch and Mitsubishi. Sprigg says they are all good companies. Fujitsu, for instance, insists all technicians must receive training on installation before a company can sell for them. Sprigg advises anyone looking to change their heating/cooling systems to do some research.

"All three of these companies have good websites," he says. "Do your homework before you make an investment."

When you call a heating/cooling expert to help with your energy problems, expect them to check out your home and help you come up with the best plan. For instance, you will want to study the type of unit you want. There are ceiling mounts, wall mounts, floor mounts and slim-duct mounts. There is no right or wrong system — only the one that works best

in your home. Ask yourself: Do you want a mini-split, dual-fuel or electric thermal storage system? Study the options, the costs and the savings.

"I have only been in this business 20 years," Sprigg says, "but I cannot believe how fast technology keeps changing. Our biggest problem is being able to get supplies."

He cites a good client with a large business who has an older airconditioning unit on the roof. Sprigg suggested ordering a new one. The business owner agreed, and the 2021 order is expected to arrive sometime in 2023.

"Even if it is made in the United States, the parts come from other countries and that is what causes the slow-downs," Sprigg says. "Heating and cooling our homes are a high-cost factor in 2022, so put some time and effort into searching for the right program for you."

OFFICE CLOSING

Bedford REC's office will be closed on Monday, Sept. 5, for Labor Day.

OUTAGE REPORTING

In case of an outage...

- Check your fuses or circuit breakers.
- Check with your neighbors, if convenient, to see if they have been affected by the power failure.
- Call the 24-hour number, 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.