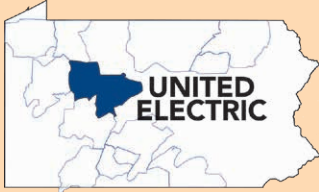




United Electric Cooperative, Inc.

A Touchstone Energy® Cooperative 



One of 14 electric cooperatives
serving Pennsylvania and New Jersey

UNITED ELECTRIC COOPERATIVE, INC.

P.O. Box 688
DuBois, PA 15801-0688
Customer Service: 888-581-8969
www.unitedpa.com
Outage: 800-262-8959
Office Hours: M - F 8 a.m. - 4:30 p.m.

BOARD OF DIRECTORS

Chairman

Stephen A. Marshall, District 5
1030 Donahue Rd.
Luthersburg, PA 15848
814-583-7320

Vice Chairman

Timothy D. Burkett, District 6
5059 Hamilton Markton Rd.
Punxsutawney, PA 15767
814-592-5190

Secretary/Treasurer

Eileen Pisaneschi, District 2
1964 River Hill Rd.
Frenchville, PA 16836
814-263-4491

DIRECTORS

Shanelle Hawk, District 1
502 Pine Run Rd.
Mayport, PA 16240
814-365-5646

Arden E. Owens, District 7
505 Trout Run Rd.
Shawville, PA 16873
814-765-6458

Richard Petrosky, District 3
P.O. Box 612
DuBois, PA 15801
814-371-8672

David W. Walker, District 4
631 Olanta Rd.
Olanta, PA 16863
814-236-3321

President & CEO
Len Hawkins

Consumer Advocate
Lauren Gustafson, ext. 8501

Manager of Marketing & Member Services
Kristy Smith

Proactive Planning Lessens Blow of Rising Prices



LEN HAWKINS

LET'S FACE IT: WE'RE A POWER-HUNGRY GENERATION. While we're talking on our smartphones, asking human-like computers for advice and puttering around the yard with electric lawn mowers and weed eaters, dark clouds are gathering over the grid.

Will we have enough energy to power our ever-growing needs? Some experts don't think so.

They point to our large appetites for all kinds of watts (kilowatts, megawatts, etc.), and to head-scratching energy policies that are driving traditional resources like coal and natural gas plants off the grid faster than new resources can come on-line.

While steps are being taken to address the imbalance at state and national levels, some damage has already been done, resulting in higher costs to deliver electricity. Lots of factors are at play, but for members wondering what this means for their household budgets, it's important to understand PJM Interconnection (PJM), its recent capacity auction and the anticipated impact on our rates.

PJM oversees the multi-state power grid that United Electric Cooperative is plugged into and coordinates the flow of electricity from generators to local utilities like ours. It also operates wholesale markets and plans for future grid needs. Each year, PJM hosts a capacity auction to ensure it has enough electricity to meet peak demand in the future. Recently, in reaction to increased demand and tightened supply, capacity market prices didn't just increase, they skyrocketed — by more than 800% for the 2025-2026 delivery year. For consumers across the grid, that signals one thing: potentially higher electric bills.

Fortunately, United Electric gets its wholesale power from Allegheny Electric Cooperative, Inc. (Allegheny), which we own and operate along with 12 other rural electric cooperatives in Pennsylvania and one in New Jersey. Over the decades, the Allegheny board, overseen by directors from each of these 14 cooperatives, has made forward-thinking investments in energy resources, including nuclear and hydropower plants, that today provide nearly 67% of the electricity we distribute to our members.

These assets are important because they shield us — and you — from the energy market's volatility, including the extremes we've seen and will likely continue to see on capacity pricing. Neighboring investor-owned utilities buy 100% of their energy on the open energy market, making them and their rates vulnerable to that volatility. Our exposure, however, is limited because our supplier, Allegheny, only needs to buy about one-third of our energy needs from outside sources. With long-term power-purchase contracts in place to further manage risk, we've set the stage for additional price stability.

As a result, Allegheny offers some of the lowest, least-volatile generation rates in the PJM region, and that's not going to change when the 2026 numbers are set later this year. Further, Allegheny continues to find ways to reduce costs and maintain stability. It recently secured millions in federal grant funding to boost its supply of affordable, carbon-free energy and add to its nuclear resources. That funding will help stabilize overall energy costs for consumers.

At United, rising costs are never taken lightly, and rate increases are only considered as a last resort. Our board of directors is made up of cooperative members just like you, so they understand the impact that rate changes have on local families and the rural communities they serve. That's why we will continue to work with partners, like Allegheny, to keep the safe delivery of electricity as affordable as possible. 📺

Until next time,

LEN HAWKINS
PRESIDENT & CEO

Annual Meeting of the Members

KRISTY SMITH, MANAGER OF MARKETING & MEMBER SERVICES

UNITED ELECTRIC COOPERATIVE'S 2025 Annual Meeting of the members attracted a large crowd in Luthersburg on Wednesday, May 21. As a thunderstorm rolled in, board Chairman Steve A. Marshall called the meeting to order at 7 p.m. and welcomed more than 300 members, their families and guests — a large increase from last year.

Steve introduced and thanked his fellow board members, as well as special guests from the Pennsylvania Rural Electric Association (PREA), our statewide organization, and Allegheny Electric Cooperative, Inc. (Allegheny), our wholesale energy provider.

Down to business

Board Secretary/Treasurer Eileen Pisaneschi read the official annual meeting notice that appeared in the May issue of *Penn Lines*, which all United Electric members receive.

“At the time of the mailing,” Eileen reported, “there were 16,280 members of the cooperative.”

After motions from the floor to approve the 2024 annual meeting minutes and financial reports, Steve expressed the board's gratitude to all the members who continue

to support the cooperative and believe in our mission of providing safe, reliable, and affordable power.

New introduction

New President & CEO Len Hawkins took the stage next for his first member address.

“I grew up in a little town called Houtzdale,” he said. “I have worked at United Electric for 25 years. Brady Township is my home, approximately 3 miles from here. I am super excited to announce the birth of my first grandchild. My wife, Kandace, and I have a lot to be thankful for: my family, my faith, and my role at the cooperative.”

Len discussed the role of United Electric in this time of transition in the energy sector.

“Wildfire mitigation is a new area of concern,” he reported. “Fires have a strict liability threshold, meaning if the utility is involved in any way, that utility will most likely be liable for all damages. United's right-of-way clearing program is an important tool in the fight to prevent wildfires.

“United's largest account, a coal mine, is also shutting down operations,” he added. “The annual usage for this mine was 2.5 million kilowatt-hours, or about 253 homes.

Global supply chains have faced challenges — in the last four years, our costs have skyrocketed for commonly used items like primary wire (58%), transformers (98%), wood cross-arms (99%), insulators (70%) and underground cable (114%). These realities required United to prioritize resources and ultimately increase our rates effective Jan. 1, 2025.”

In the spirit of cooperative principles, Len discussed “cooperation among cooperatives.” Recent storm-related outages have required assistance from sister cooperatives, including Rappahannock Rural Electric in Virginia. “Concern for community,” another cooperative principle, was also displayed with the introduction of the Brenda Swartzlander Scholarship, which honors the cooperative's immediate



MEETING OF THE MEMBERS: United Electric Cooperative President & CEO Len Hawkins addresses the members for the first time at the cooperative's annual meeting.

Continued on page 14D

past president and CEO who retired earlier this year.

"This scholarship is for members and their children pursuing a degree in business management or electrical engineering," Len said. "I would like to congratulate Natalie Battaglia for winning the first-ever Brenda Swartzlander Scholarship."

Special guest

Len introduced our special guest, PREA/Allegheny President & CEO Steve Brame, who began by sharing a few personal observations.

"Len and I started in the cooperative program about six months apart, and he has the support of United's board and staff," Brame said. "Len made his dedication to the cooperative clear when he drove back from PREA in Harrisburg to be with his employees during both spring storms that caused major destruction in United's territory."

Brame echoed much of Len's remarks about factors impacting the energy industry today.

"The supply of electricity keeps going down, while demand for it keeps going up," Brame said. "I have discussed this every year I have been here with you. Data centers and artificial intelligence (AI) are becoming more prevalent; one query using AI uses 10 times the power of a standard internet search. The impact of these technologies on Allegheny will not be as significant as it will be on investor-owned utilities because we own 67% of our generation.

"I would just like to end with this: Mother Nature really helped this discussion tonight," he added. "She gave the talking point to conclude on. There was a storm while we were sitting here. Mother Nature is very unforgiving, and when it impacts you and your power is out, it's frustrating. But the next time your power goes out here in central Pennsylvania, think about the linemen and staff at United Electric. They aren't staying home with their families; they are going out in the field to restore power as quickly and safely as possible. I ask you for not only a little grace when your power goes out, but also a little prayer for all those who are restoring power for you in your time of need."

Election results

Board Vice Chairman Tim Burkett introduced Judge of Elections Patrick Lavelle, who reported the results of the director elections in District 4 and 5. Because there were no petitions to run for the board in either district, in accordance

with the cooperative bylaws, incumbent directors David Walker, who represents District 4, and Steve Marshall, who represents District 5, were re-elected. Tim thanked the board and employees of United for all they have done and continue to do and asked members to give them a round of applause.

With the cooperative's business wrapped up, the chairman called for a motion to adjourn. Before parting, he took a moment to express once again his heartfelt thanks to all the members for their unwavering support and dedication to the cooperative's success. 🙌



KRISTY SMITH

MEMBER PARTICIPATION: Information Technology Specialist Rob McFadden, seated, helps a member register for the door prizes.

PETE FITZGERALD



ELECTION RESULTS: PREA/Allegheny President & CEO Steve Brame, left, stands with re-elected incumbent District 5 Director Steve Marshall, center, and United Electric Cooperative President & CEO Len Hawkins. Not shown is incumbent District 4 Director Dave Walker, who was also re-elected.

Rustic Views

Curiosity Exists for a Reason

GLENN SCHUCKERS

I AM GOING TO BORROW something from the Book of Ecclesiastes, Chapter 3, which is especially appropriate this month: a time to plant, and a time to pluck up that which is planted. We have passed the time for planting, and now we are at the beginning of the time to harvest what we have planted, nurtured, and worried about for the past few months.

A couple of months ago, we fretted over fields and gardens that were too wet for planting. We watched the skies for ominous black clouds. Maybe we have been lucky: neither flood nor drought, nor wind, nor disease, nor insects have destroyed our gardens or crops.

There are two lessons here for everyone.

First, there really is a time for everything. We learn to crawl before we walk, and we learn to babble before we talk. We learn to ask questions at a young age. Who among us did not have a time when we were tired of a child asking, “Why?” or “When?” or “Are we there yet?” But maybe the worst thing of all is that, as grown-ups, we stopped asking questions.

Albert Einstein said: “The important thing is not to stop questioning; curiosity has its own reason for existing.” When I wander into my small orchard, I often stop and wonder, “Where did someone find a tree like this?” or “Why are the

leaves on this tree starting to curl up?” I have learned that to find any answers, I first must ask the question.

I feel sorry for people who think they know it all; they deprive themselves of the joy of learning something new. They are like the person who has always won by cheating: They have never experienced the joy of an honest win.

The second lesson at this time of harvest is that many of the things I worried about never happened. Of course, bad, even tragic things happen, including to good people who don’t deserve them. When a hailstorm hits, it does not matter what homes belong to saints or sinners. The field of the best farmer suffers just as much as the fields that lie fallow. Nature does not make moral judgements, much as we might want it to. Ralph Waldo Emerson said it in the essay, “Gifts”: “Nature does not cocker (pamper) us; we are children, not pets.” In other words, we must be able to endure nature’s setbacks and learn from them.

I never liked a spring frost that destroyed flowers and fruit, but I learned that by pruning and improving the health of plants, I could delay their flowering a few days when frost would be less likely. Dad did not like an area where he had planted some apple trees because it was too wet, but he learned he could put in ditches to drain away some of the water and the trees thrived there for many years.

GLENN SCHUCKERS

We should be more like children.

Whether we are 30, 50 or 81, we must be willing to ask the questions and accept the answers. I would like to build upon Einstein’s quote: “The important thing is not to stop questioning; curiosity has its own reason for existing.” And just as important is accepting the answer, whether we like it or not. 🍷

TIME TO HARVEST: There is a time for everything, whether we are ready for it or not.

