

Sullivan County Rural Electric Cooperative, Inc.

A Touchstone Energy® Cooperative 



One of 14 electric cooperatives
serving Pennsylvania and New Jersey

SULLIVAN COUNTY REC

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Forksville, PA 18616
570-924-3381
1-800-570-5081
Email: info@screc.com
Website: www.screc.com

STAFF

John Lykens, CEO
Todd Molyneux, Manager,
Electric Operations
Heidi Roupp, CFO
Diane E. White, Executive Assistant

BOARD OF DIRECTORS

Dr. Stephan Paul Brady - CCD*/BLC/Gold*****
Chair

David L. Aumen - CCD/BLC/Gold
Vice Chair

Kathy A. Robbins - CCD/BLC/Gold
Secretary

Karen Beinlich - CCD/BLC

Jeff Hamilton - CCD/BLC/Gold

Ann B. Henderson - CCD/BLC/Gold

Jim Lambert - CCD

Jay Lewis - CCD/BLC/Gold

David R. Rakestraw - CCD

***Credentialed Cooperative Director**

****Board Leadership Certificate**

*****Director Gold Certificate**

OFFICE HOURS

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

Annual Meeting Celebrates Rich Cooperative History



JOHN LYKENS

ON MAY 15, YOUR COOPERATIVE gathered for its 88th annual meeting, an event that's been held since the cooperative's inception on Dec. 3, 1936. Over the last eight-plus decades, the annual meeting has taken place at several different venues. Originally, it was held at the Sullivan County Courthouse in Laporte. As the cooperative's membership grew, the location changed to the Sullivan County High School. A fire at the high school, followed by COVID-19 lockdowns, resulted in the annual meeting being held virtually, and it's been that way ever since.

So why does the cooperative hold an annual meeting in the first place? An annual meeting of electric cooperative members is required by state law and the cooperative's bylaws. Both require that financial and business reports for the prior year are given at the annual meeting. Also, summary reports are presented, director election results are announced, and members have the opportunity to ask questions. In addition to the annual meeting, the board also holds monthly business meetings at the cooperative's headquarters in Forksville.

This year, three directors were re-elected for three-year terms in uncontested elections. They are Karen Beinlich, Jay Lewis and Stephan Brady, who serves as board chair. Congratulations to these directors on being able to represent all cooperative members during the next three years.

In his board chair report, Brady discussed the cooperative difference and what it means to be a member of the cooperative. He covered the seven cooperative principles that help us navigate the ever-changing electric distribution landscape and meet members' needs. He talked about the inception of the cooperative and why we were formed — to bring power to rural communities that large investor-owned utilities found too costly to serve. We've come a long way since the first 130 miles of line were constructed. Your cooperative now owns and maintains more than 900 miles of electric line and serves more than 6,100 meters.

The chair explained the cooperative is a not-for-profit organization and that we strive to keep costs fair and equitable for all members. Electricity is essential to America and our rural communities. It needs to be available to the membership 100% of the time. This requires proper right-of-way clearing and trimming, preventive maintenance, and employees and equipment to perform a myriad of other tasks. These costs are independent of energy consumption, which means they remain unchanged whether a member uses 1,000 or 0 kilowatt-hours (kWh) in a month. To be fair to all members, regardless of energy consumption, these fixed costs need to be allocated equally. This is the reason the fixed monthly fee increased, and the per-kWh distribution charge decreased. The chair also explained why we changed our alternative energy production rate.

In closing, Brady discussed the cooperative's vision and mission statements and reported that your cooperative is financially sound. I then shared my report, highlighting significant operational and community-focused achievements from the past year.

Safety — demonstrated through rigorous protocols, crew observations and public education initiatives — remains your cooperative's No. 1 priority. The cooperative maintained reliable electric service through preventive maintenance practices and a proactive vegetation management program. Tree-related outages remain a major challenge throughout our service territory due to widespread tree disease.

I talked about energy sales, too, and the fact that they remain flat. I also discussed

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Sullivan County REC Helping Neighbors

SARAH PARRISH, COOPERATIVE COMMUNICATOR

FIRING UP THE WOOD STOVE for Old Man Winter may be the last thing on your mind right now, but for some good Samaritans in our community, it's something they think about all year.

Neighbors Helping Neighbors (NHN) is an organization spearheaded by the Sullivan County Ministerium that lends a hand to community members who need it. No project is too big or too small: Mowing, weeding, simple fence repairs, paint touch-ups, firewood, and other assistance are offered through the organization.

However, despite these good intentions, NHN still encounters hang-ups, such as finding enough firewood to supply those who need it. Thankfully, "concern for community" is one of Sullivan County Rural Electric

Cooperative's (REC) guiding principles, and the co-op was ready to help.

This past spring, the cooperative hosted a chainsaw school for lineworkers employed at co-ops in Pennsylvania and New Jersey. Lineworkers learned about chainsaw safety, felling trees, removing downed trees from lines, and more. When the school was over, the wood was donated to NHN using heavy equipment supplied by Lewis Lumber Company of Hillsgrove, the cooperative, and Spako's Tree Service of New Albany.

Around the same time, Spako's Tree Service was clearing a new right of way for the co-op. The hardwood timber from that project was loaded by Lewis Lumber Company and also donated to NHN. In all, approximately three triaxle loads of firewood were donated.

NHN has been operating in Sullivan County off and on for more than 50 years. Nine years ago, the group began accepting logs, which volunteers cut and split into manageable firewood for homes with wood stoves.

Each spring and fall, the organization holds a Workbee Saturday. Volunteers meet at Redeemer Bible Church in Dushore for breakfast and to divvy up jobs. From there, lumberjacks and jills head to the Millview Wesleyan Church with chainsaws and wood splitters to cut and split as much timber as they can.

Once winter begins creeping back in, one or two volunteers will deliver firewood to folks who contact NHN and express a need. Those with pickup trucks are welcome to stop by the Millview Wesleyan Church on Route 87 outside Forksville to load their own.

"We ask that the wood be used for home heating and not for campfires or resale," Pastor Ed Ross says. "Our desire is not to cut into the business of those who provide quality stove wood for a living, but to help those who cannot afford to heat their homes and who have exhausted other resources to meet that need."

This past winter, NHN gave away all of its firewood by mid-January. With our co-op's donation, it should have enough firewood to last through winter.

"This gift from Sullivan County REC will allow us to provide wood to those who need it and for many more families," Pastor Ross adds. "This is not the first time Sullivan County REC has helped us with wood, but this year's contribution is over the top and deeply appreciated."

To find out how you can help NHN or receive help, contact Director Rod Goshaw at 570-220-4748 or message

SARAH PARRISH



MULTI-USE TIMBER: From chainsaw training to heating homes as firewood, this timber has seen it all.

Sullivan County NHN on Facebook.

Sullivan County REC's members are our neighbors, family, and friends. We're honored to be part of such a helpful community, and we take pride in helping when we can. 🍷

SARAH PARRISH



FROM US TO YOU: Sullivan County Rural Electric Cooperative donated three triaxle loads of firewood to Neighbors Helping Neighbors, which will distribute it to those in need this winter.

SARAH PARRISH



LOADING UP: Lewis Lumber Company provided a log truck and grapple to help the cooperative and Spako's Tree Service load hardwood from a recently cut right of way. The wood was donated to Neighbors Helping Neighbors.

Electrical Safety Month Poster Contest Winners

SARAH PARRISH, COOPERATIVE COMMUNICATOR

SULLIVAN COUNTY RURAL ELECTRIC COOPERATIVE HELD its annual Electrical Safety Month poster contest in May for children in our service territory between the ages of 5 and 10.

This year's winners were Colin Wax, 7; Lane Fitch, 7; and Wyatt Fitch, 10 (who has since turned 11).

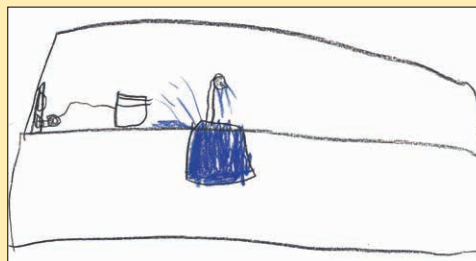
Parents were encouraged to discuss electrical safety with their children, including such topics as outlet safety, how to safely handle electric appliances/devices, and overhead power line safety. Children then used their knowledge to create a poster.

Each child's poster was displayed in our Forksville office's lobby, and all entrants received a goodie bag for their artwork. Great job, kids! 🍷

Colin Wax, 7



Lane Fitch, 7



Wyatt Fitch, 11



The Principles of Co-op Membership

Cooperative Principle 3: Members' Economic Participation

A Monthly Spotlight

SARAH PARRISH, COOPERATIVE COMMUNICATOR

BECAUSE WE ARE A COOPERATIVE, you are not just a customer. You are a consumer-member of Sullivan County Rural Electric Cooperative (REC), and when you pay your monthly bill, it doesn't profit investors or shareholders; it benefits you.

Our third co-op principle we are going to look at this month is "members' economic participation." The National Rural Electric Cooperative Association explains it this way: "Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital remains the common property of the cooperative. Members allocate surpluses for any or all of the following purposes: developing the cooperative; setting up reserves; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership."

Certain percentages of your dollars are used in various ways. In 2024, 37% was used for purchased power; 25% for

operation and maintenance; 12% for administration and general expense; 9% for depreciation and amortization expense; 6% for consumer accounts expense; another 6% for margins; and 5% for interest on long-term debt. The cooperative is transparent about how our consumer-members' dollars are used. If you haven't already read our 2024 Annual Report, please go to screc.com, hover over "SCREC Center" and choose "2024 Annual Report" to review our financial report. You'll also find our balance sheet and statements of revenue and expenses.

Any revenues we receive in excess of expenses are returned to our members at the end of a fiscal year in the form of capital credits. Last year, we mailed 3,482 checks — totaling \$154,408.29 — to members who were on our lines for the last three quarters of 2001.

Without our members, our co-op could not operate. We're grateful for every member who participates in Sullivan County REC. 🇺🇸

FROM THE CEO

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capital improvements, such as upgrading distribution lines and acquiring new equipment to boost efficiency and reliability. I shared that the cooperative received a \$3.3 million Department of Energy grant for a five-year grid resiliency project that includes rebuilding infrastructure and automating outage response. Additional grant applications are being developed for a possible broadband project and to replace the cooperative's legacy advanced metering infrastructure system.

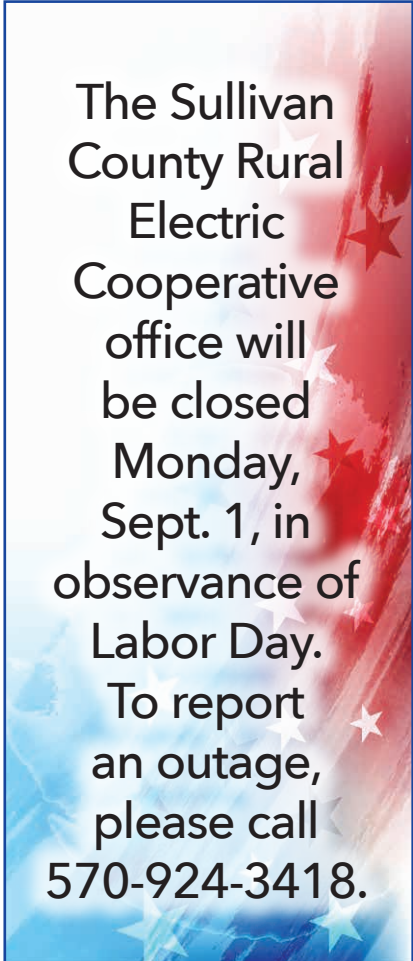
Community involvement continues to be a core value of the cooperative, shown through scholarships, student programs and financial assistance for members struggling to pay their monthly electric bill. Looking ahead, challenges, such as rising generation costs and the need for grid resiliency, are front and center. The cooperative plans to address these through increased automation, innovative

technology, and continued advocacy at the state and national levels. Investments in infrastructure and partnerships are vital to maintaining affordability and reliability in the face of growing demand and climate-related disruptions.

Reflecting on the annual meeting, nothing in the past, present, or future would be possible without people; members, directors, and cooperative employees are the reason this experiment, which started 88 years ago, is successful. And people will ensure this success story continues for generations to come.

For those who joined us at the 88th annual meeting, thank you. For those who couldn't make the meeting, please consider joining us next year. We sincerely appreciate active participation in your cooperative. Semper Fidelis! 🇺🇸

JOHN LYKENS
CEO



The Sullivan
County Rural
Electric
Cooperative
office will
be closed
Monday,
Sept. 1, in
observance of
Labor Day.
To report
an outage,
please call
570-924-3418.