

REA Energy Cooperative, Inc.

A Touchstone Energy® Cooperative 



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Indiana Office: 7 a.m. - 3:30 p.m.
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Monday, Wednesday and Friday
Closed Tuesday and Thursday

Guest Column

Your Power Explained: The Importance of an Access Fee



STACY HILLIARD

RURAL ELECTRIC COOPERATIVES, like REA Energy, play a crucial role in providing reliable, affordable and equitable electricity to rural areas across the United States. As not-for-profit organizations governed by the membership they serve, cooperatives like ours face unique challenges in maintaining our infrastructure, while also ensuring access to reliable and affordable electricity. To combat this challenge, an access fee has become an essential part of our monthly charges to ensure financial health and long-term sustainability.

What is the role of an access fee?

The access fee, previously called a service charge, is a fixed monthly rate that all REA Energy members pay. The amount is based on the member's rate class, and the revenues help cover the cost of providing electric service, ensuring it is always available at the flip of a switch.

The fee enables the cooperative to maintain electric lines, poles, meters, substations and other equipment. Unlike investor-owned utilities, which rely on more populated service areas to offset infrastructure costs, cooperatives often operate in less densely populated areas where the cost of infrastructure per customer is higher.

The access fee helps ensure REA Energy has a steady revenue stream to maintain our system, which has a net worth of approximately \$120.7 million. This includes:

- Equipment currently on the power grid: approximately 22,700 meters, 2,832 miles of electric line, 51,000 REA-owned utility poles, 17,350 transformers of all sizes and 31 distribution substations that all require regular upkeep to remain operational
- The replacement of aging infrastructure with modern, efficient equipment
- Grid-resilience adaptations for severe weather

The cooperative has other fixed costs not tied to electric consumption that the access charge covers. These include administrative expenses, regulatory compliance costs, labor and other costs associated with customer service.

Equity among members

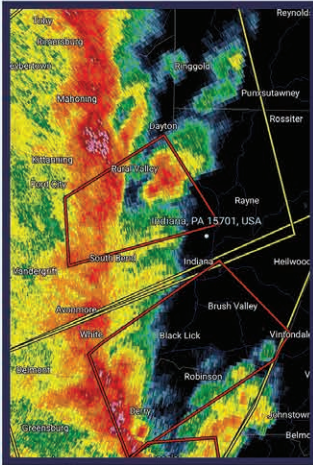
The access fee promotes equity by charging all members a fair, fixed amount regardless of their usage. Some members, such as those who use distributed generation, which includes solar and wind, may use little electricity but still benefit from the reliability and availability of power. The access fee helps distribute the costs of maintaining the grid equitably across all members, ensuring everyone pays their fair share to support the grid.

The access fee is a crucial part of our financial structure. It supports the maintenance and upgrades of critical infrastructure, ensures we can meet fixed costs, and provides equity among members. While it is a fixed cost, the access fee is essential for the long-term stability and sustainability of rural electric systems. 🌱

STACY HILLIARD, CCC, CKAE
COMMUNICATIONS & MARKETING MANAGER

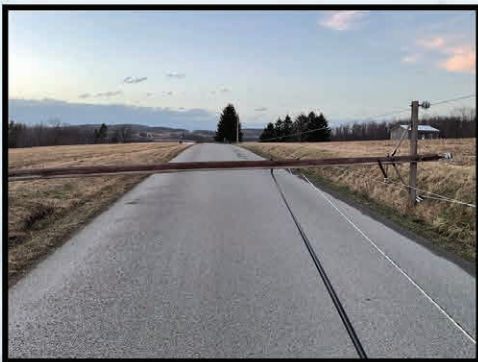
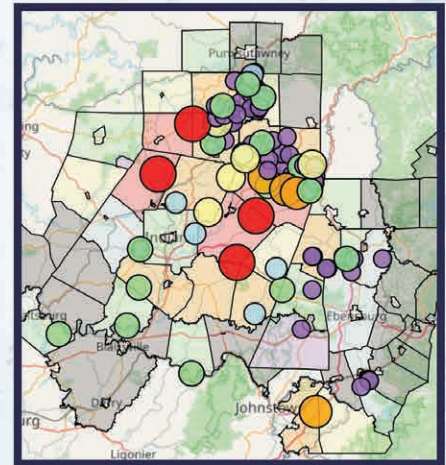
MARCH 16: A STORM RECAP

On March 16, 2025, a severe storm swept through REA Energy Cooperative's service territory, downing trees and utility poles and leaving approximately 7,100 members without power.



Around 1:20 p.m. Sunday, March 16, a severe storm that included a tornado warning swept through Indiana County.

This caused approximately 7,100 members to lose power.



- Seven of REA Energy's substations lost power from our power delivery company, FirstEnergy.
- The downtime of these substations ranged from nine to 36 hours.
- Twenty-two broken poles were discovered in the restoration process.
- Twenty-eight members in Brush Valley were without power for 37 hours, which was the longest non-power-delivery outage of the storm.



The National Weather Service later confirmed that an EF1 tornado hit part of our service territory, from Blairsville to Heilwood.



Photos supplied by REA Energy employees

REA Energy thanks Northwestern Rural Electric Cooperative (REC), Valley REC and BNF Powerline Construction, Inc. for their help during the restoration process.

Safety on the Line

DAVE DAUGHTERY, SAFETY & RIGHT-OF-WAY MANAGER

SAFETY IS A UNIVERSAL CONCERN; however, in the electrical industry, the stakes are even higher.

May is National Electrical Safety Month, and at REA Energy Cooperative, safety is not only a priority but also the foundation of our day-to-day functions. The cooperative's objective is to provide safe, affordable, and reliable electricity while ensuring our employees and community remain protected from its dangers. Our focus on safety requires constant vigilance, training and adherence to strict protocols.

Why electrical safety matters

Working with electricity is inherently dangerous. Lineworkers often come

in contact with high-voltage power lines and heavy machinery in extreme weather conditions. They also face extreme risks like electrical burns, falls and electrocution. To mitigate these dangers, REA Energy enforces strict safety measures and trains our employees to identify and eliminate hazards before they cause an incident.

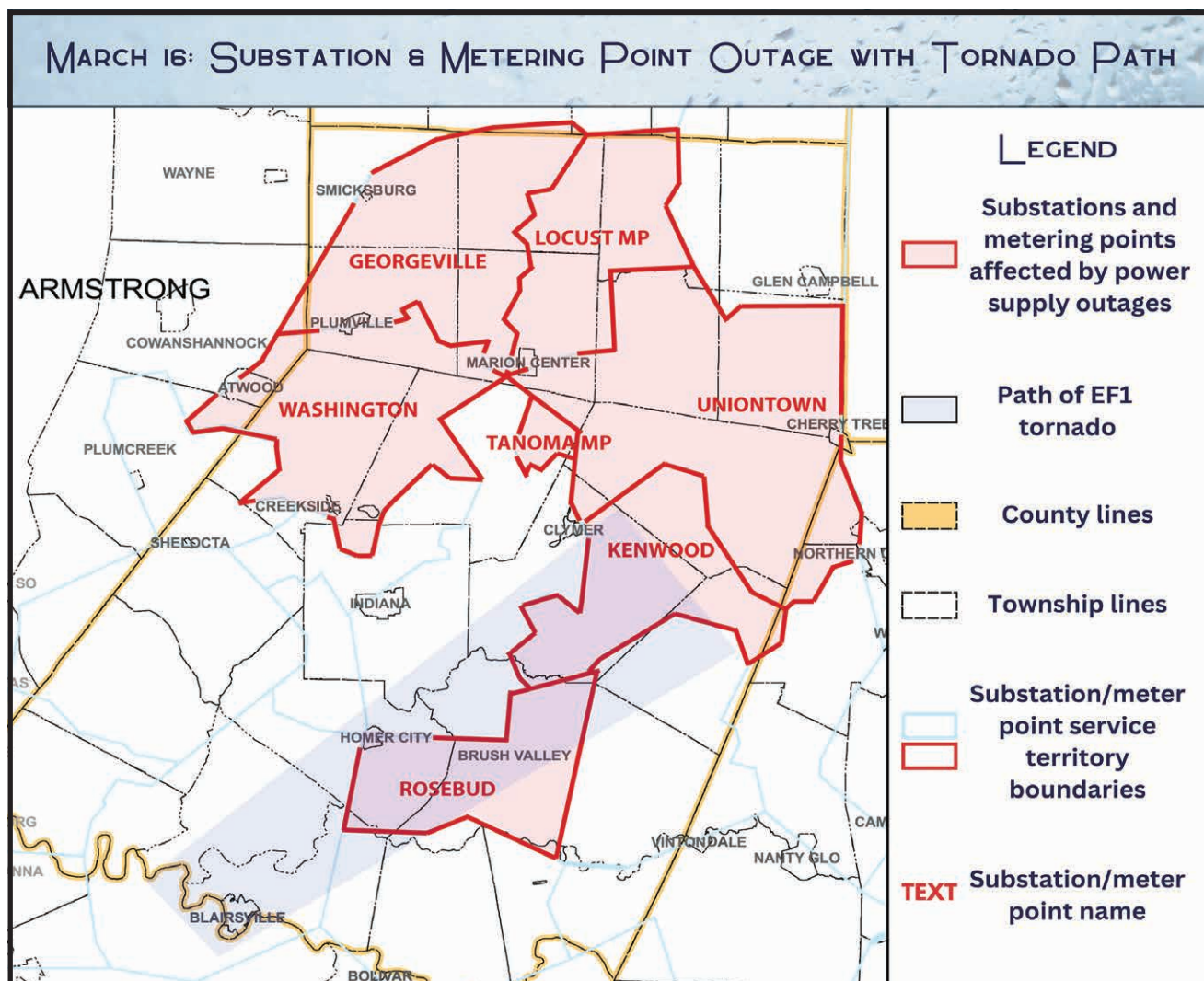
Following safety standards

REA Energy adheres to national safety standards and industry standard best practices. Safety training is a constant process that keeps employees updated on evolving techniques and technology. Lineworkers are required to undergo extensive training and certification

to prepare for potentially hazardous tasks. They wear protective gear, including insulated gloves, flame-resistant clothing, hard hats, safety glasses and fall protection as their last line of defense. By prioritizing safety, we protect our workforce and the communities we serve.

Crews must complete a detailed briefing, also called a tailgate session, before each job assignment. They review step-by-step procedures for working around energized equipment and power lines. This includes discussions on hazards, energy-source control, personal protective equipment requirements and any special identified precautions. These

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SAFETY ON THE LINE

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procedures include using insulated tools, grounding techniques and switching. Regular safety meetings reinforce protocols, help identify potential hazards and develop procedures, and analyze near-miss situations.

Keeping our community safe

With a strong sense of community, REA Energy prioritizes public safety. We often conduct electrical safety demonstrations at schools, fire departments and various community events to educate people about potential

hazards and accident prevention.

For safety-related inquiries or to schedule a demonstration, community members can contact reaenergy@reaenergy.com. Our team is always available to offer guidance and support.

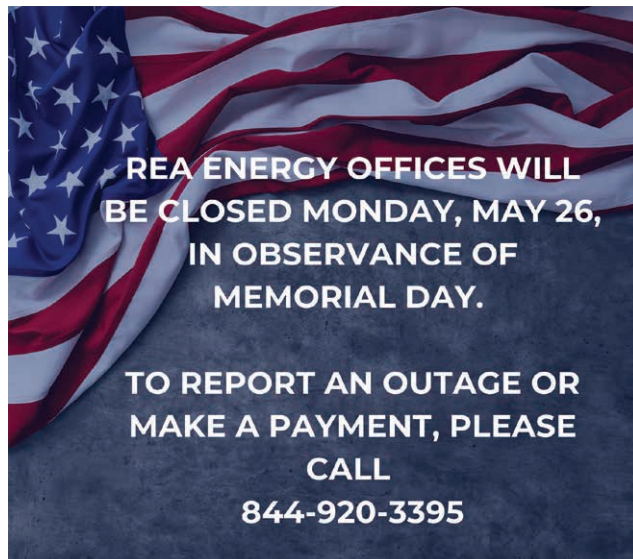
Why a "safety-always" attitude is important

In the electrical utility industry, safety is non-negotiable. Electrical work carries significant risks, and even a minor mistake could be life changing. REA Energy remains

committed to ongoing training, strict safety protocols and procedures, and open communication.

Safety is more than a policy — it is a mindset embedded in everything we do. Whether handling high-voltage equipment or using household appliances, everyone plays a role in maintaining a safe environment.

Safety ensures every worker and community member return home unharmed. By fostering a strong safety culture, we protect our REA team, members and the public to create a safer future for all. 🛡️



Right-of-Way Management News

REA Energy contractors from Penn Line Tree Service will be trimming the rights of way near the Livermore and Georgeville substation areas and emergency maintenance areas in May.

Members in the affected areas will be notified. Contractors will perform all right-of-way work per REA Energy specifications. All contractors will carry employee identification cards, and their vehicles will display their company name. If you have any questions, call 724-349-4800 or view the specifications at reaenergy.com.

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