

PSC No. 1 Gas
Valley Energy, Inc.
 Initial Effective Date **June 2, 2006**

Statement Type: GAC
Statement No. 33
 Page 1 of 1

VALLEY ENERGY, INC.
Statement of Gas Adjustment Charge
EFFECTIVE: June 2, 2006

Applicable to Service Classifications No. 1, 4, 5 of P.S.C. No. 1 Gas
 Calculated on **May 30, 2006** using supplier rates forecasted to be in effect on **June 2, 2006**
 (Per Mcf)

	<u>S.C. No. 1</u>	<u>S. C. No. 4</u>	<u>S. C. No. 5</u>
<u>Average Cost of Gas</u>			
The average cost of gas (as defined on General Information Rule 14.C of P.S.C. No. 1 determined on May 30, 2006 by applying the rates and charges of the Company's gas suppliers which are or will be in effect on the date the gas cost adjustment becomes effective to the quantities of gas supplied, except that for service on an interruptible basis, to the Company during the 12 months ended April 30, 2006 .	\$6.6854		\$6.6854
<u>Commodity cost of Gas</u>			
The average commodity cost of gas (as defined on General Information Leaf No. 8H of P.S.C. No. 1-Gas) determined on May 30, 2006 by applying the rates and charges of the Company's gas suppliers which are or will be in effect on the date the gas cost adjustment becomes effective to the quantities of gas supplied to the Company during the 12 months ended April 30, 2006 .		\$6.3182	\$6.3182
<u>Cost of Gas</u>	\$6.6854	\$6.3182	
<u>Difference (average cost of gas - commodity cost of gas)</u>			\$0.3672
<u>Difference</u>			
Difference multiplied by the LAUF factor 1.0149	\$6.7850	\$6.4123	\$0.3727
Annual Surcharge Adjustment	\$0.2882	\$0.7108	
Gas Adjustment Charge:	\$7.0732	\$7.1232	\$0.3727

Issue Date: **May 30, 2006**
 Issued By: Marjorie Johnston, Vice President & Treasurer