PSC No. 1 Gas Valley Energy, Inc. Initial Effective Date: November 1, 2016 Statement Type: GAC Statement No. 158 Page 1 of 1

VALLEY ENERGY, INC. Statement of Gas Adjustment Charge EFFECTIVE MONTH: NOVEMBER YEAR: <u>2016</u>

Applicable to Service Classifications No. 1, 4, 5 of P.S.C. No. 1 Gas

Calculated on October 24, 2016 using supplier rates forecasted to be in effect on November 1, 2016.

(Per Mcf)

	<u>S.C. No. 1</u>	<u>S. C. No. 4</u>	<u>S. C. No. 5</u>
A.) Average Commodity Cost per Mcf The average commodity cost of gas (as defined on General Information Leaf No. 8H of P.S.C. No. 1-Gas) determined on October 24, 2016 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 September 30, 2016.	\$ 2.16063 \$	2.16063	
B.) Average Demand Cost per Mcf The average demand costs determined on October 24, 2016 by applying the rates and charges of the Company's gas suppliers which are or will be in effect on the date 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 month ended September 30, 2016.			
	0.45366	-	0.45366
<u>C.) Average Cost of Gas per Mcf</u>	2.61429	2.16063	0.45366
Difference (average cost of gas - commodity cost of gas)			0.45366
Average Cost multiplied by the LAUF factor 1.0149	2.65324	2.19282	0.46042
D.) Annual Surcharge Adjustment	0.03540	0.47930	-
E.) Gas Cost Adjustment	2.68864	2.67212	0.46042
F.) Merchant Function Charge	N/A	N/A	N/A
G.) TOTAL GAS COST PER MCF	\$ 2.68864 \$	2.67212 \$	0.46042

Issue Date: October 24, 2016

Issued By: Marjorie Johnston, Vice President & Treasurer