Received: 09/24/2013 Status: CANCELLED Effective Date: 10/01/2013

PSC No. 1 Gas

Valley Energy, Inc.

Initial Effective Date: October 1, 2013

Statement Type: GAC

Statement No. 121

Page 1 of 1

## VALLEY ENERGY, INC. Statement of Gas Adjustment Charge EFFECTIVE MONTH: OCTOBER YEAR: 2013

Applicable to Service Classifications No. 1, 4, 5 of P.S.C. No. 1 Gas
Calculated on **September 24, 2013** using supplier rates forecasted to be in effect on **October 1, 2013**.

(Per Mcf)

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 September 24, 2013 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 August 31, 2013.	S.C. No. 1	S. C. No. 4	S. C. No. 5
	\$ 3.38882	\$ 3.38882	
B.) Average Demand Cost per Mcf  The average demand costs determined on September 24, 2013 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 August 31, 2013.			
	0.88937	-	0.88937
C.) Average Cost of Gas per Mcf	4.27819	3.38882	0.88937
Difference (average cost of gas - commodity cost of gas)			0.88937
Average Cost multiplied by the LAUF factor 1.0149	4.34194	3.43931	0.90262
D.) Annual Surcharge Adjustment	0.26370	0.44470	-
E.) Gas Cost Adjustment	4.60564	3.88401	0.90262
F.) Merchant Function Charge	N/A	N/A	N/A
G.) TOTAL GAS COST PER MCF	\$ 4.60564	\$ 3.88401 \$	0.90262

Issue Date: September 24, 2013

Issued By: Marjorie Johnston, Vice President & Treasurer