

**Valley Energy, Inc.**  
New York Division

Superseding

P.S.C. No. 1 Gas  
Original Leaf No. 69  
Revised Leaf No. 0

GENERAL INFORMATION

14. Gas Adjustment Clause Applicable to S.C. No. 1: (Cont'd.)

E. Annual Surcharge or Refund: (Cont'd.)

- (b) The amount derived in paragraph (1) of this subdivision shall be divided by the quantities of gas sold by the Company to its customers during the determination period to determine the surcharge or refund rate. The Factor of Adjustment as stated in 14.A. in effect on the date the surcharge or refund becomes effective shall be applied to this amount.
- (c) The determination period to be used in the computation of the surcharge or refund shall be the 12 months ended August 31 of each year. The surcharge or refund computation shall be filed with the Commission on or before October 15 of the calendar year in which it is to become effective.
- (d) The surcharge or refund shall be effective with the first December billing of each year.

**15. GAS ADJUSTMENT CLAUSE APPLICABLE TO S.C. NO. 4:**

A. Factor of Adjustment:

The rates for gas service under Service Classification No. 4 of this tariff shall be subject each month to an addition or deduction of \$0.01034 cents per 100 cubic feet for each 0.01 cent per 100 cubic feet increase or decrease in the commodity cost of gas above or below the specified base cost of gas to Valley Energy. The factor of adjustment may be recomputed whenever there is a change in the applicable revenue tax.

B. Base Cost of Gas:

The base cost of gas per 100 cubic feet is \$.25000.

C. Average Commodity Cost of Gas:

The average commodity cost of gas assigned to this classification shall be estimated monthly using the commodity rates and charges that will be in effect on the effective date of the gas adjustment.

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Date of Issue: Sept. 1, 2003 Date Effective: November 1, 2003

Issued by: Robert J. Crocker, President & CEO, 523 S. Keystone Ave., Sayre, PA 18840

Issued under authority of order of the Public Service Commission, in Case 09-M-0489