

Valley Energy, Inc.
New York Division

Superseding

P.S.C. No. 1 Gas
Original Leaf No. 70
Revised Leaf No. 0

GENERAL INFORMATION

15. Gas Adjustment Clause Applicable to S.C. No. 4: (Cont'd.)

D. Annual Surcharge or Refund:

A surcharge or refund to recover gas adjustment under-collection and refund over-collection from customers served under Service Classification No. 4 shall be computed as follows:

- (a) By taking the cost assignable to gas sold under Service Classification No. 4 during the determination period and subtracting therefrom an amount equal to (i) the base cost of gas as defined in 15.B. multiplied by the quantities of gas sold by the Company, (ii) the Gas Adjustment revenue adjusted to eliminate the revenue tax effect, (iii)(a) the previous year's over-collection with interest to the extent not refunded, or (b) adding the previous year's under-collection with interest to the extent not recovered.
- (b) The amount derived in paragraph (1) of this subdivision shall be divided by the quantities 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 15.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.

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