

Valley Energy, Inc.
New York Division

P.S.C. No. 1 Gas
Leaf No. 87.13
Revision No. 1
Superseding Revision No.

GENERAL INFORMATION

24. BILLING AND COLLECTION SERVICES AND CHARGES: (Cont'd.)

C. Form of Payment

(1) Payment for services shall be rendered to the Company by electronic funds transfer. The Company and a Marketer/Direct Customer may, by mutual agreement, establish other forms of payment. Any applicable bank fees associated with electronic funds transfers shall be assessed to the Marketer/Direct Customer.

D. Application of Payments

(1) Unless otherwise agreed by the Company and Marketer/Direct Customer, payments will be applied to arrears first and then current charges.

E. Failure to Make Payment

(1) Upon failure of a Marketer/Direct Customer to make any payment when due, the Company may draw down on any security that may be available, as more fully described in Section 22.G. of this Schedule.

F. Inquiries

(1) All questions concerning invoices should be directed to:

Valley Energy Inc.
Attn: Manager - Gas Transportation & Billing
523 S. Keystone Ave., Sayre, PA 18840

(2) Billing inquiries will be acknowledged in writing or by electronic transmission within five (5) calendar days. The Company will investigate and respond to the complainant, in writing, within twenty (20) calendar days from the Company's receipt of the inquiry.

Date of Issue: January 31, 2005 Date Effective: February 1, 2005
Issued by: Robert J. Crocker, President & CEO, Sayre, PA 18840
Issued in compliance with order in Case 04-G-0821 dated January 21, 2005