Received: 01/31/2005 Status: CANCELLED Effective Date: 02/01/2005

Valley Energy, Inc. New York Division P.S.C. No. 1 Gas Leaf No. 87.18 Revision No. 1 Superseding Revision No.

## GENERAL INFORMATION

## 28. DISCONTINUANCE OF SERVICE: (Cont'd.)

- A. Voluntary Discontinuance of Marketer Operations (Cont'd.)
  - (2) The Company will provide a notice to the Marketer's customers, within five (5) calendar days, containing the same information as required in Section 28.A.(1) in addition, the Company will include a list with the names and telephone numbers of eligible Marketers that have indicated a willingness to serve retail customers in the Company's service territory.
  - (3) If the Company learns that a Marketer has discontinued operations in the Company's service territory without giving proper notice in accordance with this Section 28.A.(1), the Company will immediately inform the PSC and then, if directed, notify all the Marketer's customers as set forth above in Section 29.A.(2). In such event, the Company will advise the Customer that effective immediately, service is being provided by the Company under the applicable sales service classification.
  - (4) If the Marketer does not give notice to its customers and to the Company in accordance with Sections 28.A.(1) prior to discontinuing service, the Marketer may be determined ineligible to provide service and/or assessed a monetary penalty by the PSC.
  - (5) Upon discontinuance, a Marketer will remain responsible for payment of all sums owed under the conditions of this Schedule.
  - (6) Switch requests received subsequent to the discontinuance notice will be verified in accordance with Section 27.A. of this Schedule
  - (7) A more expeditious discontinuance process may be granted, upon demonstration of need, by the PSC or its designee.
  - (8) Sample copies of the form of the notices to customers under this process shall be provided to the Department of Public Service for review at least five (5) calendar days before the letters are sent to customers.

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