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. 7 Revision No. 2 Superseding Original

GENERAL INFORMATION

2. Definitions: (Cont'd.)

G. Non-residential: (Cont'd.)

- (a) Arrears: Charges for which payment has not been made more than 20 calendar days after payment was due.
- (b) Delinquent customer: A customer who has made a late payment on two or more occasions within the previous 12-month period.
- (c) Business day: Any Monday through Friday when the Company's business offices are open.
- (d) Deferred payment agreement: A written agreement for the payment of outstanding charges over a specified period of time. It must be signed in duplicate by a Company representative and the customer and each must receive a copy before it becomes enforceable by either party.
- (e) Levelized payment plan: A billing plan designed to reduce fluctuations in a customer's bill payments due to varying but predictable patterns of consumption.
- (f) Back-bill: That portion of any bill, other than a levelized bill, which represents charges not previously billed for service that was actually delivered to the customer during a period before the current billing cycle. A bill based on an actual reading rendered after one or more bills based on estimated or customer readings (commonly called a catch-up bill) that exceeds by 50 percent or more the bill that would have been rendered under the Company's standard estimation program is presumed to be a back-bill.
- (g) Tampered equipment: Any service related equipment that has been subjected either to unauthorized interference so as to reduce the accuracy or eliminate the measurement of the Company's service or to unauthorized connection occurring after the Company has physically disconnected service.
- (h) Company deficiency: Means any action or inaction by the Company or one of its authorized agents that does not substantially conform to the rules and regulations of 16 NYCRR Part 13, the Company's tariff, or the Company's written business procedures.
- H. Direct Customer: A daily-metered customer, with an annual natural gas consumption in excess of 3,500 Dth that acts on its own behalf in arranging to bring natural gas to the Company's Citygate.
- I. Marketer: Any non-utility entity that is determined eligible by the PSC and the Company to provide or arrange to provide gas Supply and other services on behalf of end use customers in New York State using the Company's distribution system.

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