

PSC No. 1 Gas
Valley Energy, Inc.
 Initial Effective Date: **July 1, 2008**

Statement Type: GAC
Statement No. 58
 Page 1 of 1

VALLEY ENERGY, INC.
Statement of Gas Adjustment Charge
EFFECTIVE MONTH: JULY YEAR: 2008

Applicable to Service Classifications No. 1, 4, 5 of P.S.C. No. 1 Gas
 Calculated on **June 23, 2008** using supplier rates forecasted to be in effect on **July 1, 2008**.
 (Per Mcf)

	<u>S.C. No. 1</u>	<u>S. C. No. 4</u>	<u>S. C. No. 5</u>
<u>A.) Average Commodity Cost per Mcf</u>			
The average commodity cost of gas (as defined on General Information Leaf No. 8H of P.S.C. No. 1-Gas) determined on June 23, 2008 by applying the rates and charges of the Company's gas suppliers which are or will be in effect on the date the gas cost adjustment becomes effective to the quantities of gas supplied to the Company during the 12 months ended May 31, 2008 .			
	\$ 13.7309	\$ 13.7309	\$ 13.7309
<u>B.) Average Demand Cost per Mcf</u>			
The average demand costs determined on June 23, 2008 by applying the rates and charges of the Company's gas suppliers which are or will be in effect on the date the May 31, 2008 .			
	0.3383	-	0.3383
<u>C.) Average Cost of Gas per Mcf</u>	14.0692	13.7309	14.0692
Difference (average cost of gas - commodity cost of gas)			0.3383
Average Cost multiplied by the LAUF factor 1.0149	14.2788	13.9355	0.3433
<u>D.) Annual Surcharge Adjustment</u>	0.3143	0.4813	-
<u>E.) Gas Cost Adjustment</u>	14.5931	14.4168	0.3433
<u>F.) Merchant Function Charge</u>	N/A	N/A	N/A
<u>G.) TOTAL GAS COST PER MCF</u>	\$ 14.5931	\$ 14.4168	\$ 0.3433

Issue Date: **June 23, 2008**

Issued By: Marjorie Johnston, Vice President & Treasurer