PSC No. 1 Gas

Valley Energy, Inc.

Initial Effective Date: March 1, 2017

Statement Type: GAC Statement No. 162 Page 1 of 1

VALLEY ENERGY, INC.

Statement of Gas Adjustment Charge EFFECTIVE MONTH: MARCH YEAR: <u>2017</u>

Applicable to Service Classifications No. 1, 4, 5 of P.S.C. No. 1 Gas

Calculated on February 23, 2017 using supplier rates forecasted to be in effect on March 1, 2017.

(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 February 23, 2017 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 January 31, 2017.			
	\$ 3.26577 \$	3.26577	
B.) Average Demand Cost per Mcf The average demand costs determined on February 23, 2017 by applying the rates and charges of the Company's gas suppliers which are or will be in effect on the date the date the gas cost adjustment becomes effective to the quantities of gas supplied, except that for service on an interruptible basis, to the Company during the 12 month ended January 31, 2017			
2017.	0.45598	-	0.45598
C.) Average Cost of Gas per Mcf	3.72175	3.26577	0.45598
Difference (average cost of gas - commodity cost of gas)			0.45598
Average Cost multiplied by the LAUF factor 1.0149	3.77720	3.31443	0.46277
D.) Annual Surcharge Adjustment	(0.17820)	0.09240	-
E.) Gas Cost Adjustment	3.59900	3.40683	0.46277
F.) Merchant Function Charge	N/A	N/A	N/A
G.) TOTAL GAS COST PER MCF	\$ 3.59900 \$	3.40683 \$	0.46277

Issue Date: February 23, 2017

Issued By: Marjorie Johnston, Vice President & Treasurer