

Valley Energy, Inc.
New York Division

P.S.C. No. 1 Gas
Leaf No. 96.3
Revision No. 0
Superceding Revision No.

SERVICE CLASSIFICATION NO. 4

A Customer that fails to meet the requirements set forth under Special Provisions - Distillate Fuel Customers and Special Provisions - Human Needs Customers of this service classification shall be assessed a premium equal to the greater of one hundred thirty percent (130%) of the applicable gas equivalent alternative fuel price or one hundred thirty percent (130%) of the otherwise applicable sales price in the Tariff less an estimate of the Customer's natural gas price, as determined by the Company, per therm. The premium will be applied for the billing period during which noncompliance becomes known and for each subsequent billing period until the Customer has provided sufficient evidence, as determined by the Company, that it has fully complied with the requirements set forth under Special Provisions - Distillate Fuel Customers and Special Provisions - Human Needs Customers.

SPECIAL PROVISIONS - HUMAN NEEDS CUSTOMERS:

- A. A Human Needs Customer is a Customer that heats all or any portion of any building, including apartment houses, prisons, dormitories, nursing homes, hospitals, hotels, and other building where persons may dwell on a permanent basis.
- B. The requirements and obligations set forth in Special Provisions - Distillate Fuel Customers (Sections B, C and D only) shall be applicable to a Human Needs Customer regardless of alternate fuel type.

A Customer that fails to meet the requirements set forth under Special Provisions - Distillate Fuel Customers and Special Provisions - Human Needs Customers of this service classification shall be assessed a premium equal to the greater of one hundred thirty percent (130%) of the applicable gas equivalent alternative fuel price or one hundred thirty percent (130%) of the otherwise applicable sales price in the Tariff less an estimate of the Customer's natural gas price, as determined by the Company, per therm. The premium will be applied for the billing period during which noncompliance becomes known and for each subsequent billing period until the Customer has provided sufficient evidence, as determined by the Company, that it has fully complied with the requirements set forth under Special Provisions - Distillate Fuel Customers and Special Provisions - Human Needs Customers.

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Issued by: Robert J. Crocker, President & CEO, 523 S. Keystone Ave., Sayre, PA 18840