

June 28, 2008

Douglas Ouweleen  
V.P. & Regional Manager  
Heritage Propane  
49 Sunset Road  
Wellsburg, New York 14894

Re: Galway Co-Op Contract price increases

Dear Doug:

I'm in receipt of your letter dated May 5, 2008 regarding Heritage's decision to increase the Co-op's delivery and propane cost. Clearly your decision falls within the boundaries of the contract. I'm sure much consideration was given prior to making your decision.

In order for the co-op to prosper and grow we need to be able to retain members as well as continue to enlist new ones. For this to happen, potential and current members need to see value in doing business with us and they also need a large level of comfort in our ability to cut cost while providing good service. Having said this, after receiving your letter outlining the price increases I could not in good conscious simply agree to the terms.

Please be advised that in accordance with the contract, effective July 6, 2008 the Galway Co-op has exercised its right to discontinue the contract with Heritage Propane. Ferrellgas will be contacting you shortly in an effort to switch-out our members. In the interest of convenience to the homeowners and the companies, it would be appreciated if you would allow Ferrelgas to simply trade you tank for tank. If the Co-op can be of any assistance, please do not hesitate to contact me. And we thank you for your past service and any curtsies you may provide us during this transition.

Very truly yours,

Michael Casadei  
Galwayco-op.com