

PSC No: 5 Gas
Corning Natural Gas Corporation
Initial Effective Date: 06/20/2012

Leaf: 84.5
Revision 1
Superseding Revision: 0

"Issued in Compliance with Commission Order "11-G-0280" Issued and Effective April 20, 2012"

K) On a daily basis, only the difference above or below the daily balancing tolerance is cashed out. Although, all month end imbalances shall be cashed out, even the volumes within the balancing tolerance. The difference above or below the balancing tolerance will be cashed out by applying the appropriate Index Price Adjustment to the difference as it is stepped through the tiers (i.e. if a Customer's account is out of balance by +30% the company would deduct the first 5% (the Balancing Tolerance), then apply the factor of 95% of index to the amount between 5% and 10%, then apply the factor of 90% of index to the amount between 10% and 15% at the next tier and then apply the factor of 80% of index to the amount between 15% and 20% any volume above 20% would have a factor of 50% applied to it.. if a Customer's account is out of balance by -30% the company would deduct the first -5% (the Balancing Tolerance), then apply the factor of 105% of index to the amount between -5% and -10%, then apply the factor of 110% of index to the amount between -10% and -15% at the next tier and then apply the factor of 120% of index to the amount between -15% and -20% any volume above -20% would have a factor of 150% applied to it.

Month end imbalance between 0 and 5% shall be cashed out in accordance with paragraph ii without an index price multiplier.

The above calculations are based on the 4th period balancing tiers (effective 10/1/13). The balancing tiers change from period to period effective 5/1/12.