

PSC No:4 Gas
Corning Natural Gas Corporation
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Service Classification No. 14

(1) On April 1 of each year the Company will review the quantity of design day requirements to be served by each Suppliers grandfathered capacity over the past thirteen (13) months. Unless the Supplier elects to reduce its grandfathered capacity, there shall be no reduction to the Supplier's quantity so long as the grandfathered capacity exceeds the quantity provided by the Supplier, or if the decrease in design day requirement quantity is less than 500 Dth. If the design day requirement quantity decreases by more than 500 Dth, the Supplier's grandfathered capacity will be reduced to the highest design day requirement quantity during the previous thirteen (13) months.

A Supplier may not transfer its grandfathered capacity to another Supplier unless it accompanies the sale of its entire book of customers.

(c) Due to the continual changes in the local production levels in CNG service territory, CNG will examine each Marketer's commitment to local production transportation volumes on an individual basis. Many variables exist due to the changing (both increasing and decreasing) volumes that are available from any given well. Consideration must be given on an individual producer basis, for how many wells exist, how long have they been in production, how many are interconnected to a gathering system, etc. CNG will maintain the right to determine if local production is suitable as firm primary capacity.

"Issued under Authority of PSC Order dated March 28, 2008 in Case No. 07-G-0299"

Issued by Michael German, President & C.E.O., Corning, NY 14830