

PSC No: 5 Gas  
Corning Natural Gas Corporation  
Initial Effective Date: 04/01/2008

Leaf: 77  
Revision 0  
Superseding Revision:

V. Adjustment of Rates in Accordance with Changes in the Cost of Purchased Gas: (Cont'd.)

5. Supplier Refund Provisions:

In the event that the rates and charges of the Company's gas supplier or suppliers are retroactively reduced, the total amount of refund, including interest, related to sales subject to the Gas Cost Adjustment, shall be credited to customers as follows:

- (a) All refunds received each month will be combined for purposes of determining the refund credit. The rate of refund shall be computed by dividing the total amount to be refunded by the corresponding estimated sales for the next successive 12 calendar months provided, however, such refund credit rate shall be subject to adjustment in the twelfth month if actual sales have varied significantly from estimated sales. All refunds included during the 12 months ending August 31 of each year will be reconciled with amounts intended to be refunded during that period with any difference applied to the Annual Surcharge or Refund Computation.
- (b) Interest shall be computed on the unrefunded balance from the date of receipt of the refund until the refund is returned to the customers at the rate prescribed by the Commission.
- (c) Where exceptional circumstances warrant, the utility may petition the Commission for waiver of the above refund plan.

6. Annual Surcharge or Refund:

A surcharge to collect gas cost adjustment under-collections or refund gas cost adjustment over-collections shall be computed and applied as follows:

Issued by Michael German, President and C.E.O., Corning, N.Y. 14830