

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

Leaf: 79  
Revision 0  
Superseding Revision:

Transition Surcharge (Con't)

$$\text{\$cap} = (\text{tcap} * \text{ucap\$}) / \text{ucap}$$

where

$\text{\$cap}$  = stranded capacity costs

tcap = amount of capacity associated with customers using their own capacity to bring gas to the city gate (dt)

ucap = total utility upstream pipeline capacity (dt)

ucap\$ = utility upstream capacity costs (\$)

W. Information Applicable to Transportation of Gas Service:

1. Increase in Rates and Charges:

In the event that the provision for transportation services to the Customer requires the Company to engage in transportation or storage services of others, an amount reflecting the costs incurred by the Company will be added to this rate.

To the extent that the customer consumes more gas than it has contracted for in the individual service agreement, the excess gas will be considered to be normal sales and will be billed in a manner consistent with such sales.

2. Quantities and Measurement:

The annual quantity of natural gas to be transported under this service classification shall be specified in individual service agreements with each customer hereunder designated as the "Annual Contract Quantity".

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