

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

Leaf: 90
Revision 0
Superseding Revision:

W. Information Applicable to Transportation of Gas Service: (Cont'd.)
Monthly Balancing, (Cont'd)

Fixed Price Option

(a) Obligation to offer:

The Company shall provide a written notice offering a voluntary fixed price option designed to reduce gas cost fluctuations caused by price volatility in the market. The fixed price option shall apply to bills rendered beginning in December and ending in May.

(b) Eligibility:

The company shall offer a fixed price option plan to all customers. However, participation shall be limited to subscribers who represent no more than 33% of the estimated normalized consumption in each particular customer classification. At its discretion, the Company may shift volume eligibility from one customer classification to another within the same service classification to compensate for over subscription.

(c) Calculation of fixed price:

The approved GAC calculation as filed monthly with the Public Service Commission will be utilized as a model for calculating the fixed price to be offered customers. The calculation will utilize volumetric data for the twelve months ended August 31. Pricing will be accomplished with a combination of known point in time and estimated costs. The resulting adjustment to the base cost of gas will be added to the applicable tariff block rates.

The weather normalization clause adjustment will not be applicable to customers choosing the fixed price option. (d) Reconciliation of refund to recover under-collections or to refund over-collections shall be computed in the manner prescribed for monthly GAC sales. The calculated over or under-collection shall be charged/credited to the accumulated gas adjustment clause over or under-collection for the current August 31 reconciliation period.

(e) Customer requirements:

Customers will be requested to provide the Company with a meter reading either in card form or by telephone for the first and last month of the period. Customers whose meters must be estimated shall be required to abide by the Company's estimate.

(f) Non-performance:

The election to participate in the fixed price option program shall be a one-time election and shall bind the customer to participate for the full period.