

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

Leaf: 89
Revision 0
Superseding Revision:

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

4) Pipeline Penalty Allocation (Cont'd)

A) The total penalty allocation levied against the monthly balanced entities will only be that amount which has not already been allocated to SC7, SC11, and SC6 and SC4 (Hammondsport) Daily Balanced Marketers/Direct Customers that had an impact on CNGC systems' daily operation during the penalty period.

B) Any information or data available should be utilized in determining this allocation including but not limited to the daily nominations made by or on behalf of the monthly balanced customers.

C) If a pipeline penalty occurs, the Company will make every reasonable attempt to have the penalty waived or reduced.

D) If the Company's efforts are successful, the reductions will be refunded to anyone having paid the charge.

E) If a dispute arises pertaining to the assigning of a pipeline penalty to any party, then the Company and the disputing party shall follow the Dispute Resolution Process, as set forth in the Company's GTOP manual.