PSC No: 5 Gas Corning Natural Gas Corporation Initial Effective Date: 04/01/2008 Leaf: 18 Revision 0 Superseding Revision:

B. How Service May Be Obtained: (Cont'd.)

received, the form of the payment, and shall contain a notice explaining the manner in which interest will accrue and be paid and that the receipt is neither negotiable nor transferable.

- b) Deposit Calculation:
  - (1) The amount of a deposit shall not exceed the cost of twice the customer's average monthly usage, except in the case of customers whose usage varies widely such as space heating or cooling customers, or certain manufacturing and industrial processors, where the deposit shall not exceed the cost of twice the average monthly usage for the peak season.
  - (2) In the case of an existing customer who has 12 months or more billing history, the amount of deposit shall be based on service used during the previous 12 month period as evidenced by the billing history.
  - (3) In the case of a new customer or a customer with less than 12 months of billing history, the amount of the deposit shall be based on one or more of the following, as available:
    - (i) the billing history of the customer;
    - (ii) information provided in the application by the customer about the expected load and use of service;
    - (iii) information contained in a load study of the premises prepared by the Company; and
    - (iv) the billing history of the previous customer, provided there have been no significant changes in the load.
- (c) Deposit Review:
  - (1) The Company shall, at the first anniversary of the receipt of the deposit and at least biennially thereafter, review the billing history of every customer who has a deposit with the Company, to assure that the amount of the deposit conforms to the limitations contained in subdivision (b) of this section. This requirement does not limit the right of the Company to review a deposit at any time.

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