

PSC No: 6 Gas  
Corning Natural Gas Corporation  
Initial Effective Date: 09/01/2008

Leaf: 21  
Revision 1  
Superseding Revision: 0

12. Collection of Take-or-Pay Charges

In accordance with the provisions of the Commission Order issued in Case No. 88-G-062 the Company shall recover approximately 96% of its take-or-pay expenses that relate to sales to Bath, Electric, Gas & Water Systems. Such recovery shall be through a monthly direct billing as billings are received from suppliers.

13. Increase in Rates Applicable in Municipality Where Service is Supplied:

The rates and charges for service under all Service Classifications, including gas cost adjustment and minimum charge, shall be increased to reflect the aggregate percentage rate of taxes imposed on the Company's gas revenues pursuant to Article 9-A of the NYS Tax Code, Section 186-a of the Tax Law, Section 20-b of the General City Law and Section 5-530 of the Village Law.

The total of all rates and charges will be divided by a factor determined as the quantity one minimum the quantity of (the applicable tax rate divided by 100).

The applicable surcharge factor shall be set forth on statements filed with the Public Service Commission. Whenever a city or village levies a new tax on the Company's gross revenue, repeals such a tax or changes the rate of such a tax, the Company will file a new statement. Every such statement shall be filed not less than fifteen business days before the date on which it is proposed to be effective, and no sooner than the date of the tax enactment to which the statement responds; shall become effective no sooner than the date when the tax enactment is filed with the Secretary of State; shall be applicable to bills subject to the tax enactments that are rendered on or after the effective date of the statement; and shall be cancelled not more than five business days after the tax enactment either ceases to be effective or is modified so as to reduce the tax rate. Such statements will be duly filed with the Public Service Commission, apart from the rate schedule and will be available to the public at Company offices at which applications for service may be made.