PSC No:4 GasLeaf: 7Corning Natural Gas CorporationRevision: 0Initial Effective Date: 10/01/2003Superseding Revision:

2. Definitions applicable to this Schedule: (Cont'd)

8. Non-residential Applicants and Customers: (Cont'd)

(i) Late payment: Any payment made more than 20 calendar days after the date payment was due (except 10 days for S.C. No. 2 customers). Payment is due whenever specified by the Company on its bill, provided such date does not occur before personal service of the bill or three calendar days after the mailing of the bill.

(j) Arrears: Charges for which payment has not been made more than 20 calendar days after payment was due (except 10 calendar days for S.C. No. 2 customers).

(k) Delinquent customer: A customer who has made a late payment on two or more occasions within the previous 12 month period.

(1) Business day: Any Monday through Friday when the Company's business offices are open.

(m) Deferred payment agreement: A written agreement for the payment of outstanding charges over a specified period of time. It must be signed in duplicate by the Company representative and the customer, and each must receive a copy, before it becomes enforceable by either party.

(n) Levelized payment plan: A billing plan designed to reduce fluctuations in a customer's bill payments due to varying, but predictable, patterns of consumption.

(o) Backbill: That portion of any bill, other than a levelized bill, which represents charges not previously billed for service that was actually delivered to the customer during a period before the current billing cycle. A bill based on an actual reading rendered after one or more bills based on estimated or customer readings (commonly called a catch-up bill) which exceeds by 50 percent or more the bill that would have been rendered under the Company's standard estimation program is presumed to be a backbill.

(p) Tampered equipment: Any service related equipment that has been subjected either to unauthorized interference so as to reduce the accuracy or eliminate the measurement of the Company's service, or to unauthorized connection occurring after the Company has physically disconnected service.

Issued by Thomas K. Barry, Chairman, President & C.E.O., Corning, NY 14830