

6. S.C. No. 12 Upstream Capacity Assignment Application Form:

The undersigned, (hereinafter called "First Assignee") hereby applies to Corning Natural Gas Corporation (hereinafter called "Assignor") for assignment of services.

This assignment of services shall be offered at the sole discretion of Assignor, when sufficient capacity is available, within the requirements of specific upstream pipeline(s)' policies and procedures and the valid requirements of governmental and regulatory authorities having jurisdiction over such transactions and, further, subject to special provisions of the Capacity Assignment program.

Assignor's ability to assign capacity rights is subject to and contingent upon Assignor's possession of all necessary contractual and regulatory authorization to permit such assignments. If for any reason Assignor does not, or ceases to possess such authorizations, either permanently or temporarily, Assignor's ability to assign said rights hereunder shall terminate. Nothing herein shall preclude Assignor's right to terminate assignment of services.

For any assignment of services tendered by Assignor to First Assignee:

- a. First Assignee shall be responsible for compliance with all terms and conditions for specific assigned services that are contracted for, as set forth in Service Classification No. 12, including all terms and conditions as set forth by any and all pipeline(s) for which assignment of services are rendered.
- b. First Assignee, or its agent, shall submit all nominations for assignment of services contracted for or for any subsequent assignees, to Assignor. First Assignee will supply receipt and delivery point information to Assignor at least two days prior to the pipeline(s)' published nomination date for the upcoming match.
- c. At the conclusion of the assignment month, Assignor shall invoice First Assignee for the total charges, demand and commodity, associated with the assignment including any imbalance, cash out, scheduling penalty, ACA, take-or-pay charges, or any other charges associated with First Assignee's use of the capacity. First Assignee will pay Assignor on or before the due date shown on the bill to avoid a late payment charge of one and one-half percent (1 1/2) per month.