Received: 07/12/2004 Status: CANCELLED Effective Date: 09/01/2004

PSC No:4 Gas Leaf: 198
Corning Natural Gas Corporation Revision: 2

Initial Effective Date: 09/01/2004 Superseding Revision: 1

TERMS OF PAYMENT:

Bills are due when personally served or three days after mailing. Bills shall be subject to a late payment charge in accordance with the General Information Section, if payment is not made by the due date specified on the bill which date shall be not less than 20 days from the due date.

TERM:

If the Customer's annual load factor, based on their winter peak demand, is not at least 50 percent, the Customer will be transferred to the appropriate firm sales or transportation service for one year, unless the are mitigating circumstances which would argue for allowing the Customer to continue operating under this service classification or returning to this service classification in less than one year, at the discretion of the Company.

DETERMINATION OF DEMAND:

The Customer's Maximum Daily Quantity (MDQ) will be set initially on the fuel requirements of the Customer's installed distributed generation equipment for a twenty-four (24) hour period. Should the Customer's actual usage exceed their MDQ, the MDQ will be deemed to be changed and MDQ for service and billing purposes will be increased to this new service level.

APPROVED REMOTE METERING:

All service rendered hereunder shall be metered separately from any other gas service provided to customers at the customer's location.

All customers served under this Service Classification shall have and Approved Remote Meter installed and operable.

BALANCING AND CURTAILMENT:

Customers electing commodity service who subsequently elect to migrate to an alternate supplier must participate in Monthly Balancing Service and are subject to the curtailment provisions of monthly balanced customers.

SPECIAL PROVISIONS:

A. Separate service lines for DG usage and non-DG usage shall not be required. However, if existing services and upstream distribution

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