

PSC NO. 7 - Gas  
Corning Natural Gas Corporation  
Effective January 1, 2013Statement Type: DRA  
Statement No. 3Corning Natural Gas Corporation  
2013 DRA Reconciliation**Amount Left to be Refunded from 2010** (14,080.30)

Allocation for Corning, Bath & Hammondsport			
Based on Projected 2012 Volumes (excluding Contract Customers)			
	Volumes	%	
Corning	3,366,097	85.15%	(11,989.91)
Bath	464,825	11.76%	(1,655.69)
Hammondsport	122,041	3.09%	(434.71)
<b>Total</b>	<b>3,952,963</b>	<b>100.00%</b>	<b>(14,080.30)</b>

	Total	Corning Portion	
DRA Carrying Costs on Storage	\$ 14,358.20	\$ 12,226.55	Oct '09 Through Sept '10
Tennessee Gas Pipeline Additional Refund 11/1/10	\$ (23,016.48)	\$ (19,599.40)	
Local Production	\$ (11,437.76)	\$ (9,739.68)	Oct '09 Through Sept '10 80% over 250K
Second Stage Increase Case# 08-G-1137	\$ 163,996.00	\$ 139,648.78	
<b>Net DRA</b>	<b>\$</b>	<b>122,536.24</b>	

Amount Refunded (Surcharged) to Customers

January '11	(2,300.09)
February-11	(18,069.52)
March-11	(29,945.25)
April-11	(10,952.17)
May-11	(6,847.94)
June-11	(4,366.62)
July-11	(5,914.15)
August-11	(3,477.05)
September-11	(3,550.33)
October-11	(5,549.69)
November-11	(8,256.28)
December-11	(8,624.83)
<b>Net Refunded (Surcharged) to Customers in 2011</b>	<b>(107,853.92)</b>

Jan-11	Feb- Oct 2011
0.0097	0.0396
Sales	
237,123	
456,301	
756,193	
276,570	
172,928	
110,268	
149,347	
87,804	
89,655	
140,144	
208,492	
217,799	

**Amount Left to be Surcharged from 2011** \$ **2,692.41**

	Total	Corning Portion	
DRA Carrying Costs on Storage	\$ 13,190.00	\$ 11,231.78	Oct '10 Through Sept '11
Tennessee Gas Pipeline Additional Refund	\$ (167,301.03)	\$ (142,463.13)	MOVE TO DRA FROM ACCT# 1253.04
Second Stage Increase	\$ 64,345.77	\$ 54,792.85	Sept '10 Through Aug '11
Local Production	\$ (79,795.88)	\$ (67,949.20)	Oct '10 Through Sept '11
<b>Net DRA</b>	<b>\$</b>	<b>(144,387.70)</b>	

Amount Refunded (Surcharged) to Customers

January '12	7,531.99	
February-12	15,584.55	
March-12	12,138.64	
April-12	9,233.09	
May-12	6,419.45	
June-12	4,334.71	
July-12	3,805.37	
August-12	4,577.57	
September-12	3,024.18	
October-12	4,482.57	
November-12	9,006.85	PROJECTED
December-12	9,408.92	PROJECTED
<b>Net Refunded (Surcharged) to Customers in 2012</b>	<b>89,547.89</b>	

**Amount Left to be Refunded from 2012 - Corning Operations** \$ **(52,147.40)**

<b>Amount Left to be Refunded from 2012- Corning Operations</b>	<b>\$ (52,147.40)</b>	<b>Above</b>
<b>Amount Left to be Refunded from 2012- Bath Operations</b>	<b>\$ (8,077.95)</b>	<b>See Bath Tab</b>
<b>Amount Left to be Surcharged from 2012- Hammondsport Operations</b>	<b>\$ 37,487.16</b>	<b>See H'Port Tab</b>
<b>TOTAL NET TO BE REFUNDED</b>	<b>\$ (22,738.20)</b>	

	Total	
DRA Carrying Costs on Storage	\$ 13,562.63	Oct '11 Through Sept '12
Tennessee Gas Pipeline Additional Refund	\$ (144,284.55)	MOVE TO DRA FROM ACCT# 1253.04
Local Production	\$ 52,154.64	Oct '11 Through Sept '12
<b>Net DRA</b>	<b>\$ (78,567.28)</b>	

Projected MCF Sales Volumes January to December 2013 3,952,963

**DRA to be Effective January 1, 2013 Per MCF Surcharge (Refund)** \$ **(0.0256)**Issue By: Firouzeh Sarhangi, CFO  
Corning, N.Y. 14830

Issue Date: December 27, 2012