PSC No: 6 Gas

Corning Natural Gas Corporation

Initial Effective Date: 06/20/2012

Leaf: 5.1

Revision 0

Superseding Revision:

(b) Gas Supply Charge (GSC)

The GSC will be the sum of the Total Average Cost of Gas, the Supplier Refund Adjustment, the Annual Reconciliation Adjustment and other PSC approved adjustments. The Total Average Cost of Gas is the sum of the Demand Cost Component and the Commodity Cost Component multiplied by the Factor of Adjustment. The Demand Cost Component shall be determined by dividing the Company's Pipeline Capacity Cost by the forecasted normalized annual gas purchases. The Commodity Cost Component shall be determined by dividing the Company's gas supply costs for the month in which the GSCwill be in effect by the forecasted normalized quantities of gas purchased for the month that the GSC will be in effect.