PSC No: 5 Gas

Corning Natural Gas Corporation

Leaf: 86.3

Revision 1

Initial Effective Date: 06/20/2012 Superseding Revision: 0

"Issued in Compliance with Commission Order "11-G-0280" Issued and Effective April 20, 2012"

Case 11-G-0280

Corning Natural Gas Corporation

Balancing and Cash-Out Tiers

Period 3 (Starting 5-1-13)

City Gate Balancing (Daily Nominations)

Deficiency

ImbalanceIndex Price Adj.Surplus ImbalanceIndex Price Adj.< -2%</td>125% of Market Price> +2%Nomination may be refused

End of Month Monthly Balanced Customer Cash-Out Table

Deficiency

ImbalanceIndex Price Adj.Surplus ImbalanceIndex Price Adj.< 0%</td>Market Price> 0%Market Price

End-of-Month Cash Out - No Rollover No Harm - No Foul Rule for Daily or Monthly Imbalances