

PSC No: 5 Gas  
Corning Natural Gas Corporation  
Initial Effective Date: 05/01/2012

Leaf: 86.1  
Revision 0  
Superseding Revision:

"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 1 (Starting 5-1-12)

##### City Gate Balancing (Daily Nominations)

###### Deficiency

Imbalance	Index Price Adj.	Surplus Imbalance	Index Price Adj.
< -2%	125% of Market Price	> +2%	Nomination may be refused

##### End of Month Cash-Out Table for Monthly Balanced Customer

###### Deficiency

Imbalance	Index Price Adj.	Surplus Imbalance	Index Price Adj.
< 0%	Market Price	> 0%	Market Price

##### Daily Cash-Out Table for Daily Balanced Customer

###### Deficiency

Imbalance	Index Price Adj.	Surplus Imbalance	Index Price Adj.
0 to -10%	No Cash-Out	0 to +10%	No Cash-Out
-10% to -15%	110% of Market Price	+10% to +15%	90% of Market Price
-15% to -20%	120% of Market Price	+15% to +20%	80% of Market Price
< -20%	150% of Market Price	> +20%	50% of Market Price

##### End of Month Cash-Out Table for Daily Balanced Customer

###### Deficiency

Imbalance	Index Price Adj.	Surplus Imbalance	Index Price Adj.
0 to -10%	Market Price	0 to +10%	Market Price
-10% to -15%	110% of Market Price	+10% to +15%	90% of Market Price
-15% to -20%	120% of Market Price	+15% to +20%	80% of Market Price
< -20%	150% of Market Price	> +20%	50% of Market Price

##### End-of-Month Cash Out - No Rollover

No Harm - No Foul Rule for Daily or Monthly Imbalances

Issued by Michael German, President and C.E.O., Corning, N.Y. 14830