PSC No: 5 Gas

Corning Natural Gas Corporation

Initial Effective Date: 04/01/2008

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Superseding Revision:

3. Gas Service Curtailments

1. If the Company in its judgment finds that it is unable to satisfy the full requirements of its customers and finds it necessary to curtail sales and/or transportation service, the Company may, at its option, immediately curtail service to a customer or give oral or written notice of curtailment. If notice of curtailment is given, a customer must curtail its use of service pursuant to the notice. If a customer has been directed to curtail consumption, orally or otherwise, and refuses to comply with the directed reductions, the customer shall be subject to an additional charge of \$25.00 per MCF.

- 2. In the event of interruption or force majeure curtailment situations, the needs of core customers will be met first, regardless of whether they are sales or transportation customers. Compensation for gas supplies that are interrupted in order to meet core customer needs will be provided at the current market price of gas in effect at the time of curtailment. Such replacement costs and any other costs incurred shall be recoverable through the gas adjustment clause (GAC) based upon normal review.
- 3. The Company shall implement a curtailment only as a last resort. Mutual aid, contractual and other non-curtailment supply management tools, Operational Flow Orders, interruption of contractual-interruptible load and supply acquisition shall be utilized before a curtailment is declared.
- 4. As circumstances permit, the Company will initially seek voluntary curtailments to alleviate an emergency situation. Economic considerations shall not be the basis for a curtailment. Curtailments shall be limited in scope and duration as necessary to alleviate an emergency and shall be localized to the extent possible.
- 5. Curtailments and notices of curtailment of sales services resulting from a gas supply deficiency will normally be made in the following order of priority to the extent permitted by operating feasibility.
 - (a) Firm requirements to customers whose facilities are capable of using an alternate fuel or energy source to supply the energy requirements of the premises otherwise supplied by gas.

Issued by Michael German, President and C.E.O., Corning, N.Y. 14830 "Issued under Authority of PSC Order dated August 23, 2007 in Case No.06-G-0059"