

PSC No:4 Gas
Corning Natural Gas Corporation
Initial Effective Date: 12/06/2007

Leaf: 66
Revision: 1
Superseding Revision: 0

7. The following provisions shall govern curtailments and notices of curtailment of transportation services resulting from a shortage of Corning system capacity or a loss of deliverability by an interstate pipeline or Corning upstream supplier which provides transportation service to Corning.
- (a) In the event of a transportation-capacity deficiency, curtailments and notices will normally be made according to the following priorities to the extent permitted by operating feasibility, with Priority 2 being curtailed before Priority 1:
 - (i) Priority 1: All firm transportation to Customers with dual-fuel or alternate energy facilities.
 - (ii) Priority 2: Interruptible transportation services and customers who have elected to not utilize the Company's upstream capacity.
 - (b) The Company will have sufficient capacity at all times to serve requirements in Priority 1, absent the occurrence of an emergency or a cause beyond its control. In the event that the Company does not have capacity sufficient to serve all of its Priority 1 requirements, the Company will allocate the available capacity among the affected customers in the manner which, in the Company's judgment, best protects the health, safety and property of its customers.
 - (c) At the time the Company receives an application for Priority 1 transportation service, the Company will determine whether it will have sufficient capacity to render all Priority 1 services, including the requested service, over the term of the requested service. If it lacks such capacity, the Company will reject the application unless the Company and the customer agree to construct the required capacity. The customer may be required to provide funding for any required construction.
 - (d) If there is not sufficient capacity to serve all requirements of customers within Priority 2 that are paying the same local transportation margin, the capacity available for such customers will be prorated among them in proportion to their nominated service level for the month at the receipt point in question.

Issued by Michael German, President & C.E.O., Corning, NY 14830