

PSC No:4 Gas
Corning Natural Gas Corporation
Initial Effective Date: 10/01/2003

Leaf: 184
Revision: 0
Superseding Revision:

Shippers who fail to deliver specified OFO volumes of gas shall not be permitted to continue to operate on the system. In addition, the shipper will be billed any applicable penalties incurred by the Company during the OFO period for the volume difference between the OFO required delivery and the actual delivered volumes.

There will be no daily or monthly penalties for delivering gas in excess of a minimum delivery OFO specified volume.

8. Monthly imbalances are unavoidable but Third Party Suppliers and their customers shall use their best efforts to keep such imbalances zero.

Imbalances in the volumes of gas delivered for Customers' accounts (net of Special Provision, Fuel Use and Unaccounted for Gas) and the volumes of gas used in the aggregate by the Customers, will be cashed-out each month so that no imbalances will be carried into the next month. The cashout will be charged to the marketer or Broker each month.

If the imbalance is negative (in aggregate the Customers used more than was delivered in aggregate by the Third Party Supplier), the Third party Supplier will purchase gas from the Company at the S.C. 1 tariff tail block rate. In addition, the Third Party Supplier shall be billed \$10 per MCF for all deliveries required to be provided by the Company which fall short of the calculated DCQ. It will be the marketers responsibility to allocate such gas cost to individual customers and bill those customers accordingly.

If the imbalance is positive (in aggregate the Third Party Supplier delivered more gas than was used in the aggregate by the Customers), the Company will purchase such gas from the Third Party Supplier at the following rates:

<u>Imbalance Level</u>	<u>Calculation</u>
0% - 10%	Quantity x Avg. Commodity Cost of Gas
10% - 20%	Quantity x 90% Avg. Commodity Cost of Gas
20% - 30%	Quantity x 85% Avg. Commodity Cost of Gas

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