

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

Leaf: 156
Revision: 0
Superseding Revision:

SPECIAL PROVISIONS: (Cont'd)

- A. Corning will assign capacity to parties submitting bids which produce the greatest revenue stream. Such revenues shall include only pipeline capacity charges and shall not include revenues related to the use of the Company's distribution system. Such bids shall be subject to the maximum and minimum rates as set forth in the posting paragraph above, and to the capacity release requirements of the upstream pipeline, as set out more fully in Paragraph B below. Tie-breaking method: If more than one bidder wins under the applicable evaluation criteria, the capacity will be released as follows: first to the winning bidder who submits a non-contingent bid. If more than one winning bid is non-contingent, then to the bidder that is currently utilizing the system capacity, or if no winning bidder is currently utilizing the subject capacity, then to the bidder who submitted its winning bid first in time. For bid evaluation purposes, all bids received on a one-part basis will be restated as a two-part rate based on the assignors evaluation of load factor.
- B. If the upstream pipeline has a capacity release or reassignment program which requires all releases of its capacity to be made through the upstream pipeline's program, then all capacity assignments under this service classification will ultimately be subject to the posting, bidding and other applicable provisions of the upstream pipeline's capacity release program.
- C. Corning shall have no obligation to allocate capacity to customers or other parties who are not willing to pay the maximum rate, unless all requests for assignment at the maximum rate have been satisfied. In the event that insufficient capacity is available to meet all the maximum bids as evaluated in A above, the available capacity shall be prorated among all bidders with the applicable maximum bid except that system customers will be allowed to receive 100% of their nomination before allocation to off system customers. In the event that capacity is available after all nominations at the maximum bid have been satisfied, capacity shall be allocated to customers and other parties providing the next highest bid.
- D. Assignor may allocate capacity on either a firm or recallable basis as stated in the application for services form. In the event a Customer elects to pay a one-part rate, the assignment may be limited at Assignor's discretion, to the customers' anticipated monthly use, adjusted for losses, divided by the number of days in the month. Nothing herein shall prohibit First Assignee from reassigning the assigned services to a subsequent Assignee, or any subsequent assignments thereafter.