

**CORNING NATURAL GAS CORPORATION
CALCULATION OF RATES BY BLOCK**

	ACTUAL HISTORIC SALES CCF	WEATHER NORM / ADJUSTMENTS	FORECASTED RATE YEAR SALES	CURRENT TARIFF RATES \$/CCF	RATE YEAR SALES AT CURRENT RATES	PROPOSED RATES \$/CCF	PROPOSED INCREASE \$/CCF	PROPOSED % INCREASE %	FORECASTED REVENUES	PROPOSED REVENUE INCREASE
SC 1 & 5 CORNING FIRM										
FIRST 3 CCF	395,280	0	395,280	\$ 7.25	\$ 955,260	\$ 11.68	\$ 4.43	61.10%	\$ 1,538,957	\$ 583,697
NEXT 47 CCF	4,644,540	0	4,644,540	\$ 0.23932	\$ 1,111,531	\$ 0.32156	\$ 0.08	34.36%	\$ 1,493,498	\$ 381,967
OVER 50 CCF	8,196,530	(416,650)	7,779,880	\$ 0.15122	\$ 1,176,473	\$ 0.20318	\$ 0.05	34.36%	\$ 1,580,716	\$ 404,243
					\$ 3,243,265				\$ 4,613,171	\$ 1,369,906
SC 6 CORNING TRANSPORTATION										
All CCF	3,425,350	1 (526,969)	2,898,381	\$ 0.13000	\$ 376,790	\$ 0.15234	\$ 0.02	17.18%	\$ 441,539	\$ 64,750
SC 14 CORNING AGGREGATION										
FIRST 3 CCF	112,790	0	112,790	\$ 7.25	\$ 272,576	\$ 11.68	\$ 4.43	61.10%	\$ 439,129	\$ 166,553
NEXT 47 CCF	1,325,260	0	1,325,260	\$ 0.23932	\$ 317,161	\$ 0.32156	\$ 0.08	34.36%	\$ 426,151	\$ 108,989
OVER 50 CCF	4,043,490	(137,880)	3,905,610	\$ 0.15122	\$ 590,606	\$ 0.20318	\$ 0.05	34.36%	\$ 793,542	\$ 202,936
					\$ 1,180,343				\$ 1,658,822	\$ 478,478
SC 2 & 7 CORNING TRANSPORTATION										
Corning Inc and World Kitchen - Firm	150,000	0	150,000	\$ 0.38755	\$ 58,133	\$ 0.45414	\$ 0.07	17.18%	\$ 68,121	\$ 9,989
Main Plant Transportation	3,185,170	(85,170)	3,100,000	\$ 0.02000	\$ 62,000	\$ 0.02000	\$ -	0.00%	\$ 62,000	\$ -
A Transportation	4,365,030	3 1,088,620	5,453,650	\$ 0.05270	\$ 287,407	\$ 0.08175	\$ 0.01	17.17%	\$ 336,763	\$ 49,356
B1 Transportation	4,567,690	4 1,522,540	6,090,230	\$ 0.05270	\$ 320,955	\$ 0.08175	\$ 0.01	17.17%	\$ 376,072	\$ 55,117
B2 Transportation Diesel Rate	960,520	391,790	1,352,310	\$ 0.02700	\$ 36,512	\$ 0.02700	\$ -	0.00%	\$ 36,512	\$ -
World Kitchen	4,301,140	0	4,301,140	Contract						
C2 Transportation	608,000	5 5,772,010	6,380,010	\$ 0.02700	\$ 172,260	\$ 0.02700	\$ -	0.00%	\$ 172,260	\$ -
C1 Min Charge per Month				\$ 3,921	\$ 47,052	\$ 4,595	\$ 674.00	17.19%	\$ 55,140	\$ 8,088
Polio Dairy - Firm	30,000	0	30,000	\$ 0.38755	\$ 11,627	\$ 0.45414	\$ 0.07	17.18%	\$ 13,624	\$ 1,998
Polio Dairy - Transportation	3,925,440	14,560	3,940,000	\$ 0.05270	\$ 207,638	\$ 0.08175	\$ 0.01	17.17%	\$ 243,295	\$ 35,657
Dresser Rand - Firm	30,000		30,000	\$ 0.38755	\$ 11,627	\$ 0.45414	\$ 0.07	17.18%	\$ 13,624	\$ 1,998
Dresser Rand - Transportation	482,684	2 (13,215)	469,469	\$ 0.05270	\$ 24,741	\$ 0.08175	\$ 0.01	17.17%	\$ 28,990	\$ 4,249
					\$ 1,239,952				\$ 1,406,401	\$ 166,450
NYSEG	36,673,100	0	36,673,100	Contract						

STATE OF NEW YORK
DEPT. OF PUBLIC SERVICE
DATE 5/22/06
CASE NOS. 05-G-1359 d.d.
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CALCULATION OF RATES BY BLOCK**

	ACTUAL HISTORIC SALES	WEATHER NORM / ADJUSTMENTS	FORECASTED RATE YEAR SALES	CURRENT TARIFF RATES	RATE YEAR SALES AT CURRENT RATES	PROPOSED RATES	PROPOSED INCREASE	PROPOSED % INCREASE	FORECASTED REVENUES	PROPOSED REVENUE INCREASE
BATH										
SC 1 FIRM SALES FOR RESALE	3,144,190	181,810	3,306,000	\$ 0.06441	\$ 212,939	\$ 0.07548	\$ 0.01	17.19%	\$ 249,537	\$ 36,597
SC 3 TRANSPORTATION FOR RESALE	926,360	619,640	1,546,000	\$ 0.06441	\$ 99,578	\$ 0.07548	\$ 0.01	17.19%	\$ 116,692	\$ 17,114
SC 2 HAMMONDSPORT - SALES FOR RESALE				\$ 0.05941	\$ -	\$ 0.07048	\$ 0.01	18.63%	\$ -	\$ -
SC 4 HAMMONDSPORT - TRANSPORTATION	2,600,800	(1,652,800)	948,000	\$ 0.05941	\$ 56,321	\$ 0.07048	\$ 0.01	18.63%	\$ 66,815	\$ 10,494
SC 1 HAMMONDSPORT										
FIRST 3 THM	11,200	0	11,200	\$ 6.11	\$ 22,811	\$ 11.68	\$ 5.57	91.16%	\$ 43,605	\$ 20,795
NEXT 47 THM	138,762	(7,212)	131,550	\$ 0.23932	\$ 31,483	\$ 0.32158	\$ 0.08	34.36%	\$ 42,301	\$ 10,819
OVER 50 THM	162,669	551	163,220	\$ 0.14208	\$ 23,190	\$ 0.19090	\$ 0.05	34.36%	\$ 31,159	\$ 7,968
					\$ 77,484				\$ 117,065	\$ 39,582
SC 2 HAMMONDSPORT										
FIRST 3 THM	2,520	0	2,520	\$ 5.93	\$ 4,981	\$ 11.68	\$ 5.75	96.96%	\$ 9,811	\$ 4,830
NEXT 49.7 THM	106,176	(1,806)	104,370	\$ 0.15262	\$ 15,929	\$ 0.20507	\$ 0.05	34.37%	\$ 21,403	\$ 5,474
NEXT 14,500 THM	13,470	0	13,470	\$ 0.11517	\$ 1,551	\$ 0.15475	\$ 0.04	34.37%	\$ 2,084	\$ 533
OVER 15,000 THM	-	0	-	\$ 0.10932	\$ -	\$ 0.14689	\$ 0.04	34.37%	\$ -	\$ -
					\$ 22,461				\$ 33,299	\$ 10,837
SC 4 HAMMONDSPORT TRANSPORTATION										
All THM	951,900	(24,100)	927,800	\$ 0.100490	\$ 93,235	\$ 0.11776	\$ 0.02	17.19%	\$ 109,258	\$ 16,023
SC 7 HAMMONDSPORT AGGREGATION										
FIRST 3 THM	1,190	0	1,190	\$ 6.11	\$ 2,424	\$ 11.68	\$ 5.57	91.16%	\$ 4,633	\$ 2,209
NEXT 47 THM	13,960	0	13,960	\$ 0.23932	\$ 3,341	\$ 0.32158	\$ 0.08	34.36%	\$ 4,489	\$ 1,148
OVER 50 THM	48,080	(1,690)	46,390	\$ 0.14208	\$ 6,591	\$ 0.19090	\$ 0.05	34.36%	\$ 8,856	\$ 2,265
					\$ 12,356				\$ 17,978	\$ 5,622
TOTAL CORNING \$ 6,040,349										
TOTAL BATH \$ 368,838										
TOTAL HAMMONSPORT \$ 205,535										
TOTAL DELIVERY REVENUES \$ 6,614,723										
										TARGET \$ 2,215,345
										DELTA \$ 510

CORNING NATURAL GAS CORPORATION STAFF ADJUSTMENTS

<u>Adj. #</u>		<u>Amount</u> Ccf
1	Remove Dresser Rand From SC-6	
	Firm	(30,000)
	Transportation	(469,469)
2	Reinstate Dresser Rand in SC-2/SC-7	
	Firm	30,000
	Transportation	469,469
3	Additional Volumes	943,650
4	Additional Volumes	1,522,540
5	Additional Volumes	3,880,010

