

CORNING NATURAL GAS CORP.

INDEX OF SCHEDULES

Other Issues

<u>SCHEDULE</u>	<u>TITLE OF SCHEDULES</u>	<u>WITNESS</u>
1	Demonstration of Productivity	F. Sarhangi/L.M DiValentino
2	The Effective General Inflation Allowed in order to Offset Medical Inflation Rate	F. Sarhangi/L.M DiValentino

**Corning Natural Gas Corporation  
Demonstration of Productivity**

Exhibit CNG-9  
Schedule 1  
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**Capital Expenditures**

Root Well	\$ 649,900.00
Compressor Station	11,000,000.00
Pipeline assoc. with Compressor	<u>2,100,000.00</u>
	13,749,900.00
Purchase Price	<u>2.00</u>
	\$ 13,749,898.00
Overall rate of Return	<u>6.95%</u>
Return Required	\$ 955,617.91
Requirement Factor	<u>1.665</u>
Avoided Revenue Requirement	<u><u>\$ 1,591,103.82</u></u>

**Commodity and O&M**

Local Production Delivery Rate Savings	\$ 672,000.00
Local Production Transportation Savings *	806,763.00
Lower Interest Costs	<u>443,696.00</u>
	\$ 1,922,459.00

\* Net of to incentive (Cumulative amount \$5,028,485 from 2009 to April 2016)

**Productivity Base**

Direct Labor	3,009,853.36
Supervisory and Indirect Labor	631,558.00
Vacation	202,897.24
Payroll Taxes	258,661.93
Health Insurance	773,870.98
Pension OPEB	<u>1,161,737.54</u>
	6,038,579.05
Productivity Adjustment @1%	\$ 60,385.79
Productivity Adjustment @2%	\$ 120,771.58

