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August 11, 2016

Via E-Mail

Hon. Sean Mullany
Hon. Ben Wiles
Administrative Law Judges
New York Public Service Commission
Three Empire State Plaza
Albany, New York 12223-1350

RE: Case 16-G-0369 - Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Corning Natural Gas Corporation for Gas Service

Dear Judges Mullany and Wiles:

On behalf of Corning Natural Gas Corporation (“Corning” or the “Company”) we are responding to Staff Counsel’s letter of August 9, 2016 complaining about the Company’s purported lack of responsiveness to Staff’s discovery requests. Corning does not dispute that a number of the Company’s responses to Staff’s interrogatories have been submitted beyond the standard 10-day time frame; but the Company vigorously disagrees that Staff has suffered “harm” or that the ability to complete this proceeding within the typical 11-month suspension period is in jeopardy and, therefore, an extension is required.

Much of Staff Counsel’s expressed concern focuses on the 179 “pre-filing” interrogatories that Staff insists are to be answered by utilities as part of their rate filings. While Staff may view responses to such questions as a requirement of a rate filing, they are not. Responses are not required by the Commission’s regulations, by Commission order or by any other authority. The 179 questions – which actually approximate 500 questions when individual parts are counted – constitute a one-size-fits-all set of generic questions. While some of these questions are focused on relevant issues, many are unrelated to Corning’s business or to the Company’s rate application. The Company responded in its Exhibit CNG-13 (described below) to the generic questions that were relevant to the Company’s filing. Corning was subsequently informed by Staff Counsel that all questions were to be responded to formally. The Company, therefore, began to prepare responses to each of the 179 “pre-filing” interrogatories, and, for convenience, provided those responses to Staff in the same subject groupings used in Staff’s generic document.

In contrast to the over-breadth inherent in Staff's "pre-filing" questions, Corning provided, as an integral part of its filing, Exhibit CNG-13, which is the Company's effort, based on years of experience, to anticipate and respond to relevant and reasonable frequently asked questions ("FAQs") that are not otherwise required to be addressed in a rate application. Indeed, Corning has been a leader in the effort to streamline the rate making process by voluntarily expanding the amount of *reasonable and relevant* information provided at the outset of a rate application. Notwithstanding having been criticized by Staff for presuming to know what might interest other parties, Corning had included its FAQ exhibit in the Company's May 24, 2011 initial filing in Case 11-G-0280, predating the Orange and Rockland Utilities, Inc. proceeding cited in Staff's letter as the initial use of "pre-filing" interrogatories.

It is unfortunate that Staff Counsel chooses to denigrate the Company's substantial submission of data addressing the FAQs, rather than acknowledging the value of that submission. While Corning believes that the electronic files provided with the initial filing are user-friendly and relatively easy to navigate, it appears that Staff's purported difficulty in using the files is at the heart of Staff's complaints about lack of value in the FAQ exhibit and related elements of the significant quantity of information provided to Staff at the outset.¹ Indeed, many of the Company's responses to Staff's 500 questions are devoted to giving directions to Staff as to where, within previously provided files, the subjects of Staff's inquiries can be found. In any event, Staff Counsel's criticism of the Company's voluntary efforts to supply additional relevant information with the filing are unwarranted and unfair.

Notwithstanding Corning's reservations about the relevance, scope and burdensomeness of Staff's "pre-filing" interrogatories, the Company has done its best to answer them without objecting to them. In addition, in certain cases, where the Company would not ordinarily be required to perform studies in response to the questions posed, Corning has nevertheless proceeded to do so as an accommodation to Staff. Yet, rather than credit the Company's courtesy in answering a massive number of marginal questions, Staff Counsel chooses to focus on the downside: the inevitable delay in response time caused by an excessive number of questions. Moreover, Staff Counsel conveniently neglects to note that, in the midst of Corning's efforts to respond to these interrogatories, the Company accommodated Staff's request for a meeting at the Company's offices, effectively tying up the same people responsible for answering Staff's interrogatories.

At this point, Corning has cleared the backlog of all but a handful of the "pre-filing" interrogatories, regardless of their questionable value, and has worked to complete the "post-filing" interrogatories in as timely a fashion as feasible, given the Company's size and

¹ The Company, both at pre-filing meetings and in post-filing telephone conversations with the Staff leads on this proceeding, has offered to visit/meet with Staff to demonstrate the workings of the Rate Case Model that was provided to Staff at the time of filing. The electronic files provided to Staff include, for example, relevant information on every accounts payable invoice, journal entry, and adjustment posting to each and every account in the Company's General Ledger, all in searchable form. To date, Staff has not taken the Company up on its offer for an overview of the electronic data that have been made available.

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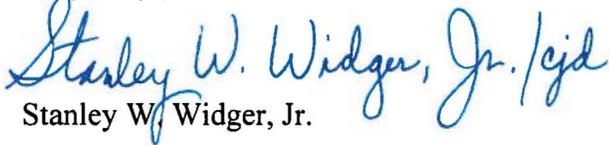
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resources. Corning will continue to work diligently to respond to reasonable discovery requests in a timely fashion and will be prepared to report on the Company's progress in this regard at the Procedural Conference scheduled for August 15, 2016.

Although Corning understands Staff Counsel's desire to preserve arguments with regard to scheduling, the content and timing of the Company's responses to Staff's "pre-filing" and "post-filing" interrogatories provide no basis for extending deadlines for Staff's submissions in this proceeding.

Very truly yours,


Stanley W. Widger, Jr.

cc: Hon. Kathleen H. Burgess
Joseph Dowling, Esq.
Brandon Goodrich, Esq.
Michael Zimmerman, Esq.
Amanda DeVito Trinsey, Esq.
James S. King, Esq.