

CORNING NATURAL GAS CORP.

INDEX OF SCHEDULES

Rate Base

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Corning Natural Gas Corporation
Rate Base - Summary

For the Twelve Month Period Ended December 31, 2015, May 31, 2016, 2017, 2018, 2019 and 2020

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Summary
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	Average Rate Base			Twelve Months Ended	Average Rate Base	Average Rate Base	Average Rate Base For The Rate Year	Twelve Months Ended	Twelve Months Ended
	Twelve Months Ended	Adj. No.	Adjustments	December 31, 2015	Twelve Months Ended	Twelve Months Ended	Twelve Months Ended	May 31, 2019	May 31, 2020
	December 31, 2015			As Adjusted	May 31, 2016	May 31, 2017	May 31, 2018		
Utility Plant In Service									
Total Plant in Service	\$ 72,095,623			\$ 72,095,623	\$ 72,808,122	\$ 77,880,761	\$ 85,252,290	\$ 93,750,630	\$ 101,136,565
Construction Work in Progress-Non Interest Bearing	1,153,909			1,153,909	1,153,909	1,153,909	1,153,909	1,153,909	1,153,909
Root Pipeline Project CIAC		(1)	(649,900)	(649,900)	(649,900)	(649,900)	(649,900)	(649,900)	(649,900)
Plant Allocated to Subsidiaries Operations		(2)	(435,891)	(435,891)	(435,891)	(435,891)	(435,891)	(435,891)	(435,891)
Plant Reserves									
Root Pipeline Project CIAC Deprec. Reserve		(3)	(65,193)	(65,193)	(57,169)	(68,997)	(80,825)	(92,653)	(104,481)
Normal Depreciation	(17,087,363)			(17,087,363)	(17,471,994)	(18,981,927)	(20,732,520)	(22,620,397)	(24,689,740)
Accelerated Recovery-Root Well/ Upgrades	(2,689,522)			(2,689,522)	(2,689,522)	(2,689,522)	(2,689,522)	(2,689,522)	(2,689,522)
Accelerated Recovery-Virgil	(410,219)			(410,219)	(454,936)	(557,342)	(630,631)	(631,310)	(631,310)
Accelerated Recovery-Bath	(544,445)			(544,445)	(615,152)	(784,849)	(954,546)	(1,124,281)	(1,294,146)
Accelerated Recovery-Other	(9,438)			(9,438)	(11,415)	(18,041)	(25,079)	(32,117)	(39,155)
Net Plant in Service	52,508,546		(1,150,984)	51,357,561	51,576,052	54,848,200	60,207,285	66,628,469	71,756,329
Working Capital									
Material and Supply	1,121,894		-	1,121,894	1,143,450	1,164,722	1,185,723	1,207,978	1,230,045
Prepayments	1,095,187	(4)	27,819	1,123,006	1,190,064	1,291,200	1,402,541	1,525,599	1,661,216
Cash Working Capital	962,184	(5)	(43,628)	918,556	941,048	1,027,188	1,111,053	-	-
Total Working Capital	3,179,265		(15,809)	3,163,457	3,274,562	3,483,111	3,699,316	2,733,576	2,891,261
Deferred Debits	4,090,088	(6)	(3,216,855)	873,232	758,825	1,296,891	1,140,333	730,379	483,322
Deferred Credits	(2,715,871)	(7)	2,621,414	(94,457)	(1,695)	19,207	29,761	37,555	32,924
Unamortized Debt Discount and Expense	248,767		-	248,767	225,510	210,134	163,775	117,254	67,032
Deferred Taxes									
Root Pipeline Project CIAC-State		(8)a	41,611	41,611	42,984	42,160	41,336	40,512	39,688
Root Pipeline Project CIAC-Federal		(8)b	199,264	199,264	205,840	201,895	197,949	194,003	190,057
Root Pipeline Project Tax Depreciation-State		(8)c	(12,156)	(12,156)	(9,517)	(11,152)	(12,600)	(13,899)	(15,127)
Root Pipeline Project Tax Depreciation-Federal		(8)d	(127,525)	(127,525)	(124,558)	(126,460)	(127,918)	(129,016)	(126,460)
Tax on Accelerated Recovery -State	255,883		-	255,883	254,488	248,742	242,988	237,035	230,842
Tax on Accelerated Recovery -Federal	1,225,355		-	1,225,355	1,218,677	1,190,902	1,161,186	1,130,046	1,097,654
Compressor Station-State CIAC	867,190			867,190	859,025	839,428	819,831	800,234	780,637
Compressor Station-Federal CIAC	3,857,888			3,857,888	3,821,562	3,734,378	3,647,194	3,560,010	3,472,826
Dalrymple-State CIAC	23,869			23,869	23,698	23,290	22,882	22,473	22,065
Dalrymple-Federal CIAC	106,055			106,055	105,280	103,419	101,559	99,698	97,838
Accel. Depreciation-State	(974,359)		-	(974,359)	(1,036,416)	(1,143,491)	(1,299,617)	(1,469,684)	(1,656,290)
Accel. Depreciation-Federal	(13,363,037)			(13,363,037)	(13,469,227)	(13,794,431)	(14,104,883)	(14,496,363)	(14,796,363)
State Tax Other-Deferred Debits	(365,165)	(9)a	303,165	(61,999)	(103,959)	(84,298)	(74,122)	(47,475)	(31,416)
State Tax Other-Deferred Credits	192,827	(9)b	(176,070)	16,757	120	(1,364)	(2,113)	(2,666)	(3,338)
Federal Tax Other-Deferred Debits	(1,748,676)	(10)a	1,451,777	(296,899)	(258,000)	(440,943)	(387,713)	(248,329)	(164,330)
Federal Tax Other-Deferred Credits	923,396	(10)b	(843,151)	80,246	576	(6,530)	(10,119)	(12,769)	(11,194)
Total Deferred Taxes	(8,998,774)		836,915	(8,161,859)	(8,469,426)	(9,224,455)	(9,784,160)	(10,248,808)	(10,871,910)
Total Rate Base	\$ 48,312,020		\$ (925,319)	47,386,701	\$ 47,363,828	\$ 50,633,088	\$ 55,456,310	\$ 59,998,425	\$ 64,358,958
Earning Base Capitalization Adjustment	-	(11)	2,374,901	2,374,901	2,374,901	2,374,901	2,374,901	2,374,901	2,374,901
Rate Base As Adjusted	\$ 48,312,020		\$ 1,449,582	\$ 49,761,602	\$ 49,738,729	\$ 53,007,989	\$ 57,831,211	\$ 62,373,326	\$ 66,733,859

Normalizing Adjustments:

- (1) To adjust plant in service to reflect pipe contribution Per Case 08-G-1137
- (2) To adjust plant in service to reflect plant for non-utility operation
- (3) To adjust depreciation reserve to reflect pipe contribution Per Case 08-G-1137
- (4) To adjust Prepayments for items not used in the determination of revenue requirement
- (5) To reflect Working Capital impacts of Normalizing Adjustments made to O&M expenses
- (6) To adjust Deferred Debits for items not used in the determination of revenue requirement
- (7) To adjust Deferred Credit for items not used in the determination of revenue requirement
- (8) To reflect State and Federal Deferred taxes on pipe contribution (adjustment (1) above)
- (9) To adjust State and Federal taxes on Deferred Debits for items not used in the determination of revenue requirement
- (10) To adjust State and Federal taxes on Deferred Credit for items not used in the determination of revenue requirement
- (11) To reflect Earnings Base / Capitalization Adjustment to Rate Base

Corning Natural Gas Corporation
 Utility Plant in Service, Construction Work in Progress-Non Interest Bearing, Reserve for Depreciation and Unamortized Debt Discount and Expense
 As at December 31, 2015, May 31, 2016, 2017, 2018, 2019 and 2020

Utility Plant In Service

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Twelve Months Ended December 31, 2015				Twelve Months Ended May 31, 2016		
	<u>Book</u>	<u>Projected</u>	<u>Total</u>			
	<u>Amount</u>	<u>Additions</u>		<u>Book</u>	<u>Projected</u>	<u>Total</u>
2014 December (1/2)	35,307,839	-	35,307,839	70,615,678.66	2015 May (1/2)	35,905,953.49
2015 January	70,615,679	-	70,615,679		2015 June	71,811,907
2015 February	70,615,679	-	70,615,679		2015 July	72,646,541
2015 March	71,818,125	-	71,818,125		2015 August	72,646,541
2015 April	71,818,125	-	71,818,125		2015 September	72,646,541
2015 May	71,811,907	-	71,811,907		2015 October	72,918,174
2015 June	72,646,541	-	72,646,541		2015 November	72,918,174
2015 July	72,646,541	-	72,646,541		2015 December	72,918,174
2015 August	72,646,541	-	72,646,541		2015 January	72,931,953
2015 September	72,918,174	-	72,918,174		2016 February	-
2015 October	72,918,174	-	72,918,174		2016 March	128,432
2015 November	72,918,174	-	72,918,174		2016 April	128,432
2015 December (1/2)	36,465,977	-	36,465,977	72,931,953.17	2016 May (1/2)	256,863
Average	72,095,623	-	72,095,623		Average	72,808,121.80

Construction Work in Progress-Non Interest Bearing

Twelve Months Ended December 31, 2015				Twelve Months Ended May 31, 2016		
	<u>Book</u>	<u>Projected</u>	<u>Total</u>			
	<u>Amount</u>	<u>Additions</u>		<u>Book</u>	<u>Projected</u>	<u>Total</u>
2014 December (1/2)	122,818		122,818	2015 May (1/2)		
2015 January	722,346		722,346	2015 June		
2015 February	1,092,654		1,092,654	2015 July		
2015 March	109,931		109,931	2015 August		
2015 April	386,230		386,230	2015 September		
2015 May	725,611		725,611	2015 October		
2015 June	110,635		110,635	2015 November		
2015 July	614,314		614,314	2015 December		
2015 August	1,057,710		1,057,710	2016 January		
2015 September	1,390,017		1,390,017	2016 February		
2015 October	2,208,792		2,208,792	2016 March		
2015 November	3,183,781		3,183,781	2016 April		
2015 December (1/2)	2,122,067		2,122,067	2016 May (1/2)		
Average	1,153,909		1,153,909	Average		1,153,909

Corning Natural Gas Corporation
 Utility Plant in Service, Construction Work in Progress-Non Interest Bearing, Reserve for Depreciation and Unamortized Debt Discount and Expense
 As at December 31, 2015, May 31, 2016, 2017, 2018, 2019 and 2020

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Twelve Months Ended May 31, 2017				Twelve Months Ended May 31, 2018			
	<u>Book</u>	<u>Projected</u>	<u>Total</u>		<u>Book</u>	<u>Projected</u>	<u>Total</u>
	<u>Amount</u>	<u>Additions</u>			<u>Amount</u>	<u>Additions</u>	
2016 May (1/2)	36,787,055		36,787,055	2017 May (1/2)	40,142,928		40,142,928
2016 June		770,589	74,344,700	2017 June		894,947	81,180,803
2016 July		1,027,452	75,372,153	2017 July		1,193,262	82,374,065
2016 August		1,027,452	76,399,605	2017 August		1,193,262	83,567,328
2016 September		1,027,452	77,427,058	2017 September		1,193,262	84,760,590
2016 October		770,589	78,197,647	2017 October		894,947	85,655,537
2016 November		745,789	78,943,436	2017 November		825,504	86,481,041
2016 December		149,158	79,092,594	2017 December		165,101	86,646,141
2016 January		149,158	79,241,751	2017 January		165,101	86,811,242
2016 February		149,158	79,390,909	2017 February		165,101	86,976,343
2017 March		149,158	79,540,067	2018 March		165,101	87,141,444
2017 April		149,158	79,689,225	2018 April		165,101	87,306,544
2017 May (1/2)		298,316	40,142,928	2018 May (1/2)		330,201	43,983,474
Average		6,711,745.18	77,880,761	Average		7,350,890	85,252,290
			596,631.22			7,681,091	660,402.91

Construction Work in Progress-Non Interest Bearing

Twelve Months Ended May 31, 2017				Twelve Months Ended May 31, 2018			
	<u>Book</u>	<u>Projected</u>	<u>Total</u>		<u>Book</u>	<u>Projected</u>	<u>Total</u>
	<u>Amount</u>	<u>Additions</u>			<u>Amount</u>	<u>Additions</u>	
2016 May (1/2)				2017 May (1/2)			
2016 June				2017 June			
2016 July				2017 July			
2016 August				2017 August			
2016 September				2017 September			
2016 October				2017 October			
2016 November				2017 November			
2016 December				2017 December			
2016 January				2017 January			
2016 February				2017 February			
2017 March				2018 March			
2017 April				2018 April			
2017 May (1/2)				2018 May (1/2)			
Average			1,153,909	Average			1,153,909

Corning Natural Gas Corporation
 Utility Plant in Service, Construction Work in Progress-Non Interest Bearing, Reserve for Depreciation and Unamortized Debt Discount and Expense
 As at December 31, 2015, May 31, 2016, 2017, 2018, 2019 and 2020

Utility Plant In Service

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Twelve Months Ended May 31, 2019			Twelve Months Ended May 31, 2020				
	<u>Book</u>	<u>Projected</u>	<u>Total</u>		<u>Book</u>	<u>Projected</u>	<u>Total</u>
	<u>Amount</u>	<u>Additions</u>			<u>Amount</u>	<u>Additions</u>	
2018 May (1/2)	43,983,474		43,983,474	2019 May (1/2)	48,241,689		48,241,689
2018 June		990,604	88,957,552	2019 June		852,991	97,336,369
2018 July		1,320,806	90,278,357	2019 July		1,137,321	98,473,690
2018 August		1,320,806	91,599,163	2019 August		1,137,321	99,611,011
2018 September		1,320,806	92,919,969	2019 September		1,137,321	100,748,331
2018 October		990,604	93,910,573	2019 October		852,991	101,601,322
2018 November		990,604	94,901,178	2019 November		694,016	102,295,338
2018 December		825,504	95,726,681	2019 December		138,803	102,434,142
2018 January		165,101	95,891,782	2019 January		138,803	102,572,945
2019 February		165,101	96,056,883	2020 February		138,803	102,711,748
2019 March		142,165	96,199,048	2020 March		138,803	102,850,552
2019 April		142,165	96,341,213	2020 April		138,803	102,989,355
2019 May (1/2)		71,083	96,412,296	2020 May (1/2)		277,607	103,266,962
Average		8,445,348	93,750,630	Average		6,783,583	101,136,565
		8,516,431				7,061,190	(7,061,189.95)

Construction Work in Progress-Non Interest Bearing

Twelve Months Ended May 31, 2019			Twelve Months Ended May 31, 2020				
	<u>Book</u>	<u>Projected</u>	<u>Total</u>		<u>Book</u>	<u>Projected</u>	<u>Total</u>
	<u>Amount</u>	<u>Additions</u>			<u>Amount</u>	<u>Additions</u>	
2018 May (1/2)				2019 May (1/2)			
2018 June				2019 June			
2018 July				2019 July			
2018 August				2019 August			
2018 September				2019 September			
2018 October				2019 October			
2018 November				2019 November			
2018 December				2019 December			
2018 January				2019 January			
2019 February				2020 February			
2019 March				2020 March			
2019 April				2020 April			
2019 May (1/2)				2020 May (1/2)			
Average			1,153,909	Average			1,153,909

Corning Natural Gas Corporation
 Utility Plant in Service, Construction Work in Progress-Non Interest Bearing, Reserve for Depreciation and Unamortized Debt Discount and Expense
 As at December 31, 2015, May 31, 2016, 2017, 2018, 2019 and 2020

Utility Plant In Service-Reserve For Depreciation

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Twelve Months Ended December 31, 2015			Twelve Months Ended May 31, 2016		
	<u>Book</u>	<u>Projected</u>		<u>Book</u>	<u>Projected</u>
	<u>Amount</u>	<u>Additions</u>		<u>Amount</u>	<u>Additions</u>
	<u>Total</u>			<u>Total</u>	
2014 December (1/2)	(10,001,283)		2015 May (1/2)	(10,342,356)	
2015 January	(20,120,689)		2015 June	(20,684,712)	
2015 February	(20,269,412)		2015 July	(20,754,462)	
2015 March	(20,419,867)		2015 August	(20,891,588)	
2015 April	(20,552,550)		2015 September	(21,028,138)	
2015 May	(20,684,712)		2015 October	(21,012,226)	
2015 June	(20,754,462)		2015 November	(21,151,628)	
2015 July	(20,891,588)		2015 December	(21,288,396)	
2015 August	(21,028,138)		2015 January	(21,433,767)	
2015 September	(21,012,226)		2016 February		(167,515)
2015 October	(21,151,628)		2016 March		(171,424)
2015 November	(21,288,396)		2016 April		(169,361)
2015 December (1/2)	(10,716,884)	-	2016 May (1/2)		(83,717)
Average	(20,740,986)	-	Average		(21,243,018)
		(20,740,986)			(21,243,018)
					(21,433,767.17)

Unamortized Debt Discount and Expense

Twelve Months Ended December 31, 2015			Twelve Months Ended May 31, 2016		
	<u>Book</u>			<u>Book</u>	
	<u>Amount</u>	<u>Amortization</u>		<u>Amount</u>	<u>Amortization</u>
		<u>Total</u>		<u>Total</u>	
2014 December (1/2)	146,902		2015 May (1/2)	126,799.00	
2015 January	286,986		2015 June	247,163	
2015 February	280,169		2015 July	240,728	
2015 March	266,737		2015 August	234,293	
2015 April	260,033		2015 September	227,858	
2015 May	253,598		2015 October	221,423	
2015 June	247,163		2015 November	214,988	
2015 July	240,728		2015 December	104,325	
2015 August	234,293		2015 January	248,767	
2015 September	227,858		2016 February		(3,863)
2015 October	221,423		2016 March		(3,863)
2015 November	214,988		2016 April		(3,863)
2015 December (1/2)	104,325		2016 May (1/2)		(3,863)
Average	248,767		Average		225,510
		248,767			225,510

Corning Natural Gas Corporation
 Utility Plant in Service, Construction Work in Progress-Non Interest Bearing, Reserve for Depreciation and Unamortized Debt Discount and Expense
 As at December 31, 2015, May 31, 2016, 2017, 2018, 2019 and 2020

Utility Plant In Service-Reserve For Depreciation

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Twelve Months Ended May 31, 2017				Twelve Months Ended May 31, 2018				
		<u>Book</u>	<u>Projected</u>			<u>Book</u>	<u>Projected</u>	
		<u>Amount</u>	<u>Additions</u>	<u>Total</u>		<u>Amount</u>	<u>Additions</u>	
2016 May	(1/2)	(11,012,892)		(11,012,892)	2017 May	(1/2)	(12,009,462)	
2016 June			(158,817)	(22,184,602)	2017 June		(164,168)	(24,183,092)
2016 July			(159,959)	(22,344,561)	2017 July		(165,590)	(24,348,682)
2016 August			(162,139)	(22,506,700)	2017 August		(168,151)	(24,516,833)
2016 September			(164,070)	(22,670,769)	2017 September		(168,049)	(24,684,882)
2016 October			(167,757)	(22,838,527)	2017 October		(170,696)	(24,855,578)
2016 November			(171,620)	(23,010,146)	2017 November		(172,664)	(25,028,242)
2016 December			(177,156)	(23,187,303)	2017 December		(174,457)	(25,202,699)
2016 January			(186,090)	(23,373,393)	2017 January		(174,795)	(25,377,494)
2016 February			(187,926)	(23,561,319)	2017 February		(175,134)	(25,552,628)
2017 March			(187,976)	(23,749,295)	2018 March		(175,473)	(25,728,100)
2017 April			(181,911)	(23,931,206)	2018 April		(175,811)	(25,903,912)
2017 May	(1/2)		(87,718)	(12,009,462)	2018 May	(1/2)	(88,038)	(12,995,975)
Average				(23,031,681)	Average			(25,032,298)

Unamortized Debt Discount and Expense

Twelve Months Ended May 31, 2017				Twelve Months Ended May 31, 2018				
		<u>Book</u>	<u>Amortization</u>	<u>Total</u>			<u>Book</u>	
		<u>Amount</u>	<u>Amortization</u>	<u>Total</u>			<u>Amount</u>	
2016 May	(1/2)	116,657		116,657	2017 May	(1/2)	93,477	
2016 June			(3,863)	229,450	2017 June		(3,863)	183,091
2016 July			(3,863)	225,587	2017 July		(3,863)	179,228
2016 August			(3,863)	221,724	2017 August		(3,863)	175,365
2016 September			(3,863)	217,861	2017 September		(3,863)	171,501
2016 October			(3,863)	213,997	2017 October		(3,863)	167,638
2016 November			(3,863)	210,134	2017 November		(3,863)	163,775
2016 December			(3,863)	206,271	2017 December		(3,863)	159,911
2016 January			(3,863)	202,408	2017 January		(3,863)	156,048
2016 February			(3,863)	198,544	2017 February		(3,863)	152,185
2017 March			(3,863)	194,681	2018 March		(3,863)	148,322
2017 April			(3,863)	190,818	2018 April		(3,863)	144,458
2017 May	(1/2)	0	(3,863)	93,477	2018 May	(1/2)	(3,863)	70,298
Average				210,134	Average			163,775

Corning Natural Gas Corporation
 Utility Plant in Service, Construction Work in Progress-Non Interest Bearing, Reserve for Depreciation and Unamortized Debt Discount and Expense
 As at December 31, 2015, May 31, 2016, 2017, 2018, 2019 and 2020

Utility Plant In Service-Reserve For Depreciation

Exhibit CNG-4
 Schedule 1
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Twelve Months Ended May 31, 2019			Twelve Months Ended May 31, 2020				
	<u>Book</u>	<u>Projected</u>	<u>Total</u>		<u>Book</u>	<u>Projected</u>	<u>Total</u>
	<u>Amount</u>	<u>Additions</u>			<u>Amount</u>	<u>Additions</u>	
2018 May (1/2)	(12,995,975)		(12,995,975)	2019 May (1/2)	(14,074,616)		(14,074,616)
2018 June		(177,381)	(26,169,331)	2019 June		(193,841)	(28,343,072)
2018 July		(179,364)	(26,348,694)	2019 July		(195,401)	(28,538,473)
2018 August		(182,073)	(26,530,767)	2019 August		(197,532)	(28,736,005)
2018 September		(184,782)	(26,715,549)	2019 September		(199,664)	(28,935,669)
2018 October		(187,541)	(26,903,090)	2019 October		(201,835)	(29,137,504)
2018 November		(189,598)	(27,092,688)	2019 November		(203,448)	(29,340,952)
2018 December		(191,390)	(27,284,078)	2019 December		(204,934)	(29,545,886)
2018 January		(191,729)	(27,475,807)	2019 January		(205,215)	(29,751,101)
2019 February		(192,073)	(27,667,880)	2020 February		(205,496)	(29,956,597)
2019 March		(192,339)	(27,860,219)	2020 March		(205,777)	(30,162,374)
2019 April		(192,606)	(28,052,825)	2020 April		(206,057)	(30,368,431)
2019 May (1/2)		(96,407)	(14,074,616)	2020 May (1/2)		(103,138)	(15,235,785)
Average			(27,097,627)	Average			(29,343,872)

Unamortized Debt Discount and Expense

Twelve Months Ended May 31, 2019			Twelve Months Ended May 31, 2020				
	<u>Book</u>	<u>Amortization</u>	<u>Total</u>		<u>Book</u>	<u>Amortization</u>	<u>Total</u>
	<u>Amount</u>				<u>Amount</u>		
2018 May (1/2)	70,298		70,298	2019 May (1/2)	45,186		45,186
2018 June		(3,863)	136,732	2019 June		(3,863)	86,509
2018 July		(3,863)	132,868	2019 July		(3,863)	82,646
2018 August		(3,863)	129,005	2019 August		(3,863)	78,783
2018 September		(3,863)	125,142	2019 September		(3,863)	74,919
2018 October		(3,863)	121,279	2019 October		(3,863)	71,056
2018 November		(3,863)	117,415	2019 November		(3,863)	67,193
2018 December		(3,863)	113,552	2019 December		(3,863)	63,329
2018 January		(3,863)	109,689	2019 January		(3,863)	59,466
2019 February		(3,863)	105,826	2020 February		(3,863)	55,603
2019 March		(3,863)	101,962	2020 March		(3,863)	51,740
2019 April		(3,863)	98,099	2020 April		(3,863)	47,876
2019 May (1/2)		(3,863)	45,186	2020 May (1/2)		(3,863)	20,075
Average			117,254	Average			67,032

Corning Natural Gas
Calculation of Net Plant Dedicated to Appliance Co.

Exhibit CNG-4
Schedule 2
Page 1 of 2

<u>Summary</u>	<u>Total</u> <u>Square Feet</u>	<u>Square Feet</u> <u>Alloc. To</u> <u>Subsidiaries</u>	<u>Overall</u> <u>% Alloc. To</u> <u>Subsidiaries</u>		
First Floor- 1 Story	5,993	358	5.97%		
Second Floor	5,909	1,325	22.43%		
First Floor -Operations	6,374	-	0.00%		
	<u>18,276</u>	<u>1,683</u>	<u>9.21%</u>		
Operations Center	24,150	-	0.00%		
Total Square Footage	<u>42,426</u>	<u>1,683</u>			
		<u>At December 31, 2013</u>			
<u>Rate Year</u>	<u>Original</u> <u>Cost</u>	<u>Depreciation</u> <u>Reserve</u>	<u>Net</u> <u>Plant</u>	<u>% Alloc. To</u> <u>Subsidiaries</u>	<u>Net</u> <u>Plant</u> <u>Allocated</u>
Land	155,733	-	155,733	9.21%	14,341
West William Street Office	2,093,767.07	(856,842)	1,236,925	9.21%	113,908
Operations Facility	2,766,715	(1,132,236)	1,634,479	0.00%	-
	<u>5,016,214</u>	<u>(1,989,078)</u>	<u>3,027,136</u>		<u>128,250</u>
Less: Deferred FIT					-
Net Plant Allocated to Appliance Corp					<u>128,250</u>
10 391010 Off Furn & Equip-Furniture	300,657.22	(297,678.66)	2,978.56		
10 391020 Off Furn & Equip-Machines	135,847.04	(81,571.88)	54,275.16		
10 391030 Off Furn & Equip-Computer	2,549,536.38	(684,833.16)	1,864,703.22		
	<u>2,986,040.64</u>	<u>(1,064,083.70)</u>	<u>1,921,956.94</u>	16.01%	307,642
					435,891.43

	Total		Square Feet			Total		Square Feet	
	Square Feet	% Alloc. To Subsidiaries	Alloc. To Subsidiaries	Second Floor		Square Feet	% Alloc. To Subsidiaries	Alloc. To Subsidiaries	
First Floor- 1 Story									
Display Area	1,134		-		Hallway	91	15.37%	14	
Customer Service Manager	100	32.74%	33	D Field Tech 2	148	33.50%	50		
Customer Service Rep.	100	32.74%	33	D Business Analyst	100				
Billing Clerk 2	100	32.74%	33	D Mapping Tech	100	33.50%	34		
Billing Clerk 1	100	32.74%	33	Compliance Manager	150				
Switchboard	100	32.74%	33	D Field Tech 1	200	33.50%	67		
Collections	100	32.74%	33	F SCADA Tech	100	42.03%	42		
Cust. Service Reps.	128		-	C Accountant	100	33.07%	33		
Cashier Area	112		-	A Account Payable Clerk	100	29.08%	29		
Entry Area	104	5.25%	5	D Marketing Rep	100	33.50%	34		
Cust. Waiting Area	120		-	D Safety Supervisor	170	33.50%	57		
Common Area	556	5.25%	29	D VP Administration	185	33.50%	62		
Morse	150		-	D VP Marketing and Supply	170	33.50%	57		
Beer	156		-	E Accountant	154	19.25%	30		
Open Office Area	144		-	D CEO	310	33.50%	104		
Open Office Area	126		-	D Accountant	139	33.50%	47		
Utility Room	90	5.25%	5	B Human Resources Mgr.	154	27.93%	43		
IT Manger	144	33.50%	48	Gas Supply	154		-		
Open Office Space	1,173		-	D VP Finance	200	33.50%	67		
Open Office Area	126		-	D VP Gas Operations	200	33.50%	67		
Computer	203	33.50%	68	Kitchen	170	15.37%	26		
Mail Room	225		-	D Accountant (2)	262	33.50%	88		
Restrooms	105	5.25%	6	Conference Room	324	15.37%	50		
Common Area	597		-	Visitor Waiting Room	440	15.37%	68		
	5,993		358	Corridors & Misc.	693	15.37%	107		
			5.97%	Copier Room	173	15.37%	27		
				Restrooms	245	15.37%	38		
				Janitor's Closet	33	15.37%	5		
				Elevators& Stairwell	544	15.37%	84		
					5,909		1,325		22.43%

	Total		Square Feet			Total		Square Feet	
	Square Feet	% Alloc. To Subsidiaries	Alloc. To Subsidiaries	Operations Center		Square Feet	% Alloc. To Subsidiaries	Alloc. To Subsidiaries	
First Floor -Operations									
Kitchen	280		-		Parking Garage	7,665		-	
Office Area					Vehicle Repair Garage	1,332		-	
Spear	228		-		Main Warehouse	7,128		-	
Perry-Cac	228		-		Welding Shop	754		-	
Thompson-CAC	228		-		Meter Shop	754		-	
DiNardo & Haynes	228		-		Document Storage Area	784		-	
Philips	166		-		Parts Room	625		-	
Map Room	263		-		Emp. Conf./Write up Area	497		-	
Community Meeting Room	1,230		-		Restroom	135		-	
CAC Operations Room	451		0		PSC Inspector Office	143		-	
Restrooms	192		-		Receiving Area	1,708		-	
Locker Room	174		-		Work Shop	962		-	
Common Area	834		-		Parking/ Work Area	1,332		-	
Mechanical Rooms & Stairwell	836		-		Mechanical Room	331		-	
Elevator & Connecting Link	682		-			24,150		-	0.00%
Entry Area	180		-						
Restrooms	174		-						
	6,374		-						
			0.00%						

Corning Natural Gas Corporation
Material and Supply

	Twelve Months Ended December 31, 2015	Twelve Months Ended May 31, 2016	Twelve Months Ended May 31, 2017	Twelve Months Ended May 31, 2018	Twelve Months Ended May 31, 2019	Twelve Months Ended May 31, 2020
2014 December (1/2)	467,940					
2015 January	934,843					
2015 February	873,453					
2015 March	900,219					
2015 April	1,001,185					
2015 May	1,082,858					
2015 June	1,158,296					
2015 July	1,268,205					
2015 August	1,300,073					
2015 September	1,295,304					
2015 October	1,283,193					
2015 November	1,258,443					
2015 December (1/2)	638,718					
Average	1,121,894	1,143,450	1,164,722	1,185,723	1,207,978	1,230,045

Corning Natural Gas Corporation
Prepayments

TWELVE MONTHS ENDED

Prepayments	December 31, 2015	Normal-	As Adjusted	Rate Year				
	Amount	ization Adjustment	December 31, 2015	May 31, 2016	May 31, 2017	May 31, 2018	May 31, 2019	May 31, 2020
Insurance:								
Automobile	23,650	-	23,650	24,105	24,553	24,996	25,465	25,930
Boiler	-	-	-	-	-	-	-	-
Crime	(0)	-	(0)	(0)	(0)	(0)	(0)	(0)
Directors/Officers	26,328	-	26,328	26,834	27,333	27,826	28,348	28,866
Employment Practices	4,703	-	4,703	4,793	4,882	4,970	5,064	5,156
Fiduciary Liability	2,147	-	2,147	2,189	2,229	2,269	2,312	2,354
General Liability	59,155	-	59,155	60,292	61,414	62,521	63,695	64,858
Bond Street Opening	584	-	584	595	606	617	628	640
Owner/Contractor Protective	3,014	-	3,014	3,071	3,129	3,185	3,245	3,304
Property	37,534	-	37,534	38,255	38,967	39,669	40,414	41,152
Umbrella	82,761	-	82,761	84,351	85,920	87,470	89,111	90,739
CEO Term Life	3,872	-	3,872	3,946	4,020	4,092	4,169	4,245
Workmen's Compensation	53,147	-	53,147	54,169	55,176	56,171	57,226	58,271
TOTAL	296,895	-	296,895	302,600	308,229	313,787	319,676	325,516
Other Prepaid Accounts:								
Real & Personal Taxes	849,378	-	849,378	887,465	982,971	1,088,754	1,205,922	1,335,700
Real & Personal Taxes - Bath	-	-	-	-	-	-	-	-
Real & Personal Taxes - Hamm	(0)	-	(0)	-	-	-	-	-
Regulatory Commission Expense	(27,819)	27,819	-	-	-	-	-	-
Clearing Account - Bldg Svc Exp-Shop	217	-	217	-	-	-	-	-
Clearing Account - Indirect Labor	-	-	-	-	-	-	-	-
Clearing Account - Transportation Exp	-	-	-	-	-	-	-	-
Clearing Account - Payroll	(23,484)	-	(23,484)	-	-	-	-	-
Clearing Account - Tools & Work Equip-A/Comp	-	-	-	-	-	-	-	-
Clearing Account - Commodity Gas Cost	-	-	-	-	-	-	-	-
Clearing Account - Demand & Transport	-	-	-	-	-	-	-	-
TOTAL	798,292	27,819	826,111	887,465	982,971	1,088,754	1,205,922	1,335,700
TOTAL PREPAYMENTS	\$ 1,095,187	\$ 27,819	\$ 1,123,006	\$ 1,190,064	\$ 1,291,200	\$ 1,402,541	\$ 1,525,599	\$ 1,661,216
	805,046							
Inflation Factor				101.92%	101.86%	101.80%	101.88%	101.83%
Property Tax Increase				104.48%	110.76%	110.76%	110.76%	110.76%

Corning Natural Gas
Cash Working Capital Calculation

	Twelve Months Ended December 31, 2015	Adjustments	Twelve Months Ended December 31, 2015 As Adjusted	Twelve Months Ended May 31, 2016	Twelve Months Ended May 31, 2017	Rate Year Twelve Months Ended May 31, 2018	Twelve Months Ended May 31, 2019	Twelve Months Ended May 31, 2020
Operating & Maintenance Expenses	\$ 13,918,664	\$ (641,438)	\$ 13,277,226	\$ 13,567,385	\$ 14,256,468	\$ 19,277,556	\$ 19,488,760	\$ 19,253,965
Deduct								
Cost of Purchased Gas	6,063,600	(292,417)	5,771,183	5,771,183	5,771,183	10,121,399.73	10,121,399.73	10,121,399.73
Uncollectible	157,592	-	157,592	267,820	267,778	267,736	351,760	368,222
	<u>6,221,192</u>	<u>(292,417)</u>	<u>5,928,775</u>	<u>6,039,003</u>	<u>6,038,961</u>	<u>10,389,136</u>	<u>10,473,160</u>	<u>10,489,621</u>
Balance	7,697,472	(349,021)	7,348,450	7,528,382	8,217,506	8,888,420	9,015,601	8,764,344
Cash Working Capital Allowance @ 1/8	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125
Cash Working Capital Allowance	<u>\$ 962,184</u>	<u>\$ (43,628)</u>	<u>\$ 918,556</u>	<u>\$ 941,048</u>	<u>\$ 1,027,188</u>	<u>\$ 1,111,053</u>	<u>\$ 1,126,950</u>	<u>\$ 1,095,543</u>

CORNING NATURAL GAS CORP.

Deferred Debits

Exhibit CNG-4
Schedule 6
Page 1 of 4

	Per Books December 31, 2015	Normal- ization Adj.	TWELVE MONTHS ENDED						
			As Adjusted December 31, 2015	May 31, 2016	May 31, 2017	Rate Year May 31, 2018	May 31, 2019	May 31, 2020	
Deferred Debits									
GAC - Corning Operations	\$ (226,014)	\$	226,014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GAC - Bath Operations	(5,874)		5,874	-	-	-	-	-	-
GAC - Hammondsport Operations	(3,878)		3,878	-	-	-	-	-	-
Unfunded OPEB Liability	30,585		(30,585)	-	-	-	-	-	-
FAS 106 Post-retirement Benefits	128,086		(128,086)	-	-	-	-	-	-
Unfunded Pension Liability	1,297,342		(1,297,342)	-	-	-	-	-	-
Rateable Pension Expense	124,824		(124,824)	-	-	-	-	-	-
Appliance Corp Cost Allocations	(28,646)		-	(28,646)	(6,427)	(0)	(0)	(0)	(0)
Cashier Over/Short	1,881		(1,881)	-	-	-	-	-	-
Rate Case 2008	321,025		-	321,025	313,108	222,108	131,108	40,333	(0)
Corning Revenue Decoupling	271,449		(271,449)	-	-	-	-	-	-
Hammondsport Revenue Decoupling	52,351		(52,351)	-	-	-	-	-	-
Rate Case 2011	580,853		-	580,853	445,894	285,894	125,894	6,719	0
Rate Case 2016	-		-	-	6,250	788,889	883,331	683,327	483,323
Corning/Hammondsport MFC	(40,449)		40,449	-	-	-	-	-	-
Bath MFC	8,561		(8,561)	-	-	-	-	-	-
Property Tax Reconciliation	1,053,076		(1,053,076)	-	-	-	-	-	-
Contract Customer Reconciliation	489,737		(489,737)	-	-	-	-	-	-
Property Tax Dispute Resolution	35,181		(35,181)	-	-	-	-	-	-
Total	4,090,088		(3,216,855)	873,232	758,825	1,296,891	1,140,333	730,379	483,322.41

CORNING NATURAL GAS CORP.

Deferred Debits

Exhibit CNG-4
Schedule 6
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	Per Books	Normal- ization Adj.	As Adjusted	May 31, 2016	May 31, 2017	Rate Year	May 31, 2019	May 31, 2020
	December 31, 2015		December 31, 2015			May 31, 2018		
Federal Deferred Taxes- Other								
GAC - Coming Operations	76,844.90	\$	(76,845)	\$ -	\$ -	\$ -	\$ -	\$ -
GAC - Bath Operations	1,997		(1,997)	-	-	-	-	-
GAC - Hammondsport Operations	1,319		(1,319)	-	-	-	-	-
Unfunded OPEB Liability	(10,399)		10,399	-	-	-	-	-
FAS 106 Post-retirement Benefits	(43,549)		43,549	-	-	-	-	-
Unfunded Pension Liability	(441,096)		441,096	-	-	-	-	-
Rateable Pension Expense	(42,440)		42,440	-	-	-	-	-
Appliance Corp Cost Allocations	9,740		-	9,740	2,185	0	0	0
Cashier Over/Short	(639)		639	-	-	-	-	-
Rate Case 2008	(109,148)		-	(109,148)	(106,457)	(75,517)	(44,577)	(13,713)
Corning Revenue Decoupling	(92,293)		92,293	-	-	-	-	-
Hammondsport Revenue Decoupling	(17,799)		17,799	-	-	-	-	-
Rate Case 2011	(197,490)		-	(197,490)	(151,604)	(97,204)	(42,804)	(2,285)
Rate Case 2016					(2,125)	(268,222)	(300,333)	(232,331)
Corning/Hammondsport MFC	13,753		(13,753)	-	-	-	-	-
Bath MFC	(2,911)		2,911	-	-	-	-	-
Property Tax Reconciliation	(358,046)		358,046	-	-	-	-	-
Property Tax Reconciliation	(358,046)		358,046	-	-	-	-	-
Contract Customer Reconciliation	(166,510)		166,510	-	-	-	-	-
Property Tax Dispute Resolution	(11,961)		11,961	-	-	-	-	-
Total Federal Deferred Taxes-Other	\$ (1,748,676)	\$	1,451,777	\$ (296,899)	\$ (258,000)	\$ (440,943)	\$ (387,713)	\$ (248,329)
								\$ (164,330)
FIT Tax Rate	34%		34%	34%	34%	34%	34%	34%
Conversion	-1		-1	-1	-1	-1	-1	-1

CORNING NATURAL GAS CORP.

Deferred Debits

Exhibit CNG-4
Schedule 6
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	Per Books December 31, 2015	Normal- ization Adj.	As Adjusted December 31, 2015	May 31, 2016	May 31, 2017	Rate Year May 31, 2018	May 31, 2019	May 31, 2020
State Deferred Taxes- Other								
GAC - Corning Operations	\$ 16,047		\$(16,047)	\$ -	\$ -	\$ -	\$ -	\$ -
GAC - Bath Operations	417		(417)	-	-	-	-	-
GAC - Hammondsport Operations	275		(275)	-	-	-	-	-
Unfunded OPEB Liability	(2,172)		2,172	-	-	-	-	-
FAS 106 Post-retirement Benefits	(9,094)		9,094	-	-	-	-	-
Unfunded Pension Liability	(92,111)		92,111	-	-	-	-	-
Rateable Pension Expense	(8,863)		8,863	-	-	-	-	-
Appliance Corp. Cost Allocations	2,034		-	2,034	440	0	0	0
Cashier Over/Short	(134)		134	-	-	-	-	-
Rate Case 2008	(22,793)		-	(22,793)	(21,448)	(14,437)	(8,522)	(2,622)
Corning Revenue Decoupling	(19,273)		19,273	-	-	-	-	-
Hammondsport Revenue Decoupling	(3,717)		3,717	-	-	-	-	-
Rate Case 2011	(41,241)		-	(41,241)	(30,544)	(18,583)	(8,183)	(437)
Rate Case 2016	-		-	-	(428)	(51,278)	(57,417)	(44,416)
Corning/Hammondsport MFC	2,872		(2,872)	-	-	-	-	-
Bath MFC	(608)		608	-	-	-	-	-
Property Tax Reconciliation	(74,768)		74,768	-	-	-	-	-
Property Tax Reconciliation	(74,768)		74,768	-	-	-	-	-
Contract Customer Reconciliation	(34,771)		34,771	-	-	-	-	-
Property Tax Dispute Resolution	(2,498)		2,498	-	(51,980)	-	-	-
			-	-	-	-	-	-
Total State Deferred Taxes-Other	(365,165)		303,165	(61,999)	(103,959)	(84,298)	(74,122)	(47,475)
			-	-	-	-	-	-
State Tax Rate	7.10%		7.10%	-	6.85%	6.50%	6.50%	6.50%
Conversion	-1		-1	-	-1	-1	-1	-1

CORNING NATURAL GAS CORP.

Deferred Debits

	Appliance Corp Cost Allocations			Rate Case - 2016			Rate Case 2011			Rate Case 2008		
	Monthly Amort	Balance	Average	Monthly Amort	Balance	Average	Monthly Amort	Balance	Average	Monthly Amort	Balance	Average
2014 December		(72,482)			-			592,561			396,525	
2015 January	7,663	(64,819)		-	-		(13,333)	579,227		(7,583)	388,942	
2015 February	7,663	(57,156)		-	-		(13,333)	565,894		(7,583)	381,358	
2015 March	7,663	(49,493)		-	-		(13,333)	552,561		(7,583)	373,775	
2015 April	7,663	(41,831)		-	-		(13,333)	539,227		(7,583)	366,192	
2015 May	7,663	(34,168)		-	-		(13,333)	525,894		(7,583)	358,608	
2015 June	7,663	(26,505)		-	-		(13,333)	512,561		(7,583)	351,025	
2015 July	7,663	(18,842)		-	-		(13,333)	499,227		(7,583)	343,442	
2015 August	7,663	(11,179)		-	-		(13,333)	485,894		(7,583)	335,858	
2015 September	7,663	(3,516)		-	-		(13,333)	472,561		(7,583)	328,275	
2015 October	3,516	(0)		-	-		(13,333)	459,227		(7,583)	320,692	
2015 November		(0)		-	-		(13,333)	445,894		(7,583)	313,108	
2015 December		(0)	(28,646)	-	-		(13,333)	432,561	512,561	(7,583)	305,525	351,025
2016 January		(0)		-	-		(13,333)	419,227		(7,583)	297,942	
2016 February		(0)		-	-		(13,333)	405,894		(7,583)	290,358	
2016 March		(0)		-	-		(13,333)	392,561		(7,583)	282,775	
2016 April		(0)		-	-		(13,333)	379,227		(7,583)	275,192	
2016 May		(0)	(6,427)	150,000	150,000	6,250	(13,333)	365,894	445,894	(7,583)	267,608	313,108
2016 June		(0)		150,000	300,000		(13,333)	352,561		(7,583)	260,025	
2016 July		(0)		100,000	400,000		(13,333)	339,227		(7,583)	252,442	
2016 August		(0)		150,000	550,000		(13,333)	325,894		(7,583)	244,858	
2016 September		(0)		200,000	750,000		(13,333)	312,561		(7,583)	237,275	
2016 October		(0)		150,000	900,000		(13,333)	299,227		(7,583)	229,692	
2016 November		(0)		100,000	1,000,000		(13,333)	285,894		(7,583)	222,108	
2016 December		(0)		-	1,000,000		(13,333)	272,561		(7,583)	214,525	
2017 January		(0)		-	1,000,000		(13,333)	259,227		(7,583)	206,942	
2017 February		(0)		-	1,000,000		(13,333)	245,894		(7,583)	199,358	
2017 March		(0)		-	1,000,000		(13,333)	232,561		(7,583)	191,775	
2017 April		(0)		1,000,000	1,000,000		(13,333)	219,227		(7,583)	184,192	
2017 May		(0)	(0)	(16,667)	983,333	788,889	(13,333)	205,894	285,894	(7,583)	176,608	222,108
2017 June		(0)		(16,667)	966,666		(13,333)	192,561		(7,583)	169,025	
2017 July		(0)		(16,667)	949,999		(13,333)	179,227		(7,583)	161,442	
2017 August		(0)		(16,667)	933,332		(13,333)	165,894		(7,583)	153,858	
2017 September		(0)		(16,667)	916,665		(13,333)	152,561		(7,583)	146,275	
2017 October		(0)		(16,667)	899,998		(13,333)	139,227		(7,583)	138,692	
2017 November		(0)		(16,667)	883,331		(13,333)	125,894		(7,583)	131,108	
2017 December		(0)		(16,667)	866,664		(13,333)	112,561		(7,583)	123,525	
2018 January		(0)		(16,667)	849,997		(13,333)	99,227		(7,583)	115,942	
2018 February		(0)		(16,667)	833,330		(13,333)	85,894		(7,583)	108,358	
2018 March		(0)		(16,667)	816,663		(13,333)	72,561		(7,583)	100,775	
2018 April		(0)		(16,667)	799,996		(13,333)	59,227		(7,583)	93,192	
2018 May		(0)	(0)	(16,667)	783,329	883,331	(13,333)	45,894	125,894	(7,583)	85,608	131,108
2018 June		(0)		(16,667)	766,662		(13,333)	32,561		(7,583)	78,025	
2018 July		(0)		(16,667)	749,995		(13,333)	19,227		(7,583)	70,442	
2018 August		(0)		(16,667)	733,328		(13,333)	5,894		(7,583)	62,858	
2018 September		(0)		(16,667)	716,661		(5,894)	0		(7,583)	55,275	
2018 October		(0)		(16,667)	699,994		-	0		(7,583)	47,692	
2018 November		(0)		(16,667)	683,327		-	0		(7,583)	40,108	
2018 December		(0)		(16,667)	666,660		-	0		(7,583)	32,525	
2019 January		(0)		(16,667)	649,993		-	0		(7,583)	24,942	
2019 February		(0)		(16,667)	633,326		-	0		(7,583)	17,358	
2019 March		(0)		(16,667)	616,659		-	0		(7,583)	9,775	
2019 April		(0)		(16,667)	599,992		-	0		(7,583)	2,192	
2019 May		(0)	(0)	(16,667)	583,325	683,327	-	0	6,719	(2,192)	(0)	40,333
2019 June		(0)		(16,667)	566,658		-	0		-	(0)	
2019 July		(0)		(16,667)	549,991		-	0		-	(0)	
2019 August		(0)		(16,667)	533,324		-	0		-	(0)	
2019 September		(0)		(16,667)	516,657		-	0		-	(0)	
2019 October		(0)		(16,667)	499,990		-	0		-	(0)	
2019 November		(0)		(16,667)	483,323		-	0		-	(0)	
2019 December		(0)		(16,667)	466,656		-	0		-	(0)	
2020 January		(0)		(16,667)	449,989		-	0		-	(0)	
2020 February		(0)		(16,667)	433,322		-	0		-	(0)	
2020 March		(0)		(16,667)	416,655		-	0		-	(0)	
2020 April		(0)		(16,667)	399,988		-	0		-	(0)	
2020 May		(0)	(0)	(16,667)	383,321	483,323	-	0	0	0	(0)	(0)
Twelve Months Ended:												
December 31, 2015	(72,481)			-			160,000				91,000	
May 31, 2016	(34,167)			(150,000)			160,000				91,000	
May 31, 2017				(833,333)			160,000				91,000	
May 31, 2018				200,004			160,000				91,000	
May 31, 2019				200,004			45,894				85,609	
May 31, 2020				200,004			-				-	
Amount to be Recovered				1,000,000								
Number of Years				5								
Annual Amortization		91,954		200,000			160,000				90,996	
Monthly Amortization		7,663		16,667			13,333				7,583	

CORNING NATURAL GAS CORP.

Deferred Credits

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	TWELVE MONTHS ENDED							
	Per Books	Normal-	As Adjusted	Rate Year				
	December 31, 2015	ization Adj.	December 31, 2015	May 31, 2016	May 31, 2017	May 31, 2018	May 31, 2019	
Deferred Credits								
Refunds From Suppliers (Pending)	(118,562)	118,562	-	-	-	-	-	
FASB 106 Postretirement Benefits	(1,303,680)	1,303,680	-	-	-	-	-	
Deferred Interest On FAS 106	(246,762)	246,762	-	-	-	-	-	
Deferred Delivery Rate Adjustment	479,202	(479,202)	-	-	-	-	-	
Deferred Gas System Benefits Charge	(848,058)	848,058	-	-	-	-	-	
Deferred Local Production Due	(583,554)	583,554	-	-	-	-	-	
Deferred Net Plant Due	(94,457)	-	(94,457)	112,883	100,654	78,077	55,501	
Amortization of Matrix Incentive	-	(141,560)	(141,560)	(114,578)	(81,447)	(48,316)	(17,946)	
TOTAL DEFERRED CREDITS	\$ (2,715,871)	\$ 2,621,414	\$ (236,017)	\$ (1,695)	\$ 19,207	\$ 29,761	\$ 37,555	\$ 32,924

Deferred Credits

	Per Books		Normal-ization Adj.		As Adjusted		Rate Year				
	December 31, 2015	December 31, 2015	Adj.	December 31, 2015	May 31, 2016	May 31, 2017	May 31, 2018	May 31, 2019	May 31, 2020		
Federal Deferred Taxes-Other											
Reliefs From Suppliers (Pending)	40,311	(40,311)	(40,311)	-	-	-	-	-	-	-	
FASB 106 Postretirement Benefits	443,251	(443,251)	(443,251)	-	-	-	-	-	-	-	
Deferred Interest On FAS 106	83,899	(83,899)	(83,899)	-	-	-	-	-	-	-	
Deferred Delivery Rate Adjustment	(162,929)	162,929	162,929	-	-	-	-	-	-	-	
Deferred Gas System Benefits Charge	288,340	(288,340)	(288,340)	-	-	-	-	-	-	-	
Deferred Local Production Due	198,408	(198,408)	(198,408)	-	-	-	-	-	-	-	
Deferred Net Plant Due	32,115	-	-	32,115	(38,380)	(94,222)	(28,546)	(18,870)	(11,194)		
Amortization of Matrix Incentive	-	48,130	48,130	48,130	38,956	27,692	16,427	6,702	(0)		
Total Federal Deferred Taxes-Other	\$ 923,396	\$ (943,151)	\$ (843,151)	\$ 80,246	\$ 576	\$ (6,530)	\$ (10,119)	\$ (12,769)	\$ (11,194)		
FTT Tax Rate Conversion	34%	-1	34%	-1	34%	-1	34%	-1	34%	-1	

CORNING NATURAL GAS CORP.

Deferred Credits

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	Per Books December 31, 2015	Normal- ization Adj.	As Adjusted December 31, 2015	May 31, 2016	May 31, 2017	Rate Year May 31, 2018	May 31, 2019	May 31, 2020
State Deferred Taxes- Other								
Refunds From Suppliers (Pending)	8,418	(8,418)	-	-	-	-	-	-
FASB 106 Postretirement Benefits	92,561	(92,561)	-	-	-	-	-	-
Deferred Interest On FAS 106	17,520	(17,520)	-	-	-	-	-	-
Deferred Delivery Rate Adjustment	(34,023)	34,023	-	-	-	-	-	-
Deferred Gas System Benefits Charge	60,212	(60,212)	-	-	-	-	-	-
Deferred Local Production Due	41,432	(41,432)	-	-	-	-	-	-
Deferred Net Plant Due	6,706	-	6,706	(8,015)	(7,146)	(5,543)	(3,941)	(2,338)
Amortization of Matrix Incentive	-	10,051	10,051	8,135	5,783	3,430	1,274	(0)
Total State Deferred Taxes-Other	\$ 192,827	\$ (176,070)	\$ 16,757	\$ 120	\$ (1,364)	\$ (2,113)	\$ (2,666)	\$ (2,338)
State Tax Rate	7.10%	7.10%		6.85%	6.50%	6.50%	6.50%	6.50%
Conversion	-1	-1		-1	-1	-1	-1	-1

CORNING NATURAL GAS CORP.

Deferred Credits

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	Amortization of Matrix Incentive			Deferred Net Plant Due		
	Monthly			Monthly		
	Amort	Balance	Average	Amort	Balance	Average
2014 December		159,631			46,644	
2015 January	(3,012)	156,619		-	46,644	
2015 February	(3,012)	153,607		-	46,644	
2015 March	(3,012)	150,595		-	46,644	
2015 April	(3,012)	147,583		-	46,644	
2015 May	(3,012)	144,571		76,501	123,145	
2015 June	(3,012)	141,560		-	123,145	
2015 July	(3,012)	138,548		-	123,145	
2015 August	(3,012)	135,536		-	123,145	
2015 September	(3,012)	132,524		-	123,145	
2015 October	(3,012)	129,512		-	123,145	
2015 November	(3,012)	126,500		-	123,145	
2015 December	(3,012)	123,488	141,560	-	123,145	94,457
2016 January	(3,012)	120,476		-	123,145	
2016 February	(3,012)	117,464		-	123,145	
2016 March	(3,012)	114,452		-	123,145	
2016 April	(3,012)	111,440		-	123,145	
2016 May	(3,012)	108,429	114,578	-	123,145	112,883
2016 June	(3,012)	105,417		(2,052)	121,093	
2016 July	(3,012)	102,405		(2,052)	119,040	
2016 August	(3,012)	99,393		(2,052)	116,988	
2016 September	(3,012)	96,381		(2,052)	114,935	
2016 October	(3,012)	93,369		(2,052)	112,883	
2016 November	(3,012)	90,357		(2,052)	110,831	
2016 December	(3,012)	87,345		(2,052)	108,778	
2017 January	(3,012)	84,333		(2,052)	106,726	
2017 February	(3,012)	81,321		(2,052)	104,673	
2017 March	(3,012)	78,310		(2,052)	102,621	
2017 April	(3,012)	75,298		(2,052)	100,568	
2017 May	(3,012)	72,286	81,447	(2,052)	98,516	100,654
2017 June	(3,012)	69,274		(2,052)	96,464	
2017 July	(3,012)	66,262		(2,052)	94,411	
2017 August	(3,012)	63,250		(2,052)	92,359	
2017 September	(3,012)	60,238		(2,052)	90,306	
2017 October	(3,012)	57,226		(2,052)	88,254	
2017 November	(3,012)	54,214		(2,052)	86,201	
2017 December	(3,012)	51,202		(2,052)	84,149	
2018 January	(3,012)	48,190		(2,052)	82,097	
2018 February	(3,012)	45,179		(2,052)	80,044	
2018 March	(3,012)	42,167		(2,052)	77,992	
2018 April	(3,012)	39,155		(2,052)	75,939	
2018 May	(3,012)	36,143	48,316	(2,052)	73,887	78,077
2018 June	(3,012)	33,131		(2,052)	71,835	
2018 July	(3,012)	30,119		(2,052)	69,782	
2018 August	(3,012)	27,107		(2,052)	67,730	
2018 September	(3,012)	24,095		(2,052)	65,677	
2018 October	(3,012)	21,083		(2,052)	63,625	
2018 November	(3,012)	18,071		(2,052)	61,572	
2018 December	(3,012)	15,060		(2,052)	59,520	
2019 January	(3,012)	12,048		(2,052)	57,468	
2019 February	(3,012)	9,036		(2,052)	55,415	
2019 March	(3,012)	6,024		(2,052)	53,363	
2019 April	(3,012)	3,012		(2,052)	51,310	
2019 May	(3,012)	(0)	17,946	(2,052)	49,258	55,501
2019 June	-	(0)		(2,052)	47,206	
2019 July	-	(0)		(2,052)	45,153	
2019 August	-	(0)		(2,052)	43,101	
2019 September	-	(0)		(2,052)	41,048	
2019 October	-	(0)		(2,052)	38,996	
2019 November	-	(0)		(2,052)	36,943	
2019 December	-	(0)		(2,052)	34,891	
2020 January	-	(0)		(2,052)	32,839	
2020 February	-	(0)		(2,052)	30,786	
2020 March	-	(0)		(2,052)	28,734	
2020 April	-	(0)		(2,052)	26,681	
2020 May	-	(0)	(0)	(2,052)	24,629	32,924
Twelve Months Ended:						
December 31, 2015		36,143		(76,501)		
May 31, 2016		36,143		-		
May 31, 2017		36,143		24,629		
May 31, 2018		36,143		24,629		
May 31, 2019		36,143		24,629		
May 31, 2020		-		24,629		
Amount to be Recovered		253,000			123,145	
Number of Years		7			5	
Annual Amortization		36,143			24,629	
Monthly Amortization		3,012			2,052	
2008 Amort Bal		187,500				
2011 Amount		65,500				
Amount at April 2012		253,000				
May 2012 December 2015 Amort.		93,369				
Balance at December 2014		159,631				

Corning Natural Gas
Accumulative Deferred Federal Income Tax

	ACRS Depreciation			Federal Taxes ADR Depreciation			State Taxes					
	Addition/ Deductions	Balance	Average	Addition/ Deductions	Balance	Average	Addition/ Deductions	Balance	Average			
2014 December		13,159,259			49,124			861,151				
2015 January		13,189,118			48,612			881,995				
2015 February		13,218,976			48,099			902,840				
2015 March		13,248,835			47,586			923,684				
2015 April		13,277,962			47,074			944,375				
2015 May		13,307,088			46,561			965,066				
2015 June		13,336,215			46,048			985,757				
2015 July		13,364,801			45,536			1,006,336				
2015 August		13,393,370			45,023			1,026,910				
2015 September		13,370,934			44,510			1,010,485				
2015 October		13,390,854			43,997			1,030,242				
2015 November	-	13,410,775			43,485			1,049,999				
2015 December	-	13,430,626	13,316,989		42,972	46,048		1,068,080	974,359			
2016 January	25,322	13,455,948		(513)	42,459		(2,996)	1,065,084				
2016 February	25,322	13,481,270		(513)	41,946		(2,996)	1,062,088				
2016 March	25,322	13,506,592		(513)	41,433		(2,996)	1,059,092				
2016 April	25,322	13,531,914		(513)	40,920		(2,996)	1,056,096				
2016 May	32,230	13,564,144	13,425,743	(513)	40,407	43,484	12,480	1,068,576	1,036,416			
2016 June	32,230	13,596,374		(513)	39,894		12,480	1,081,055				
2016 July	32,230	13,628,604		(513)	39,381		12,480	1,093,535				
2016 August	32,230	13,660,834		(513)	38,868		12,480	1,106,015				
2016 September	32,230	13,693,064		(513)	38,355		12,480	1,118,494				
2016 October	32,230	13,725,294		(513)	37,842		12,480	1,130,974				
2016 November	32,230	13,757,524		(513)	37,329		12,480	1,143,453				
2016 December	32,230	13,789,753		(513)	36,816		12,480	1,155,933				
2017 January	32,230	13,821,983		(513)	36,303		12,480	1,168,412				
2017 February	32,230	13,854,213		(513)	35,790		12,480	1,180,892				
2017 March	32,230	13,886,443		(513)	35,277		12,480	1,193,372				
2017 April	32,230	13,918,673		(513)	34,764		12,480	1,205,851				
2017 May	22,110	13,940,783	13,757,102	(513)	34,251	37,329	13,387	1,219,238	1,143,491			
2017 June	22,110	13,962,893		(513)	33,738		13,387	1,232,625				
2017 July	22,110	13,985,003		(513)	33,225		13,387	1,246,012				
2017 August	22,110	14,007,113		(513)	32,712		13,387	1,259,399				
2017 September	22,110	14,029,223		(513)	32,199		13,387	1,272,786				
2017 October	22,110	14,051,333		(513)	31,686		13,387	1,286,173				
2017 November	22,110	14,073,443		(513)	31,173		13,387	1,299,561				
2017 December	22,110	14,095,553		(513)	30,660		13,387	1,312,948				
2018 January	22,110	14,117,663		(513)	30,147		13,387	1,326,335				
2018 February	22,110	14,139,773		(513)	29,634		13,387	1,339,722				
2018 March	22,110	14,161,883		(513)	29,121		13,387	1,353,109				
2018 April	22,110	14,183,993		(513)	28,608		13,387	1,366,496				
2018 May	28,524	14,212,516	14,073,710	(513)	28,095	31,173	14,733	1,381,229	1,299,617			
2018 June	28,524	14,241,040		(513)	27,582		14,733	1,395,961				
2018 July	28,524	14,269,564		(513)	27,069		14,733	1,410,694				
2018 August	28,524	14,298,087		(513)	26,556		14,733	1,425,427				
2018 September	28,524	14,326,611		(513)	26,043		14,733	1,440,160				
2018 October	28,524	14,355,135		(513)	25,530		14,733	1,454,893				
2018 November	28,524	14,383,658		(513)	25,017		14,733	1,469,626				
2018 December	28,524	14,412,182		(513)	24,504		14,733	1,484,359				
2019 January	28,524	14,440,706		(513)	23,991		14,733	1,499,091				
2019 February	28,524	14,469,229		(513)	23,478		14,733	1,513,824				
2019 March	28,524	14,497,753		(513)	22,965		14,733	1,528,557				
2019 April	28,524	14,526,277		(513)	22,452		14,733	1,543,290				
2019 May	35,889	14,562,166	14,383,965	(513)	21,939	25,017	16,143	1,559,433	1,469,684			
2019 June	35,889	14,598,055		(513)	21,426		16,143	1,575,576				
2019 July	35,889	14,633,945		(513)	20,913		16,143	1,591,718				
2019 August	35,889	14,669,834		(513)	20,400		16,143	1,607,861				
2019 September	35,889	14,705,723		(513)	19,887		16,143	1,624,004				
2019 October	35,889	14,741,613		(513)	19,374		16,143	1,640,147				
2019 November	35,889	14,777,502		(513)	18,861		16,143	1,656,290				
2019 December	35,889	14,813,391		(513)	18,348		16,143	1,672,433				
2020 January	35,889	14,849,281		(513)	17,835		16,143	1,688,575				
2020 February	35,889	14,885,170		(513)	17,322		16,143	1,704,718				
2020 March	35,889	14,921,059		(513)	16,809		16,143	1,720,861				
2020 April	35,889	14,956,949		(513)	16,296		16,143	1,737,004				
2020 May	35,889	14,992,838	14,777,502	(513)	15,783	18,861	16,143	1,753,147	1,656,290			
				Federal Deduction				State Deduction				
Fiscal Year 5/30	2015	2,773,479	May-16	May-17	May-18	May-19	May-20	May-16	May-17	May-18	May-19	May-20
	2016	3,555,154	3,099,177					4,580,849		4,363,176		
	2017	2,753,858.51		3,221,281				4,421,977	4,490,152	4,387,677		
	2018	3,189,233.18			2,935,265			4,912,521		4,626,370		
	2019	3,619,057.28				3,368,327		5,318,115			5,081,518	
	2020	3,830,589.27					3,707,196	5,564,383				5,420,727

Corning Natural Gas
Earnings Base / Capitalization Comparison

	Twelve Months Ended December 31, 2015 Amount
<u>Capitalization</u>	
Common Stock	\$ 23,367,577
Retained Earnings	3,873,402
Capital Stock Expense	(122,818)
Total Common Equity	<u>27,118,161</u>
Long Term Debt	16,208,090
Short Term Notes Payable	7,681,749
Dividends Declared	-
Customer Deposits	242,045
Average GAC Over Collection (Closed)	274,743
FAS 106	980,090
Supplier Refunds and Customer Refunds	69,833
Sub-Total	<u>25,456,551</u>
Less:	
Root Weel CIAC in Reatained Earnings	382,791
Gas Stored Underground	933,233
Average GAC Under Collection (Open)	135,876
Plant Allocated to Subsidiaries Operations	435,891
	<u>1,887,791</u>
Average Capitalization	<u>\$ 50,686,921</u>
Rate Base As Calculated	<u>48,312,020</u>
Rate Base (Over)/ Under Capitalization	\$ 2,374,901