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**Via Hand Delivery and E-Mail**

November 14, 2005

Hon. Gerald L. Lynch  
Hon. Michelle L. Phillips  
Administrative Law Judges  
NYS Public Service Commission  
3 Empire State Plaza  
Albany, NY 12223

Re: Case 05-G-1268 – Proceeding on Motion of the Commission as to the Acts, Practices and Adequacy of Service of Corning Natural Gas Corporation.

Dear Judges Lynch and Philips:

We submit this letter on behalf of the Village of Bath Electric Gas and Water Systems (“BEGWS”), a municipal gas utility and a customer of the Corning Natural Gas Corp. (“Corning”). The vital interest of the Bath community in this matter is self evident.

Bath appreciates the helpful posture of some of the State’s gas utilities in this crisis. Unfortunately, it seems these admirable expressions have not yet resulted in a solution to the current crisis. BEGWS is not privy to the discussions which Corning is having with its bankers, nor with other utilities. There were indications over a week ago that a support agreement between Corning and another New York State Gas utility was imminent. We have received no information that such an arrangement has been made. It is not the time to cast aspersions or

argue about what might have been. The public interest requires that a reliable affordable supply of natural gas be secured now.

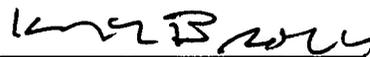
Your Honors, in the Procedural Ruling, noted that the Commission must be in a position to act not later than early December. To that end you scheduled a hearing for Friday, November 18, 2005, for the limited purpose of cross examination of factual issues. We suggest that it may be important, on or before that date, to develop a complete understanding of the terms that would be needed to support an arrangement by which another utility would be in a position to assist Corning and its customers, and to then put the Commission in a position to act. It is time for action.

We therefore urge that development of the mechanism needed to secure reliable and affordable service be the focus of the hearing scheduled for Friday, November 18<sup>th</sup>. BEGWS looks forward to that session.

Respectfully submitted,

READ AND LANIADO, LLP  
Attorneys for Bath Electric Gas  
and Water Systems

By:

  
Kevin R. Brocks

KRB/smr

cc: Active Parties List (via electronic mail)

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STATE OF NEW YORK  
DEPARTMENT OF PUBLIC SERVICE

Date: \_\_\_\_\_

TO:

File Copy

Case 05-G-1268

From: Gerald L. Lynch  
Administrative Law Judge

Gerald Lynch/OHADR/NYS DPS

10/31/2005 02:36 PM

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cc Michelle Phillips/OHADR/NYS DPS

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Subject Case 05-G-1268, Corning Natural Gas Corporation

This document IS flagged as a record

Ladies and Gentlemen:

The Commission issued an order in this case on October 28, 2005. That order discusses, among other things, that Corning Gas is not expected to have access to sufficient gas to meet the needs of its firm customers this coming winter. The Commission emphasized that this problem warrants immediate attention.

There are ongoing informal efforts to achieve one or more voluntary mutual aid agreements to address the anticipated shortage. Such an outcome is preferred. However, should the informal efforts prove unsuccessful, the Commission wants to be in a position to take formal action, if and as appropriate, to require one or more other New York gas corporations to help solve the problem.

Michelle Phillips and I were assigned to conduct the formal process. In that capacity, we issued today a ruling concerning active parties and a proposed process. Among other things, the proposed process calls for filings by specific New York gas corporations on November 9, 2005. Comments on the proposed process or alternative proposals are invited by not later than Wednesday, November 2, 2005. Today's ruling is posted on the agency's web page (<http://www.dps.state.ny.us>).

This note is being distributed to all those on the draft active parties list that is attached to today's ruling as well as on four nonresidential ESCOs that were not involved in the last Corning Gas proceeding, Case 02-G-0003.

Thank you in advance for your cooperation.

Gerald L. Lynch  
Administrative Law Judge