

Corning Natural Gas Corporation  
 ESCO Revenue Estimate for Temporary Annual Assessment  
 Per Case 09-M-0311

|  |          | Revenues<br>Twelve Months<br>Ended<br>31-Dec-11 |
|--|----------|---|
| <b>Transportation Commodity Assessment Calculation</b> |          | <b>MCF Sales</b>                                |
| Transportation Gas                                     |          | 498,154   |
| Contract #1- Transportation                            |          | 2,780,230                                       |
| Contract #2- Transportation                            |          | 42,156  |
| Contract #3- Transportation                            |          | 300,887   |
| Contract #4- Transportation                            |          | <u>392,148</u>                                  |
| Total Transportation Sales                             |          | 4,013,575                                       |
| Average system Gas Costs                               |          | \$ 6.07   |
|  |          | 24,353,574.20                                   |
|  | Tax Rate | <u>2.00%</u>                                    |
| Tax Liability  |          | 487,071.48                                      |

|                 | MCF                |                   |                |                    | Average<br>Gas<br>Costs |
|-----------------|--------------------|-------------------|----------------|--------------------|-------------------------|
|                 | Total<br>Projected | Purchased<br>Gas  | Demand         | Total<br>Projected |                         |
|                 | <u>Volumes</u>     | <u>Costs</u>      | <u>Costs</u>   | <u>Costs</u>       |                         |
| <b>GAC Rate</b> |                    |                   |                |                    |                         |
| January '11     | 214,132            | 1,095,860.46      | 170,794        | 1,266,654          |                         |
| February        | 155,772            | 742,063.12        | 159,611        | 901,674            |                         |
| March           | 260,155            | 1,186,208.18      | 150,162        | 1,336,370          |                         |
| April           | 17,955             | 86,601.62         | 133,110        | 219,712            |                         |
| May             | 23,969             | 119,496.57        | 137,064        | 256,560            |                         |
| June            | 58,417             | 276,723.85        | 167,382        | 444,106            |                         |
| July            | 33,155             | 147,279.64        | 174,631        | 321,910            |                         |
| August          | 19,293             | 89,119.13         | 162,277        | 251,396            |                         |
| September       | 33,684             | 136,899.27        | 161,810        | 298,710            |                         |
| October         | 108,389            | 445,162.98        | 167,911        | 613,074            |                         |
| November        | 131,000            | 531,699.17        | 181,093        | 712,792            |                         |
| December '11    | <u>202,382</u>     | <u>829,031.62</u> | <u>183,145</u> | <u>1,012,176</u>   |                         |
|                 | 1,258,303          | 5,686,146         | 1,948,989      | 7,635,134          | 6.07                    |

|  |          | Revenues<br>Twelve Months<br>Ended<br>31-Dec-11 |
|--|----------|---|
| <b>Transportation Commodity Assessment Calculation</b> |          | <b>MCF Sales</b>                                |
| Transportation Gas                                     |          | 123,288   |
| Average system Gas Costs                               |          | \$ 6.85   |
|  |          | 844,391.29                                      |
|  | Tax Rate | <u>2.00%</u>                                    |
| Tax Liability  |          | 16,887.83                                       |

|                 | MCF                |                  |              |                    | Average<br>Gas<br>Costs |
|-----------------|--------------------|------------------|--------------|--------------------|-------------------------|
|                 | Total<br>Projected | Purchased<br>Gas | Demand       | Total<br>Projected |                         |
|                 | <u>Volumes</u>     | <u>Costs</u>     | <u>Costs</u> | <u>Costs</u>       |                         |
| <b>GAC Rate</b> |                    |                  |              |                    |                         |
| January '11     | 8,933              | 45,715.28        | 7,785        | 53,500             |                         |
| February        | 6,586              | 31,374.98        | 7,503        | 38,878             |                         |
| March           | 10,338             | 47,135.36        | 7,025        | 54,160             |                         |
| April           | 768                | 3,704.65         | 6,233        | 9,937              |                         |
| May             | 831                | 4,142.50         | 6,438        | 10,581             |                         |
| June            | 582                | 2,756.88         | 7,948        | 10,705             |                         |
| July            | 373                | 1,654.83         | 8,309        | 9,964              |                         |
| August          | 316                | 1,459.55         | 7,687        | 9,146              |                         |
| September       | 727                | 2,953.08         | 7,634        | 10,588             |                         |
| October         | 2,546              | 10,457.70        | 7,720        | 18,178             |                         |
| November        | 3,637              | 14,760.92        | 8,585        | 23,346             |                         |
| December '10    | <u>4,931</u>       | <u>20,200.88</u> | <u>8,658</u> | <u>28,859</u>      |                         |
|                 | 40,567             | 186,317          | 91,525       | 277,841            | 6.85                    |