

January 9, 2013

CORNING NATURAL GAS CORPORATION

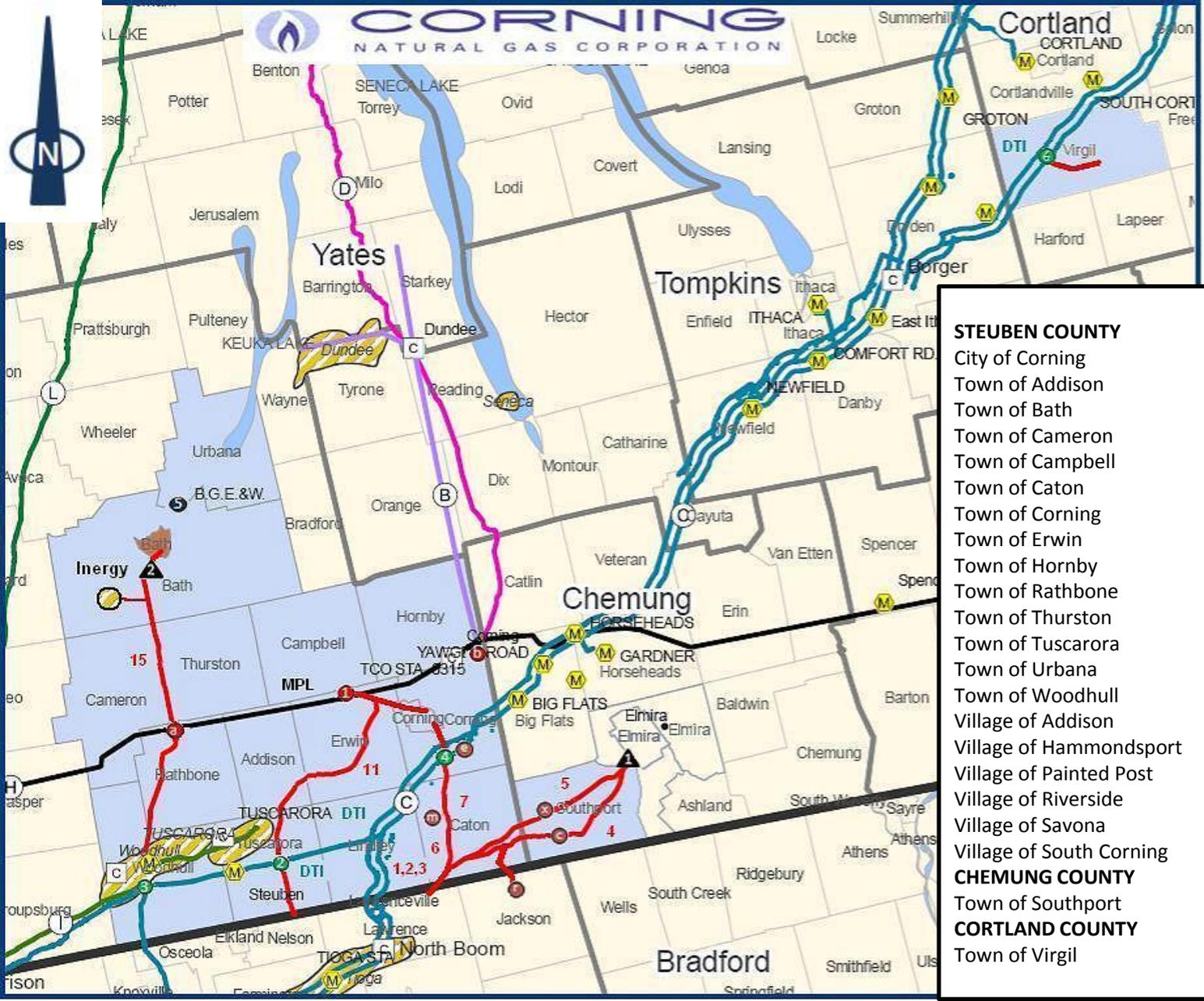
Case 12-G-0297
Technical Conference





Corning Natural Gas Corporation (CNGC) Statistics

Number of Customers	14,708
Number of Intermediate & Large Volume Transporters	41
Number of Utilities Served	2
Number of Interstate Pipelines Connected	2
Number of Marcellus Shale Wells Connected	12
Number of Trenton Black River Wells Connected	4
Number of Interstate Pipelines CNGC has Capacity on	4
Number of Storage Assets	3
Annual Throughput in Bcf	12
Miles of High Pressure Distribution Lines	110
Miles of Distribution Lines	311
Normal Operating Pressure Psig.	0.25 to 1,000
Franchise Area in Square Miles	700
Municipalities Served	22
Total Assets	\$51,614,204.75
Total Operating Revenue	\$19,436,916.06



- CITYGATES FOR CNGC**
- 1 633811 MPL Coopers Plains Station
 - 2 21002 DTI Addison Station
 - 3 21003 DTI Herrington Station
 - 4 21004 DTI Whiskey Creek Station
 - 5 BEGW&S Rte 64 Meter
 - 6 21050 DTI Virgil

- Local Production Interconnects**
- 80001 Maxwell
 - 80002 Curren
 - 80003 Eolin
 - 80004 Messing
 - 80005 Root
- CNGC DELIVERY POINTS**
- Bradley Station NYSEG
 - Murray Avenue Station BEGW&S

- Point of Interest (POI)**
- MPL Emergency Interconnect
 - MPL Corning Compressor
 - INERGY Interconnect

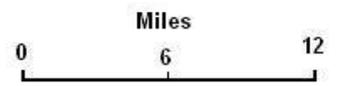
- CNGC Pipelines**
- 1,2,3 - 10" 124-psig
 - 4 - 12" & 16" 124-psig
 - 5 - 12" 124-psig
 - 6 - 8" & 10" 124-psig
 - 7 - 10" 124-psig
 - 11 - 8" & 12" 250 & 124-psig
 - 15 - 6" & 8" 275-psig

STEBEN COUNTY
 City of Corning
 Town of Addison
 Town of Bath
 Town of Cameron
 Town of Campbell
 Town of Caton
 Town of Chemung
 Town of Erwin
 Town of Hornby
 Town of Rathbone
 Town of Thurston
 Town of Tuscarora
 Town of Urbana
 Town of Woodhull
 Village of Addison
 Village of Hammondsport
 Village of Painted Post
 Village of Riverside
 Village of Savona
 Village of South Corning

CHEMUNG COUNTY
 Town of Southport

CORTLAND COUNTY
 Town of Virgil

■ CNGC Franchise Area
 — Millennium Pipeline
 — Empire Connector
— CNGC Pipeline
 — Dominion Transmission

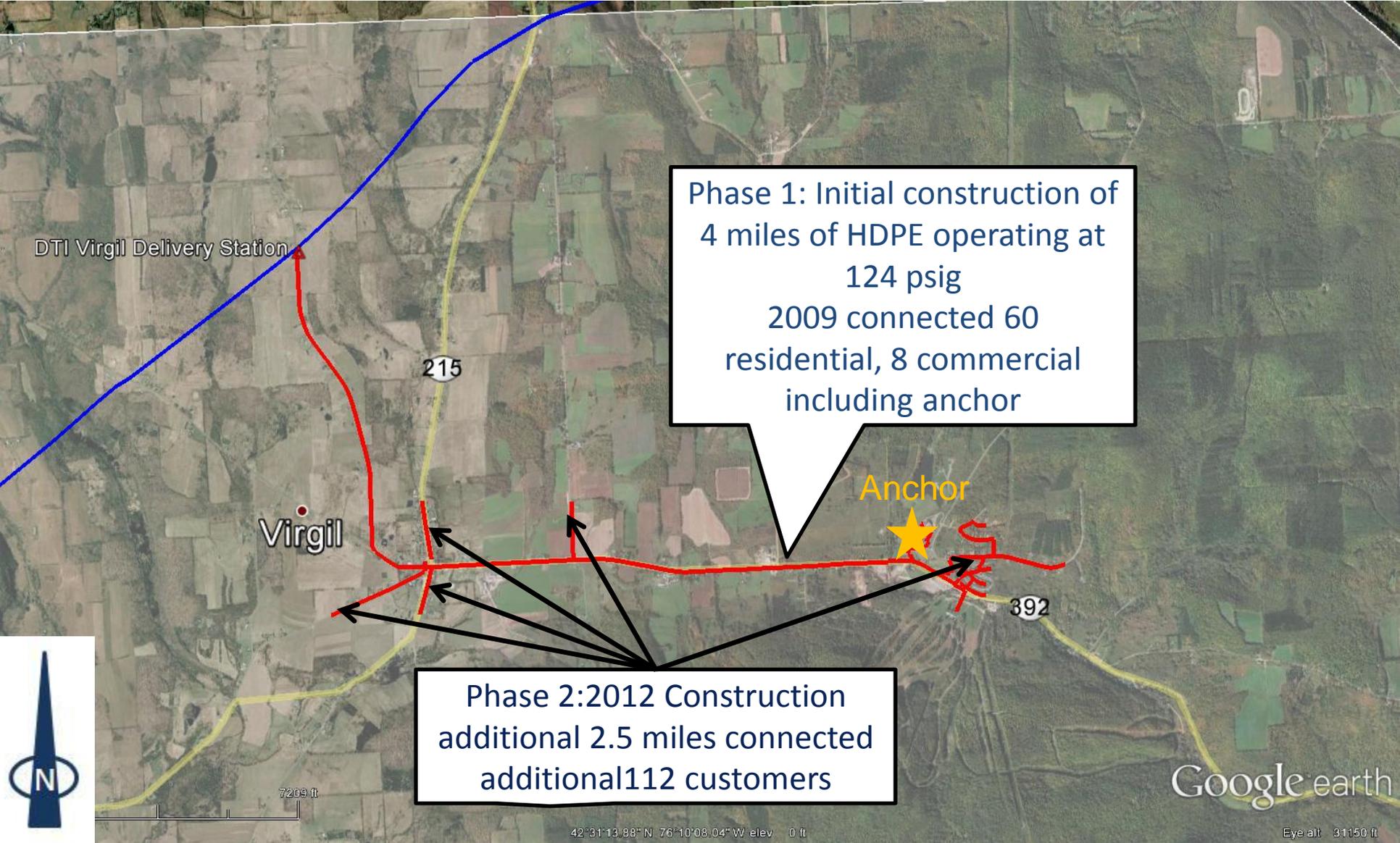


Last Update August 2009

Town of Virgil Franchise Timeline

- Aug. 2008 Contacted anchor customer
- Sep. 2008 Draft transport agreement
- Oct. 2008 meeting with Town Board
- Nov. 2008 Customer surveys
- Feb. 2009 Public Hearing
- Mar. 2009 Municipal franchise granted
- Mar. 2009 Expedited request filed with NYPSC
- Jun. 2009 CASE 09-G-0252 Certificate of Public Convenience
- Jul. 2009 Construction begins
- Oct. 2009 Phase 1 construction completed
- Mar. 2012 Phase 2 filing made to NYPSC
- Jun. 2012 Phase 2 amendment to franchise granted
- Jul. 2012 Construction begins
- Oct. 2012 Phase 2 construction completed





DTI Virgil Delivery Station

215

Virgil

Anchor



392

Phase 1: Initial construction of 4 miles of HDPE operating at 124 psig
2009 connected 60 residential, 8 commercial including anchor

Phase 2: 2012 Construction additional 2.5 miles connected additional 112 customers

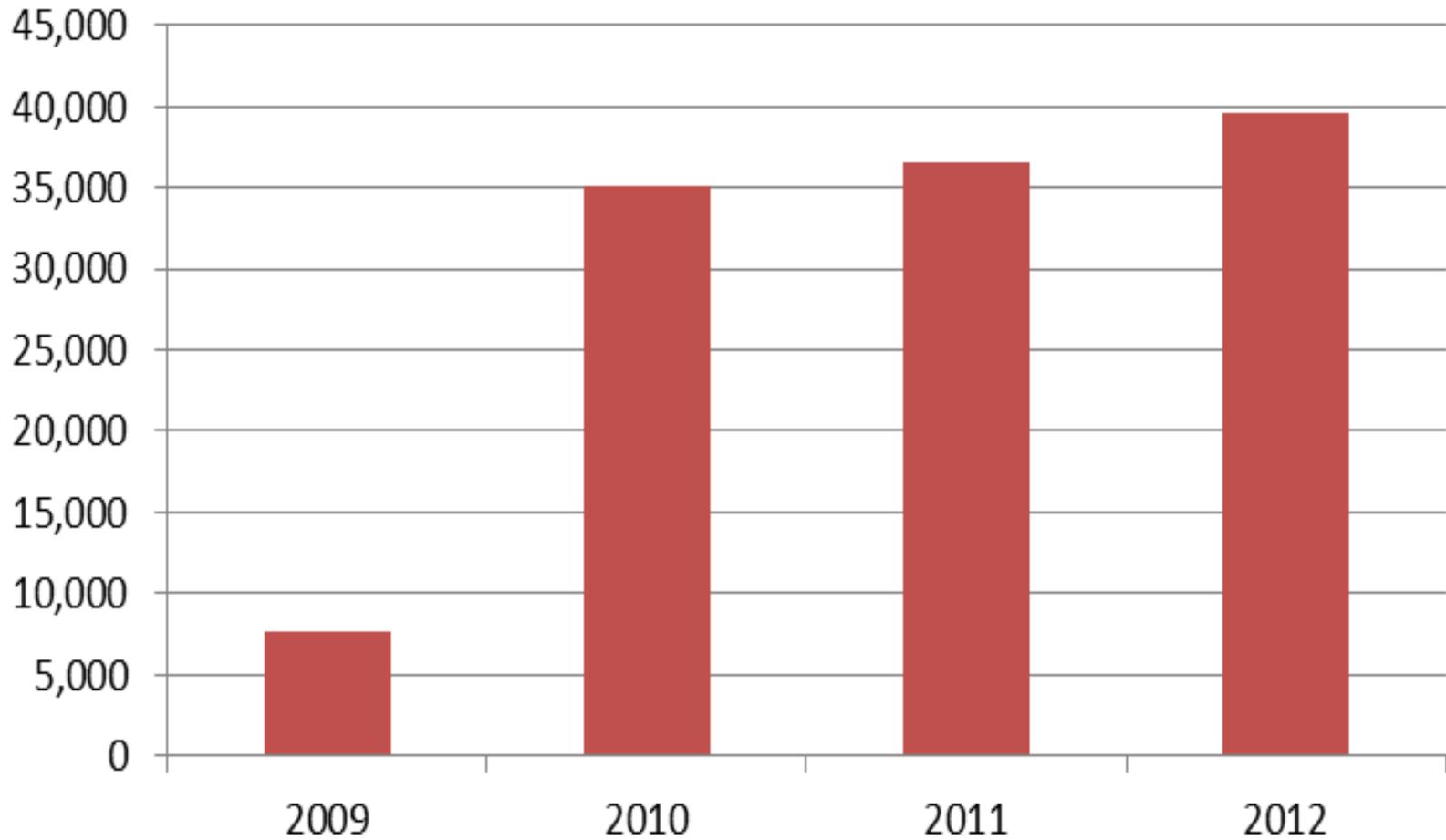
7209 ft

42°31'13.88"N 76°10'08.04"W elev 0 ft

Google earth

Eye alt 31150 ft

Virgil System Annual Deliveries (Dth)



Process Improvements

PSC Improvements:

- Grant franchise for entire municipality
- Simplify and expedite franchise process
- Allow for changes due to unforeseen circumstances in reasonable time
- Develop non-adversarial relationship toward utility projects
- Develop framework for regulatory evaluation and NYPSC orders

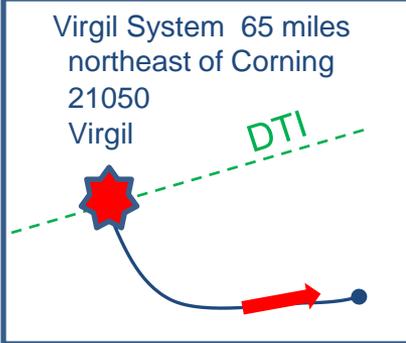
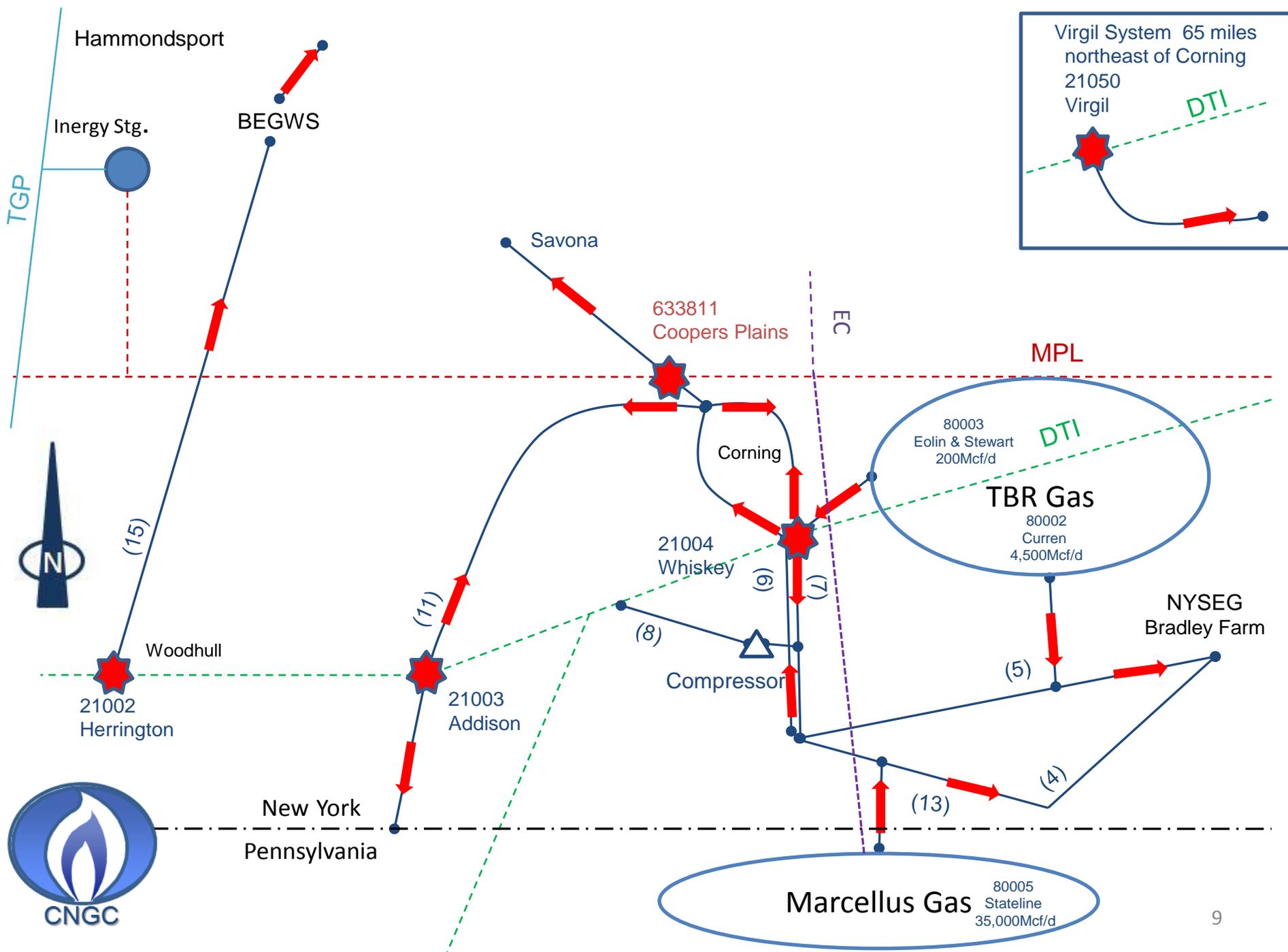
Utility Improvements:

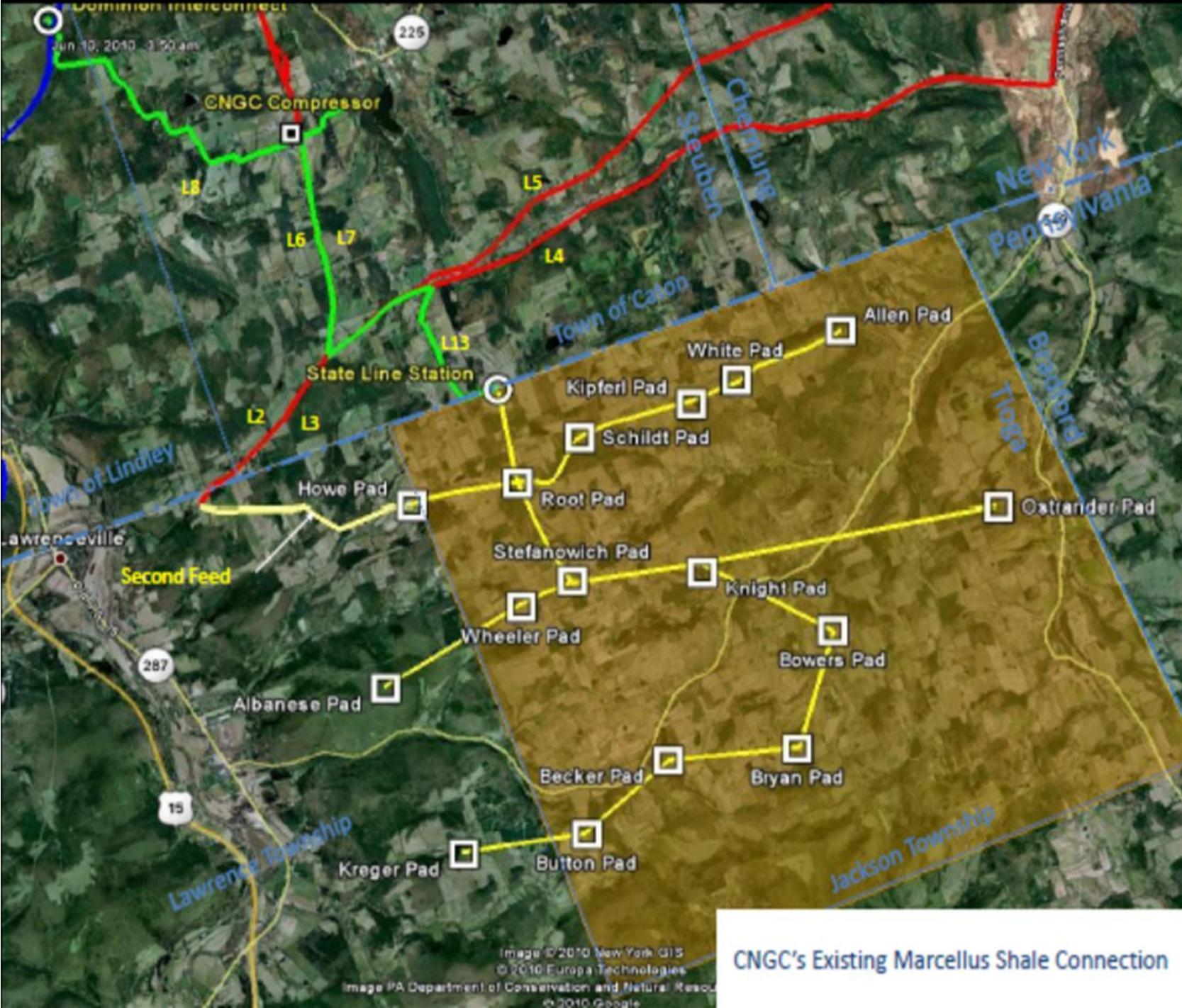
- Include PSC in process from inception
- Provide information in a timely fashion
- Implement project shared drive for PSC access

Local Production

Marcellus Shale & Trenton Black River

Maxwell Compressor Station
Caton, NY

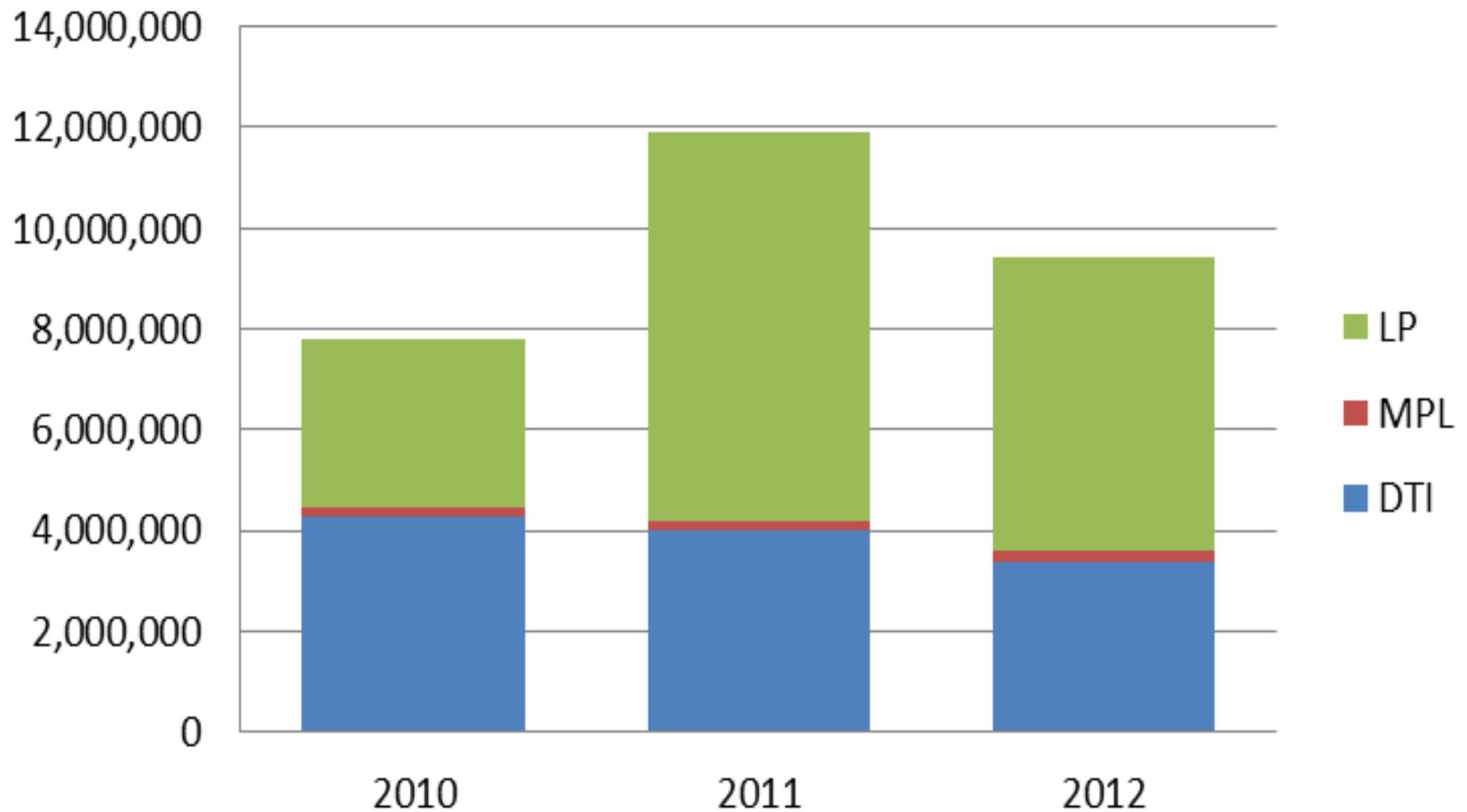




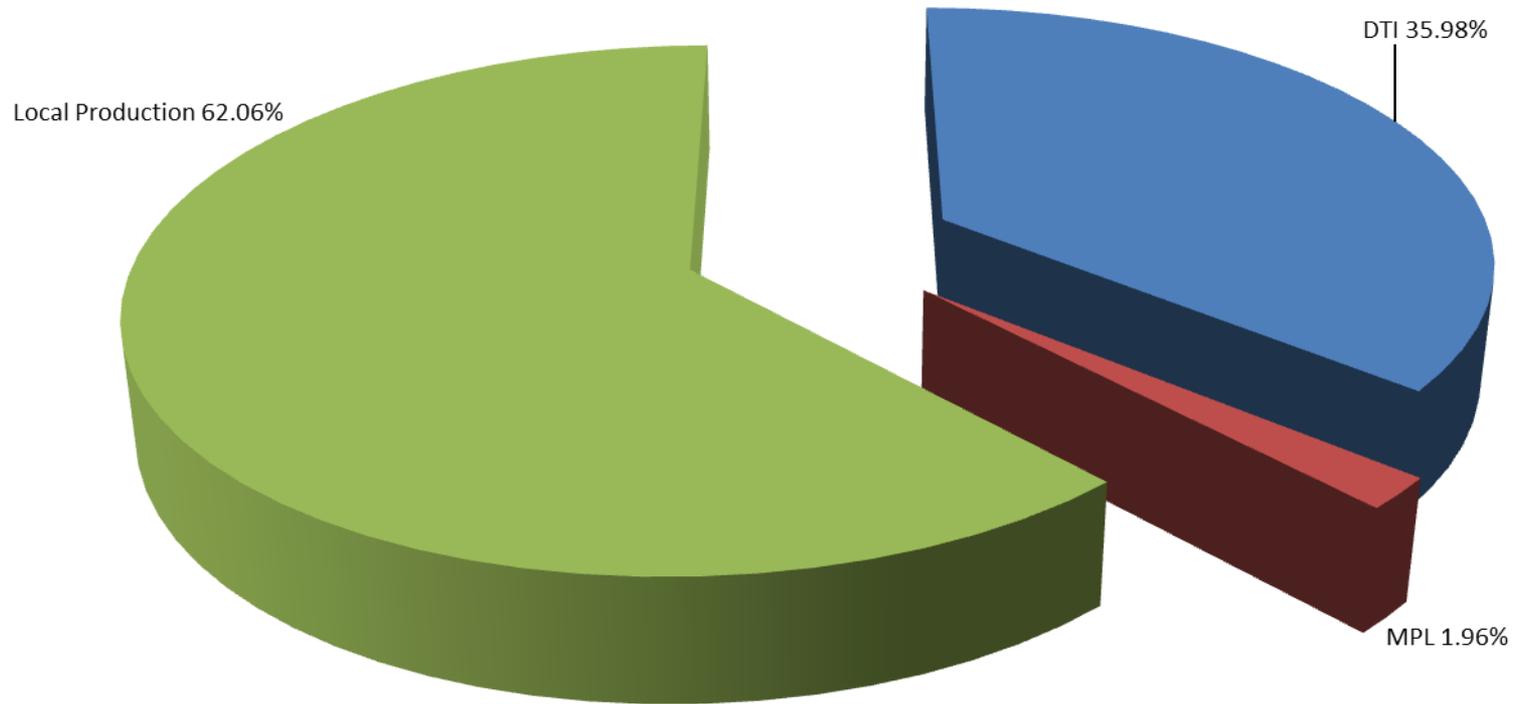
CNGC's Existing Marcellus Shale Connection

Image © 2010 New York GIS
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 Image PA Department of Conservation and Natural Resources
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Annual Deliveries to CNGC in Dth



Percentage of Total Deliveries to CNGC



Local Growth Projects

- Asphalt Plants – Dalrymple & A.L. Blades
- Dickson Farms – Large farm with multiple grain dryers
- Main extensions – Towns of Southport & Caton
- Systematic replacement & pressure upgrades

Benefits of Local Production

- Lower cost gas supply
- Increased system reliability
- Increased transportation revenue
- Increase portfolio value to Asset Manager

