

STATE OF NEW YORK

Public Service Commission

Maureen O. Helmer, Chairman

Three Empire State Plaza, Albany, NY 12223

Further Details: (518) 474-7080

<http://www.dps.state.ny.us>

FOR RELEASE: IMMEDIATELY

02068/02G0003

PSC Seeks Public Comment on Corning Gas Rate Plan Proposal

Albany, NY – 8/27/02 – The New York State Public Service Commission is seeking public comment on a proposal to change the rates and charges for Corning Natural Gas Corporation's gas service. The company's last rate change was an overall, system-wide decrease of about \$300,000 (2.6 %) in February 2001.

On December 31, 2001, Corning Natural Gas filed a request with the Commission to increase its rates to produce about \$1.8 million (7.3 %) in additional annual revenues. The bill impacts of the company's proposal would vary among customers. A typical residential heating customer's annual bill for 125 MCF (thousand cubic feet) of gas used in a 12-month period would increase by about 8.5 percent.

Subsequent to the company's proposal, participants in the case pending before the Commission entered into discussions to try to resolve issues related to the rate increase request. As a result of those discussions, Corning Natural Gas and the New York State Department of Public Service staff filed a new proposal on August 26, 2002, governing rates and other service-related issues for three years beginning January 1, 2003 and ending December 31, 2005. The multi-year plan reduces the overall increase by almost \$1 million. Under the new proposal, Corning Natural Gas would be allowed to raise revenues by about \$875,000 (4 %) in the first year, after which the rates would be frozen through December 2005.

As with the company's original proposal, the bill impacts of the new multi-year proposal would vary among customers. However, increases – limited to the first year – would be sharply reduced. For example, a typical residential heating customer's annual bill for 125 MCF (thousand cubic feet) of gas used in a 12-month period would increase by about 4.6 percent.

The hearings at which members of the public can comment on the three-year Corning Natural Gas Corporation's rate plan proposal will be held as follows:

Tuesday, September 10, 2002
4:30 p.m. and 7:30 p.m.
Southeast Steuben County Library
300 Nasser Civic Center Plaza
Corning, NY

Each hearing will remain open for at least one hour and continue until all persons wishing to speak are heard or other reasonable arrangements are made. Speakers will be called after completing a card requesting time to speak at the hearing. It is not necessary to make an appointment in advance or to present written material in order to speak. All comments, oral and written, will be considered in the Commission's review process and will help guide the Commission in its decision-making process. The Commission may adopt or reject Corning Natural Gas Corporation's proposal, in whole or in part.

TDD users may request that a sign language interpreter be present. To make a request, please call the Department of Public Service's Human Resources Management office at (518) 474-2520 through the New York Relay Service at 1-800-662-1220 or have a representative call collect directly to the office. Disabled persons who require special accommodations other than a sign language interpreter may place a collect call to the Department of Public Service's Human Resources Management office at (518) 474-2520. All requests should be made as soon as possible.

Other Ways To Share Views

Persons not wishing to speak at the public statement hearings, or who are unable to attend the hearings, may comment on the proposal (in English or Spanish) by mailing their written statements to Janet Hand Deixler, Secretary, New York State Public Service Commission, Three Empire State Plaza, Albany, New York 12223. These letters should reference the "Corning Natural Gas Corporation Gas Rate Plan Proposal" (Case 02-G-0003) and should be submitted as soon as possible.

Other alternatives are available for submitting comments for consideration by the Commission:

Toll-free Opinion Line: Interested persons may call a special toll-free Opinion Line at 1-800-335-2120 to voice their opinion. This phone line is set up to receive comments about the proceeding from in-state callers, 24 hours a day. Callers should press "1" for "electric and gas" to leave comments on the Corning Natural Gas Corporation proceeding.

The Internet: Comments may be submitted via the "PSC Comment Form" in the "Consumer Assistance" file accessed through the homepage of the Commission's Website. Many libraries offer free Internet access. The Website address is <http://www.dps.state.ny.us> and comments are downloaded regularly.

Customers can obtain more information about the proposed Corning Natural Gas three-year rate plan by reviewing a copy of the proposal at:

Corning Natural Gas Corporation's Office
330 West William Street
Corning, NY

Southeast Steuben County Library
300 Civic Center Plaza
Corning, NY

Dormann Library
101 West Morris Street
Bath, NY

NYS Dept. of Public Service Files Room
14th Floor
Three Empire State Plaza
Albany, NY