

STATE OF NEW YORK

# Public Service Commission

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## **PSC Announces Voluntary Gas Supply Agreement for Corning -Agreement to Provide Adequate Supply for Entire Winter Heating Season-**

Albany, NY—12/06/05—The New York State Public Service Commission (Commission) today announced the filing of a voluntary mutual aid agreement that will provide Corning Natural Gas Corporation (Corning) access to sufficient flowing gas supplies to serve customers for the entire winter heating season. The long-term voluntary agreement between KeySpan Corporation (KeySpan) and Corning resolves the Commission's most important and immediate concerns regarding Corning's gas supplies.

"I want to commend staff and all the parties involved for working relentlessly over the past month to assist Corning in meeting customers' gas supply needs this winter," said Commission Chairman William M. Flynn. "Today's voluntary mutual aid agreement is an important accomplishment, and KeySpan Corporation should be commended for its willingness to provide both immediate and long-term assistance to Corning and its customers."

The voluntary mutual-aid agreement between KeySpan and Corning is effective immediately and provides the necessary security to support gas purchases. As a result of this agreement, Corning's lender has agreed to restore the company's access to its line of credit facility. The combination of the comprehensive mutual aid contract with KeySpan and the restoration of the credit line should be sufficient to provide Corning with the gas supplies and other working capital needed for the remainder of the winter heating season.

On November 22, 2005, the Commission announced that KeySpan had submitted a letter of commitment that ensured Corning had sufficient flowing gas and storage gas supplies to serve its customers during the month of December. Today's mutual-aid agreement will cover Corning's gas supply needs through March 31, 2006.