

ELECTRIC

Electric Bill Credit (“EBC”)

The electric bill credit implemented on July 1, 2009 in Case 08-E-0887 to return to customers the regulatory liability remaining after the offset of various deferred balances was modified in Case 09-E-0588 to return to customers \$12 million for the twelve months ending June 30, 2011 (originally \$10 million) and \$4 million (originally \$6 million) for the twelve months ending June 30, 2012.

Revenue Decoupling Mechanism (“RDM”)

The revenue decoupling mechanism for S.C. Nos. 1, 2 and 6 established July 1, 2009 in Case 08-E-0887 continues with slight modifications.

Factor of Adjustment

The electric factors of adjustment will be as follows:

S.C. Nos. 1, 2 (Non Demand), 2 (Secondary Demand), 5, 6, 8 and 9	1.0560
S.C. Nos. 2 (Primary Demand) and 3	1.0380
S.C. No. 13 (Substation)	1.0185
S.C. No. 13 (Transmission)	1.0104

S.C. No. 6 – Residential Time of Use

The on- and off-peak volumetric delivery rate split, currently applicable to S.C. No. 6, will be phased out, resulting in a single delivery rate for the rate year ended June 30, 2013. The commodity rate will remain time-differentiated.

Economic Revitalization Discount

Prior to July 1, 2010, customers taking service under S.C. Nos. 2 or 3 and that met defined criteria were able to take advantage of a discounted monthly demand rate through an Economic Revitalization Discount. This special provision is closed to all new customers beginning July 1, 2010. Service for existing customers under this special provision will continue until the earlier of December 31, 2012 or until program funding is exhausted.

GAS

Revenue Decoupling Mechanism (“RDM”)

The unit per customer (“UPC”) structure of the gas RDM will continue per the Commission’s 2009 Rate Order, and will now include the implementation of a customer level adjustment.

A gas RDM statement was issued effective August 1st, 2010 to recover/refund costs associated with the prior rate year, and will continue to be in effect for 12 months. A rate of \$0.02660 per Ccf for SC Nos. 1 & 12 and \$0.01541 per Ccf for SC Nos. 2, 6 & 13 will be applicable. The RDM adjustment will be in addition to the currently existing weather normalization adjustment, which also appears on the RDM line item on customer bills.

Imputation of Interruptible Revenue

The annual imputed interruptible profit from S.C. Nos. 8, 9 and 14 was increased from \$1.95 million to \$2.4 million for each of the rate years ending June 30, 2011, June 30, 2012, and June 30, 2013. This revenue serves to reduce base rates for S.C. Nos. 1, 2, 6, 12 & 13.

Factor of Adjustment

The gas factor of adjustment was revised to 1.0115. The factor of adjustment will continue to be calculated as the three-year average ended August 31, and will be updated each November 1st.

ELECTRIC AND GAS ISSUES

Base Delivery Rates

Base rates will change each July 1 for the three rate years (four for gas S.C. No. 11). A summary of base rates is attached. Electric S.C. No. 14 - Standby Rates have also been revised.

Merchant Function Charges ("MFCs")

The base delivery and MFC rates effective July 1, 2010, July 1, 2011, and July 1, 2012 reflect revisions to the Company's method of rate unbundling and allocation of costs between MFC Administration and MFC Supply. The result was an overall decrease in the MFC rates and an increase in base rates. A schedule of base MFC rates is attached.

New York State Assessment ("NYSA")

New electric and gas NYSA statements took effect July 1, 2010.

HEAP Credit

Each residential customer who received a HEAP benefit for their Central Hudson bill during the 2009/2010 HEAP Plan Year will receive a credit each month applied to their Central Hudson account. The HEAP credit will continue for 12 consecutive months, or until either the customer renews their HEAP eligibility for a succeeding Plan Year or the HEAP Credit Program terminates on June 30, 2013.

	<u>Monthly Credit</u>
July 1, 2010 – June 30, 2011	\$7.00
July 1, 2011 – June 30, 2012	\$9.00
July 1, 2012 – June 30, 2013	\$11.00

Each customer will be entitled to only one monthly credit provided that the customer's account remains active and regardless of whether the customer takes electric and gas service from the Company.

Central Hudson Gas & Electric Corporation
Cases 09-E-0588 & 09-G-0589
Summary of Monthly Electric Base Delivery Rates
(Excludes S.C. Nos. 5 & 8)

		Prior to <u>July 1, 2010</u>	Effective <u>July 1, 2010</u>	Effective <u>July 1, 2011</u>	Effective <u>July 1, 2012</u>
S.C. No. 1	Customer Charge	\$ 18.00	\$ 20.00	\$ 22.00	\$ 24.00
	kWh	\$ 0.04691	\$ 0.05011	\$ 0.04994	\$ 0.04963
S.C. No. 2 - Non-Demand	Customer Charge	\$ 30.00	\$ 32.00	\$ 34.00	\$ 35.00
	kWh	\$ 0.00340	\$ 0.00680	\$ 0.00537	\$ 0.00588
S.C. No. 2 - Secondary	Customer Charge	\$ 50.00	\$ 63.00	\$ 73.00	\$ 84.00
	kWh	\$ 0.00522	\$ 0.00535	\$ 0.00539	\$ 0.00540
	kW	\$ 8.00	\$ 8.00	\$ 8.07	\$ 8.10
S.C. No. 2 - Primary	Customer Charge	\$ 160.00	\$ 210.00	\$ 260.00	\$ 310.00
	kWh	\$ 0.00135	\$ 0.00144	\$ 0.00146	\$ 0.00148
	kW	\$ 6.30	\$ 6.46	\$ 6.56	\$ 6.65
S.C. No. 3	Customer Charge	\$ 620.00	\$ 1,150.00	\$ 1,400.00	\$ 1,400.00
	kWh	\$ -	\$ -	\$ -	\$ -
	kW	\$ 8.42	\$ 8.42	\$ 8.51	\$ 8.74
	Rkva	\$ 0.83	\$ 0.83	\$ 0.83	\$ 0.83
S.C. No. 6	Customer Charge	\$ 21.00	\$ 23.00	\$ 25.00	\$ 27.00
	On-Peak kWh	\$ 0.07892	\$ 0.07416	\$ 0.06040	
	Off-Peak kWh	\$ 0.02630	\$ 0.03117	\$ 0.03955	
	All kWh*				\$ 0.04744
S.C. No. 9 - Traffic Signals	Charge per Signal Face	\$ 2.66	\$ 2.76	\$ 2.86	\$ 2.96
S.C. No. 13 - Substation	Customer Charge	\$ 800.00	\$ 1,940.00	\$ 2,040.00	\$ 2,040.00
	kWh	\$ -	\$ -	\$ -	\$ -
	kW	\$ 6.21	\$ 6.21	\$ 6.42	\$ 6.65
	Rkva	\$ 0.83	\$ 0.83	\$ 0.83	\$ 0.83
S.C. No. 13 - Transmission	Customer Charge	\$ 800.00	\$ 3,700.00	\$ 3,810.00	\$ 3,810.00
	kWh	\$ -	\$ -	\$ -	\$ -
	kW	\$ 3.34	\$ 3.35	\$ 3.47	\$ 3.59
	Rkva	\$ 0.83	\$ 0.83	\$ 0.83	\$ 0.83

*In RY3 on-/off-peak rate differential eliminated for S.C. No. 6. All kWh billed at same rate

Central Hudson Gas & Electric Corporation
Cases 09-E-0588 & 09-G-0589
Summary of Electric Merchant Function Charges

	<u>Prior to</u> <u>July 1, 2010</u>	<u>Effective</u> <u>July 1, 2010</u>	<u>Effective</u> <u>July 1, 2011</u>	<u>Effective</u> <u>July 1, 2012</u>
<u>MFC Administration Charge per kWh</u>				
S.C. No. 1 - Residential	\$ 0.00209	\$ 0.00178	\$ 0.00180	\$ 0.00183
S.C. No. 2 - Non Demand	\$ 0.00283	\$ 0.00236	\$ 0.00238	\$ 0.00240
S.C. No. 2 - Primary Demand	\$ 0.00001	\$ 0.00001	\$ 0.00001	\$ 0.00001
S.C. No. 2 - Secondary Demand	\$ 0.00014	\$ 0.00012	\$ 0.00012	\$ 0.00012
S.C. No. 3 - Large Power Primary	\$ -	\$ -	\$ -	\$ -
S.C. No. 5 - Area Lighting	\$ -	\$ 0.00500	\$ 0.00505	\$ 0.00510
S.C. No. 6 - Residential Time-of-Use	\$ 0.00081	\$ 0.00078	\$ 0.00078	\$ 0.00078
S.C. No. 8 - Street Lighting	\$ -	\$ 0.00013	\$ 0.00013	\$ 0.00013
S.C. No. 9 - Traffic Signals	\$ -	\$ 0.00127	\$ 0.00128	\$ 0.00128
S.C. No. 13 - Substation	\$ -	\$ -	\$ -	\$ -
S.C. No. 13 - Transmission	\$ -	\$ -	\$ -	\$ -
<u>MFC Supply Charge per kWh</u>				
S.C. No. 1 - Residential	\$ 0.00390	\$ 0.00181	\$ 0.00183	\$ 0.00186
S.C. No. 2 - Non Demand	\$ 0.00512	\$ 0.00240	\$ 0.00242	\$ 0.00244
S.C. No. 2 - Primary Demand	\$ 0.00002	\$ 0.00001	\$ 0.00001	\$ 0.00001
S.C. No. 2 - Secondary Demand	\$ 0.00025	\$ 0.00012	\$ 0.00012	\$ 0.00012
S.C. No. 3 - Large Power Primary	\$ -	\$ -	\$ -	\$ -
S.C. No. 5 - Area Lighting	\$ 0.01055	\$ 0.00509	\$ 0.00514	\$ 0.00519
S.C. No. 6 - Residential Time-of-Use	\$ 0.00152	\$ 0.00079	\$ 0.00079	\$ 0.00079
S.C. No. 8 - Street Lighting	\$ 0.00028	\$ 0.00013	\$ 0.00013	\$ 0.00013
S.C. No. 9 - Traffic Signals	\$ 0.00270	\$ 0.00129	\$ 0.00130	\$ 0.00130
S.C. No. 13 - Substation	\$ -	\$ -	\$ -	\$ -
S.C. No. 13 - Transmission	\$ -	\$ -	\$ -	\$ -

Please note: These are base MFC's only; the transition adjustment is not reflected and the MFC Supply shown does not reflect the adder for estimated lost revenue, both of which are reflected on MFC Statements.

Central Hudson Gas & Electric Corporation
Cases 09-E-0588 & 09-G-0589
Summary of Electric Bill Credit

		<u>Prior to</u> <u>July 1, 2010</u>	<u>Effective</u> <u>July 1, 2010</u>	<u>Effective</u> <u>July 1, 2011</u>	<u>Effective</u> <u>July 1, 2012</u>	
S.C. No. 1 - Residential	per kWh	\$ (0.00682)	\$ (0.00393)	\$ (0.00127)	\$	-
S.C. No. 2 - Non Demand	per kWh	\$ (0.00658)	\$ (0.00437)	\$ (0.00115)	\$	-
S.C. No. 2 - Primary Demand	per kWh	\$ (0.00131)	\$ (0.00094)	\$ (0.00030)	\$	-
S.C. No. 2 - Secondary Demand	per kWh	\$ (0.00209)	\$ (0.00131)	\$ (0.00056)	\$	-
S.C. No. 3 - Large Power Primary	per kW	\$ (0.52)	\$ (0.33)	\$ (0.11)	\$	-
S.C. No. 5 - Area Lighting	per kWh	\$ (0.00917)	\$ (0.00614)	\$ (0.00163)	\$	-
S.C. No. 6 - Residential Time-of-Use	per kWh	\$ (0.00345)	\$ (0.00224)	\$ (0.00093)	\$	-
S.C. No. 8 - Street Lighting	per kWh	\$ (0.01185)	\$ (0.00924)	\$ (0.00298)	\$	-
S.C. No. 9 - Traffic Signals	per kWh	\$ (0.00354)	\$ (0.00210)	\$ (0.00091)	\$	-
S.C. No. 13 - Substation	per kW	\$ (0.59)	\$ (0.32)	\$ (0.10)	\$	-
S.C. No. 13 - Transmission	per kW	\$ (0.31)	\$ (0.17)	\$ (0.05)	\$	-

Central Hudson Gas & Electric Corporation
Cases 09-E-0588 & 09-G-0589
Summary of Monthly Gas Base Delivery Rates

		<u>Rates Prior to</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>	<u>Rate Year 4</u>
		<u>July 1, 2010</u>	<u>July 1, 2010</u>	<u>July 1, 2011</u>	<u>July 1, 2012</u>	<u>July 1, 2013 *</u>
S.C. No. 1 & 12						
Billing Block 1	First 2 Ccf	\$ 17.00	\$ 19.00	\$ 21.00	\$ 23.00	
Billing Block 2 per Ccf	Next 48 Ccf	\$ 0.6845	\$ 0.8439	\$ 0.8617	\$ 0.8603	
Billing Block 3 per Ccf	Additional	\$ 0.3944	\$ 0.3944	\$ 0.3944	\$ 0.3944	
S.C. No. 2, 6 & 13						
Billing Block 1	First 2 Ccf	\$ 30.00	\$ 35.00	\$ 36.50	\$ 37.00	
Billing Block 2 per Ccf	Next 98 Ccf	\$ 0.4727	\$ 0.5572	\$ 0.5604	\$ 0.5494	
Billing Block 3 per Ccf	Next 4900 Ccf	\$ 0.2704	\$ 0.2704	\$ 0.2704	\$ 0.2704	
Billing Block 4 per Ccf	Additional	\$ 0.2206	\$ 0.2206	\$ 0.2206	\$ 0.2206	
S.C. No. 11 Transmission						
Customer Charge		\$ 600.00	\$ 800.00	\$ 1,000.00	\$ 1,200.00	\$ 1,200.00
MDQ		\$ 7.73	\$ 8.30	\$ 8.87	\$ 9.44	\$ 9.25
S.C. No. 11 Distribution						
Customer Charge		\$ 600.00	\$ 800.00	\$ 1,000.00	\$ 1,200.00	\$ 1,200.00
MDQ		\$ 15.53	\$ 16.78	\$ 18.03	\$ 19.28	\$ 18.75
S.C. No. 11 DLM						
Customer Charge		\$ 600.00	\$ 800.00	\$ 1,000.00	\$ 1,200.00	\$ 1,200.00
MDQ		\$ 9.21	\$ 10.32	\$ 11.43	\$ 12.54	\$ 12.12

Central Hudson Gas & Electric Corporation
Cases 09-E-0588 & 09-G-0589
Gas Commodity Related Merchant Function Charges

		<u>Rates Prior to</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		<u>July 1, 2010</u>	<u>July 1, 2010</u>	<u>July 1, 2011</u>	<u>July 1, 2012</u>
<u>MFC Administration Charge per Ccf</u>					
MFC-1	1, 12 & 16	\$ 0.02536	\$ 0.00924	\$ 0.00949	\$ 0.00960
MFC-2	2, 6, 13 & 15	\$ 0.00372	\$ 0.00920	\$ 0.00909	\$ 0.00886
<u>MFC Supply Charge per Ccf</u>					
MFC-1	1, 12 & 16	\$ 0.01970	\$ 0.01169	\$ 0.01199	\$ 0.01214
MFC-2	2, 6, 13 & 15	\$ 0.01523	\$ 0.01164	\$ 0.01150	\$ 0.01120

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