

PSC NO: 15 ELECTRICITY
COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION
INITIAL EFFECTIVE DATE: 07/01/09
Issued in Compliance with Order in C.08-E-0887 dated June 22, 2009

LEAF: 163.5.5
REVISION: 0
SUPERSEDING REVISION:

36. OTHER CHARGES AND ADJUSTMENTS (Cont'd)

G. Revenue Decoupling Mechanism (RDM) Adjustment (Cont'd)

Following each RDM Adjustment Period, any difference between amounts required to be charged or credited to customers in each service classification or sub classification and amounts actually charged or credited will be charged or credited to customers in that service classification or sub classification, with interest, over a subsequent RDM Adjustment period, or as determined by the Commission if no RDM is in effect.

If for any reason, a service classification or sub classification included in the RDM no longer has customers, the revenue target for that discontinued service classification or sub classification, plus any RDM delivery revenue excess or shortfall, will be reallocated to other remaining service classifications or sub classifications to provide for equitable treatment of any revenue excess or shortfall from the discontinued service classification. In the event RDM revenue is reallocated, the Company will consult with Commission Staff regarding such reallocation.

3. Interim RDM Adjustments

If at any time during an Annual RDM Period, the total of cumulative delivery revenue excess/shortfall for all of the Company's service classifications and sub classifications subject to the RDM Adjustment exceeds \$4 million, the Company will implement interim RDM Adjustments by service classification and sub classification on no less than ten days notice. The refund/collection of the Interim RDM Adjustment will occur over a twelve month period. These Interim RDM Adjustments are subject to reconciliation at the end of the Annual RDM Period in which refund/collection of the Interim RDM Adjustment terminates. RDM factors, including Interim RDM Adjustments, may only be changed once in any given six-month period.

4. Statement of RDM Adjustments

Not less than ten (10) days prior to a proposed change in the RDM Adjustments, a Statement showing each factor by service classification, or sub-class, and the effective date will be filed with the Public Service Commission.

Issued by: Michael L. Mosher, Vice President, Poughkeepsie, New York