

PSC NO: 12 GAS

LEAF: 129.1

COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION

REVISION: 5

INITIAL EFFECTIVE DATE: 07/01/15

SUPERSEDING REVISION: 2

Issued in Compliance with Order in C.14-G-0319 dated June 17, 2015

42. OTHER CHARGES AND ADJUSTMENTS (Cont'd)**E. Revenue Decoupling Mechanism (RDM) Adjustment (Cont'd)**

On a monthly basis, interest at the Commission's rate for other customer provided capital will be calculated on the average of the current and prior month's cumulative delivery revenue excess/shortfall (net of state and federal income tax benefits).

At the end of an Semi-Annual RDM Period total delivery revenue excess/shortfalls, and associated interest, for each service classification group will be refunded/surcharged to customers through service classification group-specific RDM Adjustments applicable during a corresponding RDM Adjustment Period. The RDM Adjustment for each applicable service classification group shall be determined by dividing the amount to be refunded/surcharged to customers in that service classification group by estimated Ccf to customers in that service classification group over the RDM Adjustment Period. RDM Adjustments shall be rounded to the nearest \$0.00001 per Ccf and applied to all billed Ccf deliveries.

Following each RDM Adjustment Period, any difference between amounts required to be refunded or surcharged to customers in each service classification group and amounts actually refunded or surcharged will be refunded or surcharged to customers in that service classification group, 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 included in the RDM no longer has customers, the Company will consult with Commission Staff.

3. 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 group and the effective date will be filed with the Public Service Commission.