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October 16, 2017

Honorable Kathleen H. Burgess, Secretary
State of New York Public Service Commission
Three Empire State Plaza
Albany, NY 12223

**Re: Case 15-E-0751 et al. – In the Matter of the Value of Distributed Energy Resources;
Value Stack Tariff Compliance Filing**

Dear Secretary Burgess:

In compliance with Ordering Clause Nos. 1 and 2 of the Commission's Order on Phase One Value of Value of Distributed Energy Resources Implementation Proposals, Cost Mitigation Issues, and Related Matters issued and effective September 14, 2017 ("September 2017 Order") in the above referenced case, Central Hudson Gas & Electric Corporation ("Central Hudson" or "the Company") hereby files the following tariff amendments to become effective on November 1, 2017.

P.S.C. No. 15 – Electric

19th Revised Leaf No. 104
Original Leaf No. 106.1.1
Original Leaf No. 106.1.2
Original Leaf No. 106.1.3
2nd Revised Leaf No. 163.9.5
Original Leaf No. 163.9.6
Original Leaf No. 163.9.7
Original Leaf No. 163.9.8
Original Leaf No. 163.9.9
Original Leaf No. 163.9.10
Original Leaf No. 163.9.11
Original Leaf No. 163.9.12
11th Revised Leaf No. 184.2
17th Revised Leaf No. 202.2
17th Revised Leaf No. 267.2

Statement of Value of Distributed Energy Resources - Credits VDER-1

Pursuant to Ordering Clause Nos. 1 and 6 of the aforementioned Order, the tariff amendments listed above implement the Value Stack compensation methodology as proposed by the Company in its Value of Distributed Energy Resources Implementation Proposal filed May 1, 2017 in this proceeding ("May 1 Filing"), subject to the following modifications directed by the Commission in the September 2017 Order:

- The method to select the service class from which the Installed Capacity credit is derived has been modified to reflect Orange and Rockland's method; and,
- Market Transition Credits (MTCs) have been recalculated to account for any change in the three-year average ICAP value when a Service Class (S.C.) different from S.C.1 is used;

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As proposed in the Company's May 1 Filing, and approved by the Commission in the September 2017 Order, recovery of amounts compensated under the Value Stack will be recovered through the existing Market Price Charge and Miscellaneous Charge components of the Energy Cost Adjustment Mechanism. The recovery rates to be included in the Miscellaneous Charge will be detailed by component, by service class and filed on the Statement of Value of Distributed Energy Resources – Costs. Since no costs have been incurred at this time, no such statement is included herein. A statement will be filed pursuant to the provisions in the tariff amendments contained herein upon the incurrence of such costs.

Pursuant to Ordering Clause No. 23, the requirements of Public Service Law §66(12)(b) and 16 NYCRR §720-8.1 concerning newspaper publication of the tariff amendments contained herein have been waived.

Questions related to this filing should be directed to Glynis Bunt at gbunt@cenhud.com or (845) 486-5420 or Darlene Clay at dclay@cenhud.com or (845) 486-5466.

Very truly yours,

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