



June 1, 2016

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

Re: Cases 14-E-0318 / 14-G-0319 RY 2 Compliance Filing
in the Proceeding on Motion of the Commission as to Rates, Charges,
Rules and Regulations of Central Hudson Gas & Electric Corporation
for Electric and Gas Service

Dear Secretary Burgess:

Pursuant to Public Service Commission Order, issued and effective June 17, 2015, in the above captioned proceeding, Central Hudson Gas & Electric Corporation ("Central Hudson" or "the Company") hereby files amended tariff leaves to its Schedule for Electric Service, PSC No. 15 – Electricity, and Schedule for Gas Service, PSC No. 12 – Gas to effectuate the Rate Year 2 changes.

Ordering paragraph four of the aforementioned Order directs the Company to file further tariff changes as necessary to effectuate the Rate Year 2 and Rate Year 3 rates. As the Compliance filing made on June 30, 2015 to become effective July 1, 2015 effectuated the electric and gas rate increases of the aforementioned Order for multiple Rate Years, it is unnecessary for the Company to submit further rate related changes.

However, the amendments which are set forth on Appendix A are filed June 1, 2016 to become effective July 1, 2016 on a temporary basis to effectuate the other requirements of the Rate Plan adopted in the aforementioned Order. The purpose for these tariff amendments is described below.

ELECTRIC

Energy Cost Adjustment Mechanism ("ECAM")

On November 18, 2015 in Case 14-E-0318, the Company filed a petition to waive its monthly billing requirement for the subset of customers categorized as net-metered customers. As part of that petition, the Company also requested approval to prorate the ECAM using billing days for all electric customers similar to the way the Gas Supply Charge (GSC) is prorated based on the number of days each GSC is in effect during the gas customer's billing period. Pursuant to ordering paragraph two of Order dated February 26, 2016, the Company herein files tariff amendments to effectuate pro-ration of the ECAM to be simultaneous with the monthly billing implementation.

The Company will file ECAM statements to effectuate changes to the Rate Year 2 working capital carrying charge rate in Case 14-E-0318, as well as monthly ECAM factors at a later date.

GAS

Gas Supply Charge

An updated GSC Statement will not be filed herein to reflect the changes to the working capital carrying charge rate effective July 1, 2016. The updated working capital carrying charge will be reflected in

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the GSC factor to be filed in the routine monthly GSC Statement update on June 27, 2016 which will go into effect on July 1, 2016.

Retail Access

The Company currently employs a two-step process in regards to reconciling the over or under deliveries incurred by Energy Service Companies (ESCO's). On a monthly basis, the Company reconciles the amounts ESCO's were instructed to deliver against an estimate of a customer's consumption. On a semiannual basis, reconciliation against actual customer consumption is performed. Pursuant to the Order dated June 17, 2015 in Case 14-G-0319, a revised cash-out process for the Retail Access program is to be implemented by the Company, no earlier than April 2016, to cash-out, in any given month, those accounts with valid meter readings during the month. As part of the Compliance filing made on June 30, 2015, the Company included tariff modifications to reflect these changes. At that time, the revised cash out process was expected to be implemented effective November 2016. However, due to the requirements of implementing monthly billing, the programming changes necessary to effectuate this new process will not be able to be completed prior to the November 1st deadline. The Company herein files a revised tariff which reflects an implementation date of April 1, 2017. Subsequent to a final Semi-Annual Reconciliation for the period November 2016 through March 2017, effective April 2017, the Semi-Annual Reconciliation will no longer be applicable.

ELECTRIC AND GAS ISSUES

The Commission has approved the implementation of monthly billing without monthly meter reading. At the time of the Company's initial Compliance filing, the Company's efforts to identify changes were still underway, and as such the Compliance filing made June 30, 2015 did not reflect tariff changes related to monthly billing. The filing herein reflects the Company's implementation of monthly billing.

PROCEDURAL MATTERS

Further, as directed by Ordering paragraph six, the requirements of 66(12)(b) of the Public Service Law that newspaper publications are to be completed prior to the effective date of the amendments, have been satisfied. The Company has arranged for a notice of the change to be published in the June 8, 15, 22, and 29, 2016 issues of the Catskill Daily Mail, the Daily Freeman, the Times Herald Record and the Poughkeepsie Journal. The notice of change will be published in the June 9, 16, 23 and 30 issues of the Putnam County Courier.

Questions related to this filing should be addressed to Darlene Clay at dclay@cenhud.com or Amy Dittmar at adittmar@cenhud.com.

Very truly yours,

Anthony S. Campagiorni
Vice President of Regulatory and Governmental Affairs

cc: Active Party List
B. T. FitzGerald, Cullen and Dykman LLP

TARIFF LEAVES

PSC No. 15 – ELECTRICITY

3rd Revised Leaf No. 25
1st Revised Leaf No. 31
2nd Revised Leaf 54
4th Revised Leaf 57
3rd Revised Leaf No. 58
1st Revised Leaf 68
10th Revised Leaf No. 107
3rd Revised Leaf No. 108
7th Revised Leaf No. 124
2nd Revised Leaf No. 126
4th Revised Leaf No. 130
14th Revised Leaf No. 165
17th Revised Leaf No. 169
9th Revised Leaf No. 170
12th Revised Leaf No. 211

TARIFF LEAVES

PSC No. 12 – GAS

1st Revised Leaf No. 25
2nd Revised Leaf No. 27
4th Revised Leaf No. 28
1st Revised Leaf No. 37
18th Revised Leaf No. 68
5th Revised Leaf No. 113
6th Revised Leaf No. 118.1
2nd Revised Leaf No. 118.2
18th Revised Leaf No. 149
12th Revised Leaf No. 151
12th Revised Leaf No. 153
10th Revised Leaf No. 195