Received: 06/16/2008 Status: CANCELLED Effective Date: 07/01/2008

PSC NO: 12 GAS STATEMENT TYPE: MFC COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION STATEMENT NO: 2

INITIAL EFFECTIVE DATE: 07/01/08

STATEMENT OF MERCHANT FUNCTION CHARGE

MFC Administration Charge

The following charges are applicable to all natural gas deliveries under Service Classifications Nos. 1, 2, 6, 12, 13 and 16, excluding natural gas delivered by Central Hudson to customers purchasing their natural gas requirements from a Retail Supplier that is not participating in the Company's Purchase of Accounts Receivable Program, as described in General Information Section 41:

	Applicable to <u>S.C. Nos.</u>	MFC Administration <u>Charge per Ccf</u>
MFC-1	1, 12 & 16	\$0.00680
MFC-2	2, 6 & 13	\$0.00213

MFC Supply Charge

The following charges are applicable to all natural gas deliveries under Service Classification Nos. 1, 2, 6, 12, 13 and 16, excluding natural gas delivered by Central Hudson to customers purchasing their natural gas requirements from a Retail Supplier under the Company's Retail Access Program, as described in General Information Section 41:

Total
C Supply
ge per Ccf
\$0.01491
\$0.00447

Transition Adjustment

The following charges are applicable to all natural gas deliveries under Service Classification Nos. 1, 2, 6, 12, 13 and 16:

	Applicable to	Transition Adjustment	
	S.C. Nos.	<u>per Ccf</u>	
MFC-1	1, 12 & 16	\$0.00085	
MFC-2	2, 6 & 13	\$0.00096	

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