

PSC NO: 12 GAS  
 COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION  
 INITIAL EFFECTIVE DATE: 04/01/12

LEAF: 197.2  
 REVISION: 2  
 SUPERSEDING REVISION: 1

**SERVICE CLASSIFICATION NO. 14**

**INTERRUPTIBLE TRANSPORTATION SERVICE TO ELECTRIC GENERATION FACILITIES**

(Cont'd)

**MONTHLY RATE COMPONENTS** (Cont'd)

2. (Cont'd)

**Test Year:** The Test Year corresponding to each twelve month Collection Period of May 1<sup>st</sup> through April 30<sup>th</sup> of the following year will be the calendar year preceding the Collection Period.

**Base Year:** is defined as the twelve months ended November 30, 2000, corresponding to the first full year of operation of the New York Independent System Operator (NYISO).

**Base Year Spark Spread:** will be calculated as the simple average of the Spark Spread for all 8,784 hours of the Base Year.

**Market Electric Price:** the respective zonal average of the Real Time Electric Market Locational Based Marginal Pricing (LBMP) for the applicable hour and zone as reported on the NYISO website and expressed in \$/MWh.

**Fuel Cost of Generation:** will be determined as the average per dth market cost of gas as reported in Gas Daily as the Transco Zone 6 (NY) midpoint and high price for the day of flow multiplied by the customer's Heat Rate Tier Level, and expressed in \$/MWh.

**Customer's MWh Generated Output:** will be determined as the hourly dth consumption divided by the customer's heat rate and expressed in MWh.

**Customer's Heat Rate Tier Level:** a customer's proxy heat rate will be based on the technology the customer's unit employs:

Tier 1:	17.5 mmBTU/MW-hour for older, simple cycle peaking units (i.e. those units that commenced operation prior to December 31, 1998)
Tier 2:	11.0 mmBTU/MW-hour for Rankine Cycle steam units
Tier 3:	10.0 mmBTU/MW-hour for new, simple cycle peaking units
Tier 4:	7.4 mmBTU/MW-hour for combined cycle plants

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