

PSC NO: 12 GAS
COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION
INITIAL EFFECTIVE DATE: 7/18/09
Issued in Compliance with Order in C.08-G-0888 dated June 22, 2009

LEAF: 129.1
REVISION: 1
SUPERSEDING REVISION: 0

42. OTHER CHARGES AND ADJUSTMENTS (Cont'd)

E. Revenue Decoupling Mechanism (RDM) Adjustment (Cont'd)

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. **Interim RDM Adjustments**

If at any time during an Annual RDM Period, the total of the cumulative delivery revenue excess/shortfall exceeds \$2 million, the Company will implement interim RDM Adjustments by service classification group on no less than ten days notice. The refund/surcharge of the Interim RDM Adjustment will occur over a twelve-month period. These Interim RDM Adjustments are subject to reconciliation at the end of the Annual RDM Period in which refund/surcharge of the Interim RDM Adjustment terminates. RDM factors, including Interim RDM Adjustments, may only be changed once in any given six-month period.

4. **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.

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