

PSC NO: 12 GAS
COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION
INITIAL EFFECTIVE DATE: 04/01/11

LEAF: 118.1
REVISION: 3
SUPERSEDING REVISION: 2

41. RETAIL ACCESS PROGRAM (Cont'd)

H. BALANCING AND SETTLEMENT (Cont'd)

Monthly Cash Out (Cont'd)

April - October

For the months of April - October, inclusive, the monthly cash out prices for both over- and under-deliveries will be equal to the monthly average of the daily average of the "Midpoint" rates for "Tennessee, zone 0" and "Tennessee, zone 1" (500 and 800 legs) receipt points as published in Platt's Gas Daily in the table "Daily Price Survey", plus the Company's weighted average cost of transportation and fuel losses.

November - March

For the months of November - March, inclusive, monthly cash out prices will be as follows:

Over-deliveries: the monthly average of the daily average of the "Midpoint" rates for "Tennessee, zone 0" and "Tennessee, zone 1" (500 and 800 legs) receipt points as published in Platt's Gas Daily in the table "Daily Price Survey", plus the Company's weighted average cost of transportation and fuel losses.

Under-deliveries: the monthly average of the daily "Midpoint" rate of the higher of "Transco Zone 6, N.Y." or "Iroquois, zone 2" receipt points as published in Platt's Gas Daily in the table "Daily Price Survey" under the Citygates heading.

Semi-Annual Reconciliation/Cash Out

Central Hudson will reconcile the gas supplies delivered and the natural gas consumed by customers taking service under Service Classification Nos. 6, 12 and 13 twice per year; once for the seven months ending October 31 (Summer) and once for the five months ending March 31 (Winter).

At the end of the Summer and Winter periods, the Company will determine the over- or under-delivery, or net imbalance, for each Retail Supplier based on the Retail Supplier's customers' actual usage for the period. The sum of each Retail Supplier's customers' consumption will be multiplied by the factor of adjustment, converted from Ccf to Dth and compared to the Retail Supplier's total pool deliveries, inclusive of confirmed nominations, any daily and monthly imbalances, if applicable, and any WBSV. The Company will release this imbalance determination, and supporting detail, twenty-one (21) days after the end of each period.

A Retail Supplier may exchange a period-end imbalance with another Retail Supplier serving Service Classification Nos. 6, 12 and 13. Imbalance position and contact information for each Retail Supplier will be available after the end of the month on the Company's Gas Tracking System. Such exchanges of imbalances shall be accomplished upon notification to the Company of the exchange by the applicable Retail Supplier on or before the fifth business day after the release of imbalance determinations by the Company.

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