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PSC NO:12 GAS LEAF: 111 COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION REVISION: 7

INITIAL EFFECTIVE DATE: 04/01/07 SUPERSEDING REVISION: 6

Issued in compliance with Order in C.05-G-0935 dated July 24, 2006

41. RETAIL ACCESS PROGRAM (Cont'd)

C. <u>VERIFICATION OF ACCOUNTS</u>

Ten (10) calendar days prior to the first day of the month, Central Hudson will provide the Retail Supplier a listing of the Retail Supplier's customers to be served during the month.

D. <u>DELIVERABILITY DEMAND COMPONENTS</u>

Customers taking service under Service Classification Nos. 6, 12 or 13 will be assigned deliverability demand determinants representing the estimated allocation of Peaking Service, Propane Service, Storage Service, Storage Space and Pipeline Capacity which will be needed to meet the customers' estimated peak day delivery requirements. All demand determinants are customer specific and are estimated by Central Hudson. Retail Suppliers can request a specific customer's demand determinants from Central Hudson's Director of Retail Choice Programs. Demand determinants for customers being served by Retail Suppliers are available on the Company's web-site.

The charges related to certain deliverability demand determinants will be calculated each month by Central Hudson for each Customer. Central Hudson will summarize each Retail Suppliers' deliverability demand determinant charges by customer account and will provide the appropriate customer summary to each Retail Supplier providing service to customers operating under Service Classification Nos. 6, 12 or 13. The summary of the customers' deliverability demand determinant charges will be available to the Retail Suppliers on the Company's web site.

(a) <u>Peaking Service Surcharge</u>

Each retail access customer is assigned a peaking service demand determinant equal to the percentage of the Company's system gas requirements for a design day that are served by peaking service. The peaking service rate will be equivalent to the per unit cost of peaking services under contract to Central Hudson.

(b) Storage Service

Each retail access customer will be assigned a storage service demand determinant no greater than the Company's system gas requirements for a design day that are served by pipeline storage service. Regardless of the Winter Bundled Sales (WBS) election, as described in General Information Section 41.G, if a customer's peak day requirements warrant an assignment in excess of the storage service amount as described above, the customer will be assigned an Incremental Daily Contract Quantity (IDCQ) determinant equal to the requirements in excess of the storage service limitation. Retail suppliers that do not elect the WBS Option, described in Section G, will be required to procure Alternate Capacity Requirements (ACR) equal to the aggregated total of the Storage Service demand determinants for customers in their aggregated pool.

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