PSC NO: 12 GASLEAF: 172.1COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATIONREVISION: 0INITIAL EFFECTIVE DATE: 04/01/07SUPERSEDING REVISION:Issued in compliance with Order in C.05-G-0935 dated July 24, 2006

SERVICE CLASSIFICATION NO. 9 (Cont'd)

INTERRUPTIBLE TRANSPORTATION/STANDBY SALES SERVICE (Cont'd)

MONTHLY RATE (Cont'd)

2. <u>Balancing Service Charge</u>

The Balancing Service Charge, as described in General Information Section 43, shall apply to all gas consumed by a customer under this Service Classification and shall be billed to the customer.

Customers taking service under this Service Classification will be required to make a semi-annual election to have their gas deliveries and usage balanced on a daily or monthly basis according to the terms of this Service Classification for the following balancing periods:

November 1 - April 30, inclusive May 1 - October 31, inclusive

Existing customers will be required to notify the Company in writing, of their selected balancing option for an applicable balancing period on or before the date indicated on the Company's Calendar of Gas Transportation Schedule as defined in General Information Section 2 utilizing Attachment A to the service agreement included in General Information Section 35 or 36, as appropriate.

Absent timely receipt by the Company of notification of a customer's selected balancing option, the customer will be placed on monthly balancing by default.

A customer taking service under this Service Classification will maintain its balancing option for the full duration of the balancing period regardless of whether the customer switches to service under another service classification or its alternate fuel and subsequently returns to service under this Service Classification.

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