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PSC NO: 12 GAS

COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION

INITIAL EFFECTIVE DATE: 04/01/07

SUPERSEDING REVISION: 2

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

41. RETAIL ACCESS PROGRAM (Cont'd)

G. <u>NATURAL GAS SUPPLY REQUIREMENT</u> (Cont'd)

Central Hudson shall in no way be liable for any errors in the calculation of the customer's delivery requirements, nor be responsible for any additional gas costs incurred by the Retail Supplier due to an error in the calculation of the delivery requirements.

Winter Bundled Sales Service and Balancing Service Option

Prior to April 1 of each year, Retail Suppliers must elect either Winter Bundled Sales (WBS) Service or Balancing Service.

(1) Winter Bundled Sales (WBS) Service Option

Retail Suppliers electing the WBS option will be provided with storage space demand determinants for each customer in their pool. The aggregated total of the storage space for all customers in a Retail Supplier's pool, measured in dekatherms, will be called the Winter Bundled Sales Volume (WBSV). The Retail Supplier is required to purchase the WBSV from the Company during the period November - March (winter period) in accordance with the provisions set forth below.

During the winter period, the ADCQ for each Retail Supplier will be reduced by a monthly allocation of WBSV based on the schedule set forth below:

	Amount Delivered
	As a % of
<u>Month</u>	<u>WBSV</u>
November	10%
December	20
January	25
February	25
March	20

The WBS gas delivered by the Company to a Retail Supplier's customers shall be defined as WBSV divided by the factor of adjustment contained in General Information Section 27, and will be considered the first gas through the meter each day of the winter period.

The Retail Supplier shall purchase the WBSV at a price, to be published in the Statement of Firm Gas Transportation Rates during the period November - March of each year, using the methodology described below:

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