

PSC NO: 12 GAS LEAF: 114
COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION REVISION: 3
INITIAL EFFECTIVE DATE: 11/01/07 SUPERSEDING REVISION: 2
Issued in compliance with Order in C.07-G-0299 dated August 30, 2007

41. RETAIL ACCESS PROGRAM (Cont'd)

G. NATURAL GAS SUPPLY REQUIREMENT

Prior to the beginning of the month Central Hudson will provide the Retail Supplier (1) the Daily Contract Quantity Forecast ($DCQ_{forecast}$), expressed in Ccf, for each customer taking service from the Retail Supplier, (2) the Aggregated Daily Contract Quantity Forecast ($ADCQ_{forecast}$) expressed in dekatherms, equal to the sum of the $DCQ_{forecast}$ for all aggregation customers being served by the Retail Supplier multiplied by the factor of adjustment and converted from Ccf to Dth using the twelve month system average BTU conversion factor, (3) the Total Contract Quantity (TCQ) expressed in dekatherms, representing the amount of pipeline capacity required to serve the peak day requirements of the Retail Supplier's aggregated pool of customers, and (4) any applicable Alternate Capacity Requirements (ACR) as more fully described in this section, below. This information will be available by the date specified on Central Hudson's Calendar of Natural Gas Transportation Scheduling, as defined in General Information Section 2. The Retail Supplier will provide a natural gas nomination to Central Hudson by the date specified on Central Hudson's Calendar of Natural Gas Transportation Scheduling.

The Retail Supplier must deliver to Central Hudson on each day of the month, at predetermined interconnection points, the $ADCQ_{forecast}$. In the event of a period of peak weather conditions, or other system emergencies, Central Hudson may increase the volume of natural gas to be delivered up to the TCQ. Retail Suppliers will be given forty-eight (48) hour notice of the need to increase deliveries.

Capacity Assignment

As of August 30, 2007, pursuant to the Order in Case 07-G-0299, Central Hudson will implement mandatory assignment of capacity to Retail Suppliers. However, a Retail Supplier purchasing the upstream capacity needed to meet the TCQ delivery requirements and any applicable ACR from a third party supplier as of August 30, 2007 shall be allowed to continue to purchase such capacity subject to the following:

- (a) The maximum quantity of capacity eligible for purchase from a third party supplier will be equal to the lesser of the volumetric level purchased from a third party supplier as of August 30, 2007 or any reduced volumetric level reflected on the Retail Supplier's affidavit for the period beginning November 1, 2007, or any subsequent affidavit, as required below.
- (b) The eligibility level determined in (a) may be transferred, in whole, to another Retail Supplier when a Retail Supplier's entire book of customers is sold to one Retail Supplier. Upon transfer, eligibility level determinations in (a) shall be applicable to the Retail Supplier acquiring the book of customers.

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