

PSC NO: 12 GAS LEAF: 173.2
 COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION REVISION: 1
 INITIAL EFFECTIVE DATE: 01/01/06 SUPERSEDING REVISION:
 Issued in compliance with Order in C.04-G-0463 dated November 29, 2005

SERVICE CLASSIFICATION NO. 9 (Cont'd)

INTERRUPTIBLE TRANSPORTATION/STANDBY SALES SERVICE RATE (Cont'd)

RATE (Cont'd)

2. Balancing: Charges for Over- and Under-Deliveries (Cont'd)

A. Daily Balancing (Cont'd)

II. Over-deliveries - Monthly

If on any day the cumulative over-delivery exceeds 125% of the MDQ, the cumulative over-delivered volumes in excess of 125% of the MDQ will be purchased by the Company at a rate equal to 90% of the daily Index Price for that day as specified above. If there is an over-delivery at the end of the month, the over-delivered volumes will be purchased by the Company at a rate equal to 90% of 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.

III. Under-deliveries - Daily

If on any day a customer's under-delivery is greater than 10% of a customer's actual usage, the under-delivered volumes in excess of 10% will be sold to the customer by the Company at the rates set forth below. The Index Price used to determine the applicable rate shall be equal to the "Midpoint" rate of the higher of "Transco, zone 6 N.Y." and "Iroquois, zone 2" receipt points as published in Platt's Gas Daily in the table "Daily Price Survey" under the Citygates heading.

For Under-deliveries	Rate
> 10% up to and including 15%	110% of Index Price
> 15% up to and including 20%	115% of Index Price
> 20% - Winter	140% of Index Price
> 20% - Summer	130% of Index Price

Issued by: Arthur R. Upright, Senior Vice President, Poughkeepsie, New York