

PSC NO: 12 GAS

LEAF: 207

CENTRAL HUDSON GAS &amp; ELECTRIC CORPORATION

REVISION: 1

INITIAL EFFECTIVE DATE: 01/01/04

SUPERSEDING REVISION: 0

Issued in Compliance with Order in C.02-M-0515 dated December 3, 2003

**SERVICE CLASSIFICATION NO. 15** (Cont'd)**DISTRIBUTED GENERATION COMMERCIAL AND INDUSTRIAL** (Cont'd)**TERMS OF PAYMENT**

Bills are due when personally served or three days after mailing. Bills shall be subject to a late payment charge in accordance with General Information Section 16, if payment is not made by the date specified on the bill which date shall be not less than 20 days from the due date.

**TERM**

All terms will be renewed annually. The rates available under this Service Classification will be the ceiling price in effect until January 1, 2007.

**LOAD FACTOR**

Each year on the anniversary of the commercial operation of the Customer's distributed generation unit, the Company will calculate the Customer's actual annual load factor. If the Customer's annual load factor, based on their winter peak demand, is not at least 50 percent, the Customer will be transferred to the appropriate firm sales or transportation service for one year, unless there are mitigating circumstances which would argue for allowing the Customer to continue operating under this service classification or returning to this service classification in less than one year, at the discretion of the Company. The calculation of the Customer's load factor will be defined herein as the Customer's annual usage divided by the Customer's peak winter day demand times 365 days.

**DETERMINATION OF DEMAND**

The Customer's Maximum Daily Quantity (MDQ) will be set initially on the fuel requirements of the Customer's installed distributed generation equipment for a twenty-four (24) hour period. Should the Customer's actual usage exceed their MDQ, their MDQ will be deemed to be changed and the MDQ for service and billing purposes will be increased to this new service level.

**SPECIAL PROVISIONS**

The numbering of the paragraphs hereunder begins with the above service classification number.

15.1 Customers operating under this service shall pay for any required system reinforcements, pursuant to General Information Sections 5 and 25.

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