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..TXT: PSC NO: 12 GAS LEAF: 124.1
COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION REVISION: 2
INITIAL EFFECTIVE DATE: 04/18/00 SUPERSEDING REVISION: 1
STAMPS: Issued in Compliance with Order in C. 97-G-1380 dated December 21, 199
Cancelled by 3 Rev. Leaf No. 124.1 Effective 12/15/2000
RECEIVED: 04/17/00 STATUS: Cancelled EFFECTIVE: 04/18/00

41. RETAIL ACCESS PROGRAM (Cont'd)

J. **NATURAL GAS SUPPLY REQUIREMENT** (Cont'd)

Central Hudson's Fuel Resources Group must approve all third party capacity delivery points.

If a Retail Supplier chooses to use third party secondary, non-recallable capacity with Central Hudson providing standby service, Central Hudson will be compensated for providing the standby service by charging the Retail Supplier a demand charge of \$9.64 per Dth that is applied to the sum of the ADCQ and IDCQ for the customers being served by the Retail Supplier each month from November through March. In the event that the Retail Supplier's deliveries are curtailed anytime during the period, the Company will meet ninety-eight percent of the customers' ADCQ and IDCQ delivery requirements and will charge the Retail Supplier for all commodity and transportation expenses associated with acquiring the replacement gas supplies. Those charges will be equal to the highest weekly price posted in Natural Gas Week for the New York City citygate for the applicable month plus any associated fuel and transportation fees incurred by the Company to provide the replacement supplies.

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