

PSC NO: 12 GAS LEAF: 129
 COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION REVISION: 11
 INITIAL EFFECTIVE DATE: 12/01/21 SUPERSEDING REVISION: 9
 Issued in Compliance with Order in C. 20-G-0429 dated November 18, 2021

42. OTHER CHARGES AND ADJUSTMENTS (Cont'd)

E. Revenue Decoupling Mechanism (RDM) Adjustment

Pursuant to the Commission's Order in Case 08-G-0888 issued and effective June 22, 2009, as amended and superseded by the Order in Case 20-G-0429 issued and effective November 18, 2021, actual gas deliveries for certain customer classes are subject to reconciliation through an RDM Adjustment. The RDM Adjustment is applicable to Service Classification Nos. 1, 2, 6, 12 and 13. Effective July 1, 2021 the RDM Adjustment will be expanded to include Service Classification No. 11 (Transmission, Distribution and Distribution Large Mains). The RDM is not applicable to Service Classification Nos. 8, 9, 11 (electric generators), 14, 15 and 16.

1. Definitions

- a. **Delivery Revenue Targets** by month for each service classification will be based on delivery revenue targets for the Rate Years ending June 30, 2022, June 30, 2023, and June 30, 2024 as set forth in Case 20-G-0429 except that delivery revenue targets for the months of July through November 2021 will be adjusted by the amounts so determined to be refunded or recovered through the Make Whole provision as described in General Information Section 42. Delivery revenue target for Service Classification Nos. 1 and 12 will be combined and Service Classification Nos. 2, 6, 11 and 13 combined. Rate Year ending June 30, 2024 delivery revenue targets so determined in the aforementioned Case, shall remain in effect until otherwise changed by the Commission. Delivery revenue targets will be adjusted monthly to account for certain changes in demand associated with SC 11 customers as described below.
- b. **Actual Delivery Revenue** is defined as the sum of monthly total billed revenue derived from customer charges, base rate volumetric charges, Maximum Daily Quantity (MDQ) charges and Gas Bill Credit adjusted by the Weather Normalization Adjustment described in General Information Section 27. The Actual Delivery Revenue in the first month of each rate year will be adjusted upward to reverse the effect of proration between old and new rates in actual revenue. For purposes of reversing the effect of proration between old and new rates, the first month of the rate year for the Rate Year ending June 30, 2022 shall be December 2021. Actual delivery revenue will be adjusted monthly to account for certain changes in demand associated with SC 11 customers as described below.
- c. **Semi-Annual RDM Periods** are defined as the six months ending December 31, 2015 and June 30, 2016 and each succeeding six-month period thereafter.
- d. **RDM Adjustment Period** is defined as the six months beginning February 1 or the six months beginning August 1 immediately following each Semi-Annual RDM Period.

2. Determination of RDM Adjustment

Except as described further below for Service Classification No. 11, for each service classification group, the Company will compare, on a monthly basis, the difference between Actual Delivery Revenue and corresponding Delivery Revenue Target. If the monthly Actual Delivery Revenue exceeds the Delivery Revenue Target, the delivery revenue excess will be accrued for refund to customers at the end of the Semi-Annual RDM Period. Likewise, if the monthly Actual Delivery Revenue is less than the Delivery Revenue Target, the delivery revenue shortfall will be accrued for recovery from customers at the end of the Semi-Annual RDM Period. For purposes of determining semi-annual RDM Adjustment factors, revenue excess shortfalls for S.C. Nos. 2, 6, 11 and 13 will be combined to determine a single RDM Adjustment factor applicable to all classes assessed on a per-Ccf basis.

Cancelled by 12 Rev. Leaf No. 129 Effective 07/20/2022

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