

PSC NO: 12 GAS

LEAF: 127

COMPANY: CENTRAL HUDSON GAS &amp; ELECTRIC CORPORATION

REVISION: 8

INITIAL EFFECTIVE DATE: 03/01/16

SUPERSEDING REVISION: 7

Issued in Compliance with Order in C. 14-M-0094 et al dated January 21, 2016

**42. OTHER CHARGES AND ADJUSTMENTS (Cont'd)**

The following charges and adjustments shall be applied prior to the application of the tax rates applicable within the municipality where the customer takes service, pursuant to General Information Section 42.

**C. System Benefits Charge (SBC)**

The System Benefits Charge (SBC) is designed to recover the costs associated with clean energy activities conducted by the New York State Energy Research and Development Authority (NYSERDA) and energy efficiency programs implemented by the Company and will be applied to the total measured quantities (Ccf) for all customers taking service under Service Classification Nos. 1, 2, 6, 11, 12, 13, 15, and 16 under this Schedule. Two separate SBC factors will be developed, one that is applicable to Service Classification Nos. 1, 12 and 16 and one for Service Classification Nos. 2, 6, 11, 13 and 15. These factors will be determined annually and stated in whole \$0.00001 amounts per cubic foot.

The Clean Energy Fund (CEF) surcharge component of the SBC collects funds associated with NYSESRDA-run Energy Efficiency Portfolio Standard (EEPS) activities as previously approved in prior Commission proceedings. In addition to annual authorizations, a reconciliation of SBC recoveries (eleven months actual, one month forecast), with the target amount as well as any over or under collections associated with Company run programs for the period prior to 2016, will be submitted by the Company to the Public Service Commission on or before December 15 of each year. However, the first such reconciliation will be performed for calendar year 2009 and will include a reconciliation for the three months ending December 2008. Any over or under recoveries will be included in the development of the following year's SBC rate.

Not less than fifteen days prior to a proposed change in the SBC, a statement showing the SBC and the effective date will be filed with the Public Service Commission apart from this Schedule.

For billing purposes, the SBC line item on customer bills will include the CEF surcharge as described above and the Energy Efficiency Tracker (EET) surcharge as described in General Information Section 42.G.

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