

PSC NO: 15 ELECTRICITY

LEAF: 163.5.5

COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION

REVISION: 7

INITIAL EFFECTIVE DATE: 03/01/16

SUPERSEDING REVISION: 6

Issued in Compliance with Order in C.15-M-0252 dated January 22, 2016

36. OTHER CHARGES AND ADJUSTMENTS (Cont'd)**G. Revenue Decoupling Mechanism (RDM) Adjustment** (Cont'd)

At the end of a Semi-Annual RDM Period total delivery revenue excess/shortfalls, and associated interest, for each service classification or sub classification will be refunded/surcharged to customers through service classification or sub classification-specific RDM Adjustments applicable during a corresponding RDM Adjustment Period. The Delivery Revenue Targets utilized in the determination of any such revenue excess/shortfalls will be adjusted, as applicable, to exclude credits applied to customer accounts pursuant to General Information Section 16.B.1. The RDM Adjustment for each applicable service classification or sub classification shall be determined by dividing the amount to be refunded/surcharged to customers in that service classification or sub classification by estimated kWh and/or kW deliveries to customers in that service classification or sub classification over the RDM Adjustment Period. RDM Adjustments shall be rounded to the nearest \$0.00001 per kWh or \$0.01 per kW.

Following each RDM Adjustment Period, any difference between amounts required to be charged or credited to customers in each service classification or sub classification and amounts actually charged or credited will be charged or credited to customers in that service classification or sub classification, with interest, over a subsequent RDM Adjustment period, or as determined by the Commission if no RDM is in effect.

If for any reason, a service classification or sub classification included in the RDM no longer has customers, the Company will consult with Commission Staff.

3. Statement of RDM Adjustments

Not less than ten (10) days prior to a proposed change in the RDM Adjustments, a Statement showing each factor by service classification, or sub-class, and the effective date will be filed with the Public Service Commission.

H. Energy Efficiency Tracker (EET) Surcharge

Effective January 1, 2016, an Energy Efficiency Tracker (EET) Surcharge will be implemented to recover the costs of the Company's internal suite of energy efficiency programs, excluding internal labor costs, as approved for funding by the Public Service Commission. The EET Surcharge will be stated in whole \$0.00001 amounts per kilowatthour, will be the same for all applicable Service Classifications, and will be applied to the energy (kWh) deliveries on the bills of all full service and delivery service customers served under this Schedule. The EET Surcharge will be determined, at a minimum, on an annual basis to be effective with the first billing batch in January, and will include a reconciliation of EET Surcharge recoveries (eleven months actual, one month forecast) with the costs approved for funding for the then current year, as applicable, as well as interest accrued at the Commission's rate for other customer provided capital during the same period.

Not less than fifteen (15) days prior to a proposed change in the EET Surcharge, the proposed EET Surcharge and effective date will be filed with the Public Service Commission on the System Benefits Charge Statement pursuant to General Information Section 36.A.

For billing purposes, the EET Surcharge will be combined with the System Benefits Charge, as described in General Information Section 36.A, with the combined amount shown as one line item on customer bills.

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