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December 27, 2017

Honorable Kathleen H. Burgess, Secretary State of New York Public Service Commission Three Empire State Plaza Albany, NY 12223-1350

Dear Secretary Burgess:

The enclosed statements are issued by Central Hudson Gas & Electric Corporation and transmitted for filing in compliance with the requirements of the Public Service Commission of the State of New York regarding change in adjustments.

PSC No. 12 - Gas

| | | Applicable to |
|---|---------------|------------------|
| <u>Statement</u> | <u>Number</u> | Service Classes |
| Statement of Gas Supply Charge | GSC - 204 | 1 and 2 |
| Statement of Interruptible Gas Transportation Rates | ITR - 226 | 9 |
| Statement of Firm Transportation Rates | FTR- 233 | 6, 11, 12 and 13 |
| Statement of Interruptible Gas Rates | IGR – 234 | 8 |

Statements GSC-204 and FTR-233, applicable to Service Classification Nos. 1, 2, 6, 11, 12 and 13 will become effective on January 3, 2018. Statement FTR-233 also reflects the Weighted Average Cost of Capacity and the WBS Weighted Average Cost of Storage. Statements IGR-234 and ITR-226, applicable to Service Classification Nos. 8 and 9, will become effective on December 31, 2017.

Pursuant to the provisions noted in the Company's tariff and in accordance with NYCRR §720-6.5, the Company has filed an interim surcharge herein of \$0.02500 per Ccf as a result of additional spot and peaking purchases during the month of December. The purpose of this interim surcharge is to minimize the possibility of a large under-collection at the end of the reconciliation period. This interim surcharge will be in effect during the period of January 3, 2018 through August 31, 2018.

Appendix 7-H related to GSC-204 has been filed with trade secret status directly with the records access officer. Appendix 7-H and Exhibit I related to GSC-204 have also been sent directly to the Commission's Staff.

Yours very truly,

Anthony S. Campagiorni Vice President, Regulatory and Governmental Affairs