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December 28, 2016

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 - 191	1 and 2
Statement of Interruptible Gas Transportation Rates	ITR - 214	9
Statement of Firm Transportation Rates	FTR- 220	6, 11, 12 and 13
Statement of Interruptible Gas Rates	IGR – 222	8

Statements GSC-191 and FTR-220, applicable to Service Classification Nos. 1, 2, 6, 12 and 13 will become effective on January 4, 2017. Statement FTR-220 also reflects the Weighted Average Cost of Capacity and the WBS Weighted Average Cost of Storage. Statements IGR-222 and ITR-214, applicable to Service Classification Nos. 8 and 9, will become effective on December 31, 2016.

Statement GSC-191 reflects an update to the Annual Reconciliation of Gas Expense factor, as a result of the Company's annual gas reconciliation for the twelve months ending August 2016.

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 \$0.00500 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 4, 2017 through September 1, 2017. Work papers detailing the calculation of this surcharge will also be provided to the Commission's Staff.

Appendix 7-H related to GSC-191 has been filed with trade secret status directly with the records access officer. Appendix 7-H and Exhibit I related to GSC-191 have also been sent directly to the Commission's Staff.

Yours very truly,

Anthony S. Campagiorni Vice President, Regulatory and Governmental Affairs