



June 15, 2016

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

Re: Central Hudson Merchant Function Charges

Dear Secretary Burgess:

The statement set forth below is filed by Central Hudson Gas & Electric Corporation ("Central Hudson" or the "Company") on June 15, 2016 to become effective July 1, 2016.

P.S.C. No. 15 - Electricity

Statement of Merchant Function Charge MFC-12

This filing is made to update the MFC Lost Revenue surcharge included in the MFC Supply Charge and the Transition Adjustment to reflect the surcharge necessary to collect Estimated Net Lost Revenue. Estimated Net Lost Revenue was calculated based on methodology prescribed by the Commission in Case 05-E-0934, and approved for continuation in Case 09-E-0588 and Case 14-E-0318, and is allocated between MFC Supply Charge and Transition Adjustment pursuant to the Company's P.S.C. No. 15 – Electricity tariff. Estimated Net Lost Revenue was previously filed with the Secretary on February 26, 2016.

Questions related to this filing should be directed to Jennifer Lorenzini at (845) 486-5523 or via email at jlorenzini@cenhud.com.

Yours very truly,

Anthony S. Campagiorni
Vice President of Regulatory &
Governmental Affairs

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