



June 27, 2016

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

Re: Case 14-E-0318 RY 2 Compliance Filing
Energy Cost Adjustment Mechanism Statements

Dear Secretary Burgess:

The enclosed Statements, which are listed below, are issued by Central Hudson Gas & Electric Corporation ("Central Hudson" or "the Company") to become effective on July 1, 2016 and are transmitted for filing in compliance with the requirements of the Public Service Commission of the State of New York regarding changes in adjustments.

PSC No. 15 Electricity

Statement of Market Price Charge and Market Price Adjustment	MPC - 188
Statement of Miscellaneous Charges	MISC - 185
Statement of Purchased Power Adjustment	PPA - 185

On June 1, 2016, pursuant to Public Service Commission Order, issued and effective June 17, 2015, in the above captioned proceeding, the Company filed amended tariff leaves to its Schedule for Electric Service, PSC No. 15 – Electricity to effectuate the Rate Year 2 compliance changes which included the implementation of monthly billing.

The Energy Cost Adjustment Mechanism ("ECAM") statements filed herein include the necessary changes to reflect monthly billing. Bimonthly factors for certain classes have been removed from the statements. To facilitate future reconciliation, the factors herein do not reflect new estimated billed sales; instead, effective with the next regular update of ECAM statements to become effective July 13, 2016 the calculation of monthly factors will reflect estimated monthly billed sales. ECAM was recalculated to reflect the Rate Year 2 working capital carrying charge rate in Case 14-E-0318. However, the differential between the Rate Year 1 Pre-Tax Weighted Cost of 9.43% and the Rate Year 2 Pre-Tax Weighted Cost of 9.41% has a minimal impact on the working capital carrying charges included in the ECAM factors. Carrying charges included in MPC and MISC costs for April and May 2016 decreased by a total of \$510, resulting in no actual change to factors.

Pursuant to ordering paragraph two of Order dated February 26, 2016 in the above captioned proceeding, simultaneous to the implementation of monthly billing the Company was also directed to effectuate pro-ration of the ECAM based on the number of days each rate is in effect during the customer's billing period. As a result, the statements filed herein do not reflect prior to and on and after July 1 rates.

Questions related to this filing should be addressed to Amy Dittmar at adittmar@cenhud.com.

Very truly yours,

Anthony S. Campagiorni
Vice President Regulatory and Governmental Affairs

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