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CENTRAL HUDSON GAS & ELECTRIC CORPORATION
284 SOUTH AVENUE
POUGHKEEPSIE, NEW YORK 12601

December 14, 1999

Public Service Commission
Three Empire State Plaza
Albany, New York 12223-1350

Dear Commissioners:

Attached for filing electronically with the Commission are the following rate leaves, issued by Central Hudson Gas & Electric Corporation ("Central Hudson" or "the Company"), to become effective on March 20, 2000:

Gas - P.S.C No. 12
First Revised Leaf No. 176
First Revised Leaf No. 177
First Revised Leaf No. 178First Revised Leaf No. 179
First Revised Leaf No. 180

The purpose of this filing is to modify the provisions contained in the Company's Service Classification No. 10- Capacity Brokering tariff. The Company originally proposed our Capacity Brokering tariff in December 1993 and received approval by Commission Order in Case 93-G-0812 dated May 13, 1994. However, since the inception of Service Classification No.10, subsequent Orders have necessitated changes in our operating procedures. The modifications to this tariff proposed by the Company are in response to those changes in our operating practices.

The provisions included in Service Classification No. 10 delineate the procedures by which the Company offers excess capacity for assignment to third party buyers. The Company currently offers the excess capacity to our firm or interruptible customers before offering the excess capacity on the open market. However, since 1994, none of our customers have taken advantage of the offerings and all excess capacity that we have released has been released to third party buyers. The Company is proposing to eliminate the provisions that mandate that we must make capacity available to firm and interruptible transportation customers two business days before making the excess capacity available to other interested parties and the provisions which specify the day each month when capacity must be released. Under our proposed provisions, we will make capacity available to all interested parties on a nondiscriminatory basis when that capacity becomes available. In addition, we have also added the definition of a Capacity Release and simplified the language while retaining the context of the remaining provisions of this tariff.

The Company is requesting a waiver of the requirements of 66((12)(b)) of the Public Service Law as to newspaper publication because the changes proposed by the Company will not impact any of our customers.

Very truly yours,

Arthur R. Upright