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

January 15, 2004

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

Dear Commissioners:

In accordance with General Information, Section 28.B of P.S.C. No. 12 - Gas, the Revenue Tax Surcharge Statement listed below is filed to become effective February 3, 2004.

P.S.C. No. 12 - Gas RTS - 16

The purpose of this filing is to revise the revenue tax surcharge factors applicable in the MTA region to recover the MTA tax imposed on the Company during 2002.

The impact on our customers' bills effective February 3, 2004 will be a decrease of approximately 0.13%.

Very truly yours,

Arthur R. Upright