

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

July 14, 2010

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

Dear Commissioners:

In accordance with General Information Section 42.E of P.S.C. No. 12 - Gas, the Statement listed below is filed to become effective August 1, 2010.

P.S.C. No. 12 - Gas

Statement of Revenue Decoupling Mechanism Adjustment RDM-1

Pursuant to the Order issued and effective June 22, 2009 in Case 08-G-0888, a Revenue Decoupling Mechanism ("RDM") was implemented for Central Hudson Gas & Electric Corporation ("Central Hudson" or "the Company") for gas Service Classification Nos. 1, 2, 6, 12 and 13 effective July 1, 2009.

As the first Annual RDM Period concluded on June 30, 2010, pursuant to General Information, Section 42.E, the Company is hereby filing RDM Adjustment factors to collect the delivery revenue shortfall for the period July 2009 through June 2010. This delivery revenue shortfall is the result of under-collection in all applicable service classes, and as a result, the Company is proposing to implement RDM Adjustment surcharges to become effect August 1, 2010.

In addition, a stipulation of the Commission in Case 08-G-0888 required the Company to track on a monthly basis the variance between equivalent customer months and actual reported customer months. The stipulation required the Company to investigate its standard methods of counting customers if the aforementioned variance was +/- 0.5% on an annual basis, or +/- 2.0% on a monthly basis. The Company notes that it did not exceed the established limits as presented in attachment A.

Questions related to this filing should be directed to Jodi Harris at (845) 486-5578 or [jharris@cenhud.com](mailto:jharris@cenhud.com). Work papers have been sent directly to Gigi Chrysogelos.

Very truly yours,

Michael L. Mosher

**Attachment A**

**Central Hudson Gas & Electric Corporation**  
**Case 08-G-0888**

**Gas RDM - Calculation of Equivalent Customer Months**  
**For the Rate Year Ending June 30, 2010**

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
	Actual Customer Charge Revenue Billed	Actual Billed Customer Count	Calculated Equivalent Customer Charge	Current Customer Charge Rate	Calculated Equivalent Customer Months	Reported Customer Months Billed	Difference	Difference
			<b>A / B</b>		<b>A / D</b>		<b>E - F</b>	<b>G / F</b>
			Range =					
			\$14.00 - \$17.00 SC 1/12					
			\$20.00 - \$30.00 SC 2/6/13					
<b>SC 1/12</b>								
Jul-09	\$ 878,393	59,711	\$ 14.71					
Aug-09	\$ 1,078,595	66,597	\$ 16.20					
Sep-09	\$ 978,039			\$ 17.00	57,532	57,970	(438)	-0.8%
Oct-09	\$ 1,144,615			\$ 17.00	67,330	67,435	(105)	-0.2%
Nov-09	\$ 1,010,402			\$ 17.00	59,435	59,492	(57)	-0.1%
Dec-09	\$ 1,161,552			\$ 17.00	68,327	68,119	208	0.3%
Jan-10	\$ 1,021,276			\$ 17.00	60,075	60,099	(24)	0.0%
Feb-10	\$ 1,094,809			\$ 17.00	64,401	64,694	(293)	-0.5%
Mar-10	\$ 1,086,972			\$ 17.00	63,940	64,066	(126)	-0.2%
Apr-10	\$ 1,152,873			\$ 17.00	67,816	67,921	(105)	-0.2%
May-10	\$ 1,027,030			\$ 17.00	60,414	60,532	(118)	-0.2%
Jun-10	\$ 1,153,422			\$ 17.00	67,848	67,933	(85)	-0.1%
Total Sep-Jun	\$ 10,830,990			\$ 17.00	637,117	638,261	(1,144)	-0.2%
<b>SC 2/6/13</b>								
Jul-09	\$ 248,808	10,102	\$ 24.63					
Aug-09	\$ 316,801	11,028	\$ 28.73					
Sep-09	\$ 293,930			\$ 30.00	9,798	9,820	(22)	-0.2%
Oct-09	\$ 340,112			\$ 30.00	11,337	11,344	(7)	-0.1%
Nov-09	\$ 288,837			\$ 30.00	9,628	9,632	(4)	0.0%
Dec-09	\$ 359,258			\$ 30.00	11,975	11,964	11	0.1%
Jan-10	\$ 304,113			\$ 30.00	10,137	10,141	(4)	0.0%
Feb-10	\$ 317,085			\$ 30.00	10,570	10,563	7	0.1%
Mar-10	\$ 328,816			\$ 30.00	10,961	10,966	(5)	0.0%
Apr-10	\$ 345,577			\$ 30.00	11,519	11,534	(15)	-0.1%
May-10	\$ 304,818			\$ 30.00	10,161	10,173	(12)	-0.1%
Jun-10	\$ 340,324			\$ 30.00	11,344	11,348	(4)	0.0%
Total Sep-Jun	\$ 3,222,870			\$ 30.00	107,429	107,485	(56)	-0.1%

**Notes:**

- A** Database query developed to retrieve actual customer charge revenue billed.
- B** System reported customer months billed.
- C** Calculated as **A / B**.
- D** Currently approved monthly customer charge rate: PSC No. 12 - Gas, 9th Revised Leaf No. 149 and 11th Revised Leaf No. 186.
- E** Calculated as **A / D**.
- F** System reported customer months billed.
- G** Calculated as **E - F**.
- F** Calculated as **G / F**.

**Criteria:** The results in column F must not differ by more than +/- 0.5% on an annual basis, or +/- 2% on a monthly basis. For the two months following a change in the minimum charge, the equivalent minimum charge must be within the range of the previous minimum charge and the currently authorized minimum charge.