

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

December 20, 2011

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

Dear Commissioners:

In accordance with General Information Section 42.C of P.S.C. No. 12-Gas, the statement listed below is filed to become effective on January 4, 2012.

P.S.C No. 12 – Gas

Statement of System Benefits Charge

SBC – 12

Central Hudson Gas & Electric Corporation (“Central Hudson” or “the Company”) routinely files a Statement of System Benefits Charge in December to be effective with the first billing batch of the Company’s January billing cycle. The Company filed SBC Statement No. 11 on December 14, 2011 to incorporate in the collection factor the current SBC assessment amount and a reconciliation of recoveries (eleven months actual, one month forecast) with the prior year’s assessment. Upon further review, the Company determined that collections to be transferred to NYERDA were not accurately allocated between the Residential and Commercial and Industrial categories in the calculation of the (over)/under calculation attributable to prior periods. This statement corrects that misallocation. Further, the 2010 SBC rate, which was set in collaboration with Staff, produced an over-collection that is being refunded to customers herein. These two elements are driving the credit due to residential gas customers.

Questions related to this filing should be directed to Jodi L. Harris at (845) 486-5578.

Yours very truly,

Michael L. Mosher
Vice President - Regulatory Affairs

LETTSC12