

PSC NO: 15 ELECTRICITY
COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION

LEAF: 106.2
-REVISION:

~~34~~
INITIAL EFFECTIVE DATE: ~~098/01/2317~~

-SUPERSEDING REVISION:

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Issued in Compliance with Order in C.~~47-18-M-0084 E-0113~~ dated ~~June~~~~ly~~ ~~24~~3, 20~~23~~~~17~~

29. ENERGY COST ADJUSTMENT MECHANISM (Cont'd)

Miscellaneous Charges Factor (Cont'd)

Clean Heat Program Surcharge

The Clean Heat Surcharge is designed to ensure continuity in funding the Company's Clean Heat Program. Recovery including associated carrying charges at the Other Customer Provided Capital Rate through the Clean Heat Surcharge is capped at total expenditures of \$6.0 million and shall be implemented after transferred and reallocated funds as specified in the June 23, 2023 Order in Case 18-M-0084 have been depleted and once six months of continuity funding expenditures have been incurred.

Cost recovery will be determined:

1. over a twelve-month period or until amended or superseded by Commission order;
2. to be effective commencing on the first day of the second month immediately following six months of continuity funding expenditures;
3. for each service classification or sub-classification based on the previous 12 months of delivery revenues;
4. total costs will be divided by an estimate of billed sales to determine the factor;
5. on a kWh basis for non-demand customers and on a kW basis for demand customers, and;
6. updated every six months to reflect additional program expenditures and a reconciliation of recoveries (five months actual, one month forecast)

The Clean Heat Program Surcharge will be stated in whole \$0.00001 per kWh or \$0.01 per kW. For billing purposes, the MISC line item on customer bills will include the Clean Heat Program Surcharge as described above. No less than 15 business days prior to a proposed change in the Clean Heat Program Surcharge, a statement showing the Clean Heat Program Surcharge and the effective date will be filed with the Public Service Commission apart from this schedule.

Purchased Power Adjustment Factor (PPA)

The PPA factor, also referred to as the Transition Power Agreement/Purchased Power Agreement (TPA/PPA) Benefit mechanism in the Joint Proposal in Case 00-E-1273, as approved by the Public Service Commission in its Order issued and effective October 25, 2001, is designed to refund to or collect from all delivery customers the benefits or costs of the Company's Transition Power Agreement and Purchased Power Agreement (Agreements) with the new owners of the fossil generating and nuclear generating plants, respectively, previously owned by the Company.

The PPA benefit/cost will be determined each month as the difference between the contract cost of the energy, installed capacity and ancillary services purchased under the Agreements, regardless of whether the actual purchases were transacted through a financial arrangement, and the cost the Company would have incurred if these requirements had been purchased solely from the NYISO market, as calculated:

Issued by: Joseph Hally, Vice President, Poughkeepsie, New York
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