

PSC NO: 12 GAS  
COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION  
INITIAL EFFECTIVE DATE: 04/01/12

LEAF: 197  
REVISION: 3  
SUPERSEDING REVISION: 2

**SERVICE CLASSIFICATION NO. 14**

**INTERRUPTIBLE TRANSPORTATION SERVICE TO ELECTRIC GENERATION FACILITIES**

(Cont'd)

**MONTHLY RATE COMPONENTS**

1. Fixed Rate: A fixed rate component will be assessed on all gas delivered to the customer. The fixed rate component will be comprised of the following:
  - a. Contribution to Overall System Costs Component equal to \$0.010 per 100 Cu.Ft.
  - b. Marginal System Costs Component which will be equal to the unitized long run incremental cost of building a transmission and high capacity distribution plant. The Marginal System Costs Component will be equal to \$0.017 per 100 Cu.Ft.
2. Variable Rate: A variable rate component, comprised of the Value Added Charge (VAC) will be assessed on all gas delivered to the customer. The Value Added Charge (VAC) reflects projected increases or decreases in the wholesale market price of electricity relative to the changes in the cost of gas generation (Spark Spread expressed in \$/MWh). The VAC is derived from the increase in the Spark Spread from the Base Year to the Test Year as defined hereunder. The Base Year is defined as the twelve months ended November 30, 2000, corresponding to the first full year of the operation of the New York Independent System Operator (NYISO).

The VAC is applicable to all deliveries made by the Company to a customer or to a customer's Minimum Annual Bill hereunder, whichever is greater.

Issued by: Michael L. Mosher, Vice President, Poughkeepsie, New York