

PSC NO: 12 GAS

LEAF: 130

COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION

REVISION: 7

INITIAL EFFECTIVE DATE: 04/01/12

SUPERSEDING REVISION: 5

Issued in Compliance with Order in C.11-G-0696 and C.11-G-0697 Dated March 19, 2012

43. BALANCING SERVICE CHARGE**Balancing Service Charge****Service Classification Nos. 9, 11 & 14**

All gas consumed by customers under Service Classification Nos. 9, 11 and 14 will be subject to a volumetric Balancing Service Charge. The Balancing Service Charge is designed to recover from customers a prorata share of the Company's gas storage and other relevant costs.

Two separate rates will be calculated for Service Classification Nos. 9, 11 and 11- Distribution Large Mains (DLM): one for daily balanced customers and one for monthly balanced customers. The rate determined for Service Classification No. 14 will be for daily balanced service only. These rates will be updated at least annually, to be effective April 1 of each year, and will be based on each Service Classification's total consumption and deliveries during the preceding winter period, of November 1 through March 31, and the Company's most recently available gas storage and other relevant costs. The rates so determined will be stated in whole \$0.000 amounts per Mcf.

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