

PSC NO: 15 ELECTRICITY

LEAF: 163.5.2

COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION

REVISION: 5

INITIAL EFFECTIVE DATE: 07/18/09

SUPERSEDING REVISION: 4

Issued in Compliance with Order in C.08-E-0887 dated June 22, 2009

36. OTHER CHARGES AND ADJUSTMENTS (Cont'd)**E. Merchant Function Charge (MFC)** (Cont'd)**Base MFCs**

The base MFCs effective July 1, 2009 are as follows:

	MFC Administration Charge (MFC A) \$/kWh	MFC Supply Charge (MFC B) \$/kWh
S.C. No. 1 – Residential:	\$0.00209	\$0.00390
S.C. No. 2 – Non Demand:	\$0.00283	\$0.00512
S.C. No. 2 – Primary Demand:	\$0.00001	\$0.00002
S.C. No. 2 – Secondary Demand:	\$0.00014	\$0.00025
S.C. No. 3 – Large Power Primary:	\$0.00000	\$0.00000
S.C. No. 5 – Area Lighting:	\$0.00000	\$0.01055
S.C. No. 6 – Residential Time-of-Use:	\$0.00081	\$0.00152
S.C. No. 8 – Street Lighting:	\$0.00000	\$0.00028
S.C. No. 9 – Traffic Signals:	\$0.00000	\$0.00270
S.C. No. 13 – Substation:	\$0.00000	\$0.00000
S.C. No. 13 – Transmission:	\$0.00000	\$0.00000

These base MFCs will remain in effect until changed by order of the Public Service Commission.

MFC Net Lost Revenue

Central Hudson will recover forecast net lost revenues associated with customer migration to Retail Suppliers. Such forecast of customer migration will be developed according to the procedure contained in the Joint Proposal in Case 05-E-0934 as approved by the Public Service Commission in its Order issued and effective July 24, 2006. The final reconciliation of MFC net lost revenue will be performed pursuant to the provisions approved by the Public Service Commission in its Order in Case 08-E-0887 issued and effective June 22, 2009.

Fifty percent of the forecast net lost revenues will be recovered by adding a separate component to the MFC Supply Charge on a service classification or sub-classification-specific basis. The remaining fifty percent of forecast net lost revenues will be recovered through the Transition Adjustment. The Transition Adjustment, which is service class or sub-class-specific, will be applied to all measured energy (kWh) deliveries for all full service and delivery service customers served under this schedule.

MFC Statement

Not less than fifteen days prior to a proposed change in the MFC rates a statement showing the MFC Administration Charge, the MFC Supply Charge by component, and the Transition Adjustment, all by service classification or sub-classification, will be filed with the Public Service Commission apart from this schedule. Such statement shall be made available to the public on the Company's website at www.CentralHudson.com.

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