

PSC NO: 15 ELECTRICITY LEAF: 163.5.2
 COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION REVISION: 0
 INITIAL EFFECTIVE DATE: 08/01/06 SUPERSEDING REVISION:
 Issued in Compliance with Order in C.05-E-0934 dated July 24, 2006

36. OTHER CHARGES AND ADJUSTMENTS (Cont'd)

E. Merchant Function Charge (MFC) (Cont'd)

Base MFCs

The base MFCs effective July 1, 2007 are as follows:

		MFC_A	MFC_B	MFC_T
	Applicable to			
	<u>S.C. No.</u>	<u>\$/kWh</u>	<u>\$/kWh</u>	<u>\$/kWh</u>
MFC-1	1 & 6	0.00145	0.00176	0.00321
MFC-2	2	0.00037	0.00035	0.00072
MFC-3	3 & 13	0.00013	0.00008	0.00021
MFC-4	5, 8 & 9	0.00013	0.00069	0.00082

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.

Fifty percent of the forecast net lost revenues will be recovered by adding a separate component to MFC_B on a MFC group-specific basis. The remaining fifty percent of forecast net lost revenues will be recovered by adding a service class-specific component to the Miscellaneous Charges factor as described in General Information Section 29.

MFC Statement

Not less than fifteen days prior to a proposed change in the MFC_B net lost revenue component a statement showing all MFC components, by MFC group, including the net lost revenue component will be filed with the Public Service Commission apart from this schedule. Such statement shall be made available to the public at Company offices.

Issued by: Arthur R. Upright, Senior Vice President, Poughkeepsie, New York