

PSC NO: 12 GAS
COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION
INITIAL EFFECTIVE DATE: 1/29/08
Issued in compliance with Order in C.06-G-0059 dated August 23, 2007

LEAF: 82
REVISION: 2
SUPERSEDING REVISION: 1

31. CURTAILMENT OF GAS SERVICE

The Company shall only implement a curtailment as a last resort. Economic considerations shall not be the basis for a curtailment. Mutual aid, contractual and other non-curtailment supply management tools, Operational Flow Orders, interruption of contractually-interruptible load, and supply acquisition shall be utilized before the Company declares a curtailment. As circumstances permit, the Company shall initially seek voluntary curtailments to alleviate an emergency situation. In the event of a force majeure, loss of capacity on the Company's system or a loss of upstream gas supply(s) and/or loss of upstream interstate pipeline capacity, the Company shall initiate the following curtailment procedure. Curtailments shall be limited in scope and duration as necessary to alleviate an emergency and shall be localized to the extent possible.

A. Order of Curtailment

1. ELECTRIC GENERATION. NOTE: If in the sole judgment of the Company a need for the electric generation exists, the Company would endeavor to maintain adequate gas supply to the electric generation facilities.
2. Interruptible transport (S.C. No. 9) and firm transport (S.C. No. 11) without customer-owned supplies.
3. Interruptible service requirements (S.C. No. 8).

Category 1 - No. 6 Oil, 1.5% Sulfur Content or Higher
Category 2 - No. 6 Oil, Less than 1.5% Sulfur Content and No. 4 Oil
Category 3 - All Others
4. Requirements of the Company's general office and of customers with installed dual-fuel capability.
5. Firm industrial and commercial requirements for boiler fuel for space heating, air conditioning, electric generation and other non-process purposes where the total annual requirements are 100,000 Ccf. or greater.
6. Firm industrial and commercial requirements for boiler fuel for space heating, air conditioning, electric generation and other non-process purposes where the total annual requirements are between 12,000 Ccf. and 99,999 Ccf. inclusive.
7. Firm industrial and commercial requirements for processes for which there are technically feasible alternate fuels and for space heating (other than boiler fuel) where the total annual requirements are 100,000 Ccf. or greater.

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