

PSC NO: 12 GAS LEAF: 115  
COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION REVISION: 7  
INITIAL EFFECTIVE DATE: 11/01/07 SUPERSEDING REVISION: 6  
Issued in compliance with Order in C.07-G-0299 dated August 30, 2007

**41. RETAIL ACCESS PROGRAM** (Cont'd)

G. **NATURAL GAS SUPPLY REQUIREMENT** (Cont'd)

- (c) If a Retail Supplier's capacity requirements exceed the eligibility level determined in (a), the Retail Supplier will be required to take assignment of the upstream capacity under contract to Central Hudson, subject to the provisions of this section, to meet the capacity requirements in excess of the volume purchased from third party suppliers.

For a Retail Supplier taking assignment of Central Hudson's upstream capacity, where such upstream capacity is available for assignment, the Company will determine the specific upstream capacity to be released to the Retail Supplier and will release that capacity, in minimum increments of 1 dekatherm, at the applicable upstream pipeline(s) maximum rate in accordance with the Company's Gas Transportation Operating Procedures, and in accordance with the terms and conditions of the interstate pipeline's FERC gas tariff and the rules and regulations of the FERC. The Retail Supplier shall be directly billed by the pipeline(s) for such capacity and will be responsible for paying the pipeline(s) for such charges.

Once the capacity is released, Central Hudson is not responsible for any actions by the Retail Supplier. The capacity is resalable by the Retail Supplier subject to the provisions contained in the upstream pipeline rules and regulations, and is subject to recall by Central Hudson under the following conditions: (1) when required to preserve the integrity of the system, (2) the customer returns to Central Hudson as a core sales service customer, (3) the customer leaves the system or the meter is locked, or (4) the Retail Supplier serving the customer defaults on delivery obligations. A Retail Supplier will be considered to be in default when the predetermined delivery requirements have ceased for a forty-eight (48) hour period.

Effective November 1, 2006, Retail Suppliers taking assignment of the Company's primary delivery point capacity will be required to utilize the Company's capacity for a full twelve-month period, and successive twelve-month periods thereafter.

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