

PSC NO: 15 ELECTRICITY
COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION
INITIAL EFFECTIVE DATE: 8/30/08

LEAF: 137
REVISION: 6
SUPERSEDING REVISION: 4

35. RETAIL ACCESS PROGRAM (Cont'd)

O. **PURCHASE OF ACCOUNTS RECEIVABLE**

If Central Hudson is providing a consolidated bill billing service to a Retail Supplier, Central Hudson will purchase the Retail Supplier's full customer receivable, excluding amounts due from customers to the Retail Supplier originating from service provided by the Retail Supplier prior to the commencement of a consolidated billing arrangement with the Company. The receivable will be based on the billed charges for electric service. The terms of the purchase of the receivables are discussed below and are as defined in the Company's Billing Service Agreement.

- (a) The receivable balances will be purchased "without recourse";
- (b) the receivable balance will be purchased by Central Hudson at a discount. The discount rate will be filed annually with the New York State Public Service Commission, on a Statement apart from this Schedule, on or before February 15 to become effective with the first billing batch of April. The annual discount rate will consist of a two-part rate equivalent to the average of the Company's most recent three calendar years of net write-offs plus an allowance to reflect other costs of the program. This allowance will be updated annually to reflect the currently approved customer deposit rate in effect at the time of the update and will include 0.55 percent for other administrative costs;
- (C) payment for the purchased balances will be made semimonthly by Central Hudson, on the next billing day following the fifth and fifteenth billing batches;
- (d) payment will be made by electronic funds transfer to an account specified by the Retail Supplier, or by Central Hudson check drawn on the Company's account at a local bank, and;
- (f) other amounts due from the Retail Supplier may be deducted from Central Hudson's bimonthly payment, or billed directly to the Retail Supplier.

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

Cancelled by supplement No. 42 effective 06/24/2009

Suspended to 06/28/2009 by order in Case 08-E-0887. See Supplement No. 39. The supplement filing date was 12/17/2008

Suspended to 12/27/2008 by order in Case 08-E-0887. See Supplement No. 38. The supplement filing date was 08/27/2008