

PSC NO: 12 GAS LEAF: 173
COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION REVISION: 2
INITIAL EFFECTIVE DATE: 01/01/06 SUPERSEDING REVISION: 0
Issued in compliance with Order in C.04-G-0463 dated November 29, 2005

SERVICE CLASSIFICATION NO. 9 (Cont'd)

INTERRUPTIBLE TRANSPORTATION/STANDBY SALES SERVICE RATE (Cont'd)

RATE (Cont'd)

2. Balancing: Charges for Over- and Under-Deliveries

Effective March 1, 2006, customers will have the option of selecting to have their gas deliveries and usage balanced on a daily or monthly basis.

Existing customers taking service under the Monthly Transportation Rate Option of this service classification as of March 1, 2006 will be required to select to have their gas deliveries and usage for the period March 1, 2006 through October 31, 2006 balanced on a daily or monthly basis according to the procedures provided below. Customers commencing service under the Monthly Transportation Rate Option of this service classification during the period March 1, 2006 through October 31, 2006 will be required to select to have their gas deliveries and usage for the service period ending October 31, 2006 balanced on a daily or monthly basis according to the procedures provided below. Effective November 1, 2006, and each November 1 thereafter, customers taking service under the Monthly Transportation Rate Option of this service classification will be required to select to have their gas deliveries and usage balanced on a daily or monthly basis for the twelve-month period November 1 through October 31, or subset thereof based on the customers commencement of service under this service classification, according to the procedures provided below.

Customers taking service under the Seasonal Transportation Rate Option of this service classification will be required to select to have their gas deliveries and usage for the duration of the seasonal period balanced on a daily or monthly basis according to the procedures provided below.

The Customer shall undertake all reasonable efforts to provide the Company with accurate nominations of the customer-owned gas and to balance nominations, deliveries and use of such customer-owned gas.

Any penalty amount paid by the customer shall not be construed as giving the customer the right to continue to use excess gas.

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