

PSC NO: 12 GAS LEAF: 213
CENTRAL HUDSON GAS & ELECTRIC CORPORATION REVISION: 0
INITIAL EFFECTIVE DATE: 11/02/04 SUPERSEDING REVISION:
Issued in Compliance with Order in C.02-M-0515 dated August 4, 2004

SERVICE CLASSIFICATION NO. 16 (Cont'd)

DISTRIBUTED GENERATION - RESIDENCE (Cont'd)

TERMS OF PAYMENT

Bills are due when personally served or three days after mailing. Bills shall be subject to a late payment charge in accordance with General Information Section 16, if payment is not made by the date specified on the bill which date shall be not less than 20 days from the due date.

TERM

All terms will be renewed annually. The rates available under this Service Classification will be the ceiling price and will not expire before January 1, 2008.

QUALIFICATION FOR RATE

Customers applying for service must provide an executed Application for Interconnection and an executed Interconnection Agreement, both of which are available from Company representatives.

The Company may verify that the Customer is using electric generation equipment through a computer analysis of the Customer's actual usage. If the Customer's annual usage has not increased by a minimum of 25 percent during the 12-month period following the transfer to this Service Classification, the Company may make an on site visit to ensure the presence of the qualifying electric generation equipment.

The Company shall have the right to exclude a customer from this Service Classification if the Customer has not operated or is not operating the electric generation equipment in a material manner.

If the Company deems, through the on site visit, that the customer does not meet the requirements of this Service Classification, the Customer will be transferred to the appropriate firm sales or transportation service for one year, unless there are mitigating circumstances which would argue for allowing the Customer to continue operating under this service classification or returning to this Service Classification in less than one year, at the discretion of the Company.

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