

PSC NO: 12 GAS LEAF: 117
COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION REVISION: 1
INITIAL EFFECTIVE DATE: 02/19/04 SUPERSEDING REVISION: 0
Issued in Compliance with Order in C. 98-M-1343 Dated December 19, 2003

41. RETAIL ACCESS PROGRAM (Cont'd)

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

Central Hudson shall in no way be liable for any errors in the calculation of the customer's delivery requirements, nor be responsible for any additional gas costs incurred by the Retail Supplier due to an error in the calculation of the delivery requirements.

In the event that the upstream pipeline capacity to be released to the Retail Supplier by Central Hudson has an associated gas supply contract in place, the Retail Supplier may be required to either assume the gas supply contract or incur the penalty provisions contained in the gas supply contract.

In the event a customer begins taking service under Service Classification Nos. 6, 12 or 13 on any day other than April 1, Central Hudson will allocate an appropriate volume of storage supplies needed to meet the customer's winter requirements. The cost of the transferred commodity to be charged to the customer's Retail Supplier will be equal to the incremental cost of gas for new customers or the storage inventory cost, including commodity cost, injection and transportation charges, for customers transferring to transportation service from Central Hudson's core sales service.

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