

PSC NO: 15 ELECTRICITY LEAF: 272.11
 COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION REVISION: 1
 INITIAL EFFECTIVE DATE: 07/01/04 SUPERSEDING REVISION: 0
 Issued in Compliance with Order in C. 02-E-1108 Dated December 4, 2003

SERVICE CLASSIFICATION NO. 14 (Cont'd)

STANDBY SERVICE (Cont'd)

SPECIAL PROVISIONS (Cont'd)

14.5 (Cont'd)

heat and power (CHP) systems that do not exceed 1 MW of capacity in aggregate and meet the eligibility criteria approved by the Commission in its Order issued and effective January 23, 2004 in Case 02-E-0551, et al.

During the phase-in period, a customer electing the phase-in, will take service under the standby rates of this Service Classification but be billed based on the otherwise applicable non-standby service rates, or Parent Service Classification rates, plus a percentage of the difference, if greater than zero, between the standby service rates and the Parent Service Classification rates, where the percentage will be determined from the table set forth below:

| Percentage | From | To |
|------------|----------|-----------|
| 0% | 7/1/2004 | 6/30/2008 |
| 25% | 7/1/2008 | 6/30/2009 |
| 50% | 7/1/2009 | 6/30/2010 |
| 75% | 7/1/2010 | 6/30/2011 |
| 100% | 7/1/2011 | 6/30/2012 |

Completion of the eight-year phase-in and service at the full standby rates of this Service Classification will commence as of July 1, 2012.

An eligible customer may make a one-time election, upon sixty (60) days notice to the Company, to take service at the standby rates or according to the phase-in schedule at any time during the phase-in period, but may not return to non-standby service or switch between the phase-in and the full standby rates after making such election. Up to the time that it makes such an election, the designated technology customer shall be billed at the rates of the applicable non-standby Service Classification.

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