PSC NO: 15 ELECTRICITYLEAF: 272COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATIONREVISION: 3INITIAL EFFECTIVE DATE: 07/01/04SUPERSEDING REVISION: 2Issued in Compliance with Order in C. 02-E-1108 Dated December 4, 2003

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE

APPLICABLE TO USE OF SERVICE FOR:

All purposes, where a customer operates on-site generation (OSG) with a total nameplate rating greater than, or expected to be greater than, fifteen percent (15%) of its maximum potential demand served by all sources, and determined in the same manner as the Contract Demand set forth below, and where the customer elects to have the Company supply and/or deliver energy to the customer by means of the Company's delivery facilities. For purposes of this Service Classification, OSG shall be defined as a generation facility which does not supply energy to the customer by means of the Company's delivery facilities and "delivery facilities" shall mean any facilities or equipment that are part of the Company's electrical system regardless of the voltage level or functional classification.

With the exceptions listed below, OSG customers who decline service under this tariff are required to electrically isolate themselves from the Company's electric system and the Company will not be required to maintain or supply service to such customers. A customer shall be considered electrically isolated if (a) the electrical points of contact where interconnection may occur are separated and at least one-hundred (100) feet from any other interconnected electrical service of such customer, or (b) the disconnected isolated service is not within the same building or structure as any other interconnected electrical services of the customer and not housed within a common enclosure with other interconnected breakers and/or fuses of the customer.

STANDBY SERVICE IS NOT APPLICABLE TO:

Standby service shall not be applicable in the following instances, and shall be so designated in the customer's Application for Electric Standby Service, as applicable:

Non-Material Operation of On-Site Generation

Central Hudson shall have the right to exclude a customer from this Service Classification upon any appropriate grounds, including, without limitation, a demonstration that the customer (a) has installed OSG with a total nameplate rating greater than fifteen percent (15%) of its load, but (b) has not operated or is not operating that OSG in a material manner in order to serve the customer's load.