

PSC NO: 15 ELECTRICITY LEAF: 272
COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION REVISION: 2
INITIAL EFFECTIVE DATE: 12/17/03 SUPERSEDING REVISION: 0
Issued in Compliance with Order in C. 02-E-1108 dated December 4, 2003

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE

Individually Negotiated Contracts

The Company shall have the option to negotiate a contract for standby service with a non-residential, interval-metered Customer where more than fifty (50) percent of the Customer's electric power requirement is supplied from a generation facility which does not supply energy to the Customer by means of the Company's delivery facilities, or where the Customer demonstrates that it can economically and legally isolate and that the Customer will isolate absent a negotiated alternative. The Customer seeking a negotiated contract will initiate the process by providing the Company with a term sheet describing the Customer's requests and, in the case of potential electric isolation, with a written description of the potential isolation. The Company will, within sixty (60) days, respond to the Customer's request with a proposed rate agreement or with a written statement of reason why the Company declines to accept a Customer's request for an individually negotiated contract.

Upon the mutual agreement of terms, between the Customer and the Company, the Customer will be required to execute a contract which specifies the terms and conditions of the agreement between the Company and the Customer. The term of such contract shall be five (5) years or less. During the term of the contract, the Customer will not have the right to isolate from the Company's system.

Negotiated rates included in such contract shall be subject to the following adjustments, surcharges and tax factors, as applicable:

CUSTOMER REFUND

The Customer Refund, as described in General Information Section 36.B, shall apply to all electricity delivered under such contract.

SYSTEM BENEFITS CHARGE

The System Benefits Charge, as described in General Information Section 36.A, shall apply to all electricity delivered under such contract, excluding electricity delivered by the Company which is supplied through a Power For Jobs allocation pursuant to Special Provisions 2.9, 3.5 and 13.6 of Service Classification Nos. 2, 3, and 13, respectively.

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