

PSC NO: 15 ELECTRICITY

LEAF: 105

COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION

REVISION: 6

INITIAL EFFECTIVE DATE: 08/29/05

SUPERSEDING REVISION: 5

29. ENERGY COST ADJUSTMENT MECHANISM (Cont'd)Market Price Charge (MPC) (Cont'd)

The total monthly MPC costs will be divided by an estimate of monthly full service sales to determine the MPC factor. The factor so determined will be stated in whole \$0.00001 amounts per kilowatthour.

Market Price Adjustment Factor (MPA)

The Company will reconcile actual MPC recoveries with total MPC costs and refund to or collect from customers any over or under recoveries on a monthly basis through a separate Market Price Adjustment factor. This MPA factor will be stated in whole \$0.00001 amounts per kilowatthour and will be developed on a three (3) month lag.

Miscellaneous Charges Factor

The Miscellaneous Charges factor, also referred to as the Variable Cost Recovery mechanism in the Joint Proposal in Case 00-E-1273, as approved by the Public Service Commission in its Order issued and effective October 25, 2001, is designed to recover from or refund to all delivery customers the cost or benefit of non-avoidable, variable energy related revenues and costs associated with the Company's remaining generating facilities and from mandatory IPP purchases, as well as all ancillary charges incurred on and after February 1, 2002, including reimbursements to ESCOs for ancillary service charges pursuant to General Information Section 35.K. The cost or benefit associated with the Company's remaining generating facilities and mandatory IPP purchases will be determined as the difference between the actual variable energy related costs of these facilities or purchases and either the revenue from the sale of output or the cost included in the MPC for these same facilities or purchases. An allowance for bad debts and working capital costs, as well as a surcharge to collect any retail access migration incentive earned, will also be included in the Miscellaneous Charges Factor.

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