Received: 08/09/2005

Status: CANCELLED
Effective Date: 12/01/2005

PSC NO: 12 GAS LEAF: 173.2

COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION REVISION: 0

INITIAL EFFECTIVE DATE: 12/01/05 SUPERSEDING REVISION:

SERVICE CLASSIFICATION NO. 9 (Cont'd)

INTERRUPTIBLE TRANSPORTATION/STANDBY SALES SERVICE RATE (Cont'd)

RATE (Cont'd)

2. Charges for Over- and Under- Deliveries (Cont'd)

D. <u>Under-deliveries - Monthly</u>

If on any day the cumulative under delivery exceeds 125% of the MDQ, the cumulative under-delivered volumes in excess of 125% of the MDQ will be sold to the customer by the Company at a rate equal to 110% of the daily Index Price for that dat as specified above. If there is an under-delivery at the end of the month, the under-delivered volumes will be sold to the customer by the Company at a rate equal to 110% of the monthly average of the "Midpoint" rate of the higher of "Transco, zone 6 N.Y." and "Iroquois, zone 2" receipt points as published in Platt's Gas Daily in the table "Daily Price Survey" under the Citygates heading.

The Customer shall undertake all reasonable efforts to provide the Company with accurate nominations of the customer-owned gas and to balance nominations, deliveries and use of such customer-owned gas.

Any penalty amount paid by the customer shall not be construed as giving the customer the right to continue to use excess gas.

INCREASE IN RATES AND CHARGES

1. Commencing January 1, 1996, in addition to the applicable transportation charges under this Service Classification, customers shall also be charged a surcharge in accordance with the New York State Public Service Commission's Order issued November 30, 1995, in Case 88-G-062 concerning the collection of take or pay costs. The surcharge is designed to collect over a twenty-four (24) month period the remaining uncollected balance of the take or pay costs incurred by the Company. The Take or Pay Surcharge will be shown on the monthly filed Statement of Gas Transportation Rates. The Take or Pay Surcharge will be reconciled for the twelve month period ended December 31 of each year.

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