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COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION REVISION: 1
INITIAL EFFECTIVE DATE: 06/08/00 SUPERSEDING REVISION: 0
STAMPS:
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41. RETAIL ACCESS PROGRAM (Cont'd)

M. BILLING OF RETAIL SUPPLIER (Cont'd)

(d) Charges to Retail Suppliers From Company (Cont'd)

5. Other rates and charges approved by the Public Service Commission and set forth in Central Hudson's tariff, including, but not limited to, transportation or distribution rates, miscellaneous surcharges and taxes.

N. INCREASE IN RATES AND CHARGES

The rates and charges applicable to Retail Suppliers are increased pursuant to General Information, Section 30 to reflect the applicable tax rate.

O. CREDITWORTHINESS

(a) Applicability

Creditworthiness standards apply to each individual Retail Supplier selling natural gas to retail customers; and, to retail customers acquiring their own energy supplies (Direct Customers). Central Hudson requires no security in situations where it bills customers for a Retail Supplier and retains funds so collected to offset other utility charges (e.g., imbalance charges).

To participate in Central Hudson's Retail Access Program, each Retail Supplier/Direct Customer must satisfy a credit appraisal based on independent bond/credit ratings and provide any security that may be found necessary. Central Hudson will review security requirements and credit appraisals annually.

(b) Creditworthiness Determinants for Retail Suppliers (See Section (e) below for credit requirements for Direct Customers)

A Retail Supplier can satisfy Central Hudson's credit requirement by:

1. it or its guarantor having a minimum rating of "BBB" from S&P's, "Baa2" from Moody's, or "BBB" from Fitch ("Minimum Rating"); or
2. posting security in an acceptable form as listed in Section D below;

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