

PSC NO: 12 GAS

LEAF: 126.2

COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION

REVISION: 7

INITIAL EFFECTIVE DATE: 07/01/18

SUPERSEDING REVISION: 5

Issued in Compliance with Order in C. 17-G-0460 dated June 14, 2018

42. OTHER CHARGES AND ADJUSTMENTS (Cont'd)**B. Merchant Function Charge (MFC)** (Cont'd)**Base MFCs (Cont'd)**

The base MFC Supply Charges are as follows (\$/Ccf):

	<u>Applicable to S.C. No.</u>	<u>Effective July 1, 2018</u>	<u>Effective July 1, 2019</u>	<u>Effective July 1, 2020</u>
MFC-1	1, 12 & 16	\$0.01908	\$0.01881	\$0.01855
MFC-2	2, 6, 13 & 15	\$0.02091	\$0.02067	\$0.02050

These base MFCs will remain in effect until changed by order of the Public Service Commission.

MFC Revenue Reconciliation

On a monthly basis, monthly actual billed MFC revenue, by MFC group, will be compared to the monthly MFC revenue targets for each rate year as set forth in Case 17-G-0460, with any monthly over or under billed MFC revenue deferred for refund to or recovery from full service customers.

On a monthly basis, interest at the Commission's rate for other customer provided capital will be calculated on the average of the current and prior month's cumulative MFC revenue excess/shortfall (net of state and federal income tax benefits).

For each twelve month period ended June 30, any over or under recovery including actual and estimated interest will be divided by estimated sales by MFC group over the refund or recovery period to develop a reconciliation factor to be effective for the twelve months beginning September 1. This factor will be designated as the Transition Adjustment and will be applicable to full service customers. Any over or under recoveries of any such gas MFC reconciliations will be addressed in a subsequent reconciliation period.

MFC Statement

Not less than fifteen days prior to a proposed change in the MFC Revenue Reconciliation Transition Adjustment, the Company will file a statement with the Public Service Commission. The statement will show all of the applicable MFC rates by component by MFC group. Such statement shall be made available to the public on the Company's website at www.CentralHudson.com

Issued by: Anthony S. Campagiorni, Vice President, Poughkeepsie, New York