

PSC NO: 12 GAS
COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION
INITIAL EFFECTIVE DATE: 07/01/18
Issued in Compliance with Order in C. 17-G-0460 dated June 14, 2018

LEAF: 128.1
REVISION: 4
SUPERSEDING REVISION: 3

42. OTHER CHARGES AND ADJUSTMENTS (Cont'd)

D. **Interruptible Refund/Surcharge**

Interruptible Profit will be defined as the net of fuel and revenue tax revenue received from customers operating under Service Classification Nos. 8, 9, and 14, excluding monthly customer charges billed under Service Classification No. 9.

An Interruptible Profit base rate revenue imputation of \$2.6 million will be effective for each twelve-month period commencing July 1, 2018. Any variance between the actual total Interruptible Profit and the base rate revenue imputation for each twelve-month period commencing July 1, 2018 will be shared 90%/10% between eligible customers and the Company, respectively.

Ninety percent of the actual annual excess or shortfall of Interruptible Profit, as compared to the imputation level, will be refunded or surcharged to customers taking service under Service Classification Nos. 1, 2, 6, 11, 12, and 13. Any such refund or surcharge amounts will be allocated to each service class in proportion to its contribution to overall annual gas delivery revenue for each twelve-month period commencing July 1, 2018. The Company will determine the Interruptible Profit on a monthly basis as compared to 1/12 of the imputation level and refund or surcharge accordingly.

Refund or surcharge factors will be developed for Service Classification Nos. 1, 2, 6, 12, and 13, combined, and for Service Classification No. 11, by dividing any such allocated refund or surcharge amount by the forecasted deliveries of each service class group to create a uniform factor per Ccf by group. The refund or surcharge factor developed for the Service Classification Nos. 1, 2, 6, 12, and 13 group will continue to be addressed through the Gas Cost Adjustment Mechanism as detailed in General Information Section No. 27. The refund or surcharge factor developed for Service Classification No. 11 will be addressed through the Miscellaneous Charge described in General Information Section 42.G. A reconciliation of the actual annual excess or shortfall of Interruptible Profit, as compared to actual amounts refunded or surcharged for each twelve-month period commencing July 1, 2018 will be performed, with any variations addressed through the Gas Cost Adjustment Mechanism as detailed in General Information Section No. 27 or through the Miscellaneous Charge described in General Information Section 42.G, as applicable.