

PSC NO: 12 GAS
COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION
INITIAL EFFECTIVE DATE: 07/01/15
Issued in Compliance with Order in C.14-G-0319 dated June 17, 2015

LEAF: 118.2
REVISION: 1
SUPERSEDING REVISION: 0

41. RETAIL ACCESS PROGRAM (Cont'd)

H. **BALANCING AND SETTLEMENT**

Semi-Annual Reconciliation/Cash Out (Cont'd)

At the end of the Summer and Winter periods, the Company will determine the over- or under-delivery, or net imbalance, for each Retail Supplier based on the Retail Supplier's customers' actual usage for the period. The sum of each Retail Supplier's customers' consumption will be multiplied by the factor of adjustment, converted from Ccf to Dth and compared to the Retail Supplier's total pool deliveries, inclusive of confirmed nominations, any daily and monthly imbalances, if applicable, and any WBSV. The Company will release this imbalance determination, and supporting detail, twenty-one (21) days after the end of each period.

A Retail Supplier may exchange a period-end imbalance with another Retail Supplier serving Service Classification Nos. 6, 12 and 13. Imbalance position and contact information for each Retail Supplier will be available after the end of the month on the Company's Gas Tracking System. Such exchanges of imbalances shall be accomplished upon notification to the Company of the exchange by the applicable Retail Supplier on or before the fifth business day after the release of imbalance determinations by the Company.

The net effect of all imbalance exchanges must improve a Retail Supplier's relative imbalance position. In no event will the Company process exchanges that result in a larger negative position for a Retail Supplier.

Central Hudson will purchase net over-deliveries in either the Summer or Winter seasonal cash out at the average of the individual months' cash out prices for over-deliveries in the applicable season. Central Hudson will charge for net under-deliveries in either the Summer or Winter seasonal cash out at the average of the individual months' cash out prices for under-deliveries in the applicable season.

Subsequent to a final Semi-Annual Reconciliation for the period April 2016 through October 2016, effective November 2016, the Semi-Annual Reconciliation will no longer be applicable.

Issued by: Michael L. Mosher, Vice President, Poughkeepsie, New York