



March 30, 2020

Honorable Michelle L. Phillips, Secretary
State of New York Public Service Commission
Three Empire State Plaza
Albany, NY 12223

Re: Proposal by Central Hudson Gas & Electric to Revise Price Paid to Customers for Unforced Capacity

Dear Secretary Phillips:

The amended tariff leaf set forth below is filed by Central Hudson Gas & Electric Corporation ("Central Hudson" or "the Company") on March 30, 2020 to become effective August 1, 2020.

P.S.C. No. 15 – Electricity
3rd Revised Leaf No. 230

The purpose of this tariff amendment is to revise the price to be paid by the Company under Service Classification No. 10 (Purchase of Electric Energy and Capacity from Customers with Qualifying On-Site Generation Facilities) for qualifying purchases of unforced capacity (UCAP). Currently the price is based on the pre-capability period Capacity Market Strip auction clearing price set by the New York Independent System Operator (NYISO), and the Company is proposing to revise this to be based on the NYISO's Capacity Market Spot auction clearing price.

The Company believes that the Capacity Market Spot auction clearing price provides a better price signal based on a more robust representation of UCAP buyers and sellers, as it recognizes actual load serving entity electric load obligations and the Capacity Market Demand Curve concept.

Central Hudson requests that the requirements of § 66(12)(b) of the Public Service Law as to newspaper publication be waived as there are currently no customers selling UCAP to the Company under SC 10. Moreover, based on the nature of this service, customers must be in contact with Company representatives prior to initiating such service.

Questions related to this filing should be directed to Jay Tompkins at (845) 486-5203 or jtompkins@cenhud.com.

Yours very truly,

Christopher M. Capone
Executive Vice President

LETT493

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