



June 26, 2014

Public Service Commission
Three Empire State Plaza
Albany, New York 12223-1350

Re: Central Hudson Gas & Electric Corporation:
Case 09-M-0311

Dear Commissioners:

In compliance with Ordering Clause No. 1 of the Commission's Order in Case 09-M-0311 ("Order"), issued and effective June 18, 2014, Central Hudson Gas & Electric Corporation ("Central Hudson" or "the Company"), hereby files the attached amended tariff leaves and statements to become effective on a temporary basis on July 1, 2014:

P.S.C. No. 15 – Electricity

4th Revised Leaf No. 163.5.3
Statement of New York State Assessment Surcharge – NYSA 12

P.S.C. No. 12 – Gas

4th Revised Leaf No. 128
Original Leaf No. 128.1
Statement of New York State Assessment Surcharge – NYSA 8

The purpose of this filing is to reflect in the Company's tariffs the Commission's authorization of continued recovery, through a separately stated surcharge, of the revenue necessary to pay the Temporary State Energy and Utility Service Conservation Assessment ("TSA") levied pursuant to Public Service Law §18-a(6), including an allowance for uncollectibles and carrying charges on the net of tax unrecovered assessment, with all subject to reconciliation. The tariff amendments provide for the collection of TSA revenue through December 31, 2017, indicating that the collection factors will be set to zero (0) effective with the first billing batch of 2018.

Prior to the July 1, 2013 annual update, the Company followed the option provided in the Order issued and effective June 19, 2009 in Case 09-M-0311 whereby utilities were allowed to continue the prior year's surcharge even if the their assessment expense decreased in order to improve their cash flow position without increasing customers' bills. However, with the July 1, 2013 annual update the Company implemented a collection methodology based upon the current status of its collections, allowing surcharge factors to decrease in order to resolve the then current over-collections and avoid further over-collections that would occur based on the previously mentioned surcharge methodology option. As a result, any remaining over or under collections are the result of forecast variations and/or post factor development revisions to the TSA assessment and the Company has reflected the changes required by the Order for utilities with over-collections less than the expected March 2015 assessment.

Generally, initial assessments are provided by the Department of Public Service (“DPS”) in February, with revised assessments issued in August, subsequent to the July 1 annual update. As indicated in the table below, the difference between the initial and revised assessments can contribute to an over or under collection if the revised assessment is not addressed when issued. As a result, the Company proposes to maintain its currently approved tariff provision which allows for the filing of any NYSA statement on fifteen days’ notice in order to help avoid large future over or under collections.

Fiscal Year	Electric Assessment			Gas Assessment		
	February Initial	August Revised	Difference	February Initial	August Revised	Difference
2010-11	\$ 13,665,792	\$ 11,928,376	-12.7%	\$ 4,154,141	\$ 3,727,925	-10.3%
2011-12	\$ 11,927,303	\$ 12,617,600	5.8%	\$ 3,727,589	\$ 3,495,850	-6.2%
2012-13	\$ 12,617,196	\$ 11,941,562	-5.4%	\$ 3,495,738	\$ 3,417,604	-2.2%
2013-14	\$ 11,928,677	\$ 11,241,100	-5.8%	\$ 3,413,916	\$ 2,508,254	-26.5%

As directed in Ordering Clause No. 4 of the aforementioned Order, the requirements of §66(12)(b) of the Public Service Law as to newspaper publication have been waived.

Questions related to this filing should be directed to Jay Tompkins at (845) 486-5203 or jtompkins@cenhud.com. Work papers related to this filing have been sent to Rosanne Maiello at DPS.

Yours very truly,

Michael L. Mosher
Vice President - Regulatory Affairs

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