



May 22, 2014

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

Re: Central Hudson Gas & Electric Corporation: Automated Meter Reading Opt-Out Tariff Provisions

Dear Commissioners:

The tariff amendments set forth below are filed by Central Hudson Gas & Electric Corporation ("Central Hudson" or "the Company") on May 22, 2014 to become effective October 1, 2014.

<u>P.S.C. No. 12 – Gas</u>	<u>P.S.C. No. 15 – Electricity</u>
3rd Revised Leaf No. 2	2nd Revised Leaf No. 2
Original Leaf No. 24.1	Original Leaf No. 53.8
Original Leaf No. 24.2	Original Leaf No. 53.9
Original Leaf No. 24.3	Original Leaf No. 53.10
Original Leaf No. 24.4	Original Leaf No. 53.11
Original Leaf No. 24.5	Original Leaf No. 53.12

The purpose of this tariff filing is to provide certain electric and gas customers with the choice to opt out of taking service through an AMR equipped meter by electing to have the Company install and maintain a non-AMR equipped meter at their premises and have the Company manually read the meter. Central Hudson has been installing Automated Meter Reading ("AMR") equipped electric and gas meters since approximately 1990. These meters were initially installed to resolve meter reading access issues resulting in estimated billings. Currently, all new and replacement meters are AMR equipped meters. The installation of AMR equipped meters provides benefits to customers through (1) a reduction in meter reading estimates due to access issues and adverse weather conditions, (2) improved accuracy of readings, and (3) improved operating efficiency through reduced operating and maintenance costs. AMR equipped meters also provide improved employee safety. Nevertheless, a small number of customers have recently requested that their AMR meters be replaced with non-AMR meters or that their non-AMR meters be retained in place.

The proposed tariff amendments require that a customer who elects to opt out of AMR metering complete and submit an AMR Opt Out Application/Agreement. If the customer currently has an AMR meter installed at their premises the customer will be required to pay a meter change fee to cover the cost of replacing their current AMR meter. Further, customers requesting a non-AMR meter will be billed a non-AMR service fee to cover the additional costs to the Company to manually read and maintain the

non-AMR meters. Finally, if the customer elects to switch back to an AMR meter the customer will be required to pay a meter change fee to cover the reinstallation.

The Company's AMR Opt Out Plan is attached as Appendix A and the Company's cost estimates supporting the meter change fee and the manual meter read portion of the monthly non-AMR service fee are attached as Appendix B. Currently, approximately 39% of Central Hudson's residential meters are AMR equipped. As a result, the Company does not have a cost estimate associated with the maintenance of a duplicate manual process to address AMR opt out in the context of a full AMR penetration. As a result, the Company is proposing to utilize the estimated monthly non-AMR service fee as a proxy for such cost.

Since customers will be informed of the opportunity to opt out when contacting the Company with AMR concerns and prospectively notified of the opportunity to opt out during the Company's routine meter replacement process, the Company requests that the requirements of §66(12)(b) of the Public Service Law as to newspaper publication for the amendments listed herein be waived.

Questions related to this filing may be directed to Mr. Charles A. Freni, Jr., Senior Vice President – Customer Services, at (845) 486-5770 or cfreni@cenhud.com.

Yours very truly,

Michael L. Mosher
Vice President - Regulatory Affairs

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