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*Vice President  
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March 16, 2017

Honorable Kathleen H. Burgess, Secretary  
State of New York Public Service Commission  
Three Empire State Plaza  
Albany, NY 12223

**Re: 15-E-0302 – Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard**

Dear Secretary Burgess:

In compliance with the Commission's Order Directing Tariff Amendments in Case 15-E-0302 issued and effective February 22, 2017, Central Hudson Gas & Electric Corporation ("Central Hudson" or "the Company") hereby files the following proposed tariff amendments to become effective on April 1, 2017.

P.S.C. No. 15 – Electricity

11<sup>th</sup> Revised Leaf No. 105  
9<sup>th</sup> Revised Leaf No. 106  
10<sup>th</sup> Revised Leaf No. 163.3  
11<sup>th</sup> Revised Leaf No. 163.5  
5<sup>th</sup> Revised Leaf No. 163.5.32  
3<sup>rd</sup> Revised Leaf No. 163.6  
10<sup>th</sup> Revised Leaf No. 184.2  
16<sup>th</sup> Revised Leaf No. 202.2  
16<sup>th</sup> Revised Leaf No. 267.2

Statement of System Benefits Charge – SBC 38

On August 1, 2016, in Case 15-E-0302 the Public Service Commission issued an Order Adopting a Clean Energy Standard (CES Order). The CES Order requires the procurement of Renewable Energy Credits (RECs), Zero-Emission Credits (ZECs) and payment of an Alternative Compliance Payment (ACP) for any shortage of RECs. Utilities are also required to collect and transfer funds to cover the costs associated with contracts signed by the New York State Energy Research and Development Authority (NYSERDA) to maintain certain baseline renewable energy resources at risk of attrition (Tier 2 Maintenance Contracts) as well as to collect and transfer any funds required by NYSERDA to resolve cash shortages that may have resulted from its CES activities (Backstop Charges).

In its Order issued and effective February 22, 2017 in the aforementioned Case, the Commission directed the recovery of the costs of RECs, ZECs, and ACPs, through existing supply mechanisms and bill lines. The Commission also directed utilities to combine the Tier 2 Maintenance Contracts and Backstop Charges rate with the existing System Benefits Charge (SBC) rate, and bill this combined rate, on the SBC line of customer's bills. Under certain economic development programs, some or all of certain customers' energy usage is exempt from the SBC. In these instances, the Company has appropriately reflected the cost recovery on customers' bills.

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The Amendments filed herein are designed to implement the provisions of the February 22, 2017 Order.

Pursuant to Ordering Paragraph 2, the requirements of Public Service Law §66(12)(b) and 16 NYCRR §720-8.1 concerning newspaper publication of the tariff amendments in Clause 1 are waived.

Questions related to this filing should be directed to Amy Dittmar at [adittmar@cenhud.com](mailto:adittmar@cenhud.com) or (845) 486-5433.

Very truly yours,

Anthony S. Campagiorni  
Vice President – Regulatory & Government Affairs

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