



November 29, 2021

Honorable Michelle Phillips, Secretary
State of New York Public Service Commission
Three Empire State Plaza
Albany, New York 12223-1350

Re: Cases 20-E-0428 / 20-G-0429 Compliance Filing
in the Proceeding on Motion of the Commission as to Rates, Charges,
Rules and Regulations of Central Hudson Gas & Electric Corporation
for Electric and Gas Service

Dear Secretary Phillips:

Pursuant to Public Service Commission Order, issued and effective November 18, 2021, in the above captioned proceedings, Central Hudson Gas & Electric Corporation ("Central Hudson" or "the Company") hereby files amended tariff leaves and statements to its Schedule for Electric Service, PSC No. 15 – Electricity, and Schedule for Gas Service, PSC No. 12 – Gas.

These amendments which are set forth on Appendix A are filed November 29, 2021 to become effective December 1, 2021 on a temporary basis to effectuate the electric and gas rate changes as well as the other requirements of the Rate Plan adopted in the aforementioned Order. The purpose for these tariff amendments is described below.

ELECTRIC

Electric Bill Credit ("EBC")

An electric bill surcharge or credit as shown on the Statement of Electric Bill Credits will be implemented December 1, 2021 to collect or return to customers the regulatory liability remaining after the offset of various deferred balances. The bill credit has been designed to collect from customers \$2 million for the twelve months ending June 30, 2022, \$9.5 million for the twelve months ending June 30, 2023 and \$21.5 million for the twelve months ending June 30, 2024.

Revenue Decoupling Mechanism ("RDM")

The electric revenue decoupling mechanism ("RDM") will continue to be applicable to Service Classification Nos. ("SC") 1, 2, 3, 5, 6 and 8 and those customers taking service under SC 14 whose parent service classification would be either SC 1, 2, 3, or 6. The RDM will be expanded to include SC 13, subject to the structure and provisions described in Appendix O of the Order, including those customers taking service under SC 14 whose parent service classification would be SC 13. The structure and provisions of the electric RDM will continue per the 2018 Rate Plan, with delivery revenue targets established by month for each service classification or sub-classification. The proration adjustment in the second month of the Rate Year will discontinue and electric bill credits will be included in the reconciliation of target and actual revenue under the Electric Revenue Decoupling Mechanism. The Geothermal Rate Impact Credit will no longer be funded through this mechanism.

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Factor of Adjustment

The electric factor of adjustment is updated based on the 36 months ending September 2021.

Energy Cost Adjustment Mechanism ("ECAM")

ECAM statements have not been filed herein to effectuate changes to the working capital carrying charge rate, uncollectible rate and electric loss factors included in Case 20-E-0428. It is estimated that the changes would result in a 0.012% decrease to the base costs included in the MPC factors, and a 0.002% increase in the base costs included in the MISC factors. Since the increases are immaterial, the updated working capital carrying charge, uncollectible and electric loss factors will be reflected in the ECAM factors filed in the routine monthly Statement update which will go into effect on December 10, 2021.

Additionally, any variation in the monthly revenue/benefit as compared to 1/12th of the imputed revenue/benefit of \$2,098,201 from the Company's legacy hydro generation will be refunded or collected through the Miscellaneous Charge component of ECAM.

S.C. No. 5 – Area Lighting and S.C. No. 8 – Public Street and Highway Lighting

Monthly and annual fixture charges have been updated as well as the SC 8 Rate C annual delivery charge which is specifically identified in the tariff. Additionally, the tariff has been updated to indicate area and streetlights no longer replaced in kind or installed at new locations.

S.C. No. 10 – Buyback Rates and S.C. No. 14 - Standby Rates

The Company has included revised standby rates utilizing the final Rate Year cost of service study utilized in this proceeding and the standby rate design methodology utilized in the Company's last general rate proceeding in Case 17-E-0459, scaled consistent with the parent service classification rate design, such that the rates are revenue neutral. Furthermore, the SC 10 buyback customer charge has been updated consistent with the underlying parent service classification customer charges. These rates shall remain in effect until superseded by a Commission Order in Case 15-E-0751 with respect to the Allocated Cost of Service Study and Standby and Buyback Rate Design.

Merchant Function Charges ("MFCs")

An electric MFC statement is filed herein to effectuate changes to the base MFC rates.

GAS

Base Delivery Rates

The gas rate design for Service Classification Nos. ("SC") 1, 2, 6, 12 and 13 reflects the implementation of the first three years of a planned five-year phase-out of gas declining block rates. Following the first three years, the phase-out of gas declining block rates will be paused at Rate Year 3 levels. The implementation of the remaining two-year phase-out of gas declining block rates will be considered within a future rate plan.

Gas Bill Credit ("GBC")

A gas bill credit as show on the Statement of Gas Bill Credits has been implemented effective December 1, 2021 in Case 20-G-0429 to return to customers the regulatory liability remaining after the offset of various deferred balances. The bill credit will return to customers \$0.8 million for the twelve months

ending June 30, 2022, \$3.2 million for the twelve months ending June 30, 2023 and \$5.6 million for the twelve months ending June 30, 2024.

Danskammer Revenues

Danskammer SC 11 gas delivery revenue will no longer be applied as a rate moderator through gas bill credits but rather \$1.5 million of SC 11 gas delivery revenues from Danskammer will be imputed in the base delivery revenue utilized to determine the base delivery revenue increase.

Revenue Decoupling Mechanism ("RDM")

The gas revenue decoupling mechanism ("RDM") will continue to be applicable to Service Classification Nos. ("SC") 1, 2, 6, 12 and 13. The gas RDM will be expanded to include SC 11 (transmission, distribution, and distribution large mains), subject to the structure and provisions described in Appendix O of the Order. The RDM is not applicable to SC 8, 9, 11 (electric generators), 14, 15 and 16. The structure and provisions per the 2018 Rate Plan will be modified from a revenue per customer model to a revenue per class model. The proration adjustment in the second month of the Rate Year will be eliminated and gas bill credits will be included in the reconciliation of target and actual revenue.

Imputation of Interruptible Revenue

The structure of the annual imputed interruptible profit from SC Nos. 8, 9 and 14 as set forth in Case 09-G-0589 shall continue and the imputation will be set at \$3.2 million for each of the Rate Years ending June 30, 2022, June 30, 2023, and June 30, 2024. Ninety percent of actual annual excess or shortfall amounts, as compared to the imputation level, will continue to be refunded or surcharged to customers taking service under SCs 1, 2, 6, 11, 12 and 13. The refund or surcharge factor developed for the SC 1, 2, 6, 12 and 13 group will continue to be addressed through the Gas Cost Adjustment Mechanism; and the refund or surcharge factor developed for SC 11 will continue to be addressed through the Miscellaneous gas surcharge/sur-credit rate to be combined with other gas surcharges.

Factor of Adjustment

The factor of adjustment will continue consistent with the Order in Case No. 14-G-0319.

Gas Supply Charge

An updated GSC Statement will not be filed herein to reflect the changes to the uncollectible rate and working capital carrying charge rate effective December 1, 2021. The updated uncollectible and working capital carrying charge rates have been reflected in the GSC factor filed in the routine monthly GSC Statement update which will go into effect on December 1, 2021.

Distributed Generation

The Company has included revised distributed generation rates utilizing the final Rate Year cost of service study utilized in this proceeding, parent service classification billing units, and load factor assumptions consistent with the various orders of the Commission in Case 02-M-0515 and consistent with the manner in which these rates were last updated in Case 17-G-0460.

ELECTRIC AND GAS ISSUES

Base Delivery Rates

Base delivery rates for each year of the Rate Plan have been reflected in the tariff amendments

submitted herein to provide customers with delivery rate transparency.

Billing Services Credit

The Company's Billing Services Credit, which is applicable to customers and ESCOs who participate in the Company's Retail Access program and choose to receive a consolidated bill, is being updated to reflect the Company's most recent cost of service results.

Make Whole Provision

A make whole provision is implemented to recover or refund the difference in revenue resulting from the extension of the suspension period in these proceedings. The make whole provision is designed to ensure that, by June 30, 2022, Central Hudson is restored to the same financial position had new delivery rates gone into effect on July 1, 2021. The electric and gas make whole provisions will be assessed on customer bills through the Miscellaneous charge.

Low Income Discounts

Pursuant to the August 21, 2021 Order in Case 14-M-0565, the Company is to file updated low-income discounts at the time of compliance tariff filings in a new rate plan. The Company has updated Staff's workbook for low income bill discounts with the latest available information which has resulted in no changes to the low income bill discounts effective September 1, 2021.

Future Filings

Any necessary corresponding changes to reflect Compliance related items will be made to documents such as the Gas Transportation Operating Procedures Manual (GTOP), Electric Retail Access Operating Procedures Manual, Billing Service Agreement (BSA), etc. subsequent to the Compliance Filing. Furthermore, the Company will make a compliance tariff filing implementing the changes to the gas cash out price methodology and decrement feature for the gas retail program as described in the Joint Proposal adopted in these proceedings no later than May 30, 2022.

PROCEDURAL MATTERS

As directed by Ordering paragraph five, the requirements of 66(12)(b) of the Public Service Law that newspaper publications are to be completed prior to the effective date of the amendments is waived with respect to the tariff changes for the rate year ended June 30, 2022. Notices of the changes contained herein will be published in the December 8, 15, 22 and 29 issues of the Catskill Daily Mail, the Daily Freeman, the Times Herald Record, and the Poughkeepsie Journal, as well as the December 9, 16, 23 and 30 issues of the Putnam County Courier.

Questions related to this filing should be addressed to Darlene Clay at dclay@cenhud.com.

Very truly yours,

Christopher M. Capone

cc: Active Party List
B. T. FitzGerald, Cullen and Dykman LLP

TARIFF LEAVES

PSC No. 15 – ELECTRICITY

25th Revised Leaf No. 104	13th Revised Leaf No. 205.2
16th Revised Leaf No. 105	25th Revised Leaf No. 210
13th Revised Leaf No. 106	7th Revised Leaf No. 210.1
1st Revised Leaf No. 106.1.5	27th Revised Leaf No. 217
1st Revised Leaf No. 106.1.6	8th Revised Leaf No. 217.1
Original Leaf No. 106.1.11	23rd Revised Leaf No. 218
13th Revised Leaf No. 135	20th Revised Leaf No. 218.1
18th Revised Leaf No. 163.3	14th Revised Leaf No. 218.2
15th Revised Leaf No. 163.5.2	18th Revised Leaf No. 219
9th Revised Leaf No. 163.5.3	21st Revised Leaf No. 220
21st Revised Leaf No. 163.5.4	19th Revised Leaf No. 221
6th Revised Leaf No. 163.5.4.1	21st Revised Leaf No. 222
Original Leaf No. 163.5.4.2	23rd Revised Leaf No. 226
14th Revised Leaf No. 163.5.5	16th Revised Leaf No. 231
10th Revised Leaf No. 163.5.35	21st Revised Leaf No. 246
20th Revised Leaf No. 165	24th Revised Leaf No. 246.1
24th Revised Leaf No. 169	17th Revised Leaf No. 247
20th Revised Leaf No. 185	14th Revised Leaf No. 272.3
26th Revised Leaf No. 205	8th Revised Leaf No. 272.3.1
23rd Revised Leaf No. 205.1	10th Revised Leaf No. 272.3.2
5th Revised Leaf No. 205.1.1	

Statement of Electric Bill Credit EBC – 8

Statement of Merchant Function Charges MFC – 19

Statement of Light Emitting Diode (LED) Fixture Delivery Rates LED – 10

Statement of Miscellaneous Charges - 258

TARIFF LEAVES

PSC No. 12 – GAS

14th Revised Leaf No. 121	19th Revised Leaf No. 153
23rd Revised Leaf No. 126.1	21st Revised Leaf No. 158
11th Revised Leaf No. 126.2	22nd Revised Leaf No. 181
5th Revised Leaf No. 128.1	12th Revised Leaf No. 181.1
11th Revised Leaf No. 129	4th Revised Leaf No. 181.1.1
8th Revised Leaf No. 129.1	25th Revised Leaf No. 186
8th Revised Leaf No. 129.2	22nd Revised Leaf No. 188
2nd Revised Leaf No. 129.3	25th Revised Leaf No. 191
Original Leaf No. 129.3.1	22nd Revised Leaf No. 193
9th Revised Leaf No. 137	17th Revised Leaf No. 195
25th Revised Leaf No. 149	20th Revised Leaf No. 206
18th Revised Leaf No. 151	15th Revised Leaf No. 212
21st Revised Leaf No. 152	

Statement of Merchant Function Charges MFC – 23

Statement of Gas Bill Credit GBC – 9

Statement of Miscellaneous Charge MISC - 43