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## CENTRAL HUDSON GAS & ELECTRIC CORPORATION 284 SOUTH AVENUE POUGHKEEPSIE, NEW YORK 12601

September 30, 1999

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

Dear Commissioners:

## Re: Case 97-G-1380

Attached for filing electronically with the Commission are the following rate leaves, issued by Central Hudson Gas & Electric Corporation ("Central Hudson" or "the Company"), to become effective on a temporary basis on November 1, 1999.

## Gas - P.S.C No. 12

First Revised Leaf No. 124
Original Leaf No. 124.1
Original Leaf No. 124.2
First Revised Leaf No. 125
First Revised Leaf No. 162
First Revised Leaf No. 189
First Revised Leaf No. 194
First Revised Leaf No. 195

The purpose of this filing is to expand the provisions of our retail access program to allow Retail Suppliers to use secondary, non-recallable capacity to meet their customers' delivery requirements during the upcoming winter season. Retail Suppliers opting to use secondary capacity will be required to contract with Central Hudson for standby service. The Company will provide standby service during the months from November through March and will charge the Retail Suppliers a demand charge each month for that service. The provisions of the standby service maintain that if a Retail Supplier's deliveries are curtailed the Company will provide the customers' daily delivery requirements and will recoup the commodity and transportation costs associated with the replacement gas from the Retail Supplier. The tariff provisions also address the penalties the Company will impose if a Retail Supplier provides fraudulent upstream capacity information to the Company.

Prior to this filing we had included the upstream capacity release and purchase provisions in both the General Information Section of our tariff and within each of the firm transportation service classification sections of the tariff. With this filing we have eliminated this redundancy and modified the provisions within each service classification to direct the reader to the General Information Section of our tariff for a complete description of the upstream capacity terms and conditions.

Received: 9/30/1999

Based on discussions with PSC Staff, the Company understands that the directive to release firm upstream capacity for seven months is an optional service. The Company has chosen not to provide Retail Suppliers with this option during the upcoming winter season.

The Company will be providing a copy of this filing to all Retail Suppliers qualified to serve customers within our service territory. Retail Suppliers will have until October 15, 1999 to notify the Company of their intent to use secondary, non-recallable capacity with our standby service during the upcoming winter period. The Company has also sent copies of our workpapers and a narrative description of our program to PSC Staff under a separate cover.

As specified in Order paragraph 4, the requirements of 66(12(b)) of the Public Service Law as to newspaper publication of the revisions has been waived.

Very truly yours,

Arthur R. Upright