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

February 21, 2001

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

Dear Commissioners:

Re: <u>Central Hudson Gas & Electric Corporation:</u> Tariff Filing to Reflect New Pole Attachment Rates

The enclosed rate leaves, issued by Central Hudson Gas & Electric Corporation (Central Hudson or the Company), are transmitted for filing in compliance with the requirements of the Public Service Commission of the State of New York in Case 95-C-0341, and are as follows:

P.S.C. No. 15 - Electricity

2nd Revised Leaf No. 3 Original Leaf No. 18.2 1st Revised Leaf No. 120

These amendments are issued February 21, 2001 to become effective May 24, 2001.

In Opinion No. 97-10 in Case 95-C-0341, issued and effective June 17, 1997, the Commission adopted the approach established by the Federal Communications Commission (FCC) for setting pole attachment rates that are generally paid by cable systems and telecommunications carriers who lease space from utility companies on poles or in ducts, conduits, or rights-of-way. The Commission indicated that adopting the FCC approach would simplify the regulation of pole attachment rates and operations in the state as well as eliminate unnecessary variation in regulatory requirements, thereby encouraging telecommunications competition and stimulating economic development.

In adopting the FCC approach, the Commission ordered that prevailing pole attachment rate levels, at the time cable only, be frozen until the FCC began implementation of its new pole attachment rates for competitive telecommunication companies in 2001.

In February 1998, the FCC adopted a separate methodology for pole attachments on poles and in conduits for providers of telecommunications services effective February 8, 2001. In April 2000, the FCC released rules that updated the formula for pole attachment fees charged to cable companies and detailed the formulas for the development of attachment fees, for both poles and conduits, to

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be charged to telecommunications companies.

Leaf 120 has been revised to update the cable television annual pole attachment rental rate for both the FCC formula updates and to reflect use of 1999 actual data. The new rate of \$8.24 per equivalent pole, reflects an increase of \$0.12 over the existing rate of \$8.12 per equivalent pole. Based on the number of attachments billed in 2000, this rate change will increase annual revenue by approximately \$8,900.

Leaf 120 has also been revised to provide the rates to be charged to telecommunications companies for attachments on poles and in conduits as calculated in compliance with the FCC formulas. These rates reflect the phase-in prescribed by the FCC. Under such phase-in, any increases in the rates for pole attachments, over the cable rate, that result from the adoption of the FCC methodology are to be phased in over a period of five years.

Central Hudson requests that the requirement to publish a notice of this filing be waived because the Company is arranging to have a copy of this filing served on all cable television and telecommunications companies doing business within its service territory.

A State Administrative Procedures Act Notice is enclosed for publication in the State Bulletin.

Questions related to this filing should be directed to Maida J. Lewis at $(845)\ 486-5375$.

Very truly yours,