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

March 2, 2001

Public Service Commission  
Three Empire State Plaza  
Albany, NY 12223

Case 00-E-2054  
Compliance Filing to Implement the New York Independent  
System Operator's ("NYISO")  
Emergency Demand Response Program ("EDRP")

Dear Commissioners:

In compliance with the Order dated December 20, 2000, in the above referenced proceeding, Central Hudson Gas & Electric Corporation ( "Central Hudson" or the "Company") hereby files proposed tariffs to implement the New York Independent System Operator's Emergency Demand Response Program. On February 16, 2001, Central Hudson requested and was granted an extension by the Public Service Commission to file the NYISO EDRP tariff provisions no later than March 2, 2001. Accordingly Central Hudson is issuing the attached proposed tariffs leaves on March 2, 2001 to become effective May 1, 2001.

P.S.C. No. 15 - Electricity

Original Leaf No. 184.3  
Original Leaf No. 184.4  
Original leaf No. 202.3  
Original Leaf No. 202.4  
Original Leaf No. 267.3  
Original Leaf No. 267.4

Emergency Demand Response Service Option

The Company has filed an Emergency Demand Response service tariff option available to any Service Classification No. 2, 3 or 13 customer with installed interval metering that has the capability to reduce their load by at least 100 kW. Under this voluntary program, participants will reduce their load served by the Company through load curtailment or by operating their emergency generation in response to a signal indicating that the NYISO has declared emergency conditions. This program will be in effect from May 1, 2001 to October 31, 2002. Under this program customers will receive payments for load

reductions based on the real-time, zonal Locational Based Marginal price per kWh adjusted for losses, but not less than 50 cents per kW of load reduction during the NYISO-declared emergency periods. In order to participate, customers must have interval meters installed at the customer location.

Demand Response Programs - Cost Recovery

As noted in the Company's initial filing dated February 14, 2001 in response to the PSC Order, the provisions set forth in this program are not necessarily consistent with tariffs pending in Central Hudson's Case 00-E-1273 rate proceeding. The Company proposes to defer all costs associated with these programs until the end of the Settlement Period established in Case 96-E-0909. The Company proposes to collect these costs through the Variable Cost Recovery Factor of the Purchased Power Recovery Mechanism at the start of the rate year in Case 00-E-1273.

Central Hudson representatives will work closely with customers eligible for the new demand response tariff options to educate them on the new programs and to assist them in determining opportunities to shift load to take advantage of these programs.

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

Yours Very Truly,

Arthur R. Upright