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

June 24, 2002

Public Service Commission
Three Empire State Plaza
Albany, NY 12223

Proposed Changes to Central Hudson's
Hourly Pricing Program

Dear Commissioners:

Central Hudson Gas & Electric Corporation (the "Company") hereby files proposed tariff changes related to the Company's Hourly Pricing Program. Central Hudson is issuing the attached proposed tariff amendments on June 24, 2002 to become effective on September 25, 2002.

P.S.C. No. 15 - Electricity

2nd Revised Leaf No. 184.1
2nd Revised Leaf No. 202.1
2nd Revised Leaf No. 267.1

The Company's Hourly Pricing Program ("Program"), available to eligible customers taking full service under Service Classification Nos. 2, 3 and 13, provides a real time pricing option in lieu of the Company's Market Price Charge and Market Price Adjustment. While the currently effective Program does reference the application of charges for non-energy components of electric power supply, specifically ancillary services, it does not specifically reference other components such as capacity and allowances for working capital costs and bad debts that are otherwise included in the Market Price Charge. The Company proposes to make these changes to incorporate references to these other non-energy components of electric supply. As a result, the above referenced amendments will not change the scope of the Company's Program, but will more accurately reflect the operation of the Program.

Since this Program is available only to customers served under Service Classification Nos. 2, 3 or 13, and the nature of the Program requires direct communication with customers interested in or requesting service under the Program, Central Hudson requests that the newspaper notice requirement be waived.

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

Yours very truly,

Arthur R. Upright

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