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

October 31, 2000

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

Case 99-M-0631

Dear Commissioners:

In compliance with the Commission's Order in Case 99-M-0631, issued and effective September 1, 2000, Central Hudson Gas & Electric Corporation ("Central Hudson" or "the Company"), is issuing the attached tariff leaves. The leaves are issued on October 31, 2000 with the initial effective date of February 1, 2001. However, the Company requests immediate suspension of these leaves until the requirements of Case 98-M-0667, In the Matter of Electronic Data Interchange, are complete.

P.S.C. No. 12 -Gas

Original Leaf No. 9.3  
2nd Revised Leaf No. 126  
Original Leaf No. 126.1  
Original Leaf No. 126.2  
Original Leaf No. 126.3  
Original Leaf No. 126.4  
Original Leaf No. 126.5  
Original Leaf No. 126.6  
Original Leaf No. 126.7  
Original Leaf No. 126.8  
Original Leaf No. 126.9  
Original Leaf No. 127.1

As directed by the Order, the Company has modified our current tariff for the purpose of allowing the Company and Retail Suppliers to issue combined bills to retail access customers. Once implemented, this billing option will allow retail access customers who choose combined billing to also choose either Central Hudson or their Retail Supplier as their billing party. The billing party will be responsible for printing and mailing the combined bill, printing standard bill messages for the non-billing party, forwarding the non-billing party's standard bill inserts, receiving and processing payments, apportioning and remitting the non-billing party's portion of the accounts collected and providing payment details by account to the non-billing party. Central Hudson will continue to be responsible for all HEFPA-related responsibilities. In addition, Central Hudson's tariff addresses the issues of billing standards, termination of the right to issue combined bills, security, billing charges and credits, bill content, and miscellaneous issues, including but not limited to, budget billing and customer deposits.

If Central Hudson is issuing the combined bill, Central Hudson will charge the Retail Supplier for the billing service. If the Retail Supplier is issuing the combined bill, Central Hudson's portion of the combined bill will include a credit for the cost of billing services that the Retail Supplier is providing. Central Hudson's proposed billing charge of \$0.56 per bill is based on the actual average cost of billing and printing services. Central Hudson's proposed billing credit or back-out credit of \$0.56 per bill is based on the bill printing and mailing share of the long term historic average cost per customer charged to Customer Records and Collection Expenses NYCRR Accounts 903-905 and Administration and General Expenses Accounts 920-931.

The proposed back-out credit is intended to be used against current rates that became effective in July 1991. In late 1999, Central Hudson contracted the bill printing and mailing functions with an independent firm. Accordingly, these new costs have been reflected in Central Hudson's August 2000 filing, Case Nos. 00-E-1273 & 00-G-1274. Pending the outcome of the rate case, Central Hudson reserves the right to amend the back-out credit to accurately reflect current costs.

In order to comply with the limitations of our current customer information system, Central Hudson will require a bill-ready format and will not separate combined gas and electric accounts into separate accounts for billing purposes. If a customer with a combined gas and electric account chooses the single billing option for only one of their services or has a different Retail Supplier for each service, Central Hudson must be the billing party and will issue a single bill with all applicable charges. However, if an agreement is reached where a Retail Supplier will be the billing party for Central Hudson's combination services or in the case of multiple Retail Suppliers, a Retail Supplier agrees to be the billing party for both Central Hudson and the other Retail Supplier, a Retail Supplier may issue a combined bill.

Finally, Central Hudson has sent copies of our proposed Billing Services Agreements and workpapers pertaining to our derivation of billing credits and charges to PSC Staff under a separate cover.

As directed in Ordering paragraph 2, the requirements of 66((12)b) of the Public Service Law as to newspaper publication has been waived. Please address all questions on this filing to Patricia M. Buck (914) 486-5244.

Very truly yours,

Arthur R. Upright