

..DID: 14380  
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CENTRAL HUDSON GAS & ELECTRIC CORPORATION  
284 SOUTH AVENUE  
POUGHKEEPSIE, NEW YORK 12601

January 5, 2001

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

Dear Commissioners:

In compliance with Commission rules, Central Hudson Gas & Electric Corporation ("Central Hudson" or "the Company"), is issuing the attached tariff leaf. This leaf is issued on January 5, 2001 with the initial effective date of March 11, 2001. However, the Company requests special permission to have this leaf become effective on January 9, 2001 under the Commission's emergency SAPA rules.

P.S.C. No. 12 -Gas

Original Leaf No. 167.1

The purpose of this filing is to amend our tariff provisions and allow the Company to set the price for interruptible sales service at the Company's incremental cost of gas plus \$0.010 per Ccf when the average cost of gas assigned to interruptible customers exceeds the maximum rate allowed under Service Classification No.8. This provision would be in effect through April 30, 2001 and would eliminate the need for the Company to curtail service to Service Classification No. 8 customers due to insufficient sales prices.

Effective December 7, 2000, Central Hudson curtailed service to all customers taking service under Service Classification No. 8 - Interruptible Sales Service because the market price of natural gas exceeded the price the Company was allowed to charge for this service. The Company continued this curtailment through the month of December and into January. However, if as requested the Company is allowed to charge the incremental cost of gas plus \$0.010 per Ccf, the Company would be able to discontinue the interruption and customers would have the option of using natural gas and not be forced to rely on oil for the duration of this winter.

The Company is proposing to allow this change only for this winter and is suggesting that this matter be addressed by the Commission as part of the Industry Restructuring.

Central Hudson requests that the requirements of 66((12)(b)) of the Public Service Law as to newspaper publication be waived because the Company will contact all customers affected by this change.

Very truly yours,

Received: 1/5/2001

Arthur R. Upright