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

November 11, 1999

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

Dear Commissioners:

Attached for filing electronically with the Commission are the following rate leaves, issued by Central Hudson Gas & Electric Corporation ("Central Hudson" or "the Company"), to become effective on February 14, 2000:

Gas - P.S.C No. 12
First Revised Leaf No. 159
First Revised Leaf No. 187
First Revised Leaf No. 192

The purpose of this filing is to modify the monthly Transportation Demand Adjustment rate applicable to customers operating under Service Classification Nos. 6, 12 and 13 who choose to purchase their upstream capacity from third party suppliers.

The current monthly Transportation Demand Adjustment rate (TDA) charged to all customers operating under Service Classification Nos. 6, 12 and 13 includes a Balancing Adjustment, Transition Cost Surcharge, charges for propane service and the Take or Pay Surcharge. In addition, we return gas supplier refund credits, capacity release credits, interruptible sales credits and collect the Transition Surcharge through the TDA. While the majority of these credits and charges are applicable to all firm transportation customers operating on our system, the credits and charges related to upstream capacity under contract to the Company should not be charged to customers using third party capacity to meet their daily delivery requirements. Therefore, Central Hudson is proposing to continue to charge our current TDA rate to all customers relying on upstream capacity under contract to the Company and to introduce a second TDA for customers using third party capacity. The TDA rate applicable customers using third party capacity will include all of the current charges and credits with the exception of the Transition Cost Surcharge, gas supplier refund credit and the capacity release credit. We will include both TDA rates on our statement of firm transportation rates filed each month with the PSC.

The Company is arranging to comply with the requirements of 66((12)(b)) of the Public Service Law as to newspaper publication by publishing notices of the proposed changes contained herein on November 17, 24, December 1 and 8, 1999 in the Catskill Daily Mail, Kingston Daily Freeman, Times Herald Record, Poughkeepsie Journal, and Putnam County Courier.

Very truly yours,

Arthur R. Upright