

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

November 5, 2008

Public Service Commission  
Three Empire State Plaza  
Albany, NY 12223

**Re: Filing to Effectuate Amendments to Public Service Law Section 66-j**

Dear Commissioners:

The amended tariff leaves set forth below are filed by Central Hudson Gas & Electric Corporation ("Central Hudson" or the "Company") on November 5, 2008 to become effective February 5, 2009 in order to reflect amendments made to Section 66-j of the Public Service Law, which became effective on August 5, 2008.

**P.S.C. No. 15 – Electricity**

5<sup>th</sup> Revised Leaf No. 166  
5<sup>th</sup> Revised Leaf No. 167  
4<sup>th</sup> Revised Leaf No. 167.1  
3<sup>rd</sup> Revised Leaf No. 167.2  
4<sup>th</sup> Revised Leaf No. 167.5  
1<sup>st</sup> Revised Leaf No. 167.6  
7<sup>th</sup> Revised Leaf No. 173  
7<sup>th</sup> Revised Leaf No. 174  
4<sup>th</sup> Revised Leaf No. 183  
4<sup>th</sup> Revised Leaf No. 184  
8<sup>th</sup> Revised Leaf No. 189  
3<sup>rd</sup> Revised Leaf No. 189.1  
6<sup>th</sup> Revised Leaf No. 190  
5<sup>th</sup> Revised Leaf No. 199  
5<sup>th</sup> Revised Leaf No. 200  
13<sup>th</sup> Revised Leaf No. 212  
6<sup>th</sup> Revised Leaf No. 213  
5<sup>th</sup> Revised Leaf No. 213.1  
4<sup>th</sup> Revised Leaf No. 213.6  
3<sup>rd</sup> Revised Leaf No. 258

These amendments include changes to the maximum size of residential photovoltaic generation and farm waste generation systems eligible for net metering, expansion of net metering to non-residential photovoltaic generation systems up to 2 MW or the customer's historic peak load, whichever is less, and an increase to the ceiling for the net metering of photovoltaic and farm waste generator load on Central Hudson's system to 12 MW, or one percent of the Company's electric demand of 1201 MW for 2005.

The Company has submitted, under separate cover (Attachment A of this letter), a request to the Commission to expand the current authority for the deferral, for future recovery, of delivery revenue losses attributable to the growth of net metered photovoltaic generation in Central Hudson's service territory to include the changes to net metering required by the August 5, 2008 amendments to Section 66-j of the Public Service Law.

Since customers participating in net metering are subject to interconnection requirements and are therefore in direct contact with Central Hudson, the Company requests that the requirements of 66(12)(b) of the Public Service Law as to newspaper publication for the amendments listed herein be waived.

Questions related to this filing should be directed to Lauren M. Guido at (845) 486-5761.

Yours very truly,

Michael L. Mosher  
Vice President - Regulatory Affairs

LETT167

# **Attachment A**

Michael L. Mosher, P.E.  
Vice President - Regulatory Affairs



November 4, 2008

Hon. Jaclyn A. Brillling  
Secretary  
New York State Public Service Commission  
Three Empire State Plaza  
Albany, NY 12223-1350

Re: Petition to Expand Current Authority to Defer Delivery Revenue Losses  
Attributable to Net Metering

Dear Secretary Brillling:

In its October 19, 2007 Order in Case 07-E-0437, the Commission raised the ceiling on residential photovoltaic ("PV") net metering load in Central Hudson Gas & Electric Corporation's ("Central Hudson" or "the Company") service territory to 10 MW, and granted the Company authority to defer, with carrying charges, the delivery revenue losses attributable to PV penetration in excess of the 0.8 MW level assumed in the Company's Rate Plan established in Case 05-E-0934. In doing so, the Commission recognized that such deferral authority "best balances the interests of the utility, customers installing PV systems, and other ratepayers. It will permit the PV industry to expand in the Hudson Valley, without unfairly imposing costs on either the utility or its non-net metered customers."<sup>1</sup>

On August 5, 2008, Governor Paterson signed into law legislation amending Section 66-j of the Public Service Law ("PSL"). This legislation significantly expanded net metering opportunities for photovoltaic and farm waste generators, as defined by PSL Section 66-j. The Company will submit, through the Electronic Tariff System, proposed changes to its electric rate schedule, P.S.C. No. 15 - Electricity, on November 5, 2008 to be effective February 5, 2009 in compliance with this legislation.

By this letter, the Company hereby requests that the current authority to defer delivery revenue losses attributable to PV net metering load be expanded to include the aforementioned amendments to PSL Section 66-j. This request reflects the Commission's finding that "since Central Hudson's ratepayers

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<sup>1</sup> Order Raising Net Metering Ceiling to 10 MW and Providing for Deferral of Lost Revenues, Case 07-E-0437, Issued and Effective October 19, 2007, pp. 10-11.

generally reap the environmental benefits PV systems yield, it is reasonable for those ratepayers to fund some of the costs associated with providing net metering."<sup>2</sup>

Respectfully submitted,

A handwritten signature in black ink, appearing to read "M.L. Moser", followed by a long horizontal flourish line.

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<sup>2</sup> Ibid, p. 8.