

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

May 26, 2006

Public Service Commission
Three Empire State Plaza
Albany, NY 12223

Re: Federal Policy Act of 2005: Daylight Saving Time Change

Dear Commissioners:

The amended tariff leaves set forth below are filed by Central Hudson Gas & Electric Corporation ("Central Hudson" or the "Company") on May 26, 2006 to become effective September 1, 2006.

P.S.C. No. 15 - Electricity

6th Revised Leaf No. 210
Original Leaf No. 210.1

The amendments listed above address certain calendar changes affecting Daylight Saving Time ("DST"), as adopted under Section 110 of the U.S. Energy Policy Act of 2005 ("Act"), which will take effect in March 2007 and which will impact service provided to residential time-of-use ("TOU") customers.

Background

The Act was passed by the United States Congress on July 29, 2005 and was signed into law on August 8, 2005. Section 110 of the Act amends Section 3(a) of the Uniform Time Act of 1966, by extending DST each spring and fall beginning in March 2007. The Act provides that clocks be set forward beginning on the second Sunday in March, rather than the first Sunday in April, and set back on the first Sunday in November, rather than the last Sunday of October. The Act requires that the U.S. Department of Energy study the impact of the DST extension on energy conservation and submit a report of its findings to Congress no later than December 11, 2007. Congress has retained the right to revert back to the original DST schedule based on the results of this report.

Currently, Central Hudson provides residential TOU service under Service Classification No. 6 to approximately 2,400 of its 295,000 electric customers. The majority of TOU meters use internal electronic clocks pre-programmed to record energy consumption by TOU period. Under Central Hudson's current meter reading system, adjusting the internal clocks on all existing TOU meter

installations to reflect the DST change would require a site visit to each meter to either re-program the existing meter or to replace the meter with a pre-programmed meter. Any meters removed would need to be returned to the Company's Metershop for re-programming and subsequent replacement at other TOU locations. Based on Congress' right to revert to the original DST schedule, a second round of re-programming may be required in 2007.

In lieu of a separate site visit to each meter for the purpose of reprogramming, Central Hudson is currently assessing the feasibility of installing a DST module to its meter reading software. This module, which is expected to be available after June 1, 2006, would allow TOU meters to be reprogrammed electronically by the Company's meter readers during a regularly scheduled meter read. This would eliminate the need for separate site visits for the specific purpose of reprogramming. However, before the DST module can be installed, the Company's meter reading software will need to be upgraded to a version compatible with the DST module and then thoroughly tested.

Proposed Tariff Change

Based on the potentially temporary nature of the DST schedule change included in the Act and the uncertainty regarding the ability to procure and implement the DST module prior to March 2007, the Company proposes to modify the existing TOU period definitions contained in its tariff for the relatively short periods of time in the spring and fall resulting from the DST schedule change. This change would avoid the need for an extensive and costly meter re-programming effort prior to March 2007, that may again be required prior to March 2008 if Congress reverts back to the original DST schedule. If, however, Congress does not revert back to the original DST schedule, the Company will develop and implement a plan to re-program all TOU meters prior to March 2008 to reflect the extended DST schedule. Additionally, if the Company is able to procure and satisfactorily implement the DST module prior to January 1, 2007, it will file additional tariff amendments to eliminate the proposed revisions addressed herein.

Since these tariff amendments impact a limited number of customers and Central Hudson plans to contact each affected customer and all active electric marketers via letter and E-mail, respectively, prior to February 1, 2007, the Company requests that the requirements of 66(12)(b) of the Public Service Law as to newspaper publication be waived.

Questions related to this filing should be directed to Nicholas R. Wight at (845) 486-5749.

Yours very truly,

Arthur R. Upright