

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

July 30, 2004

Public Service Commission  
Three Empire State Plaza  
Albany, NY 12223

Re: Case 00-E-1273  
Joint Proposal - Retail Access Collaborative

Dear Commissioners:

Central Hudson Gas & Electric Corporation ("Central Hudson" or the "Company") hereby files proposed tariff modifications to address changes in the Company's Retail Access Program. Central Hudson is issuing the attached proposed tariff leaves and Statement on July 30, 2004 to become effective on November 1, 2004.

P.S.C. No. 15 - Electricity

3rd Revised Leaf No. 137  
3rd Revised Leaf No. 138  
3rd Revised Leaf No. 139  
Discount Statement No. 1

On June 14, 2004, the Commission issued an Order adopting the terms of a Joint Proposal for Rate Plan Modification (JP). One of the items included in the JP was the establishment of a Retail Access Collaborative. The Collaborative met on five occasions in June and July 2004. Among the issues agreed to during these meetings were changes to the Company's purchase of the Retail Supplier's accounts receivable.

As addressed by this filing, Central Hudson is proposing to change its current practice of purchasing the Retail Supplier's accounts receivable "with recourse" to a program whereby, if Central Hudson is providing consolidated billing service to a Retail Supplier, Central Hudson will purchase the Retail Suppliers's accounts receivable at a discount, without recourse. The annual discount rate will be filed with the New York State Public Service Commission and will consist of a two-part rate equivalent to the Company's most recent actual three year average of net write-offs plus 0.25 percent to reflect other costs of the program. The Discount Statement will be filed on or before February 15 to

become effective on April 1 of each year. The Discount Statement to be in effect beginning November 1, 2004 reflects the Company's most recent actual three year average net write-offs of 0.65 percent plus 0.25 percent to reflect other costs of the program.

With the adaptation of purchasing the Retail Supplier's accounts receivable from the consolidated billed customers the provisions contained in the Company's General Information Section of the Electric Tariff related to the proration of customer payments is no longer necessary and have been deleted from the tariff in this filing.

Because the proposed tariff changes have been sent to all parties who participated in the collaborative including all Retail Suppliers operating in Central Hudson's service territory, the Company requests 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 Patricia M. Buck at (845) 486-5244.

Yours very truly,  
Arthur R. Upright

lett96