

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

March 23, 2011

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

Re: Filing to Clarify Reactive Demand Language Applicable to  
Customers Operating Induction Generators

Dear Commissioners:

The tariff leaves set forth below are filed by Central Hudson Gas & Electric Corporation ("Central Hudson" or the "Company") on March 23, 2011 to become effective July 1, 2011.

P.S.C. No. 15 – Electricity

8<sup>th</sup> Revised Leaf No. 170  
12<sup>th</sup> Revised Leaf No. 186.1  
5<sup>th</sup> Revised Leaf No. 232  
10<sup>th</sup> Revised Leaf No. 272.6  
2<sup>nd</sup> Revised Leaf No. 272.6.1

The Company is filing the leaves listed above to become effective July 1, 2011 in order to clarify the provisions for reactive demand applicable to customers operating on-site induction generators. The Company believes that the revised language more explicitly states how reactive demand is calculated for customers operating on-site induction generators. Leaf 186.1 also contains a housekeeping revision to remove language that is no longer applicable to the service classification, due to the change in the reactive demand provisions. In addition, Leaf 272.6.1 does not contain amendments related to reactive demand; this leaf is being filed for clerical purposes to accommodate the space needed on the preceding leaf.

Currently, the reactive demand provisions for customers operating on-site induction generators only apply to one customer. Beginning in October 2011, two additional customers will become subject to the provisions. Due to the nature of these customers, they are in direct contact with the Company. As such, 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 Jodi Harris at (845) 486-5578.

Yours very truly,

Michael L. Mosher  
Vice President - Regulatory Affairs