

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

March 24, 2011

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

Dear Commissioners:

Re: Central Hudson Gas & Electric Corporation:
Tariff Filing to Reflect New Pole Attachment Rates

The enclosed rate leaf, issued by Central Hudson Gas & Electric Corporation (the Company), is transmitted for filing in compliance with the requirements of the Public Service Commission of the State of New York, and is as follows:

P.S.C. No. 15 - Electricity

7th Revised Leaf No. 120

This amendment is issued March 24, 2011 to become effective July 1, 2011. The purpose of this filing is to update the pole attachment rates applicable to cable system operators and telecommunication carriers to reflect 2010 actual data.

The revised rate applicable to cable system operators included on Leaf 120 has been computed in compliance with the Federal formula for determining CATV attachment rates adopted by Order of the Commission in Case 01-E-0026, issued and effective July 16, 2002, and also reflects adjustments for temporary closings in pole plant investment and the impacts of expenses associated with the New York State Assessment (NYSA), the System Benefit Charge (SBC), the Energy Efficiency Portfolio Standard (EEPS), and the Renewable Portfolio Standard (RPS).

The manner in which temporary closings in net pole investment are reflected in the attachment rate calculation is consistent with the method used in the Company's previous filing in Case 08-E-0330. The Company feels that this adjustment is necessary in order to correctly reflect the net investment associated with the total number of equivalent poles, which is a factor utilized in the attachment rate calculation. As explained in the Order of the aforementioned case, temporary closings represent "plant that is included in the continuing property records (CPR) to an unspecified property unit. It is necessary to exclude temporary closings from the cost of the net investment per bare pole calculation, because at this point in time, only investment dollars have been added to the CPR and not the corresponding number of units. By excluding temporary closings, investment dollars are properly matched to pole units. To do otherwise would overstate the cost of a bare pole."¹ The Company recognizes that adjustments for temporary closings are based on internal data, and in an effort to streamline the process of making internal data available to interested parties, the Company was ordered in Case 08-E-0330 to file internal company data used in the pole attachment rate calculation at the time that pole attachment rate filings are submitted to the Commission. Attachment A to this filing letter contains internal company data supporting adjustments made for temporary closings.

The Company also recognizes that accumulated depreciation data included in the pole attachment rate calculation is based on internal data. As the Commission noted in its Order in Case 07-E-0383, "the FCC does not forbid a state regulatory agency from using non-public data provided by the utility. Therefore, in reviewing pole attachment rates, a state commission may use internal utility data that it determines are more accurate than FERC-1

¹ Case 08-E-0330 – Tariff Filing by Central Hudson Gas & Electric Corporation to Update the Pole Attachment Rates Applicable to Cable System Operators and Telecommunication Carriers, Order Issued and Effective June 19, 2008, Page 3.

or ARMIS data.”² In this same Order, the Commission went on to state, “Staff believes that the internal company data is more accurate for calculating the pole plant depreciation than the data available in the FERC-1 form.”³ Again, in an effort to make internal data readily available, Attachment B to this filing letter contains internal pole plant depreciation data.

The Company also made adjustments to the Total Electric General & Administrative expense used in the pole attachment rate calculation. The adjustments reflect the impact that expenses associated to NYSA, SBC, EEPS, and RPS had on the Company’s overall General & Administrative expense. Since these elements of the total expense are associated with funds collected directly from electric customers, the impact of these items should not be included in the administrative element of the pole attachment rate calculation. The net adjustment for these items was a decrease to total General & Administrative expense of \$12,075,556.

In reviewing the pole attachment rate calculation based on 2010 data, the Company noted that a large portion of the proposed increase is attributable to the change in the estimated cost of a bare pole. The increase in this estimate is a result of net pole plant investment increasing at a greater rate than the equivalent pole estimate. This trend is reasonable, as the average cost of a new pole is greater than the cost at which old poles are being retired. Therefore, in the instance of a pole replacement, the pole quantity is not changing, but investment is increasing. Another main driver of the increase in the pole attachment rate is accumulated deferred income taxes, which have nearly doubled since the Company’s previous pole attachment rate filing.

The Company has also provided, in Attachment C, additional plant data used in the pole attachment rate calculation.

Central Hudson requests that the requirement to publish a notice of this filing be waived, as the Company is arranging to notify all cable system operators and telecommunication carriers doing business within its service territory of this filing.

Questions related to this filing should be directed to Jodi Harris at (845) 486-5578.

Very truly yours,

Michael L. Mosher
Vice President - Regulatory Affairs

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² Case 07-E-0383 – Tariff Filing by Central Hudson Gas & Electric Corporation to Update the Pole Attachment Rates Applicable to Cable System Operators and Telecommunication Carriers, Order Issued and Effective June 20, 2007, Page 4.

³ Ibid.

Attachment A

Account Summary by Functional Class / Utility Account - Selected Accounts

Central Hudson

Period Beginning: Jan-2010
Period Ending: Dec-2010

Functional Class Utility Account	Beginning Balance	Additions	Retirements	Transfers	Adjustments	Ending Balance
G-Electric Distribution						
136400 DISTR-POLES TOWERS & FIXTUR	\$18,163,169.00	(\$6,359,317.00)	\$0.00	\$0.00	\$0.00	\$11,803,852.00
G-Electric Distribution Subtotal:	\$18,163,169.00	(\$6,359,317.00)	\$0.00	\$0.00	\$0.00	\$11,803,852.00
Grand Total:	\$18,163,169.00	(\$6,359,317.00)	\$0.00	\$0.00	\$0.00	\$11,803,852.00

Central Hudson Gas and Electric Corporation
Rate for CATV Pole Attachments
Based on 2010 Data

A		B	C	D = B x C	E = A x D	F	G	H = F x G	I = A x H	J	K	L = J x K	M = A x L	N	O	P = N x O	Q = A x P
In Service Year	Total	Depreciation Rate	Years Depreciated	Total Depreciated	Estimated Amount Depreciated	Depreciation Rate	Years Depreciated	Total Depreciated	Estimated Amount Depreciated	Depreciation Rate	Years Depreciated	Total Depreciated	Estimated Amount Depreciated	Depreciation Rate	Years Depreciated	Total Depreciated	Estimated Amount Depreciated
1992	57,445	0.0316	2.33	0.0736	4,230	0.0289	6.67	0.1928	11,073	0.0250	5.00	0.1250	7,181	0.0227	4.50	0.1022	5,868
1993	116,217	0.0316	1.33	0.0420	4,884	0.0289	6.67	0.1928	22,402	0.0250	5.00	0.1250	14,527	0.0227	4.50	0.1022	11,872
1995	34,140					0.0289	6.00	0.1734	5,920	0.0250	5.00	0.1250	4,268	0.0227	4.50	0.1022	3,487
1997	6,911					0.0289	4.00	0.1156	799	0.0250	5.00	0.1250	864	0.0227	4.50	0.1022	706
1998	0					0.0289	3.00	0.0867	0	0.0250	5.00	0.1250	0	0.0227	4.50	0.1022	0
1999	82,317					0.0289	2.00	0.0578	4,758	0.0250	5.00	0.1250	10,290	0.0227	4.50	0.1022	8,409
2000	393					0.0289	1.00	0.0289	11	0.0250	5.00	0.1250	49	0.0227	4.50	0.1022	40
2002	9,296									0.0250	4.00	0.1000	930	0.0227	4.50	0.1022	950
2003	139,594									0.0250	3.00	0.0750	10,470	0.0227	4.50	0.1022	14,260
2004	424,382									0.0250	2.00	0.0500	21,219	0.0227	4.50	0.1022	43,351
2005	241,700									0.0250	1.00	0.0250	6,043	0.0227	4.50	0.1022	24,690
2006	602,953									0.0250	0.50	0.0125	7,537	0.0227	4.50	0.1022	61,592
2007	271,935													0.0227	3.50	0.0795	21,605
2008	832,364													0.0227	2.50	0.0568	47,237
2009	2,891,540													0.0227	1.50	0.0341	98,457
2010	5,472,857													0.0227	0.50	0.0114	62,117
	11,184,044																
Total Estimated Depreciation at Given Rate					9,114				44,964				83,376				404,639
Total Estimated Depreciation	542,092																
Depreciation Rates Per Rate Case :		3.16% - Effective pre-Nov 1994 Rate Case				2.89% - Effective Nov. 1994				2.50% - Effective July 2001				2.27% - Effective July 2006 (remains eff. 7/1/09, 7/1/10)			

UPDATED 2/10/11

Attachment B

Combined Reserve Balances and Activity by GL Account

Starting Month: 01/2010

Ending Month: 12/2010

Central Hudson

Set of Books								
Company								
GL Account								
Depr. Group	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss / (Gain)	Ending Reserve
SEC								
Central Hudson								
10801								
135615 TRANSM-OH COND & DEVICE	\$2,483,501.00	\$64,128.00	(\$150.00)	(\$579.00)	\$269.00	\$0.00	\$0.00	\$2,547,169.00
135620 TRANSM-CLEARING	\$1,047,837.30	\$25,881.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,073,718.30
135625 TRANSM-CLEARING-345KV LI	\$299,345.00	\$9,630.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$308,975.00
135700 TRANSM-UNDERGROUND CO	\$11,919.00	\$524.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$12,443.00
135800 TRANSM-UNDERGROUND CO	\$4,179,614.00	\$220,185.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,399,799.00
136011 DISTR-LAND & LAND RIGHTS-	\$570,545.00	\$15,531.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$586,076.00
136012 DISTR-LAND & LAND RIGHTS-	\$0.00	\$0.00	\$0.00	(\$1,084.00)	\$1,084.00	\$0.00	\$0.00	\$0.00
136022 DISTR-LAND & LAND RIGHTS-	\$1,122.00	\$59.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,181.00
136100 DISTR-STRUCTURES & IMPROV	\$1,539,077.00	\$118,241.00	(\$85,741.00)	(\$7,030.00)	\$0.00	\$0.00	\$0.00	\$1,564,547.00
136211 DISTR-STATION EQUIPMENT-	\$26,520,516.00	\$2,479,068.00	(\$516,115.00)	(\$260,260.00)	\$5,938.00	(\$1,808.00)	\$0.00	\$28,227,339.00
136212 DISTR-SUPERVISORY EQUIPMENT	\$841,030.00	\$80,859.00	(\$55,699.00)	(\$15,965.00)	\$239.00	\$0.00	\$0.00	\$850,464.00
136220 DISTR-STATION EQUIPMENT-	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
136230 DISTR-STAT EQUIP-ELECTRO	\$0.00	\$2,293.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,293.00
136400 DISTR-POLES TOWERS & FIDUCI	\$27,273,124.00	\$3,336,342.00	(\$1,067,322.00)	(\$1,402,983.00)	\$275,959.00	\$0.00	\$0.00	\$28,415,120.00
136500 DISTR-OH CONDUCTORS	\$36,139,677.00	\$3,184,262.00	(\$1,389,048.00)	(\$2,127,802.00)	\$751,535.00	\$0.00	\$0.00	\$36,558,624.00
136600 DISTR-UNDG CONDUIT	\$6,298,216.00	\$424,178.00	(\$24,229.00)	(\$19,122.00)	\$1,109.00	\$2,507.00	\$0.00	\$6,682,659.00
136700 DISTR-UG COND & DEV	\$12,249,906.00	\$876,249.00	(\$75,027.00)	(\$64,516.00)	\$5,732.00	(\$360.00)	\$0.00	\$12,991,984.00
136800 DISTR-TRANSFORMER	\$27,745,821.00	\$2,702,956.00	(\$1,375,806.00)	(\$539,541.00)	\$168,148.00	\$3,932.00	\$0.00	\$28,705,510.00
136910 DISTR-SERVICES-OH	\$11,586,987.00	\$957,313.00	(\$132,317.00)	(\$178,253.00)	\$12,817.00	\$0.00	\$0.00	\$12,246,547.00
136920 DISTR-SERVICES-UNDG	\$1,905,793.00	\$196,847.00	(\$134.00)	\$2,941.00	\$0.00	\$0.00	\$0.00	\$2,105,447.00
137011 DISTR-METERS	\$3,547,039.00	\$703,248.00	(\$283,774.00)	\$0.00	\$0.00	\$0.00	\$0.00	\$3,966,513.00
137020 DISTR-METER INSTALLATION	\$3,927,188.00	\$425,079.00	(\$315,868.00)	\$0.00	\$0.00	\$0.00	\$0.00	\$4,036,399.00
137100 DISTR-INST ON CUST PREMISE	\$1,648,841.00	\$248,384.00	(\$297,590.00)	(\$133,960.00)	\$37,077.00	\$0.00	\$0.00	\$1,502,752.00
137200 DISTR-LEASED PROPERTY ON CU	(\$175,787.00)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$175,787.00)
137210 DISTR-LEASED PRPTY ON CU	\$269,322.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$269,322.20
137310 DISTR-STREET LIGHT	\$4,963,943.00	\$409,847.00	(\$514,059.00)	(\$276,041.00)	\$143,572.00	\$0.00	\$0.00	\$4,727,262.00
138900 ELECTRIC-GENERAL-LAND & B	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
139000 ELECTRIC-GENERAL-STRUCT/IM	\$415,230.00	\$33,051.00	(\$8,776.00)	(\$1,861.00)	\$0.00	\$0.00	\$0.00	\$437,644.00
139005 ELECTRIC-GNRL STRUCT/IM	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
139007 ELECTRIC-GNRL STRUCT/IM	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
139015 ELECTRIC-GNRL STRUCT/IM	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Attachment C

Account Summary by Functional Class / Utility Account - Selected Accounts

Central Hudson

Period Beginning: Jan-2010

Period Ending: Dec-2010

Functional Class Utility Account	Beginning Balance	Additions	Retirements	Transfers	Adjustments	Ending Balance
G-Electric Distribution						
136011 DISTR-LAND & LAND RIGHTS-OH	\$931,889.00	\$0.00	\$0.00	\$0.00	\$0.00	\$931,889.00
136022 DISTR-LAND & LAND RIGHTS-UND	\$3,541.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,541.00
136400 DISTR-POLES TOWERS & FIXTUR	\$143,056,139.00	\$8,559,282.00	(\$1,067,322.00)	\$0.00	\$0.00	\$150,548,099.00
136510 DISTR-OH CONDUCTORS & DEVICE	\$98,685,794.00	\$4,239,246.00	(\$1,127,690.00)	\$0.00	\$0.00	\$101,797,350.00
136520 DISTR-OH COND & DEVICES-SECO	\$45,842,839.00	\$2,023,970.00	(\$261,358.00)	\$0.00	\$0.00	\$47,605,451.00
136611 DISTR-UNDG CONDUIT-CONDUIT S	\$8,413,109.00	\$2,072,996.00	(\$11,804.00)	\$29,404.00	\$0.00	\$10,503,705.00
136622 DISTR-UNDG CONDUIT-DIRECT BU	\$12,340,733.00	\$537,740.00	(\$12,425.00)	(\$8,695.00)	\$0.00	\$12,857,353.00
136711 DISTR-UG COND & DEV PRIM-CON	\$11,298,162.00	\$1,254,193.00	(\$36,665.00)	\$0.00	\$0.00	\$12,515,690.00
136712 DISTR-UG COND & DEV PRIM-DIR	\$24,259,254.00	\$421,832.00	(\$26,706.00)	\$0.00	\$0.00	\$24,654,380.00
136721 DISTR-UG COND & DEV SEC-COND	\$2,831,044.00	\$515,016.00	(\$11,422.00)	\$0.00	\$0.00	\$3,334,638.00
136722 DISTR-UG COND&DEV SEC-DIRECT	\$8,468,989.00	(\$239,537.00)	(\$234.00)	(\$3,949.00)	\$0.00	\$8,225,269.00
136910 DISTR-SERVICES-OH	\$32,639,363.00	\$497,119.00	(\$132,317.00)	\$0.00	\$0.00	\$33,004,165.00
136921 DISTR-SERVICES-UNDG-CONDUIT	\$396,275.00	\$16,862.00	(\$99.00)	\$0.00	\$0.00	\$413,038.00
136922 DISTR-SERVICES-UNDG-DIRECT B	\$8,983,022.00	\$121,359.00	(\$35.00)	\$0.00	\$0.00	\$9,104,346.00
137011 DISTR-METERS	\$18,800,535.00	\$738,564.00	(\$283,774.00)	\$0.00	\$0.00	\$19,255,325.00
137012 DISTR-INSTRUMENT TRANSFORMER	\$2,069,719.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,069,719.00
137020 DISTR-METER INSTALLATIONS	\$12,639,973.00	\$540,912.00	(\$315,868.00)	\$0.00	\$0.00	\$12,865,017.00
137110 DISTR-INSTALLATIONS ON CUSTO	\$4,224,655.00	\$1,337,168.00	(\$297,590.00)	\$0.00	\$0.00	\$5,264,233.00
137122 DISTR-INST ON CUST PREMISES-	\$6,508.00	\$1,432.00	\$0.00	\$0.00	\$0.00	\$7,940.00
137200 DISTR-LEASED PROPERTY ON CUS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
137210 DISTR-LEASED PRPTY ON CUST P	\$278,776.00	\$0.00	\$0.00	\$0.00	\$0.00	\$278,776.00
137310 DISTR-STREET LIGHT FIXTURES-	\$8,006,865.00	\$2,282,013.00	(\$511,491.00)	\$0.00	\$0.00	\$9,777,387.00
137321 DISTR-STREET LIGHT FIXTURES-	\$155,869.00	\$0.00	\$0.00	\$0.00	\$0.00	\$155,869.00
137322 DISTR-STREET LIGHT FIXTURES-	\$199,093.00	\$250.00	\$0.00	\$0.00	\$0.00	\$199,343.00
137330 DISTR-STREET LIGHT SUBSTATIO	\$13,425.00	\$0.00	(\$323.00)	\$0.00	\$0.00	\$13,102.00
137340 DISTR-STREET LIGHT CONDUCTOR	\$192,733.00	\$4,718.00	(\$2,245.00)	\$0.00	\$0.00	\$195,206.00