

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

March 25, 2010

Public Service Commission  
Three Empire State Plaza  
Albany, NY 12223

Re: Proposed Tariff Amendment  
for the Provision of Three-Phase Service in Residential Subdivisions

Dear Commissioners:

The amended tariff leaf set forth below is filed by Central Hudson Gas & Electric Corporation ("Central Hudson" or "the Company") on March 25, 2010 to become effective on July 1, 2010.

**P.S.C. No. 15 – Electricity**

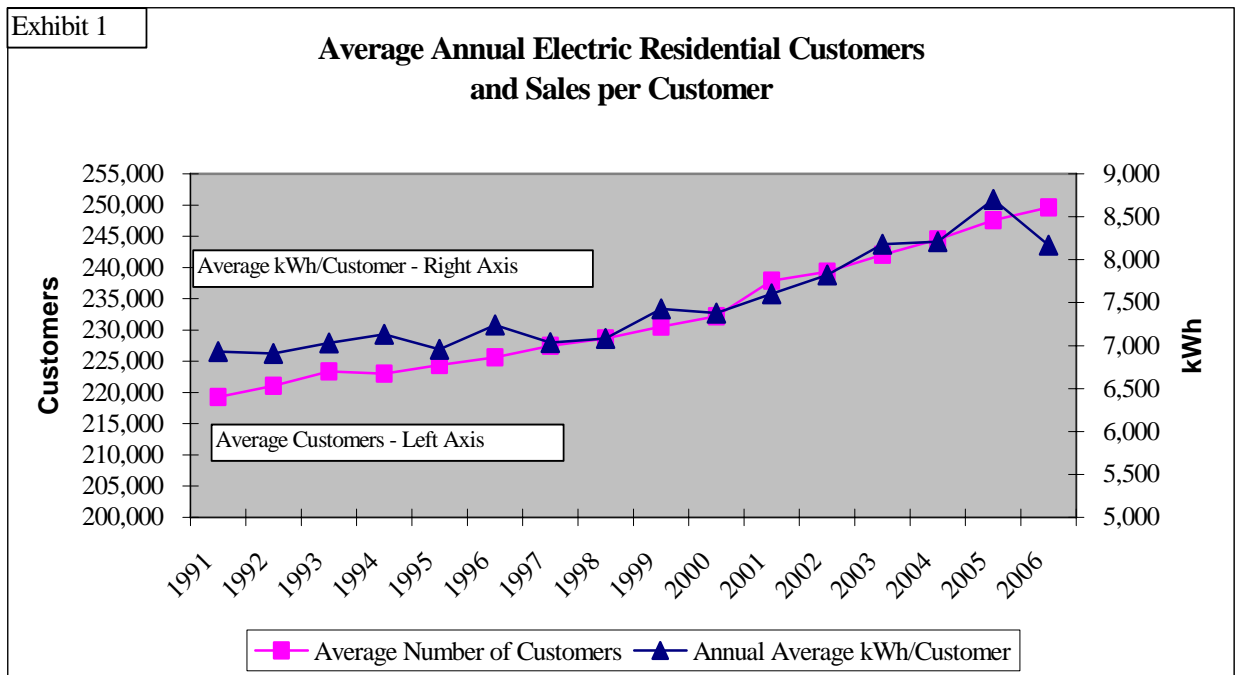
3rd Revised Leaf No. 39

The purpose of this filing is to revise the contribution required from an applicant in instances where the Company, during its supply configuration design process, determines that three-phase service is required to meet the anticipated electrical needs of an applicant's proposed residential subdivision in order to discharge the Company's obligation to provide safe, adequate and reliable service.

Uniform rules governing the extension of new underground electric service to subdivisions of four or more residential dwellings were originally adopted by the Commission in 1971 within 16 NYCRR §100. In 1993, §100, as well as §98 addressing general provisions relating to the extension of electric facilities, were repealed and new sections 98 and 100 were added to specify the requirements for installation of underground electric distribution lines and the allocation of costs between the utility (existing ratepayers) and applicants/new customers. In particular, while the new rules specified the length of line extension to be provided to applicants/new customers at the utility's (existing ratepayer's) expense, they did not specify the type of service to be provided.

The Company believes that it should continue to maintain the responsibility for determining type of service to be provided in order to ensure safe, adequate and reliable service, as currently included in Section 5.C.(2) of its Commission-approved rate schedule, P.S.C. No. 15 – Electricity. This determination is made on a case-by-case basis during its supply configuration design process.

Since the implementation of 16 NYCRR §98 and §100 in 1993, the Company has experienced significant growth in its residential customer base (see Exhibit 1), with a large portion of new homes constructed within subdivisions. Additionally, while appliance efficiencies continued to increase over this period, increased air conditioning saturation (see Exhibit 2), additional electronic appliances, increased square footage (see Exhibit 3) and more homes per subdivision necessitated the increased use of three-phase service for many subdivisions due to increased loads. In these instances, three-phase service was determined to be necessary to meet load serving, phase balancing and reliability requirements. The proposed tariff amendment included herein seeks to address the Commission's cost causation principle by allocating the additional costs of three-phase service to those customers receiving the benefit of the greater service reliability afforded by three-phase service via an increased contribution from an applicant.

**Exhibit 2****Air Conditioning Saturation**

	Year:	1991	1999	2003	2006
<i>Square Feet</i>	<i>Percentage:</i>	%	%	%	%
Do Not Have A/C		42	19	15	14
Have A/C		56	80	84	88
<i>Central Air (A/C or Heat Pump)</i>		11	17	24	31
<i>Individual Window/Wall Units</i>		45	62	61	57
Not Reported		1	1	0	1

Source: CH Residential Appliance Saturation Survey Series  
Percentages may not add to 100% due to rounding.

Exhibit 3					
<b>Area of Living Quarters Measured by Living Square Footage</b>					
	<i>Year:</i>	1991	1999	2003	2006
<i>Square Feet</i>	<i>Percentage:</i>	%	%	%	%
Under 750		12	9	9	7
750 – 999		14	10	9	10
1000 – 1499		27	25	23	23
1500 - 1999		18	23	22	22
Above 2000		19	23	29	31
Not Reported		11	10	7	7
Source: CH Residential Appliance Saturation Survey Series					
Percentages may not add to 100% due to rounding.					

The Company is arranging to comply with the requirements of §66(12)(b) of the Public Service Law by publishing notices of the tariff amendment proposed herein in the April 7, 14, 21, and 28, 2010 issues of the Catskill Daily Mail, the Kingston Freeman, the Times Herald Record and the Poughkeepsie Journal.

Questions related to this filing should be directed to Glynis Bunt at (845) 486-5420 or gbunt@cenhud.com.

Yours very truly,

Michael L. Mosher  
Vice President - Regulatory Affairs

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