

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

July 14, 2010

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

Dear Commissioners:

In accordance with General Information Section 36.G of P.S.C. No. 15 - Electricity, the Statement listed below is filed to become effective August 1, 2010.

P.S.C. No. 15 - Electricity

Statement of Revenue Decoupling Mechanism Adjustment RDM-2

Pursuant to the Order issued and effective June 22, 2009 in Case 08-E-0887, a Revenue Decoupling Mechanism ("RDM") was implemented for Central Hudson Gas & Electric Corporation ("Central Hudson" or "the Company") for electric Service Classification Nos. 1, 2 and 6 effective July 1, 2009. Effective October 1, 2009, the Company implemented Interim RDM Adjustments authorized to begin collecting the cumulative revenue shortfall which exceeded the \$4 million circuit breaker instituted by the Commission.

As these factors have been in effect for more than six months and the first Annual RDM Period concluded on June 30, 2010, pursuant to General Information, Section 36.G, the Company is hereby filing new RDM Adjustment factors to collect the delivery revenue shortfall for the period September 2009 through June 2010 and the carrying charges for the rate year. This delivery revenue shortfall is the result of an over-collection in SC No. 2 Primary and Secondary Demand, offset by an under-collection in SC Nos. 1, 2 Non-Demand and 6. As a result, the Company is proposing to implement RDM Adjustment refunds to SC Nos. 2 Primary and Secondary Demand and RDM Adjustment surcharges for the remaining applicable classes. These RDM adjustments will be added to the Interim RDM Adjustments that became effective October 1, 2009 to establish a single set of combined class-specific adjustments effective from August 1, 2010 through September 30, 2010. Beginning October 1, 2010, the first Interim RDM Adjustment will expire, and the rates effective will be solely based on the delivery revenue shortfall experienced by the Company for the period September 2009 through June 2010.

Questions related to this filing should be directed to Jodi Harris at (845) 486-5578 or [jharris@cenhud.com](mailto:jharris@cenhud.com). Work papers have been sent directly to Gigi Chrysogelos.

Very truly yours,

Michael L. Mosher