

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

October 24, 2011

Public Service Commission  
Three Empire State Plaza  
Albany, NY 12223

**Cases 11-E-0465 and 09-E-0588: Central Hudson Time-Of-Use Rates**

Dear Commissioners:

The tariff leaf set forth below is filed by Central Hudson Gas & Electric Corporation ("Central Hudson" or "the Company") on October 24, 2011 to become effective February 1, 2012.

**P.S.C. No. 15 – Electricity**

16<sup>th</sup> Revised Leaf No. 210

**Purpose of Filing**

On August 25, 2011 Central Hudson submitted a tariff filing proposing the implementation of a residential off-peak rate, covering both delivery and supply, to encourage customers owning and/or operating plug-in electric and plug-in hybrid electric vehicles (collectively, "PEV") to charges these vehicles during off-peak hours. The Company proposed this new structure to address the launch of PEVs in 2010 by major automotive manufacturers, including Nissan and Chevrolet, growing consumer interest and the elimination of the on-peak/off-peak delivery rate differential for Service Classification No. 6 ("SC 6"), proposed by the Company and approved by the Commission in Case 09-E-0588.

After discussing the proposal with Staff of the Department of Public Service, the Company believes that elimination of the SC 6 differential may have been premature in light of the evolving PEV market. Based on this discussion, Central Hudson cancelled the August 25, 2011 tariff filing, Case 11-E-0465, and requests that the terms of the Joint Proposal ("JP") approved by the Commission in Case 09-E-0588 regarding SC 6 be modified effective 7/1/2012. Specifically, the Company proposes that the on-peak/off-peak delivery rate differential approved for Rate Year 2 (12 months ending June 30, 2012) be maintained for Rate Year 3 (12 months ending June 30, 2013), with the Rate Year 3 rate increase factored in. This is in contrast to the currently approved structure wherein the on-peak/off-peak delivery rate differential ceases in Rate Year 3. The resulting rate design, based on the billing determinants contained in the JP, is revenue neutral, producing the same revenue as included in the JP. The Company further proposes to revisit this request in its next major rate filing.

The Company is arranging to comply with the requirements of Section 66(12)(b) of the Public Service Law as to newspaper publication by publishing notices of the changes proposed herein in the October 26, November 2, 9 and 16 issues of the Catskill Daily Mail, Kingston Freeman, Times Herald Record and Poughkeepsie Journal.

Work papers supporting the rate design contained herein have been provided to Staff of the Department of Public Service.

Questions related to this filing should be directed to Glynis Bunt at (845) 486-5420 or Linda VanEtten at (845) 486-5554.

Yours very truly,

Michael L. Mosher  
Vice President - Regulatory Affairs

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