

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

July 30, 2012

Public Service Commission
Three Empire State Plaza
Albany, NY 12223

Cases 12-E-0246 and 12-G-0247: Proposed Modification to RDM Reconciliation

Dear Commissioners:

The supplements set forth below are filed by Central Hudson Gas & Electric Corporation ("Central Hudson" or "the Company") on July 30, 2012 to become effective September 1, 2012, the proposed effective date in the aforementioned Cases.

P.S.C. No. 15 – Electricity

Supplement No. 66

P.S.C. No. 12 – Gas

Supplement No. 39

Purpose of Filing

On May 24, 2012 Central Hudson submitted a tariff filing proposing slight tariff language modifications to allow the Company to reconcile revenues on a more real-time basis and moderate the accumulation of carrying charges related to past periods. Furthermore, the Company proposed to modify the Delivery Revenue Targets of the Revenue Decoupling Mechanism to make adjustments to reflect non-RDM customers moving to RDM classes, and vice-versa.

After discussing the proposal with PSC Staff, the Company understands that it is able to reconcile Rate Year over/under collections over a period other than the twelve months beginning August 1 if this timeframe is delayed due to an Interim RDM Adjustment and the limitation to not change RDM Adjustment Factors more than once in any six-month period. The Company plans to address customers moving between RDM classes the next time Central Hudson's RDM Targets are addressed in a Commission proceeding.

Based on these discussions, Central Hudson hereby cancels the May 24, 2012 tariff filing.

Yours very truly,

Michael L. Mosher
Vice President - Regulatory Affairs

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