

Gas schools offer hands-on training

Discount offered for those who enroll in both Basic Combustion and Controls courses

Central Hudson's valuable, hands-on instruction in basic natural gas operations and equipment continues this fall with two classes for trade allies.

Basic Combustion is a four-session class that offers a comprehensive introduction to natural gas properties, combustion theory, venting, codes and gas appliance troubleshooting. Controls is a two-session class covering the operation and proper

installation of system wiring, controls, thermostats, aqua stats and relays along with their function, operation and proper installation.

Central Hudson has offered the spring and fall gas schools for more than 20 years, training more than 2,000 contractors in natural gas operations and equipment. "Participants have reported that the training has proven to be beneficial and informative," noted instructor Kevin Smith. "Many

received their start in servicing and installing gas equipment at one of Central Hudson's schools."

The classes meet Tuesday and Thursday evenings at Central Hudson's Kingston office at 120 Route 28 in Kingston, just west of the New York State Thruway traffic circle. A buffet dinner for both schools begins at 5:30 p.m., and the classes run from 6 to 9 p.m.

Class size is limited so that hands-on learning can be maximized. With smaller class sizes, students are able to work directly on equipment, troubleshooting and repairing problems at work stations with individualized attention from Central Hudson's Commercial Representatives.

Basic Combustion will be held on Oct. 10, 12, 17, and 19. Controls is scheduled for Nov. 14 and 16. The registration fee of \$125 for each school includes instruction materials and meals. Those who register and pay for both schools will be eligible to have their tuition reduced to \$200 per student. The registration form is on the back page of this newsletter.



The Basic Combustion school begins with classroom style instruction and then progresses into hands-on training with various gas control devices. Central Hudson has trained more than 2,000 people through its gas schools.

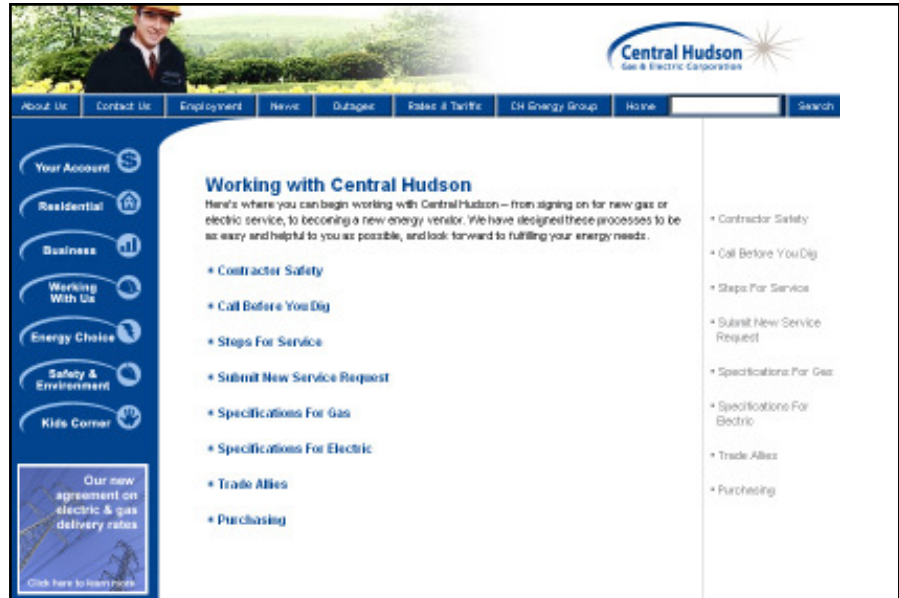
Updated Web site easier to navigate

Revised Web site features special sections for those who do business with Central Hudson

Central Hudson has launched an updated version of its Web site to help trade allies and customers more readily interact with and find information about the utility.

“The Web site has a new look, and is easier to navigate,” said Marketing Director Bill Flynn. “Important topics and frequently visited areas are organized simply and clearly.”

The Web site is full-featured, hosting a wealth of information and offers a number of valuable services to make communicating and working with the utility easier and more convenient. On-line services for residential and business customers include viewing billing and payment histories; reviewing energy usage; entering meter readings; and even paying bills. A new section for contractors provides important information on how to apply for new electric and natural gas service, and offers important safety information,



Central Hudson’s newly designed Web site features a unified design that remains consistent throughout each category of information. Information for trade allies can be accessed through the “Working With Us” heading.

including how to contact “Dig Safely New York” to notify utilities before digging or excavating.

A special section for contractors and trade allies includes information on new service requirements for

electric and gas. The specifications for electric and gas, also known as the Red and Blue Book, are also online.

To view Central Hudson’s newly expanded Web site, go to www.CentralHudson.com.

NEW FEATURES OF WWW.CENTRALHUDSON.COM

- **Trade Ally features:** A section titled “Working With Us” was added that includes information on contractor safety, gas and electric specifications, and new service requests. The “Trade Allies” link in this section brings users to special training for trade allies and past issues of the Trade Ally News.
- **Reorganized menus:** The new layout of subsections allows site visitors to find what they need quickly.
- **Streamlined customer access:** The simplified “Your Account” area provides immediate log-in from the home page.
- **More options:** The home page gives users a snapshot of the site so users can quickly review the contents and location of information.
- **Banner advertisements:** Central Hudson can now post links to breaking information, such as outage restoration postings, along the left side of the home page.

Central Hudson's new delivery rates to be phased in over time

The Staff of the New York Public Service Commission (PSC), Central Hudson Gas & Electric, a consortium representing large industrial users and the United States Department of Defense (representing the United States Military Academy at West Point) have reached an agreement that would phase in new electricity and natural gas delivery rates for customers of the Poughkeepsie-based utility during the next three years. The settlement comes as the result of Central Hudson's first rate increase request in more than 13 years; could become effective July 1, 2006, at the earliest if approved by the PSC by then; and would increase customers' total electric bills by approximately 11 percent and total gas bills by about 9.5 percent by 2009.

"Even with the projected increases, we believe that our customers will continue to pay among the lowest electric bills in the state of New York, as they have for more than a decade. We estimate that the typical residential electric customer who uses about 500 kilowatt hours of electricity per month will see an approximate increase of less than \$3.50 per month this year as a result of the new delivery rates; by the end of the three-year period, that amount would total less than \$10 per

month," said Arthur R. Upright, Senior Vice President of Regulatory Affairs.

Upright estimated that residential natural gas heating customers could expect to see a bill increase of about \$8 per month in 2006; the delivery rate increase would raise these bills by less than \$16

programs such as the clean up of our former Manufactured Gas Plants and testing for stray voltage," Upright continued.

Additional highlights of the agreement include a new program to assist low-income customers who are experiencing financial difficulties in paying their energy bills, continued funding of programs to encourage customers to explore new opportunities available through the competitive energy supply market, and an established return on equity of 9.6 percent with the potential to share earnings above 10.6 percent with customers.

"We requested these increases to our delivery rates only after a thorough review of our operations – and there were many substantial contributing factors, including needed improvements to

our infrastructure to meet the growing energy needs of the Hudson Valley, general inflation, increased pension expenses, and enhancements to our safety and environmental programs," explained Upright. "The agreement will provide necessary funds to cover increased costs, and the three-year phase-in period will prevent undue impacts on Central Hudson's customers."

per month by the end of the three-year agreement. Total bills for natural gas customers should remain near the statewide average with the new delivery rate structure, he said.

"Importantly, the agreement gives us the opportunity to fund investments in our electric and natural gas infrastructure, to more effectively trim vegetation that could interrupt electric service, and to recover the expenses associated with

What to expect

Electric

Typical residential electric customers using about 500 kilowatt-hours of electricity per month will see an approximate increase of less than \$3.50 per month in the first year, and less than \$10 per month by the end of the three-year period. Central Hudson customers should continue to pay among the lowest total electric bills in New York.

Natural gas

Residential natural gas heating customers could expect to see a bill increase of about \$8 per month in the first year, and an increase of less than \$16 per month by the end of the three-year agreement. Total natural gas bills should remain near the statewide average.

Water heater lease program phasing out

Central Hudson is no longer offering to lease water heaters to new customers.

“We are making this change as part of our rate settlement with the New York State Public Service Commission (PSC),” reported Marketing

Director Bill Flynn, “and we are currently developing a plan to eventually phase out this program.”

For further details, trade allies may contact Flynn at (845) 486-5888 or Marketing Specialist Carol Anne Wilson at (845) 486-5248.



Standard revised for gas trench design

In its continuous effort to find ways to improve its natural gas distribution system, Central Hudson revised its gas trench design standards based upon the requirements of regulators and industry standard organizations. The most recent changes involve trench clearance and sand pad material.

All new trench designs now specify that there must be at least 12 inches of clearance between a gas main or service and any other buried facility. (The revised standard is shown on the facing page.) In most instances this has increased the depth and/or

width of the trench. Exceptions can be made on a case-by-case basis when existing facilities must be taken into account. However, in these situations, other arrangements will be made to provide additional protection to the gas pipe.

The other trench design revision involves the sand pad material. Central Hudson now requires that the sand be of a different color and/or consistency than the native material. Stone dust or concrete sand are the preferred choices. Shifted or processed soil that has been removed from the trench is not acceptable.

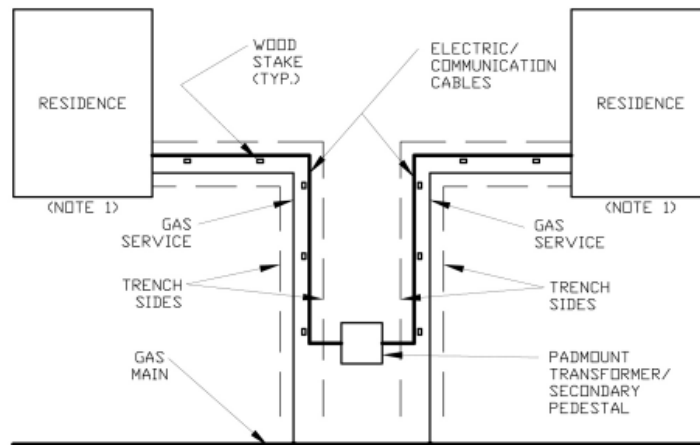
The reasoning behind this change is to provide one additional warning signal to future excavators that they are working in an area where intentional changes have been made to the soil.

Central Hudson has also initiated a construction inspection program where inspectors are sent out randomly to monitor the sand pad and backfill process to ensure that all existing and new standards are followed.

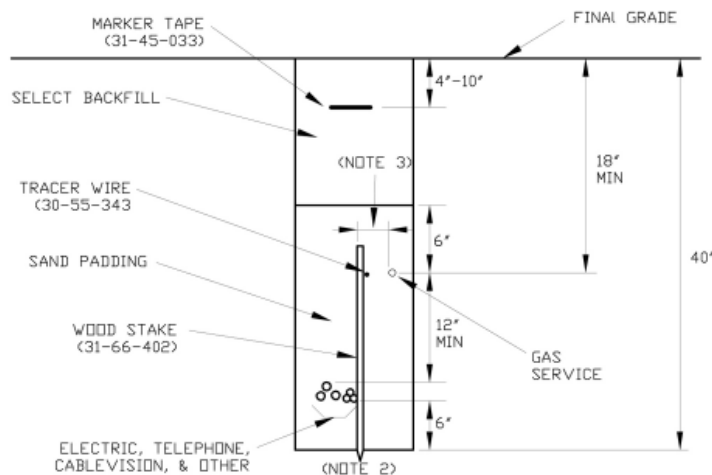
EQUIVALENT TO ELECTRIC STANDARD E 05-06-001.3

G 01 03 005.3

SHEET 1 OF 1



PLAN



PROFILE

NOTES:

1. SEE GAS CONSTRUCTION STANDARD G 03 01 001.0 FOR LOCATION OF THE GAS METER SET.
2. TRENCH WIDTH SHALL BE A MINIMUM 24".
3. LOCATE PLASTIC PIPE A SUFFICIENT DISTANCE FROM WOODEN STAKE TO MINIMIZE TRACER WIRE TO PIPE CONTACT.

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|------------------|---|-----------|
| GAS STANDARDS | CENTRAL HUDSON GAS & ELECTRIC CORP. | DATE 2/06 |
| DRAWN. JML | UNDERGROUND RESIDENTIAL DISTRIBUTION (URD) ELECTRIC & GAS SERVICE INSTALLATION WITH OTHER UTILITIES | ISSUE 1 |
| CLEAR JEC/LRC | | APP. JJB |
| ENGR. LRC | | APP. JPL |
| APP. HWS | | |

Call hotline before going underground

Preventing damage to underground lines begins with one simple call to Dig Safely New York

Central Hudson reminds anyone who plans to dig or excavate to contact the Dig Safely New York hotline at (800) 962-7962 before proceeding.

“Ensuring that proper contacts are made prior to digging or excavating is an important safety measure,” said Charles A. Freni, Senior Vice President of Customer Services at Central Hudson. “All contractors, and even homeowners excavating on their own property, should contact Dig Safely New York at least two to 10 days prior to digging in order to prevent accidental contact with utility lines. With the high level of construction activity in the Mid-Hudson Valley, it’s crucial

that homeowners and excavating contractors follow New York State regulations by first calling Dig Safely New York so that underground utilities can be identified and marked.”

This “One-Call” number connects the homeowner or excavator to a state-wide notification system that alerts utilities, municipalities and other parties that operate underground facilities of the contractors’ intent to excavate at specific sites so that subsurface facilities can be marked out completely. “Damaging underground facilities can result in significant consequences. These regulations are designed to protect individuals from physical harm and liability, and the general public from service

interruptions of critical utilities,” noted Freni.

Damage to underground facilities can subject excavators to civil penalties and other liabilities, such as the costs to repair damage caused by the excavation. In addition, contact with certain underground facilities, such as natural gas pipelines and high voltage electric lines, can cause serious injury to those digging and bystanders in the immediate vicinity, as well as causing an interruption of utility services to homes, businesses and critical facilities, such as schools and hospitals.

When working near utility lines, excavators and construction crews are also encouraged to contact Central Hudson to meet with a representative to review plans and suggest ways to work safely. They should also establish a communications plan with their workers to inform them of the location and potential hazards of utility lines in the area.

Additional information on the Dig Safely New York One-Call system is available on their Web site at www.DigSafelyNewYork.com. To learn more about contractor safety and working near utility lines, call Central Hudson at (845) 452-2700 or (800) 527-2714, or visit www.CentralHudson.com.



Dig Safely.
New York

- **Call Before You Dig**
- **Wait The Required Time**
- **Confirm Utility Response**
- **Respect The Marks**
- **Dig With Care**

800-962-7962
www.digsafelynewyork.com

Packet coupons assist in reaching new customers

Heating and cooling system contractors are invited to include coupons for their businesses in Central Hudson's informational packets. Over 2,500 of these information packets are distributed annually to customers through mailings and at fairs and trade shows throughout the Hudson Valley.

A coupon sheet is included along with a variety of information for customers who may be interested in making a change in their home heating or cooling system. Central Hudson features coupons from businesses in the following packets: 1) Geothermal Heat Pumps, 2) Heat Pump Super Central Air Systems, and 3) Natural Gas Heating.

"This is an economical opportunity for businesses to get targeted advertisements into the hands of customers interested in purchasing new central air systems, heat pumps or natural gas heating equipment," noted Bill Flynn, Central Hudson's Marketing Director.

**Coupon deadline:
July 14, 2006**



Business coupons in Central Hudson's informational packets reach customers interested in purchasing new central air systems, heat pumps or natural gas heating equipment. Approximately 500 packets will be distributed at the Dutchess County Fair, Aug. 22-27.

Approximately 500 packets will be distributed at the Dutchess County Fair in August, with Geothermal Heat Pumps and Natural Gas Heating being the top interests.

"Distributing these packets over the six days of the fair is an effective way for us to promote our programs, but it also helps to put some of our customers in touch with our trade allies," Flynn explained. Businesses have until **July 14** to have coupons included in the new packets. Send Central Hudson a

copy of the coupon or supply the complete details so a new coupon can be designed. In order to be included, all coupon information must be in by this date. To participate or receive more information, please contact Marketing Director Bill Flynn at (845) 486-5888.

The packets and coupons are updated twice each year. All business who wish to participate must meet the July 14 deadline, even if they have issued packet coupons in the past.

GAS SCHOOL REGISTRATION FORM



*Please fill out the registration form
and return with payment to:*

**Central Hudson
284 South Avenue
Poughkeepsie, NY 12601
Attention: Bill Flynn**

or

**Fax to (845) 486-5593 Attn: Bill Flynn
and mail payment to the address above.**

Contractor information

Name: _____

Phone number: _____

Company: _____

Fax number: _____ Email: _____

Basic Combustion School

Oct. 10, 12, 17 and 19

Number attending at \$125 each: ____

Names of attendees:

Controls School

Nov. 14 and 16

Number attending at \$125 each: ____

Names of attendees:

- Schools are held at Central Hudson's Kingston office at 120 Route 28 in Kingston, N.Y.
- Dinner and registration is at 5:30 p.m. and classes are from 6 to 9 p.m.
- Each student registering for both schools will qualify to have the tuition discounted to \$200
- Please make checks payable to Central Hudson Gas & Electric.
- Those who have questions may call (845) 486-5550.