

CENTRAL HUDSON GAS & ELECTRIC CORPORATION

CASE 17-E- & CASE 17-G-

REVENUE REQUIREMENTS PANEL

SCHEDULE OF EXHIBITS

PROJECTED CHANGE IN DELIVERY REVENUE REQUIREMENTS (RRP-1)

ELECTRIC INCOME STATEMENT: (RRP-2)

Twelve Months Ended March 31, 2017;
Twelve Months Ended December 31, 2017;
Twelve Months Ended December 31, 2018;
Rate Year - Twelve Months Ended June 30, 2019

GAS INCOME STATEMENT: (RRP-3)

Twelve Months Ended March 31, 2017;
Twelve Months Ended December 31, 2017;
Twelve Months Ended December 31, 2018;
Rate Year - Twelve Months Ended June 30, 2019

SCHEDULE OF DIRECT LABOR (RRP-4)

RATE BASE SUMMARY: (RRP-5)

Twelve Months Ended March 31, 2017

RATE BASE SUMMARY: (RRP-6)

Twelve Months Ended December 31, 2017;
Twelve Months Ended December 31, 2018;
Rate Year - Twelve Months Ended June 30, 2019

NET DEFERRED BALANCES AVAILABLE FOR MODERATION (RRP-7)

ITEMS SUBJECT TO UPDATE (RRP-8)

Central Hudson Gas & Electric Corporation
Cases 17- E- _____ and 17-G- _____

Projected Change in Delivery Revenue Requirements
Rate Year Ended June 30, 2019

	Effect on Revenue Requirements Excluding Revenue Taxes	
	Electric	Gas
SALES & CUSTOMERS		
Commission Authorized Delivery Revenue Requirements For the Rate Year Ending June 30, 2018 (1)	319,516	95,346
Projected Delivery Revenues for the Rate Year Ending June 30, 2019 Before Rate Change (2)	299,114	91,241
Projected Shortfall / (Moderator) from Current Commission Authorized Delivery Revenue Requirements	20,402	4,105
EXPENSES		
<u>Investment in Infrastructure:</u>		
Rate Base Growth:		
Depreciation (Including Transportation)	4,526	1,952
Return on Rate Base (@ RYE 6/30/18 After-Tax WACC)	2,318	2,623
Right of Way Maintenance (Line Clearance & Trimming)	12,153	-
Pipeline Integrity & Inspection	-	383
Transmission & Distribution Repairs & Maintenance	3,763	332
Information Technology	3,308	917
Energy Transformation & Solutions (IT, Consulting Services, & O&E)	2,036	501
Security of Infrastructure	472	219
Property Taxes	(732)	612
All Other	(504)	-
Investment in Infrastructure	27,340	7,539
<u>Labor and Employee Benefits:</u>		
Employee Benefits	3,452	1,290
Labor	1,761	1,188
Executive Incentive Compensation (STI)	805	201
Other Post Employment Benefits (OPEB's)	(597)	(261)
Pension Plan	(4,056)	(815)
Payroll Taxes	(24)	179
Labor and Employee Benefits	1,341	1,782
<u>Other Expenses:</u>		
Low Income Program	2,829	1,540
Income Tax	2,747	2,314
Sales & Use Tax	1,930	305
Miscellaneous General	1,652	451
Environmental SIR Costs	1,239	714
Employee Training, Safety & Education	709	341
Uncollectible Accounts	614	348
Gas Expansion & Marketing	-	170
Regulatory Commission General Assessment	436	136
Payment by Credit Card	344	109
Legal Services	(533)	25
Injuries & Damages	(736)	47
All Other - Net	(1,037)	696
Other Expenses	10,194	7,196
Expenses	38,875	16,518
COST OF CAPITAL (Net-of-Tax)		
Common Equity Layer (48% to 50%)	1,770	685
ROE Cost Rate (9.0% to 9.5%)	2,360	913
Cost of Capital	4,130	1,598
Proposed Change in Delivery Rates	63,407	22,220

(1) June 17, 2015 Order Establishing Rate Plan adopting Joint Proposal Appendix A, Schedules 1 and 2.

(2) Revenue Requirements Panel Exhibit ____ (RRP-2), Schedule A and Exhibit ____ (RRP-3), Schedule A.

CENTRAL HUDSON GAS & ELECTRIC CORPORATION

ELECTRIC INCOME STATEMENT

- Schedule A - Income Statements for the:
- Year Ended March 31, 2017
 - Year Ending December 31, 2017
 - Year Ending December 31, 2018
 - Twelve Months Ending June 30, 2019
- Schedule B - Summary of Normalization Adjustments:
Effect on Operating Income, Income Taxes and Rate Base
for the Twelve Months Ended March 31, 2017
- Schedule C - Details of Operating Expenses by Component

Central Hudson Gas & Electric Corporation
Electric Operations
Income Statement & Rate of Return for Periods Indicated
(\$000)

Income Statement - Summary	Twelve Months Ended March 31, 2017			Bridge Period Projection		Rate Year - Twelve Months Ending June 30, 2019		
	Per Books	Normalization Adjustments	As Adjusted	Year Ending December 31, 2017	2018	Before Rate Change	Proposed Rate Change	Proposed Rates
Total Operating Revenue	516,756	(204,985)	311,771	330,405	320,012	314,400	65,815	380,215
Operating & Maintenance Expense	348,629	(202,402)	146,227	151,236	169,358	181,009	541	181,550
Depreciation & Amortization	36,982	-	36,982	39,772	43,355	46,108	-	46,108
Taxes Other than Income Taxes	48,905	(4,469)	44,436	46,591	50,906	53,040	1,756	54,796
Federal & State Income Taxes	24,356	740	25,096	28,477	13,451	4,105	24,915	29,020
Operating Income - Financial	57,884	1,146	59,030	64,329	42,942	30,138	38,603	68,741
Ratemaking Adjustments	1,362	-	1,362	-	-	-	-	-
Operating Income - Regulatory	59,246	1,146	60,392	64,329	42,942	30,138	38,603	68,741
Rate Base	849,700	(5,577)	844,123	884,157	943,696	983,391		983,391
Regulatory Rate of Return	6.97%		7.15%	7.28%	4.55%	3.06%		6.99%

Calculation of Regulatory Return on Equity:

Operating Income - Regulatory	68,741
Interest Expense - Regulatory	22,028
Income for Common Equity - Regulatory	46,713
Rate Base Supported by Equity @ 50%	491,696
Regulatory Return on Common Equity	9.50%

Central Hudson Gas & Electric Corporation
Electric Operations
Income Statement & Rate of Return for Periods Indicated
(\$000)

Operating Revenues	Twelve Months Ended March 31, 2017				Bridge Period Projection		Rate Year - Twelve Months Ending June 30, 2019		
	Per Books	Normalization Ref. #	Adjustment Amount	As Adjusted	Year Ending December 31, 2017	2018	Before Rate Change	Proposed Rate Change	Proposed Rates
Own Territory Delivery Revenues	292,187	1.	(8)	292,179	286,908	301,852	299,114	63,407	362,521
RDM Revenue	(7,121)		-	(7,121)	21,350	2,416	-	-	-
Revenue Taxes	3,741		-	3,741	4,525	5,326	5,275	1,756	7,031
Subtotal - Delivery Revenues	288,807		(8)	288,799	312,783	309,594	304,389	65,163	369,552
Commodity - ECAM Charge	158,395	2.	(158,395)	-	-	-	-	-	-
18a Surcharge	5,153	3.	(5,153)	-	-	-	-	-	-
NWA Surcharge	151	4.	(151)	-	-	-	-	-	-
SBC, EEPS, CEF Surcharge	28,278	5.	(28,278)	-	-	-	-	-	-
RPS Surcharge	10,167	6.	(10,167)	-	-	-	-	-	-
Subtotal - Surcharges	43,749		(43,749)	-	-	-	-	-	-
Resale Revenues	3,636	7.	(3,636)	-	-	-	-	-	-
Deferred Accounting Revenues	11,974	8.	1,509	13,483	8,148	503	-	-	-
Other Operating Revenues	10,195	9.	(706)	9,489	9,474	9,915	10,011	652	10,663
Total Operating Revenues	516,756		(204,985)	311,771	330,405	320,012	314,400	65,815	380,215

Central Hudson Gas & Electric Corporation
Electric Operations
Income Statement & Rate of Return for Periods Indicated
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	Twelve Months Ended March 31, 2017				Bridge Period Projection		Rate Year - Twelve Months Ending June 30, 2019		
	Per Books	Normalization Adjustment		As Adjusted	Year Ending December 31,		Before Rate Change	Proposed Rate Change	Proposed Rates
		Ref. #	Amount		2017	2018			
Operating & Maintenance Expense									
Fuel	76	10.	(76)	0	0	0	0	0	0
Purchased Power	157,306	11.	(157,306)	0	0	0	0	0	0
Clean Energy Fund Charge	5,513	12.	(5,513)	0	0	0	0	0	0
System Benefits Charge	5,464	13.	(5,464)	0	0	0	0	0	0
Renewable Portfolio Standards Charge	10,092	14.	(10,092)	0	0	0	0	0	0
Energy Efficiency Portfolio Standard Charge	17,092	15.	(17,092)	0	0	0	0	0	0
Non Wires Alternative Costs Amortization	150	16.	(150)	0	0	0	0	0	0
18a Temporary Assessment	5,116	17.	(5,116)	0	0	0	0	0	0
Labor	55,122	18.	1,118	56,240	58,425	61,690	63,690		63,690
Executive Incentive Compensation	2,672	19.	(2,672)	0	0	397	805		805
Employee Benefits	8,946	20.	(10)	8,936	9,587	10,278	10,663		10,663
Pension Plan	12,369		0	12,369	12,203	12,853	8,373		8,373
Other Post Employee Benefits	(2,013)		0	(2,013)	(2,932)	(2,478)	(2,605)		(2,605)
Employee Training, Safety & Education	1,053	21.	(11)	1,042	1,074	1,412	1,724		1,724
Production Maintenance	286	22.	(156)	130	297	253	255		255
Right of Way Maintenance - Transmission	2,678		0	2,678	1,523	1,309	2,445		2,445
Right of Way Maintenance - Distribution	12,492		0	12,492	14,105	19,940	25,570		25,570
Stray Voltage Testing	737		0	737	748	630	568		568
System Engineering & Compliance	141	23.	74	215	219	223	226		226
Substation Testing & Maintenance	544		0	544	552	565	571		571
Transmission Repairs & Maintenance	990	24.	(85)	905	919	1,289	1,705		1,705
Distribution Repairs & Maintenance	1,681	25.	6	1,687	1,763	3,772	4,752		4,752
Transformer Installations & Removals	(990)	26.	383	(607)	(618)	(635)	(653)		(653)
Meter Installations, Removals & Maintenance	(948)	27.	106	(842)	(855)	(873)	(884)		(884)
Research and Development	2,327	28.	(258)	2,069	3,063	2,653	2,537		2,537
Economic Development	0		0	0	0	0	0		0
Customer Outreach & Education	585	29.	1	586	680	796	876		876
Meter Reading & Collections	1,552		0	1,552	1,573	1,598	1,609		1,609
Bill Print	433	30.	39	472	479	490	496		496
Postage	1,126	31.	77	1,203	1,221	1,247	1,262		1,262
Payment by Credit/Debit Card	0		0	0	0	0	344		344
Low Income Program	2,959		0	2,959	3,018	4,156	5,882		5,882
Uncollectible Accounts	2,920	32.	(401)	2,519	2,437	2,542	2,517	541	3,058
Regulatory Commission General Assessment	1,616		0	1,616	1,638	1,860	2,092		2,092
Environmental SIR Costs	5,340		0	5,340	5,416	6,067	6,714		6,714
Environmental All Other	160	33.	1	161	164	167	169		169
Information Technology	4,312	34.	162	4,474	4,820	5,965	7,285		7,285
Telephone	1,622		0	1,622	1,646	1,611	1,595		1,595
Rental Agreements	1,753	35.	33	1,786	1,825	1,937	1,992		1,992
Security of Infrastructure	1,406	36.	(1)	1,405	1,427	1,677	1,913		1,913
Maintenance of Buildings & Grounds	1,470	37.	(6)	1,464	1,486	1,559	1,617		1,617
Major Storm Reserve	1,054		0	1,054	1,754	700	700		700
Non Major Storm Restoration	5,406	38.	(225)	5,181	5,258	5,374	5,439		5,439
Material & Supplies	1,495	39.	248	1,743	1,769	1,808	1,829		1,829

Central Hudson Gas & Electric Corporation
Electric Operations
Income Statement & Rate of Return for Periods Indicated
(\$000)

	Twelve Months Ended March 31, 2017				Bridge Period Projection		Rate Year - Twelve Months Ending June 30, 2019		
	Per Books	Normalization Adjustment		As Adjusted	Year Ending December 31,		Before Rate Change	Proposed Rate Change	Proposed Rates
		Ref. #	Amount		2017	2018			
Stores Clearing to Expense	90		0	90	91	93	95		95
Transportation - Depreciation	2,253		0	2,253	2,334	2,485	2,574		2,574
Transportation - Fuel	946	40.	(173)	773	871	890	901		901
Transportation - All Other	1,021	41.	(57)	964	978	1,000	1,012		1,012
Rate Case Expenses	286		0	286	286	384	485		485
Legal Services	719	42.	11	730	811	829	839		839
Consulting & Professional Services	659	43.	416	1,075	1,099	1,975	2,828		2,828
Miscellaneous General Expenses	3,545	44.	44	3,589	3,375	3,904	3,951		3,951
Injuries and Damages	2,783	45.	(104)	2,679	2,612	2,689	2,724		2,724
Other Operating Insurance	616	46.	(4)	612	616	645	660		660
Office Supplies	1,225	47.	(149)	1,076	1,092	1,116	1,130		1,130
Management & Operational Audit Costs	0		0	0	0	36	72		72
Expenses Allocated to Affiliates	(2)		0	(2)	(2)	(2)	(2)		(2)
Miscellaneous Charges	383		0	383	389	482	514		514
Productivity Imputation	0		0	0	0	0	(847)		(847)
Total O&M Expense	348,629		(202,402)	146,227	151,236	169,358	181,009	541	181,550
Other Operating Deductions:									
Property Taxes	36,270	48.	(1,879)	34,391	35,362	37,915	39,349		39,349
Revenue Taxes	6,024	49.	(2,283)	3,741	4,525	5,326	5,275	1,756	7,031
Payroll Taxes	4,017		0	4,017	4,227	4,455	4,594		4,594
Other Taxes	2,594	50.	(307)	2,287	2,477	3,210	3,822		3,822
Depreciation	36,982		0	36,982	39,772	43,355	46,108		46,108
Total Other Operating Deductions	85,887		(4,469)	81,418	86,363	94,261	99,148	1,756	100,904
Operating Income Taxes:									
Federal Income Taxes	20,698		617	21,315	24,099	11,504	3,652	20,786	24,438
State Income Taxes	3,659		123	3,782	4,378	1,947	454	4,129	4,583
Total Operating Income Taxes	24,357	51.	740	25,097	28,477	13,451	4,106	24,915	29,021
Total Operating Revenue Deductions	458,873		(206,131)	252,742	266,076	277,070	284,263	27,212	311,475

Central Hudson Gas & Electric Corporation
Electric Operations
Income Statement & Rate of Return for Periods Indicated
(\$000)

Ratemaking Adjustments & Interest Expense	Twelve Months Ended March 31, 2017			Bridge Period Projection		Rate Year - Twelve Months Ending June 30, 2019		
	Per Books	Normalization Adjustments	As Adjusted	Year Ending December 31, 2017	2018	Before Rate Change	Proposed Rate Change	Proposed Rates
<u>Ratemaking Adjustments:</u>								
Executive Incentive Pay	2,672		2,672					
Energy Efficiency Incentives	59		59					
Carrying Charges on ECAM Working Capital	(1,285)		(1,285)					
Positive Revenue Adjustment(s)	(328)		(328)					
Negative Revenue Adjustment(s)	2,037		2,037					
Variable Rate Long Term Debt Interest Deferral	318		318					
Adjustment(s) to Cash Basis	(763)		(763)					
Related Income Taxes	(1,348)		(1,348)					
Total Ratemaking Adjustments	<u>1,362</u>	<u>-</u>	<u>1,362</u>					
<u>Long Term Debt Interest Expense:</u>								
Rate Base				884,157	943,696	983,391	-	983,391
Weighted Average Cost of Long Term Debt				2.13%	2.19%	2.23%	2.23%	2.23%
Long Term Debt Interest Expense				<u>18,833</u>	<u>20,667</u>	<u>21,930</u>	<u>-</u>	<u>21,930</u>
<u>Customer Deposit Interest Expense:</u>								
Rate Base				884,157	943,696	983,391	-	983,391
Weighted Average Cost of Customer Deposits				0.00%	0.01%	0.01%	0.01%	0.01%
Customer Deposit Interest Expense				<u>-</u>	<u>94</u>	<u>98</u>	<u>-</u>	<u>98</u>
Total Interest Expense - Regulatory	<u>19,079</u>	<u>-</u>	<u>19,079</u>	<u>18,833</u>	<u>20,761</u>	<u>22,028</u>	<u>-</u>	<u>22,028</u>

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
CASE 17-E-_____
ELECTRIC DEPARTMENT INCOME
SUMMARY OF NORMALIZATION ADJUSTMENTS AND INCOME TAX EFFECT
TWELVE MONTHS ENDED MARCH 31, 2017

	Effect on Operating Income	Income Tax Effect @ 39.225%
1. Adjustment to reclassify Purchased Power Expense	(8)	3
2.A. Adjustment to reclassify Purchased Power expense	(153,682)	60,282
2.B. Adjustment to reclassify Carrying Charge on Working Capital as non operating income	(1,284)	504
2.C. Adjustment to reclassify Revenue Taxes	(2,262)	887
2.D. Adjustment to reclassify Uncollectible Expense	(1,091)	428
2.E. Adjustment to reclassify Fuel expense	(76)	30
Total Adjustment	<u>(158,395)</u>	<u>62,131</u>
3.A. Adjustment to reclassify 18a Surcharge expense	(5,116)	2,007
3.B. Adjustment to reclassify Uncollectible Expense	(38)	15
3.C. Rounding/Other	1	0
Total Adjustment	<u>(5,153)</u>	<u>2,022</u>
4.A. Adjustment to reclassify NWA expense	(150)	59
4.B. Adjustment to reclassify Uncollectible Expense	(1)	0
Total Adjustment	<u>(151)</u>	<u>59</u>
5.A. Adjustment to reclassify SBC, EEPS, CEF Surcharge expense	(28,069)	11,010
5.B. Adjustment to reclassify Uncollectible Expense	(209)	82
Total Adjustment	<u>(28,278)</u>	<u>11,092</u>
6.A. Adjustment to reclassify Renewable Portfolio Charge (RPS) Surcharge expense	(10,092)	3,959
6.B. Adjustment to reclassify Uncollectible Expense	(75)	29
Total Adjustment	<u>(10,167)</u>	<u>3,988</u>
7.A. Adjustment to reclassify Purchased Power expense	(3,615)	1,418
7.B. Adjustment to reclassify Revenue Taxes	(21)	8
Total Adjustment	<u>(3,636)</u>	<u>1,426</u>
8.A. Adjustment to Normalize for Energy Efficiency Incentives	59	(23)
8.B. Adjustment to Normalize for SAIFI/CAIDI Reliability Mechanism	2,037	(799)
8.C. Adjustment to Normalize for Service Termination Incentive	(329)	129
8.D. Adjustment to reclassify Deferred R&D revenues as expense	(258)	101
Total Adjustment	<u>1,509</u>	<u>(592)</u>
9.A. Adjustment to normalize for penalty billing for unauthorized pole attachments	(666)	261
9.B. Adjustment to normalize for one-time payment	(40)	16
Total Adjustment	<u>(706)</u>	<u>277</u>
10. Adjustment to reclassify to ECAM Revenues	76	(30)
11.A. Adjustment to reclassify to ECAM Revenues	153,682	(60,282)
11.B. Adjustment to reclassify to Resale Revenues	3,615	(1,418)
11.C. Adjustment to reclassify to Delivery Revenue	8	(3)
11.D. Rounding/Other	1	0
Total Adjustment	<u>157,306</u>	<u>(61,703)</u>
12. Adjustment to reclassify CEF expense as Surcharge Revenues	5,513	(2,162)
13. Adjustment to reclassify SBC expense as Surcharge Revenues	5,464	(2,143)
14. Adjustment to reclassify RPS expense as Surcharge Revenues	10,092	(3,959)
15. Adjustment to reclassify EEPS expense to Surcharge Revenues	17,092	(6,704)
16. Adjustment to reclassify NWA expense to Surcharge Revenues	150	(59)
17. Adjustment to reclassify 18a expense to Surcharge Revenues	5,116	(2,007)
18.A. Adjustment to reallocate IT Labor	953	(374)
18.B. Adjustment to reclassify Deferred REV Labor	(245)	96
18.C. Adjustment to reclassify Labor for Additional Training	(508)	199
18.D. Adjustment to reallocate Labor for Streetlight Repair/Replace	(498)	195
18.E. Adjustment to reallocate Transformer Credits (Labor vs Non-Labor)	(692)	271
18.F. Adjustment to remove Credit Union Operations	272	(107)
18.G. Adjustment to Redistribute Mutual Aid back to Expense	4	(2)
18.H. Adjustment to Balance for Lost Time & Other	(404)	158
Total Adjustment	<u>(1,118)</u>	<u>436</u>

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
CASE 17-E-_____
ELECTRIC DEPARTMENT INCOME
SUMMARY OF NORMALIZATION ADJUSTMENTS AND INCOME TAX EFFECT
TWELVE MONTHS ENDED MARCH 31, 2017

	Effect on Operating Income	Income Tax Effect @ 39.225%
19. Adjustment to remove Executive Incentive Pay	2,672	(1,048)
20.A. Net adjustments to various premiums and charges related to the medical plan	316	(124)
20.B. Discontinuation of Credit Union operations	(306)	120
	10	(4)
21.A. Adjustment to remove billing orders erroneously charged to training	(3)	1
21.B. Adjustment to transfer training expense that was included in Office Supplies	(24)	9
21.C. Adjustment to transfer software related costs to Information Technology	38	(15)
	11	(5)
22.A. Adjustment to remove out-of-period charges	154	(60)
22.B. Adjustment to reclassify charge to Legal Service	2	(1)
	156	(61)
23.A. Adjustment to normalize one-time credit related to STARS	(29)	11
23.B. Adjustment to reflect projected increase in photovoltaic installation applications	(45)	18
	(74)	29
24. Adjustment to normalize for sag mitigation work which has been completed	85	(33)
25.A. Adjustment for reversal for out-of-period billings to customer	3	(1)
25.B. Adjustment to normalize for streetlight maintenance	(9)	4
Total Adjustment	(6)	3
26. Adjustment to make transformer credits equal 100% of contractor and internal labor	(383)	150
27. Normalize to latest planned purchase of 12,500 meters at a credit of \$68 per meter.	(106)	42
28. Adjustment to reclassify Deferred R&D revenues as expense	258	(101)
29. Normalization to consolidate various function numbers into one function number	(1)	0
30. Adjustment to reflect 12 months of monthly billing	(39)	15
31. Adjustment to reflect 12 months of monthly billing	(77)	30
32.A. Adjustment to reclassify Uncollectibles collected via ECAM	1,091	(428)
32.B. Adjustment to reclassify Uncollectible Expense collected via 18a Surcharge	38	(15)
32.C. Adjustment to reclassify Uncollectible Expense collected via NWA Surcharge	1	0
32.D. Adjustment to reclassify Uncollectible Expense collected via RPS	75	(29)
32.E. Adjustment to reclassify Uncollectible Expense collected via SBC, EEPS, CEF	209	(82)
32.F. Adjustment to balance expense to a level equal to actual write-offs of applicable revenues	(1,013)	397
Total Adjustment	401	(157)
33. Adjustment to remove damage claim credits	(1)	0
34.A. Adjustment to reflect reclassification of expenses to/from Information Technology	(157)	62
34.B. Adjust to reflect 12 months of expense	(149)	58
34.C. Adjustment to normalize amortization expense	144	(56)
Total Adjustment	(162)	64
35.A. Adjustment to reflect 12 months of rental expense at current rate	(16)	6
35.B. Adjust for annual permit fee not included in HY	(1)	0
35.C. Adjust for fee charged to wrong function	(2)	1
35.D. Adjust for underpayment in HY	(7)	3
35.E. Adjust for rent to be charged to expense, charged to Work Order in HY	(10)	4
35.F. Adjust for one-time expense	2	(1)
35.G. Adjust to reflect correct electric/gas allocation	1	0
Total Adjustment	(33)	13
36. Adjustment to remove deferred overcollection	1	0
37.A. Adjustment for expense erroneously charged to Maintenance of Buildings and Grounds	2	(1)
37.B. Adjustment to transfer software related costs to Information Technology	4	(2)
	6	(3)
38. Adjustment to reflect a three-year average related to non-major storm restoration expense	225	(88)

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
CASE 17-E-_____
ELECTRIC DEPARTMENT INCOME
SUMMARY OF NORMALIZATION ADJUSTMENTS AND INCOME TAX EFFECT
TWELVE MONTHS ENDED MARCH 31, 2017

	Effect on Operating Income	Income Tax Effect @ 39.225%
39. Adjustment to set specific M&S account to \$0	(163)	64
Adjustment to normalize for streetlight maintenance	(85)	33
	<u>(248)</u>	<u>97</u>
40. Adjustment to normalize for out-of-period sales tax adjustments	173	(68)
41. Adjustment to normalize for duplication of expenses in HY due to vendor change	57	(22)
42.A. Adjust to reflect non-recurring billing order	(1)	0
42.B. Adjust to reflect expenses that were charged in Production Maintenance and Information Technoogy in the HY	(10)	4
Total Adjustment	<u>(11)</u>	<u>4</u>
43.A. Adjustment for out of period expense	(112)	44
43.B. Adjustment for AP Reversal of charge that was transferred to deferral work order	(61)	24
43.C. Adjustment for out of period expense	(25)	10
43.D. Adjustment for non-audit services	(24)	9
43.E. Adjustment for one-time, non-recurring event	(9)	4
43.F. Adjust to reflect 12 months of expense	(133)	52
43.G. Adjust to reflect 12 months of expense	(52)	20
Total Adjustment	<u>(416)</u>	<u>163</u>
44.A. Adjustment for gas only charge that was charged to both electric and gas	12	(5)
44.B. Adjustment for Moody's Rating Grid Fee not Billed in 2016	(26)	10
44.C. Adjustment for Fitch Annual Credit Rating Maintenance	17	(7)
44.D. Adjustment to normalize for a full Board of Directors at current fee structure	(59)	23
44.E. Adjustment to transfer software related costs to Information Technology	12	(5)
Total Adjustment	<u>(44)</u>	<u>16</u>
45.A. Normalize claims paid to reflect three year average	111	(44)
45.B. Normalize HY to reflect latest known policy amount	(16)	6
45.C. Normalization of Excess Liability to reflect latest know policy amount	27	(11)
45.D. Normalization of one-time non-recurring event	(10)	4
45.E. Normalize Cyber Insurance to reflect 12 months of expense	(2)	1
45.F. Normalize for additional LexisNexis licenses	(10)	4
45.G. Normalize Misc Accident Expense to reflect three year average	4	(2)
Total Adjustment	<u>104</u>	<u>(42)</u>
46. Adjust to reflect 12 months of expense	4	(2)
47.A. Adjustment to transfer software related costs to Information Technology	124	(49)
47.B. Adjustment to exclude training expenses	25	(10)
	<u>149</u>	<u>(59)</u>
48. Adjustment to remove deferred property tax	1,879	(737)
49.A. Adjustment to reclassify Revenue Taxes related to ECAM	2,262	(887)
49.B. Adjustment to reclassify Revenue Taxes related to Resale Revenues	21	(8)
Total Adjustment	<u>2,283</u>	<u>(895)</u>
50.A. Adjustment to normalize for sales tax audit - Related to Prior Period	694	(272)
50.B. Adjustment to normalize for sales tax audit accrual JV's	(387)	152
	<u>307</u>	<u>(120)</u>
Subtotal	1,886	(744)
Rounding to Balance to Tax Impact per Exhibit RRP-1	<u>0</u>	<u>4</u>
51. Federal & State Income Tax Adjustment	<u>(740)</u>	<u>(740)</u>
Total Adjustment to Operating Income	<u>1,146</u>	

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
CASE 17-E-xxxx
ELECTRIC RATE BASE
NORMALIZATION ADJUSTMENT FOR CASH WORKING CAPITAL
TWELVE MONTHS ENDED MARCH 31, 2017

<u>Normalizations to O&M Expenses:</u>	<u>Adjustment</u>
Fuel	(76)
Purchased Power	(157,306)
Clean Energy Fund Charge	(5,513)
System Benefits Charge	(5,464)
Renewable Portfolio Standards Charge	(10,092)
Energy Efficiency Portfolio Standard Charge	(17,092)
Non Wires Alternative Costs Amortization	(150)
18a Temporary Assessment	(5,116)
Labor	1,118
Executive Incentive Compensation	(2,672)
Employee Benefits	(10)
Employee Training, Safety & Education	(11)
Production Maintenance	(156)
System Engineering & Compliance	74
Transmission Repairs & Maintenance	(85)
Distribution Repairs & Maintenance	6
Transformer Installations & Removals	383
Meter Installations, Removals & Maintenance	106
Research and Development	(258)
Customer Outreach & Education	1
Bill Print	39
Postage	77
Uncollectible Accounts	(401)
Environmental All Other	1
Information Technology	162
Rental Agreements	33
Security of Infrastructure	(1)
Maintenance of Buildings & Grounds	(6)
Non Major Storm Restoration	(225)
Material & Supplies	248
Transportation - Fuel	(173)
Transportation - All Other	(57)
Legal Services	11
Consulting & Professional Services	416
Miscellaneous General Expenses	44
Injuries and Damages	(104)
Other Operating Insurance	(4)
Office Supplies	(149)
Total Operating Expenses	<u>(202,402)</u>
Less:	
Fuel	76
Purchased Power	157,306
Uncollectibles	401
Adjusted Operating Expenses	<u>(44,619)</u>
	x 1/8
Adjustment to Rate Base - Cash Working Capital	<u>(5,577)</u>

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
ELECTRIC OPERATING EXPENSES
DETAILS BY COMPONENT
(\$000)

Expense Component & Detail	Year Ended March 31, 2017			Year Ending December 31, 2017	Year Ending December 31, 2018	Rate Year Twelve Months Ending June 30, 2019
	Per Books	Normalization Adjustment	As Adjusted			
Fuel Expense						
Production	76	(76)	0	0	0	0
Gas Turbine	76	(76)	0	0	0	0
NMP2 D&D Fund Assessment	0	0	0	0	0	0
Total	76	(76)	0	0	0	0
Purchased Power						
Production	157,306	(157,306)	0	0	0	0
System Benefit, Renewable Portfolio, Clean Energy, & Energy Efficiency Portfolio						
Customer Services	7,527	(7,527)	0	0	0	0
Administrative & General	30,634	(30,634)	0	0	0	0
Total	38,161	(38,161)	0	0	0	0
System Benefits Charge	5,464	(5,464)	0	0	0	0
Renewable Portfolio Standards Charge	10,092	(10,092)	0	0	0	0
Clean Energy Fund	5,513	(5,513)	0	0	0	0
Energy Efficiency Portfolio Standards Charge	17,092	(17,092)	0	0	0	0
Total	38,161	(38,161)	0	0	0	0
Non-Wires Alternative						
Customer Services	150	(150)	0	0	0	0
18A Temporary Assessment						
Administrative & General	5,116	(5,116)	0	0	0	0
Internal Labor						
Production - Hydro, Gas Turbine & Other	2,701	55	2,756	2,863	3,022	3,121
Transmission	3,043	61	3,104	3,225	3,405	3,516
Distribution	19,260	390	19,650	20,414	21,554	22,253
Customer Accounts	7,458	151	7,609	7,905	8,347	8,617
Customer Services	860	17	877	911	962	994
Administrative & General	21,800	444	22,244	23,107	24,400	25,189
Total	55,122	1,118	56,240	58,425	61,690	63,690
Executive Incentive Compensation						
Administrative & General	2,672	(2,672)	0	0	397	805
Short-Term Incentive Compensation	2,672	(2,672)	0	0	397	805
Employee Benefits						
Administrative & General	8,946	(10)	8,936	9,587	10,278	10,663
Medical Insurance	5,406	(316)	5,090	5,473	5,799	5,990
Group Life Insurance	115	0	115	126	132	136
Savings Incentive Plan	3,056	0	3,056	3,254	3,517	3,676
Employee Stock Purchase Plan	0	0	0	49	129	152
Other	369	306	675	685	701	709
Total	8,946	(10)	8,936	9,587	10,278	10,663
Pension Plan (FAS 87)						
Administrative & General	12,369	0	12,369	12,203	12,853	8,373
Other Post Employment Benefits (OPEB - FAS 106)						
Administrative & General	(2,013)	0	(2,013)	(2,932)	(2,478)	(2,605)
Employee Training, Safety & Education						
Production - Hydro, Gas Turbine & Other	97	0	97	98	103	106
Transmission	84	0	84	88	138	184
Distribution	153	0	153	158	223	284
Customer Accounts	21	0	21	22	33	44
Customer Services	74	0	74	76	82	88
Administrative & General	624	(11)	613	632	833	1,018
Total	1,053	(11)	1,042	1,074	1,412	1,724
Existing Training, Safety & Education Programs	1,053	(11)	1,042	1,058	1,081	1,094
Training Expense - Incremental Employees	0	0	0	16	57	82
New Training Programs	0	0	0	0	274	548
Total	1,053	(11)	1,042	1,074	1,412	1,724

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
ELECTRIC OPERATING EXPENSES
DETAILS BY COMPONENT
(\$000)

Expense Component & Detail	Year Ended March 31, 2017			Year Ending December 31, 2017	Year Ending December 31, 2018	Rate Year Twelve Months Ending June 30, 2019
	Per Books	Normalization Adjustment	As Adjusted			
Production Maintenance						
Production - Hydro, Gas Turbine & Other	286	(156)	130	297	253	255
Sturgeon Pool	248	(156)	92	142	146	148
Dashville	7	0	7	14	17	17
High Falls	21	0	21	48	47	47
Coxsackie	6	0	6	50	19	19
South Cairo	4	0	4	43	24	24
Small Tools Purchased	0	0	0	0	0	0
Total	286	(156)	130	297	253	255
Right of Way Maintenance - Transmission						
Routine ROW Maintenance	1,857	0	1,857	1,287	1,004	1,013
Danger Tree Removal	402	0	402	352	383	434
Hot Spot Trimming	44	0	44	108	109	111
ROW Edge Reclamation	331	0	331	305	1,087	842
Legal & Environmental	44	0	44	44	45	45
Case 17-E-0250 Deferral Petition Proposed Offset	0	0	0	(573)	(1,319)	0
Total	2,678	0	2,678	1,523	1,309	2,445
Right of Way Maintenance - Distribution						
Contractor Trouble Orders	58	0	58	70	106	80
Contract Distribution - Scheduled on Road	9,504	0	9,504	11,116	12,116	15,109
Contract Distribution - Scheduled off Road	1,768	0	1,768	1,649	4,543	5,060
Contract Distribution - Danger Trees	451	0	451	419	431	343
EAB Danger Tees	0	0	0	2,431	3,752	2,558
Enhanced Trimming - Distribution	0	0	0	0	626	1,267
Flagging - Line Clearance	711	0	711	851	854	1,153
Case 17-E-0250 Deferral Petition Proposed Offset	0	0	0	(2,431)	(2,488)	0
Total	12,492	0	12,492	14,105	19,940	25,570
Stray Voltage Testing						
Customer Services	737	0	737	748	630	568
Mitigation	686	0	686	696	578	516
Non-Mitigation	51	0	51	52	52	52
Total	737	0	737	748	630	568
System Engineering & Compliance						
Transmission	115	74	189	192	196	198
Distribution	26	0	26	27	27	28
Total	141	74	215	219	223	226
Substation Testing & Maintenance						
Transmission	334	0	334	339	347	351
Distribution	210	0	210	213	218	220
Total	544	0	544	552	565	571
Transmission Repairs & Maintenance						
Transmission	990	(85)	905	919	1,289	1,705
Distribution Repairs & Maintenance						
Distribution	1,681	6	1,687	1,763	3,772	4,752
Transformer Installations & Removals						
Distribution	(990)	383	(607)	(618)	(635)	(653)
Installation/Removal Work	393	0	393	399	863	706
Transformer Credits	(1,383)	383	(1,000)	(1,017)	(1,498)	(1,359)
Total	(990)	383	(607)	(618)	(635)	(653)
Meter Installations, Removals & Maintenance						
Distribution	(948)	106	(842)	(855)	(873)	(884)
Installation/Removal Work	8	0	8	8	8	8
Transformer Credits	(956)	106	(850)	(863)	(881)	(892)
Total	(948)	106	(842)	(855)	(873)	(884)

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
ELECTRIC OPERATING EXPENSES
DETAILS BY COMPONENT
(\$000)

Expense Component & Detail	Year Ended March 31, 2017			Year Ending December 31, 2017	Year Ending December 31, 2018	Rate Year Twelve Months Ending June 30, 2019
	Per Books	Normalization Adjustment	As Adjusted			
<u>Research & Development</u>						
Production - Hydro, Gas Turbine & Other	0	0	0	0	0	0
Transmission	75	0	75	129	180	200
Distribution	403	0	403	963	558	378
Meter Reading	0	0	0	0	0	0
Customer Services	494	0	494	580	486	517
Administrative & General	1,355	(258)	1,097	1,391	1,429	1,442
Total	<u>2,327</u>	<u>(258)</u>	<u>2,069</u>	<u>3,063</u>	<u>2,653</u>	<u>2,537</u>
<u>Economic Development</u>						
Customer Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Customer Outreach & Education</u>						
Distribution	15	0	15	15	16	16
Customer Services	566	1	567	661	776	856
Administrative & General	4	0	4	4	4	4
Total	<u>585</u>	<u>1</u>	<u>586</u>	<u>680</u>	<u>796</u>	<u>876</u>
<u>Meter Reading & Collections</u>						
Distribution	(9)	0	(9)	(9)	(9)	(9)
Customer Accounts	249	0	249	252	252	251
Customer Services	1,312	0	1,312	1,330	1,355	1,367
Total	<u>1,552</u>	<u>0</u>	<u>1,552</u>	<u>1,573</u>	<u>1,598</u>	<u>1,609</u>
Meter Reading	662	0	662	672	687	695
Collections	890	0	890	901	911	914
Total	<u>1,552</u>	<u>0</u>	<u>1,552</u>	<u>1,573</u>	<u>1,598</u>	<u>1,609</u>
<u>Bill Print</u>						
Customer Accounts	433	39	472	479	490	496
Bill Print	429	39	468	475	486	492
E-Bill	4	0	4	4	4	4
Total	<u>433</u>	<u>39</u>	<u>472</u>	<u>479</u>	<u>490</u>	<u>496</u>
<u>Postage</u>						
Customer Accounts	<u>1,126</u>	<u>77</u>	<u>1,203</u>	<u>1,221</u>	<u>1,247</u>	<u>1,262</u>
Customer Postage	97	0	97	98	100	101
Postage Customer Billing	1,029	77	1,106	1,123	1,147	1,161
Total	<u>1,126</u>	<u>77</u>	<u>1,203</u>	<u>1,221</u>	<u>1,247</u>	<u>1,262</u>
<u>Payment by Credit/Debit Card</u>						
Customer Accounts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>344</u>
<u>Low Income Program</u>						
Customer Services	2,512	0	2,512	2,832	5,297	5,882
Administrative & General	447	0	447	186	(1,141)	0
Total	<u>2,959</u>	<u>0</u>	<u>2,959</u>	<u>3,018</u>	<u>4,156</u>	<u>5,882</u>
New Low Income Bill Discount Program	0	0	0	400	4,929	5,727
Waiver of Reconnection Fee	19	0	19	22	32	41
Deferral - New Program	5	0	5	(397)	(2,398)	0
Subtotal	<u>24</u>	<u>0</u>	<u>24</u>	<u>25</u>	<u>2,563</u>	<u>5,768</u>
Old Low Income Bill Discount Program	834	0	834	830	0	0
EPOP - Phase Out of Arrears Forgiveness	533	0	533	514	266	114
EPOP - Phase Out (All Other Components)	1,126	0	1,126	1,066	70	0
Deferral - Old Program	442	0	442	583	1,257	0
Total	<u>2,959</u>	<u>0</u>	<u>2,959</u>	<u>3,018</u>	<u>4,156</u>	<u>5,882</u>
<u>Uncollectible Accounts</u>						
Customer Accounts	<u>2,920</u>	<u>(401)</u>	<u>2,519</u>	<u>2,437</u>	<u>2,542</u>	<u>2,517</u>
<u>Regulatory Commission General Assessment</u>						
Administrative & General	<u>1,616</u>	<u>0</u>	<u>1,616</u>	<u>1,638</u>	<u>1,860</u>	<u>2,092</u>
<u>Environmental SIR Costs</u>						
Administrative & General	<u>5,340</u>	<u>0</u>	<u>5,340</u>	<u>5,416</u>	<u>6,067</u>	<u>6,714</u>

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
ELECTRIC OPERATING EXPENSES
DETAILS BY COMPONENT
(\$000)

Expense Component & Detail	Year Ended March 31, 2017			Year Ending December 31, 2017	Year Ending December 31, 2018	Rate Year Twelve Months Ending June 30, 2019
	Per Books	Normalization Adjustment	As Adjusted			
Environmental (Non-SIR) Expense						
Production	0	0	0	0	0	0
Transmission	0	0	0	0	0	0
Distribution	109	1	110	112	114	116
Administrative & General	51	0	51	52	53	53
Total	160	1	161	164	167	169
Outside Services	0	0	0	0	0	0
Environmental Services	109	1	110	112	114	116
Environmental - Other Expenses	7	0	7	7	7	7
Regulatory Permit Fees	25	0	25	25	25	25
NY Industry Environmental Committee	11	0	11	12	12	12
Utility Solid Waste Activities Group	8	0	8	8	9	9
Total	160	1	161	164	167	169
Information Technology Expense						
Production - Hydro, Gas Turbine & Other	56	2	58	76	76	78
Transmission	126	0	126	168	156	162
Distribution	0	0	0	0	0	3
Customer Accounts	3,867	34	3,901	4,179	5,048	6,307
Administrative & General	263	126	389	397	685	735
Total	4,312	162	4,474	4,820	5,965	7,285
Telephone						
Production - Hydro, Gas Turbine & Other	0	0	0	0	0	0
Transmission	492	0	492	500	493	489
Distribution	476	0	476	483	441	420
Customer Accounts	77	0	77	78	79	80
Customer Services	0	0	0	0	0	0
Administrative & General	577	0	577	585	598	606
Total	1,622	0	1,622	1,646	1,611	1,595
Base & Toll Charges	493	0	493	501	512	518
Leased Lines	701	0	701	711	726	735
Wireless	428	0	428	434	444	450
Savings Due to Microwave Tower Rents	0	0	0	0	(71)	(108)
Total	1,622	0	1,622	1,646	1,611	1,595
Rental Agreements						
Transmission	1,329	30	1,359	1,358	1,359	1,359
Distribution	317	3	320	358	467	520
Administrative & General	107	0	107	109	111	113
Total	1,753	33	1,786	1,825	1,937	1,992
Con Ed of NY - East Fishkill Substation	933	17	950	950	950	950
National Grid	195	0	195	195	195	195
Con Ed of NY - Pleasant Valley Substation	163	12	175	175	175	175
City of New York	104	(3)	101	103	106	107
Network Strategy Leases	140	(4)	136	179	284	335
Other Space Rentals & Easements	218	11	229	223	227	230
Total	1,753	33	1,786	1,825	1,937	1,992
Security of Infrastructure						
Administrative & General	1,406	(1)	1,405	1,427	1,677	1,913
Maintenance of Buildings & Grounds						
Transmission	4	0	4	4	5	5
Distribution	607	0	607	616	669	717
Administrative & General	859	(6)	853	866	885	895
Total	1,470	(6)	1,464	1,486	1,559	1,617
Major Storm Reserve						
Distribution	1,054	0	1,054	1,754	700	700
Non-Major Storm Restoration						
Distribution	5,406	(225)	5,181	5,258	5,374	5,439
Materials & Supplies						
Production	7	0	7	7	7	7
Transmission	(143)	163	20	21	21	21
Distribution	1,574	85	1,659	1,684	1,721	1,742
Customer Accounts	27	0	27	27	28	28
Customer Services	0	0	0	0	0	0
Administrative & General	30	0	30	30	31	31
Total	1,495	248	1,743	1,769	1,808	1,829

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
ELECTRIC OPERATING EXPENSES
DETAILS BY COMPONENT
(\$000)

Expense Component & Detail	Year Ended March 31, 2017			Year Ending December 31, 2017	Year Ending December 31, 2018	Rate Year Twelve Months Ending June 30, 2019
	Per Books	Normalization Adjustment	As Adjusted			
Stores Clearing to Expense						
Production	0	0	0	0	0	1
Transmission	1	0	1	1	1	1
Distribution	86	0	86	87	89	90
Customer Accounts	1	0	1	1	1	1
Customer Services	0	0	0	0	0	0
Administrative & General	2	0	2	2	2	2
Total	<u>90</u>	<u>0</u>	<u>90</u>	<u>91</u>	<u>93</u>	<u>95</u>
Transportation Depreciation						
Production	33	0	33	34	36	37
Transmission	109	0	109	113	120	124
Distribution	1,642	0	1,642	1,701	1,811	1,877
Customer Accounts	180	0	180	187	199	206
Customer Services	60	0	60	63	67	69
Administrative & General	229	0	229	236	252	261
Total	<u>2,253</u>	<u>0</u>	<u>2,253</u>	<u>2,334</u>	<u>2,485</u>	<u>2,574</u>
Transportation Fuel						
Production	14	(3)	11	13	13	13
Transmission	46	(9)	37	42	43	43
Distribution	689	(125)	564	635	649	658
Customer Accounts	76	(14)	62	70	71	72
Customer Services	25	(4)	21	23	24	24
Administrative & General	96	(18)	78	88	90	91
Total	<u>946</u>	<u>(173)</u>	<u>773</u>	<u>871</u>	<u>890</u>	<u>901</u>
Transportation All Other						
Production	15	(1)	14	14	14	14
Transmission	49	(2)	47	47	48	49
Distribution	744	(41)	703	714	730	738
Customer Accounts	82	(5)	77	78	80	81
Customer Services	27	(2)	25	26	27	27
Administrative & General	104	(6)	98	99	101	103
Total	<u>1,021</u>	<u>(57)</u>	<u>964</u>	<u>978</u>	<u>1,000</u>	<u>1,012</u>
Rate Case Expense						
Administrative & General	<u>286</u>	<u>0</u>	<u>286</u>	<u>286</u>	<u>384</u>	<u>485</u>
Outside Legal Services	227	0	227	227	324	423
Return on Equity	16	0	16	16	22	29
Depreciation Study	11	0	11	11	13	16
Pension/OPEB Forecast	5	0	5	5	8	11
Other Expenses	27	0	27	27	17	6
Total	<u>286</u>	<u>0</u>	<u>286</u>	<u>286</u>	<u>384</u>	<u>485</u>
Legal Services						
Administrative & General	<u>719</u>	<u>11</u>	<u>730</u>	<u>811</u>	<u>829</u>	<u>839</u>
Thompson Hine	479	10	489	567	579	586
Rizzo & Kelley	162	0	162	165	168	170
Miscellaneous Legal Services < \$75k	78	1	79	79	82	83
Total	<u>719</u>	<u>11</u>	<u>730</u>	<u>811</u>	<u>829</u>	<u>839</u>
Consulting & Professional Services						
Administrative & General	<u>659</u>	<u>416</u>	<u>1,075</u>	<u>1,099</u>	<u>1,975</u>	<u>2,828</u>
External Auditor	618	0	618	563	645	691
Ethan Allen Personnel Group Inc	14	133	147	149	152	154
Pricewaterhouse Coopers LLP	26	52	78	79	81	82
Whiteman Osterman & Hanna	(131)	173	42	43	737	1,448
Employee Training and Recruiting Services	0	0	0	71	163	254
Miscellaneous Consultants < \$75k	132	58	190	194	197	199
Total	<u>659</u>	<u>416</u>	<u>1,075</u>	<u>1,099</u>	<u>1,975</u>	<u>2,828</u>
Miscellaneous General Expenses						
Administrative & General	<u>3,545</u>	<u>44</u>	<u>3,589</u>	<u>3,375</u>	<u>3,904</u>	<u>3,951</u>
Industry Association Dues	127	(12)	115	116	119	120
Publishing & Distributing Financial Information	5	0	5	5	5	5
PCB & Notes - Administrative Costs	163	9	172	175	178	181
Pollution Control Fees & Services	17	0	17	17	18	18
Bank Fees	134	0	134	136	139	141
Revolving Credit Agreement	279	0	279	284	290	294
Other General Expenses	2,820	47	2,867	2,642	3,155	3,192
Total	<u>3,545</u>	<u>44</u>	<u>3,589</u>	<u>3,375</u>	<u>3,904</u>	<u>3,951</u>

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
ELECTRIC OPERATING EXPENSES
DETAILS BY COMPONENT
(\$000)

Expense Component & Detail	Year Ended March 31, 2017			Year Ending December 31, 2017	Year Ending December 31, 2018	Rate Year Twelve Months Ending June 30, 2019
	Per Books	Normalization Adjustment	As Adjusted			
<u>Injuries and Damages</u>						
Administrative & General	2,783	(104)	2,679	2,612	2,689	2,724
Worker's Compensation Insurance	1,211	(371)	840	738	774	786
Excess Liability Insurance	1,486	(17)	1,469	1,499	1,532	1,550
Personal and Property Damage Claims	92	275	367	373	381	386
Accident and Safety Activities	(6)	9	3	2	2	2
Total	2,783	(104)	2,679	2,612	2,689	2,724
<u>Other Operating Insurance</u>						
Administrative & General	616	(4)	612	616	645	660
Directors & Officers Liability Insurance	20	2	22	23	23	24
All Risk Property Insurance	419	(4)	415	416	440	453
Brokerage Fees	69	(2)	67	68	69	70
Miscellaneous Other Insurance	108	0	108	109	113	113
Total	616	(4)	612	616	645	660
<u>Office Supplies</u>						
Administrative & General	1,225	(149)	1,076	1,092	1,116	1,130
<u>Management & Operational Audit Costs</u>						
Administrative & General	0	0	0	0	36	72
Management Audit	0	0	0	0	27	54
Operational Audit	0	0	0	0	4	8
Workforce Audit	0	0	0	0	5	10
Total	0	0	0	0	36	72
<u>Expenses Allocated to Affiliates</u>						
Administrative & General	(2)	0	(2)	(2)	(2)	(2)
<u>Miscellaneous Charges</u>						
Production	469	0	469	476	485	492
Transmission	3	0	3	3	3	3
Distribution	(230)	0	(230)	(233)	(238)	(241)
Customer Accounts	99	0	99	100	183	206
Customer Services	31	0	31	32	38	43
Administrative & General	11	0	11	11	11	11
Total	383	0	383	389	482	514
<u>Productivity Adjustment</u>						
Production	0	0	0	0	0	(31)
Transmission	0	0	0	0	0	(35)
Distribution	0	0	0	0	0	(223)
Customer Accounts	0	0	0	0	0	(86)
Customer Services	0	0	0	0	0	(10)
Administrative & General	0	0	0	0	0	(416)
Taxes Other than Income Taxes	0	0	0	0	0	(46)
Total	0	0	0	0	0	(847)
Labor	0	0	0	0	0	(637)
Fringe Benefits	0	0	0	0	0	(107)
Pension Plan	0	0	0	0	0	(84)
OPEB	0	0	0	0	0	26
Payroll Taxes	0	0	0	0	0	(46)
Total	0	0	0	0	0	(847)
<u>Taxes Other Than Income Taxes</u>						
Revenue Taxes	6,024	(2,283)	3,741	4,525	5,326	5,275
Property Taxes	36,270	(1,879)	34,391	35,362	37,915	39,349
Payroll Taxes	4,017	0	4,017	4,227	4,455	4,594
Other Taxes	2,594	(307)	2,287	2,477	3,210	3,822
Total	48,905	(4,469)	44,436	46,591	50,906	53,040

CENTRAL HUDSON GAS & ELECTRIC CORPORATION

GAS INCOME STATEMENT

- Schedule A - Income Statements for the:
 - Year Ended March 31, 2017
 - Year Ending December 31, 2017
 - Year Ending December 31, 2018
 - Twelve Months Ending June 30, 2019

- Schedule B - Summary of Normalization Adjustments:
 - Effect on Operating Income, Income Taxes, and Rate Base
 - for the Twelve Months Ended March 31, 2017

- Schedule C - Details of Operating Expenses by Component

Central Hudson Gas & Electric Corporation
Gas Operations
Income Statement & Rate of Return for Periods Indicated
(\$000)

Income Statement - Summary	Twelve Months Ended March 31, 2017			Bridge Period Projection		Rate Year - Twelve Months Ending June 30, 2019		
	Per Books	Normalization Adjustments	As Adjusted	Year Ending December 31, 2017	2018	Before Rate Change	Proposed Rate Change	Proposed Rates
Total Operating Revenue	136,695	(43,147)	93,548	90,944	100,913	96,565	23,178	119,743
Operating & Maintenance Expense	82,351	(42,181)	40,170	41,619	45,991	47,511	227	47,738
Depreciation & Amortization	10,747	-	10,747	11,806	13,243	14,261	-	14,261
Taxes Other than Income Taxes	15,188	(1,144)	14,044	14,796	16,285	17,102	756	17,858
Federal & State Income Taxes	9,337	70	9,407	7,248	7,794	4,593	8,706	13,299
Operating Income - Financial	19,072	108	19,180	15,475	17,600	13,098	13,489	26,587
Ratemaking Adjustments	(2,004)	-	(2,004)	-	-	-	-	-
Operating Income - Regulatory	17,068	108	17,176	15,475	17,600	13,098	13,489	26,587
Rate Base	281,656	(445)	281,211	305,589	358,272	380,366		380,366
Regulatory Rate of Return	6.06%		6.11%	5.06%	4.91%	3.44%		6.99%
<u>Calculation of Regulatory Return on Equity:</u>								
Operating Income - Regulatory								26,587
Interest Expense - Regulatory								8,520
Income for Common Equity - Regulatory								18,067
Rate Base Supported by Equity @ 50%								190,183
Regulatory Return on Common Equity								9.50%

Central Hudson Gas & Electric Corporation
Gas Operations
Income Statement & Rate of Return for Periods Indicated
(\$000)

Operating Revenues	Twelve Months Ended March 31, 2017			Bridge Period Projection		Rate Year - Twelve Months Ending June 30, 2019			
	Per Books	Normalization Adjustment Ref. #	Amount	As Adjusted	Year Ending December 31, 2017	2018	Before Rate Change	Proposed Rate Change	Proposed Rates
Delivery Revenues - Before Increase	87,050	1.	(161)	86,889	85,653	91,429	91,241	22,220	113,461
RDM/MFC Revenue	1,060		-	1,060	(1,650)	4,399	-	-	-
Revenue Taxes	1,426		-	1,426	1,483	1,765	1,759	756	2,515
Subtotal - Delivery Revenues	89,536		(161)	89,375	85,486	97,593	93,000	22,976	115,976
EEPS Surcharge	1,542	2.	(1,542)	-	-	-	-	-	-
18a Surcharge	1,404	3.	(1,404)	-	-	-	-	-	-
Subtotal - Surcharges	2,946		(2,946)	-	-	-	-	-	-
Commodity - Gas Supply Charge	30,014	4.	(30,014)	-	444	-	-	-	-
Resale Revenues	9,296	5.	(9,296)	-	-	-	-	-	-
Interruptible Imputation	3,508	6.	(508)	3,000	2,507	2,818	2,600	-	2,600
Deferred Accounting Revenues	535	7.	(222)	313	1,638	(464)	-	-	-
Other Operating Revenues	860		-	860	869	966	965	202	1,167
Total Operating Revenues	136,695		(43,147)	93,548	90,944	100,913	96,565	23,178	119,743

Central Hudson Gas & Electric Corporation
Gas Operations
Income Statement & Rate of Return for Periods Indicated
(\$000)

	Twelve Months Ended March 31, 2017				Bridge Period Projection		Rate Year - Twelve Months Ending June 30, 2019		
	Per Books	Normalization Adjustment		As Adjusted	Year Ending December 31,		Before Rate Change	Proposed Rate Change	Proposed Rates
		Ref. #	Amount		2017	2018			
Operating & Maintenance Expense									
Purchased Natural Gas	38,680	8.	(38,680)	0	0	0	0	0	0
Energy Efficiency Portfolio Standard - (EEPS)	1,529	9.	(1,529)	0	0	0	0	0	0
18a Temporary Assessment	1,392	10.	(1,392)	0	0	0	0	0	0
Labor	17,597	11.	322	17,919	18,322	19,318	19,923		19,923
Executive Incentive Compensation	668	12.	(668)	0	0	99	201		201
Employee Benefits	2,622	13.	(18)	2,604	2,855	3,062	3,177		3,177
Pension Plan	3,085		0	3,085	3,574	3,771	2,422		2,422
Other Post Employee Benefits (OPEB)	(525)		0	(525)	(882)	(746)	(784)		(784)
Employee Training, Safety & Education	404	14.	3	407	419	561	693		693
System Engineering & Compliance	47	15.	19	66	67	68	69		69
T&D Repairs & Maintenance	1,738	16.	(121)	1,617	1,714	1,789	1,810		1,810
Pipeline Integrity & Inspection	1,231	17.	(54)	1,177	1,194	1,596	1,985		1,985
Gas Leak Repairs - Distribution Main	1,568		0	1,568	1,396	1,324	1,271		1,271
Meter Installations, Removals & Maintenance	(276)	18.	129	(147)	(109)	(113)	(147)		(147)
Research and Development	777	19.	(380)	397	845	603	603		603
Economic Development	0		0	0	0	0	0		0
Gas Expansion & Marketing	293	20.	23	316	382	390	395		395
Customer Outreach & Education	146	21.	104	250	275	307	328		328
Meter Reading & Collections	389		0	389	395	400	403		403
Bill Print	108	22.	10	118	120	122	124		124
Postage	281	23.	20	301	305	312	316		316
Payment by Credit/Debit Card	0		0	0	0	0	109		109
Low Income Program	1,355		0	1,355	1,362	2,163	2,923		2,923
Uncollectible Accounts	872	24.	62	934	897	963	961	227	1,188
Regulatory Commission General Assessment	360		0	360	364	483	506		506
Environmental SIR Costs	940		0	940	951	1,444	1,679		1,679
Environmental All Other	64		0	64	65	66	67		67
Information Technology	1,180	25.	78	1,258	1,322	1,597	1,924		1,924
Telephone	346		0	346	352	345	342		342
Rental Agreements	267	26.	5	272	287	316	331		331
Security of Infrastructure	353		0	353	358	420	479		479
Maintenance of Buildings & Grounds	289	27.	(3)	286	291	307	321		321
Material & Supplies	406		0	406	412	421	426		426
Stores Clearing to Expense	25		0	25	26	26	27		27
Transportation - Depreciation	649		0	649	673	716	742		742
Transportation - Fuel	273	28.	(50)	223	251	257	260		260
Transportation - All Other	449	29.	(16)	433	439	449	454		454
Rate Case Expenses	72		0	72	72	106	121		121
Legal Services	167	30.	48	215	236	241	244		244

Central Hudson Gas & Electric Corporation
Gas Operations
Income Statement & Rate of Return for Periods Indicated
(\$000)

	Twelve Months Ended March 31, 2017				Bridge Period Projection		Rate Year - Twelve Months Ending June 30, 2019		
	Per Books	Normalization Ref. #	Adjustment Amount	As Adjusted	Year Ending December 31, 2017	2018	Before Rate Change	Proposed Rate Change	Proposed Rates
Consulting & Professional Services	163	31.	60	223	228	446	659		659
Miscellaneous General Expenses	891	32.	26	917	864	997	1,009		1,009
Injuries and Damages	869	33.	(144)	725	711	733	742		742
Other Operating Insurance	88	34.	(3)	85	91	95	97		97
Office Supplies	306	35.	(32)	274	278	284	287		287
Management & Operational Audit Costs	0		0	0	0	10	20		20
Expenses Allocated to Affiliates	0		0	0	0	0	0		0
Miscellaneous Charges	213		0	213	217	243	253		253
Productivity Imputation	0		0	0	0	0	(261)		(261)
Total O&M Expense	82,351		(42,181)	40,170	41,619	45,991	47,511	227	47,738
<u>Other Operating Deductions:</u>									
Property Taxes	11,439	36.	(595)	10,844	11,444	12,531	13,269		13,269
Revenue Taxes	1,864	37.	(438)	1,426	1,483	1,765	1,759	756	2,515
Payroll Taxes	1,183		0	1,183	1,272	1,341	1,383		1,383
Other Taxes	702	38.	(111)	591	597	648	691		691
Depreciation	10,747		0	10,747	11,806	13,243	14,261		14,261
Total Other Operating Deductions	25,935		(1,144)	24,791	26,602	29,528	31,363	756	32,119
<u>Operating Income Taxes:</u>									
Federal Income Taxes	7,844		58	7,902	6,125	6,499	3,904	7,263	11,167
State Income Taxes	1,493		12	1,505	1,123	1,295	689	1,443	2,132
Total Operating Income Taxes	9,337	39.	70	9,407	7,248	7,794	4,593	8,706	13,299
Total Operating Revenue Deductions	117,623		(43,255)	74,368	75,469	83,313	83,467	9,689	93,156

Central Hudson Gas & Electric Corporation
Gas Operations
Income Statement & Rate of Return for Periods Indicated
(\$000)

Ratemaking Adjustments & Interest Expense	Twelve Months Ended March 31, 2017			Bridge Period Projection		Rate Year - Twelve Months Ending June 30, 2019		
	Per Books	Normalization Adjustments	As Adjusted	Year Ending December 31, 2017	2018	Before Rate Change	Proposed Rate Change	Proposed Rates
<u>Ratemaking Adjustments:</u>								
Capacity Release Credit	(179)		(179)					
Executive Incentive Pay	668		668					
Positive Revenue Adjustment(s)	(333)		(333)					
Negative Revenue Adjustment(s)	337		337					
Energy Efficiency Incentives	(59)		(59)					
Retained Interruptible Profits	38		38					
Carrying Charges on Working Capital	(656)		(656)					
Sales for Resale	(71)		(71)					
Adjustment - Sales for Resale		25	25					
Variable Rate Long Term Debt Interest Deferral	108		108					
Adjustment(s) to Cash Basis	(3,032)		(3,032)					
Related Income Taxes	1,160	(10)	1,150					
Total Ratemaking Adjustments	<u>(2,019)</u>	<u>15</u>	<u>(2,004)</u>					
<u>Long Term Debt Interest Expense:</u>								
Rate Base				305,589	358,272	380,366	-	380,366
Weighted Average Cost of Long Term Debt				2.13%	2.19%	2.23%	2.23%	2.23%
Long Term Debt Interest Expense				<u>6,509</u>	<u>7,846</u>	<u>8,482</u>	<u>-</u>	<u>8,482</u>
<u>Customer Deposit Interest Expense:</u>								
Rate Base				305,589	358,272	380,366	-	380,366
Weighted Average Cost of Customer Deposits				0.00%	0.01%	0.01%	0.01%	0.01%
Customer Deposit Interest Expense				<u>-</u>	<u>36</u>	<u>38</u>	<u>-</u>	<u>38</u>
Total Interest Expense - Regulatory	<u>5,594</u>	<u>-</u>	<u>5,594</u>	<u>6,509</u>	<u>7,882</u>	<u>8,520</u>	<u>-</u>	<u>8,520</u>

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
CASE 17-G-_____
GAS DEPARTMENT INCOME
SUMMARY OF NORMALIZATION ADJUSTMENTS AND INCOME TAX EFFECT
TWELVE MONTHS ENDED MARCH 31, 2017

	Effect on Operating Income	Income Tax Effect @ 39.225%
1.A. Adjustment to reclassify Purchased Gas expense	(161)	63
2.A. Adjustment to reclassify EEPS Surcharge expense	(1,529)	600
2.B. Adjustment to reclassify Uncollectible Expense	(13)	5
Total Adjustment	<u>(1,542)</u>	<u>605</u>
3.A. Adjustment to reclassify 18a Surcharge expense	(1,392)	546
3.B. Adjustment to reclassify Uncollectible Expense	(12)	5
Total Adjustment	<u>(1,404)</u>	<u>551</u>
4.A. Adjustment to reclassify Purchased Gas expense	(29,317)	11,500
4.B. Adjustment to reclassify Carrying Charge on Working Capital as non operating income	(498)	195
4.C. Adjustment to reclassify Revenue Taxes	(433)	170
4.D. Adjustment to reclassify Uncollectible Expense	(286)	112
4.E. Adjustment to remove Shareholder Retention of Capacity Release (15%)	(179)	70
4.F. Adjustment to reclassify Sale for Resale Pass back to Customers as GSC Revenues	402	(158)
4.G. Adjustment to reclassify Interruptible Revenue Adjustment as GSC Revenue	4	(2)
4.H. Adjustment to remove Balancing Service Charge	277	(109)
4.I. Other/Rounding	16	(6)
Total Adjustment	<u>(30,014)</u>	<u>11,772</u>
5.A. Adjustment to reclassify Purchased Gas expense	(8,664)	3,398
5.B. Adjustment to reclassify Sale for Resale Pass back to Customers as GSC Revenues	(402)	158
5.C. Adjustment to reclassify Carrying Charge on Working Capital as non operating income	(158)	62
5.D. Adjustment to remove Shareholder Retention of Sale for Resale Profit	(71)	28
5.E. Other/Rounding	(1)	0
Total Adjustment	<u>(9,296)</u>	<u>3,646</u>
6.A. Adjustment to reclassify Purchased Gas expense	(537)	211
6.B. Adjustment to reclassify Revenue Taxes	(5)	2
6.C. Adjustment to reclassify Interruptible Revenue Adjustment as GSC Revenue	(4)	2
6.D. Adjustment to exclude Shareholder Retention of Interruptible Profits	38	(15)
Total Adjustment	<u>(508)</u>	<u>200</u>
7.A. Adjustment to Normalize for Energy Efficiency Incentives	(59)	23
7.B. Adjustment to Normalize for Service Termination Incentive	(107)	42
7.C. Adjustment to Normalize for Leak Prone Pipe Replacement Incentive	(226)	89
7.D. Adjustment to Normalize for CH/Contractor Dig In Penalty	136	(53)
7.E. Adjustment to Normalize for Mismarks Target Penalty	181	(71)
7.F. Adjustment to Normalize for Gas Compliance Estimate	20	(8)
7.G. Adjustment to reclassify Deferred R&D revenues as expense	(167)	66
Total Adjustment	<u>(222)</u>	<u>88</u>
8.A. Adjustment to reclassify to GSC Revenues	29,317	(11,500)
8.B. Adjustment to reclassify to Interruptible Revenues	537	(211)
8.C. Adjustment to reclassify to Resale Revenues	8,664	(3,398)
8.D. Adjustment to reclassify to Delivery Revenues	161	(63)
8.E. Other/Rounding	1	0
Total Adjustment	<u>38,680</u>	<u>(15,172)</u>
9. Adjustment to reclassify EEPS Surcharge expense	1,529	(600)
10. Adjustment to reclassify 18a Surcharge expense	1,392	(546)
11.A. Adjustment to reallocate IT Labor	238	(93)
11.B. Adjustment to reclassify Deferred REV Labor	(61)	24
11.C. Adjustment to reclassify Labor for Additional Training	(133)	52
11.D. Adjustment to reallocate Gas Meter Credits (Labor vs Non-Labor)	(314)	123
11.E. Adjustment to remove Credit Union Operations	68	(27)
11.F. Adjustment to Redistribute Mutual Aid back to Expense	1	0
11.G. Adjustment to Balance for Lost Time & Other	(121)	47
Total Adjustment	<u>(322)</u>	<u>126</u>
12. Adjustment to remove Executive Incentive Pay	668	(262)

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
CASE 17-G-_____
GAS DEPARTMENT INCOME
SUMMARY OF NORMALIZATION ADJUSTMENTS AND INCOME TAX EFFECT
TWELVE MONTHS ENDED MARCH 31, 2017

	Effect on Operating Income	Income Tax Effect @ 39.225%
13.A. Net adjustments to various premiums and charges related to the medical plan	95	(37)
13.B. Discontinuation of Credit Union operations	(77)	30
Total Adjustment	<u>18</u>	<u>(7)</u>
14.A. Adjustment to remove billing orders erroneously charged to training	(6)	2
14.B. Adjustment to transfer training expense that was included in Office Supplies	(6)	2
14.C. Adjustment to transfer software related costs to Information Technology	9	(4)
	<u>(3)</u>	<u>0</u>
15.A. Adjustment to normalize for out-of-period expenses	(9)	4
15.B. Adjustment to normalize for one-time credit received during HY	(10)	4
	<u>(19)</u>	<u>8</u>
16.A. Adjustment to transfer software related costs to Information Technology	2	(1)
16.B. Adjustment to normalize for Gas Transmission Canopy Trimming	(69)	27
16.C. Adjustment to normalize for dockside inventory	95	(37)
16.D. Adjustment to normalize the reversal of an out-of-period expense	10	(4)
16.E. Adjustment to normalize for using contracted labor instead of internal labor	92	(36)
16.F. Adjustment to reflect additional patroller for Code Rule 53 Standby	(9)	4
Total Adjustment	<u>121</u>	<u>(47)</u>
17.A. Adjustment to transfer software related costs to Information Technology	24	(9)
17.B. Adjustment to transfer costs to Consumer Outreach & Education	88	(35)
17.C. Adjustment to normalize contracted inspections and surveying	(58)	23
	<u>54</u>	<u>(21)</u>
18. Normalize to latest planned purchase of 2,800 meters at a credit of \$209 per meter.	(129)	51
19.A. Adjustment to remove Millennium Fund expenditures, net of deferral, collected via the Gas Supply Charge (GSC)	213	(84)
19.B. Adjustment to reclassify Deferred R&D revenues as expense	167	(66)
Total Adjustment	<u>380</u>	<u>(150)</u>
20. Adjustment to annualize ICF International expense	(23)	9
21.A. Charges transferred from 'Pipeline Integrity & Inspection' element of cost	(87)	34
21.B. Adjustment for bi-annual "Excavator and At-Risk Worker Public Safety Outreach Educational Program" not in HY	(17)	7
	<u>(104)</u>	<u>41</u>
22. Adjustment to reflect 12 months of monthly billing	(10)	4
23. Adjustment to reflect 12 months of monthly billing	(20)	8
24.A. Adjustment to reclassify Uncollectibles collected via GSC	286	(112)
24.B. Adjustment to reclassify Uncollectible Expense collected via 18a Surcharge	12	(5)
24.C. Adjustment to reclassify Uncollectible Expense collected via SBC, RPS & EEPS	13	(5)
24.D. Adjustment to balance expense to a level equal to actual write-offs of applicable revenues	(373)	146
Total Adjustment	<u>(62)</u>	<u>24</u>
25.A. Adjustment to reflect reclassification of expenses to/from Information Technology	(60)	24
25.B. Adjust to reflect 12 months of expense	(37)	15
25.C. Adjustment to normalize amortization expense	19	(7)
Total Adjustment	<u>(78)</u>	<u>32</u>
26.A. Adjustment to reflect 12 months of rental expense at current rate	(1)	0
26.B. Adjust for underpayment in HY	(2)	1
26.C. Adjust for rent to be charged to expense, charged to Work Order in HY	(2)	1
26.D. Adjust for one-time expense	1	0
26.E. Adjust to reflect correct electric/gas allocation	(1)	0
Total Adjustment	<u>(5)</u>	<u>2</u>
27. Adjustment to transfer software related costs to Information Technology	3	(1)

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
CASE 17-G-_____
GAS DEPARTMENT INCOME
SUMMARY OF NORMALIZATION ADJUSTMENTS AND INCOME TAX EFFECT
TWELVE MONTHS ENDED MARCH 31, 2017

	Effect on Operating Income	Income Tax Effect @ 39.225%
28. Adjustment to normalize for out-of-period sales tax adjustments	50	(20)
29. Adjustment to normalize for duplication of expenses in HY due to vendor change	16	(6)
30.A. Normalize for prior period expenses	(46)	18
30.B. Adjust to reflect expenses that were charged in Information Technoogy in the HY	(2)	1
Total Adjustment	<u>(48)</u>	<u>19</u>
31.A. Adjustment for out of period expense	(28)	11
31.B. Adjustment for AP Reversal of charge that was transferred to deferral work order	(11)	4
31.C. Adjustment for non-audit services	(6)	2
31.D. Adjustment for one-time, non-recurring event	(2)	1
31.E. Adjust to reflect 12 months of expense	(13)	5
Total Adjustment	<u>(60)</u>	<u>23</u>
32.A. Adjustment for gas only charge that was charged to both electric and gas	(12)	5
32.B. Adjustment for Moody's Rating Grid Fee not Billed in 2016	(6)	2
32.C. Adjustment for Fitch Annual Credit Rating Maintenance	4	(2)
32.D. Adjustment to normalize for a full Board of Directors at current fee structure	(15)	6
32.E. Adjustment to transfer software related costs to Information Technology	3	(1)
Total Adjustment	<u>(26)</u>	<u>10</u>
33.A. Normalize claims paid to reflect three year average	135	(53)
33.B. Normalize HY to reflect latest known policy amount	(5)	2
33.C. Normalization of Excess Liability to reflect latest know policy amount	7	(3)
33.D. Normalization of one-time non-recurring event	(2)	1
33.E. Normalize Cyber Insurance to reflect 12 months of expense	(1)	0
33.F. Normalize for additional LexisNexis licenses	(2)	1
33.G. Normalize Misc Accident Expense to reflect three year average	12	(5)
Total Adjustment	<u>144</u>	<u>(57)</u>
34. Adjust to reflect 12 months of expense	3	(1)
35.A. Adjustment to transfer software related costs to Information Technlogy	26	(10)
35.B. Adjustment to exclude training expenses	6	(2)
	<u>32</u>	<u>(12)</u>
36. Adjustment to remove deferred property tax	595	(233)
37.A. Adjustment to reclassify Revenue Taxes related to GSC	433	(170)
37.B. Adjustment to reclassify Revenue Taxes related to Interruptible Revenues	5	(2)
Total Adjustment	<u>438</u>	<u>(172)</u>
38. Adjustment to normalize for sales tax audit	111	(44)
Subtotal	<u>178</u>	<u>(69)</u>
Rounding to Balance to Tax Impact per Exhibit RRP-1	0	(1)
39. Federal & State Income Tax Adjustment	<u>(70)</u>	<u>(70)</u>
Total Adjustment to Operating Income	<u><u>108</u></u>	

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
CASE 17-G-xxxx
GAS RATE BASE
NORMALIZATION ADJUSTMENT FOR CASH WORKING CAPITAL
TWELVE MONTHS ENDED MARCH 31, 2017

<u>Normalizations to O&M Expenses:</u>	<u>Adjustment</u>
Purchased Natural Gas	(38,680)
Energy Efficiency Portfolio Standard - (EEPS)	(1,529)
18a Temporary Assessment	(1,392)
Labor	322
Executive Incentive Compensation	(668)
Employee Benefits	(18)
Employee Training, Safety & Education	3
System Engineering & Compliance	19
T&D Repairs & Maintenance	(121)
Pipeline Integrity & Inspection	(54)
Meter Installations, Removals & Maintenance	129
Research and Development	(380)
Gas Expansion & Marketing	23
Customer Outreach & Education	104
Bill Print	10
Postage	20
Uncollectible Accounts	62
Information Technology	78
Rental Agreements	5
Maintenance of Buildings & Grounds	(3)
Transportation - Fuel	(50)
Transportation - All Other	(16)
Legal Services	48
Consulting & Professional Services	60
Miscellaneous General Expenses	26
Injuries and Damages	(144)
Other Operating Insurance	(3)
Office Supplies	(32)
Total Operating Expenses	<u>(42,181)</u>
Less:	
Purchased Natural Gas	38,680
Uncollectibles	<u>(62)</u>
Adjusted Operating Expenses	(3,563)
	<u>x 1/8</u>
Adjustment to Rate Base - Cash Working Capital	<u>(445)</u>

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
GAS OPERATING EXPENSES
DETAILS BY COMPONENT
(\$000)

Expense Component & Detail	Year Ended March 31, 2017			Year Ending December 31, 2017	Year Ending December 31, 2018	Rate Year Twelve Months Ending June 30, 2019
	Per Books	Normalization Adjustment	As Adjusted			
<u>Purchased Natural Gas</u>						
Production	38,680	(38,680)	0	0	0	0
<u>Liquefied Petroleum Gas</u>						
Production	0	0	0	0	0	0
<u>Energy Efficiency Portfolio Standard</u>						
Customer Services	1,249	(1,249)	0	0	0	0
Administrative & General	280	(280)	0	0	0	0
Total	1,529	(1,529)	0	0	0	0
<u>18A Temporary Assessment</u>						
Administrative & General	1,392	(1,392)	0	0	0	0
<u>Internal Labor</u>						
Production - Hydro, Gas Turbine & Other	278	5	283	289	305	315
Transmission	1,535	28	1,563	1,598	1,685	1,738
Distribution	7,260	133	7,393	7,560	7,971	8,220
Customer Accounts	1,935	36	1,971	2,015	2,124	2,191
Customer Services	699	13	712	728	768	792
Administrative & General	5,890	107	5,997	6,132	6,465	6,667
Total	17,597	322	17,919	18,322	19,318	19,923
<u>Executive Incentive Compensation</u>						
Administrative & General	668	(668)	0	0	99	201
Short-Term Incentive Compensation	668	(668)	0	0	99	201
<u>Employee Benefits</u>						
Administrative & General	2,622	(18)	2,604	2,855	3,062	3,177
Medical Insurance	1,592	(95)	1,497	1,646	1,745	1,802
Group Life Insurance	34	0	34	38	40	41
Savings Incentive Plan	899	0	899	979	1,058	1,106
Employee Stock Purchase Plan	0	0	0	15	39	45
Other	97	77	174	177	180	183
Total	2,622	(18)	2,604	2,855	3,062	3,177
<u>Pension Plan (FAS 87)</u>						
Administrative & General	3,085	0	3,085	3,574	3,771	2,422
<u>Other Post Employment Benefits (OPEB - FAS 106)</u>						
Administrative & General	(525)	0	(525)	(882)	(746)	(784)
<u>Employee Training, Safety & Education</u>						
Production - Hydro, Gas Turbine & Other	0	0	0	0	0	0
Transmission	6	0	6	6	7	7
Distribution	169	(1)	168	174	253	328
Customer Accounts	6	0	6	6	10	13
Customer Services	31	0	31	32	33	34
Administrative & General	192	4	196	201	258	311
Total	404	3	407	419	561	693
Existing Training, Safety & Education Programs	404	3	407	413	422	427
Training Expense - Incremental Employees	0	0	0	6	22	31
New Training Programs	0	0	0	0	117	235
Total	404	3	407	419	561	693
<u>System Engineering & Compliance</u>						
Distribution	47	19	66	67	68	69
<u>Transmission & Distribution Repairs & Maintenance</u>						
Transmission	368	67	435	442	452	457
Distribution	1,370	(188)	1,182	1,272	1,337	1,353
Total	1,738	(121)	1,617	1,714	1,789	1,810

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
GAS OPERATING EXPENSES
DETAILS BY COMPONENT
(\$000)

Expense Component & Detail	Year Ended March 31, 2017			Year Ending December 31, 2017	Year Ending December 31, 2018	Rate Year Twelve Months Ending June 30, 2019
	Per Books	Normalization Adjustment	As Adjusted			
<u>Pipeline Integrity & Inspection</u>						
Transmission	281	(85)	196	199	328	456
Distribution	950	31	981	995	1,268	1,529
Total	<u>1,231</u>	<u>(54)</u>	<u>1,177</u>	<u>1,194</u>	<u>1,596</u>	<u>1,985</u>
<u>Gas Leak Repair - Distribution Main</u>						
Distribution	<u>1,568</u>	<u>0</u>	<u>1,568</u>	<u>1,396</u>	<u>1,324</u>	<u>1,271</u>
<u>Meter Installations, Removals & Maintenance</u>						
Distribution	<u>(276)</u>	<u>129</u>	<u>(147)</u>	<u>(109)</u>	<u>(113)</u>	<u>(147)</u>
Installation/Removal Work	439	0	439	485	494	467
Transformer Credits	<u>(715)</u>	<u>129</u>	<u>(586)</u>	<u>(594)</u>	<u>(607)</u>	<u>(614)</u>
Total	<u>(276)</u>	<u>129</u>	<u>(147)</u>	<u>(109)</u>	<u>(113)</u>	<u>(147)</u>
<u>Research & Development</u>						
Production - Hydro, Gas Turbine & Other	0	0	0	0	0	0
Transmission	158	0	158	285	100	100
Distribution	7	0	7	163	150	150
Meter Reading	0	0	0	0	0	0
Customer Services	175	0	175	169	125	125
Administrative & General	<u>437</u>	<u>(380)</u>	<u>57</u>	<u>228</u>	<u>228</u>	<u>228</u>
Total	<u>777</u>	<u>(380)</u>	<u>397</u>	<u>845</u>	<u>603</u>	<u>603</u>
<u>Economic Development</u>						
Customer Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Gas Expansion & Marketing</u>						
Customer Services	<u>293</u>	<u>23</u>	<u>316</u>	<u>382</u>	<u>390</u>	<u>395</u>
Contractor - Program Manager	217	23	240	244	249	252
Printings & Mailings	30	0	30	91	92	94
Other	<u>46</u>	<u>0</u>	<u>46</u>	<u>47</u>	<u>49</u>	<u>49</u>
Total	<u>293</u>	<u>23</u>	<u>316</u>	<u>382</u>	<u>390</u>	<u>395</u>
<u>Customer Outreach & Education</u>						
Distribution	4	0	4	4	4	4
Customer Services	141	104	245	270	302	323
Administrative & General	<u>1</u>	<u>0</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total	<u>146</u>	<u>104</u>	<u>250</u>	<u>275</u>	<u>307</u>	<u>328</u>
<u>Meter Reading & Collections</u>						
Customer Accounts	61	0	61	62	62	61
Customer Services	<u>328</u>	<u>0</u>	<u>328</u>	<u>333</u>	<u>338</u>	<u>342</u>
Total	<u>389</u>	<u>0</u>	<u>389</u>	<u>395</u>	<u>400</u>	<u>403</u>
Meter Reading	165	0	165	168	172	174
Collections	<u>224</u>	<u>0</u>	<u>224</u>	<u>227</u>	<u>228</u>	<u>229</u>
Total	<u>389</u>	<u>0</u>	<u>389</u>	<u>395</u>	<u>400</u>	<u>403</u>
<u>Bill Print</u>						
Customer Accounts	<u>108</u>	<u>10</u>	<u>118</u>	<u>120</u>	<u>122</u>	<u>124</u>
Bill Print	107	10	117	119	121	123
E-Bill	<u>1</u>	<u>0</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total	<u>108</u>	<u>10</u>	<u>118</u>	<u>120</u>	<u>122</u>	<u>124</u>

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
GAS OPERATING EXPENSES
DETAILS BY COMPONENT
(\$000)

Expense Component & Detail	Year Ended March 31, 2017			Year Ending December 31, 2017	Year Ending December 31, 2018	Rate Year Twelve Months Ending June 30, 2019
	Per Books	Normalization Adjustment	As Adjusted			
Postage						
Customer Accounts	281	20	301	305	312	316
Customer Postage	24	0	24	24	25	26
Postage Customer Billing	257	20	277	281	287	290
Total	281	20	301	305	312	316
Payment by Credit/Debit Card						
Customer Accounts	0	0	0	0	0	109
Low Income Program						
Customer Services	1,267	0	1,267	1,460	2,562	2,923
Administrative & General	88	0	88	(98)	(399)	0
Total	1,355	0	1,355	1,362	2,163	2,923
New Low Income Bill Discount Program	0	0	0	201	2,482	2,885
Waiver of Reconnection Fee	5	0	5	5	9	10
Deferral - New Program	1	0	1	(200)	(1,207)	0
Subtotal	6	0	6	6	1,284	2,895
Old Low Income Bill Discount Program	956	0	956	965	0	0
EPOP - Phase Out of Arrears Forgiveness	98	0	98	92	53	28
EPOP - Phase Out (All Other Components)	208	0	208	197	17	0
Deferral - Old Program	87	0	87	102	809	0
Total	1,355	0	1,355	1,362	2,163	2,923
Uncollectible Accounts						
Customer Accounts	872	62	934	897	963	961
Regulatory Commission General Assessment						
Administrative & General	360	0	360	364	483	506
Environmental SIR Costs						
Administrative & General	940	0	940	951	1,444	1,679
Environmental (Non-SIR) Expense						
Transmission	0	0	0	0	0	0
Distribution	53	0	53	54	55	56
Administrative & General	11	0	11	11	11	11
Total	64	0	64	65	66	67
Outside Services	0	0	0	0	0	0
Environmental Services	53	0	53	54	55	56
Environmental - Other Expenses	2	0	2	2	2	2
Regulatory Permit Fees	6	0	6	6	6	6
NY Industry Environmental Committee	3	0	3	3	3	3
Utility Solid Waste Activities Group	0	0	0	0	0	0
Total	64	0	64	65	66	67
Information Technology Expense						
Production - Hydro, Gas Turbine & Other	0	0	0	0	0	0
Transmission	0	0	0	0	0	0
Distribution	42	0	42	116	116	117
Customer Accounts	959	24	983	1,029	1,264	1,579
Administrative & General	179	54	233	177	217	228
Total	1,180	78	1,258	1,322	1,597	1,924
Telephone						
Production - Hydro, Gas Turbine & Other	0	0	0	0	0	0
Transmission	43	0	43	43	42	42
Distribution	171	0	171	175	166	162
Customer Accounts	0	0	0	0	0	0
Customer Services	0	0	0	0	0	0
Administrative & General	132	0	132	134	137	138
Total	346	0	346	352	345	342
Base & Toll Charges	91	0	91	93	94	96
Leased Lines	152	0	152	154	158	159
Wireless	103	0	103	105	107	108
Savings Due to Microwave Tower Rents	0	0	0	0	(14)	(21)
Total	346	0	346	352	345	342

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
GAS OPERATING EXPENSES
DETAILS BY COMPONENT
(\$000)

Expense Component & Detail	Year Ended March 31, 2017			Year Ending December 31, 2017	Year Ending December 31, 2018	Rate Year Twelve Months Ending June 30, 2019
	Per Books	Normalization Adjustment	As Adjusted			
<u>Rental Agreements</u>						
Transmission	168	5	173	176	177	179
Distribution	72	0	72	84	111	124
Administrative & General	27	0	27	27	28	28
Total	<u>267</u>	<u>5</u>	<u>272</u>	<u>287</u>	<u>316</u>	<u>331</u>
West Point - Highland Falls	120	0	120	125	125	125
City of New York	54	3	57	58	59	60
Network Strategy Leases	35	(1)	34	45	71	84
Other Space Rentals & Easements	58	3	61	59	61	62
Total	<u>267</u>	<u>5</u>	<u>272</u>	<u>287</u>	<u>316</u>	<u>331</u>
<u>Security of Infrastructure</u>						
Administrative & General	<u>353</u>	<u>0</u>	<u>353</u>	<u>358</u>	<u>420</u>	<u>479</u>
<u>Maintenance of Buildings & Grounds</u>						
Transmission	0	0	0	0	0	0
Distribution	109	0	109	111	124	135
Administrative & General	180	(3)	177	180	183	186
Total	<u>289</u>	<u>(3)</u>	<u>286</u>	<u>291</u>	<u>307</u>	<u>321</u>
<u>Materials & Supplies</u>						
Production	0	0	0	0	0	0
Transmission	4	0	4	5	5	5
Distribution	391	0	391	396	405	410
Customer Accounts	3	0	3	3	3	3
Customer Services	3	0	3	3	3	3
Administrative & General	5	0	5	5	5	5
Total	<u>406</u>	<u>0</u>	<u>406</u>	<u>412</u>	<u>421</u>	<u>426</u>
<u>Stores Clearing to Expense</u>						
Production	0	0	0	0	0	0
Transmission	0	0	0	0	0	0
Distribution	25	0	25	26	26	27
Customer Accounts	0	0	0	0	0	0
Customer Services	0	0	0	0	0	0
Administrative & General	0	0	0	0	0	0
Total	<u>25</u>	<u>0</u>	<u>25</u>	<u>26</u>	<u>26</u>	<u>27</u>
<u>Transportation Depreciation</u>						
Production	0	0	0	0	0	0
Transmission	24	0	24	25	26	27
Distribution	455	0	455	472	503	521
Customer Accounts	41	0	41	43	46	47
Customer Services	96	0	96	99	105	109
Administrative & General	33	0	33	34	36	38
Total	<u>649</u>	<u>0</u>	<u>649</u>	<u>673</u>	<u>716</u>	<u>742</u>
<u>Transportation Fuel</u>						
Production	0	0	0	0	0	0
Transmission	10	(2)	8	9	9	10
Distribution	192	(35)	157	176	181	182
Customer Accounts	17	(3)	14	16	16	17
Customer Services	40	(7)	33	37	38	38
Administrative & General	14	(3)	11	13	13	13
Total	<u>273</u>	<u>(50)</u>	<u>223</u>	<u>251</u>	<u>257</u>	<u>260</u>
<u>Transportation All Other</u>						
Production	0	0	0	0	0	0
Transmission	17	(1)	16	16	17	17
Distribution	314	(11)	303	308	314	318
Customer Accounts	29	(1)	28	28	29	29
Customer Services	66	(2)	64	65	66	67
Administrative & General	23	(1)	22	22	23	23
Total	<u>449</u>	<u>(16)</u>	<u>433</u>	<u>439</u>	<u>449</u>	<u>454</u>

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
GAS OPERATING EXPENSES
DETAILS BY COMPONENT
(\$000)

Expense Component & Detail	Year Ended March 31, 2017			Year Ending December 31, 2017	Year Ending December 31, 2018	Rate Year Twelve Months Ending June 30, 2019
	Per Books	Normalization Adjustment	As Adjusted			
Rate Case Expense						
Administrative & General	72	0	72	72	106	121
Outside Legal Services	57	0	57	57	88	106
Return on Equity	4	0	4	4	7	7
Depreciation Study	3	0	3	3	4	4
Pension/OPEB Forecast	1	0	1	1	2	3
Other Expenses	7	0	7	7	5	1
Total	72	0	72	72	106	121
Legal Services						
Administrative & General	167	48	215	236	241	244
Thompson Hine	113	2	115	134	137	139
Rizzo & Kelley	63	0	63	63	65	66
Cook Netter Cloonan Kurtz & Murphy	18	0	18	18	18	19
Miscellaneous Legal Services < \$15k	(27)	46	19	21	21	20
Total	167	48	215	236	241	244
Consulting & Professional Services						
Administrative & General	163	60	223	228	446	659
External Auditor	154	0	154	141	161	173
Pricewaterhouse Coopers LLP	7	13	20	20	20	21
Whiteman Osterman & Hanna	(36)	39	3	3	176	354
Employee Training and Recruiting Services	0	0	0	18	41	63
Miscellaneous Consultants < \$15k	38	8	46	46	48	48
Total	163	60	223	228	446	659
Miscellaneous General Expenses						
Administrative & General	891	26	917	864	997	1,009
Industry Association Dues	38	12	50	51	52	53
Publishing & Distributing Financial Information	1	0	1	1	1	1
PCB & Notes - Administrative Costs	41	2	43	44	45	46
Pollution Control Fees & Services	5	0	5	6	6	6
Bank Fees	34	0	34	34	35	35
Revolving Credit Agreement	70	0	70	71	73	73
Other General Expenses	702	12	714	657	785	795
Total	891	26	917	864	997	1,009
Injuries and Damages						
Administrative & General	869	(144)	725	711	733	742
Worker's Compensation Insurance	357	(112)	245	222	233	237
Excess Liability Insurance	371	(4)	367	375	383	387
Personal and Property Damage Claims	111	(19)	92	93	95	96
Accident and Safety Activities	30	(9)	21	21	22	22
Total	869	(144)	725	711	733	742
Other Operating Insurance						
Administrative & General	88	(3)	85	91	95	97
Directors & Officers Liability Insurance	5	1	6	6	6	6
All Risk Property Insurance	39	(3)	36	41	44	46
Brokerage Fees	17	(1)	16	17	17	17
Miscellaneous Other Insurance	27	0	27	27	28	28
Total	88	(3)	85	91	95	97
Office Supplies						
Administrative & General	306	(32)	274	278	284	287
Management & Operational Audit Costs						
Administrative & General	0	0	0	0	10	20
Management Audit	0	0	0	0	8	17
Operational Audit	0	0	0	0	1	1
Workforce Audit	0	0	0	0	1	2
Total	0	0	0	0	10	20

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
GAS OPERATING EXPENSES
DETAILS BY COMPONENT
(\$000)

Expense Component & Detail	Year Ended March 31, 2017			Year Ending December 31, 2017	Year Ending December 31, 2018	Rate Year Twelve Months Ending June 30, 2019
	Per Books	Normalization Adjustment	As Adjusted			
Expenses Allocated to Affiliates						
Administrative & General	0	0	0	0	0	0
Miscellaneous Charges						
Production	0	0	0	0	0	0
Transmission	11	0	11	11	12	12
Distribution	126	0	126	128	131	133
Customer Accounts	26	0	26	27	47	53
Customer Services	49	0	49	50	52	54
Administrative & General	1	0	1	1	1	1
Total	213	0	213	217	243	253
Productivity Adjustment						
Production	0	0	0	0	0	(3)
Transmission	0	0	0	0	0	(17)
Distribution	0	0	0	0	0	(82)
Customer Accounts	0	0	0	0	0	(22)
Customer Services	0	0	0	0	0	(8)
Administrative & General	0	0	0	0	0	(115)
Taxes Other than Income Taxes	0	0	0	0	0	(14)
	0	0	0	0	0	(261)
Labor	0	0	0	0	0	(199)
Fringe Benefits	0	0	0	0	0	(32)
Pension Plan	0	0	0	0	0	(24)
OPEB	0	0	0	0	0	8
Payroll Taxes	0	0	0	0	0	(14)
	0	0	0	0	0	(261)
Taxes Other Than Income Taxes						
Revenue Taxes	1,864	(438)	1,426	1,483	1,765	1,759
Property Taxes	11,439	(595)	10,844	11,444	12,531	13,269
Payroll Taxes	1,183	0	1,183	1,272	1,341	1,383
Other Taxes	702	(111)	591	597	648	691
Total	15,188	(1,144)	14,044	14,796	16,285	17,102

CENTRAL HUDSON GAS & ELECTRIC CORPORATION

DIRECT LABOR

Year Ended March 31, 2017

Year Ending December 31, 2017

Year Ending December 31, 2018

Rate Year - Twelve Months Ending June 30, 2019

Schedule A - Electric Expense

Schedule B - Gas Expense

Schedule C - Details by Employee Classification

CENTRAL HUDSON GAS & ELECTRIC CORPORATION

DIRECT LABOR

ELECTRIC EXPENSE

Item	Year Ended March 31, 2017			Year Ending December 31, 2017	Year Ending December 31, 2018	Rate Year Twelve Months Ending June 30, 2019
	Per Books	Normalization Adjustment	As Adjusted			
Amount from Allocation - Schedule C	\$ 57,107	\$ 164	\$ 57,271	\$ 59,869	\$ 63,108	\$ 65,059
Less: Labor Included in Other Components:						
Research & Development	\$ 141	n/a	\$ 141	\$ 145	\$ 149	\$ 151
Storm Expense	\$ 3,123	n/a	\$ 3,123	\$ 2,671	\$ 2,730	\$ 2,763
Enhanced P.O.P.	\$ 105	n/a	\$ 105	\$ 108	\$ 56	\$ -
Meter Installations (Credit)	\$ (955)	n/a	\$ (955)	\$ (862)	\$ (882)	\$ (892)
Transformer Installations (Credit)	\$ (1,383)	n/a	\$ (1,383)	\$ (618)	\$ (635)	\$ (653)
Total	\$ 56,076	\$ 164	\$ 56,240	\$ 58,425	\$ 61,690	\$ 63,690

CENTRAL HUDSON GAS & ELECTRIC CORPORATION

DIRECT LABOR

GAS EXPENSE

<u>Item</u>	<u>Year Ended March 31, 2017</u>			<u>Year Ending December 31, 2017</u>	<u>Year Ending December 31, 2018</u>	<u>Rate Year</u>
	<u>Per Books</u>	<u>Normalization Adjustment</u>	<u>As Adjusted</u>			<u>Twelve Months Ending June 30, 2019</u>
Amount from Allocation - Schedule C	\$ 17,186	\$ 50	\$ 17,236	\$ 18,022	\$ 18,998	\$ 19,585
Less: Labor Included in Other Components:						
Research & Development	\$ 6	n/a	\$ 6	\$ 6	\$ 6	\$ 6
Enhanced P.O.P.	\$ 26	n/a	\$ 26	\$ 27	\$ 14	\$ -
Meter Installations (Credit)	\$ (715)	n/a	\$ (715)	\$ (333)	\$ (340)	\$ (344)
Total	<u>\$ 17,869</u>	<u>\$ 50</u>	<u>\$ 17,919</u>	<u>\$ 18,322</u>	<u>\$ 19,318</u>	<u>\$ 19,923</u>

CENTRAL HUDSON GAS & ELECTRIC CORPORATION

TOTAL DIRECT LABOR

DETAILS BY COMPONENT

(\$000)

<u>Item</u>	<u>Year Ended March 31, 2017</u>			<u>Year Ending</u>	<u>Year Ending</u>	<u>Rate Year</u>	
	<u>Per Books</u>	<u>Normalization</u>	<u>As Adjusted</u>	<u>December 31,</u>	<u>December 31,</u>	<u>Twelve Months</u>	
		<u>Adjustment</u>		<u>2017</u>	<u>2018</u>	<u>Ending</u>	
						<u>June 30, 2019</u>	
Labor by Classification:							
Union (Locals)	\$ 60,616	\$ 16	\$ 60,632	\$ 61,949	\$ 63,653	\$ 64,547	
Union (TDSO)	\$ 2,574	\$ -	\$ 2,574	\$ 2,690	\$ 2,759	\$ 2,799	
Foremen	\$ 6,223	\$ 40	\$ 6,263	\$ 6,380	\$ 6,550	\$ 6,654	
Management (Non Executive)	\$ 38,611	\$ 246	\$ 38,857	\$ 41,000	\$ 42,093	\$ 42,763	
Officers	\$ 2,846	\$ 18	\$ 2,864	\$ 3,001	\$ 3,097	\$ 3,147	
Subtotal	\$ 110,870	\$ 320	\$ 111,190	\$ 115,020	\$ 118,152	\$ 119,910	
Plus: Incremental Employees	\$ -	\$ -	\$ -	\$ 1,150	\$ 4,315	\$ 6,348	
Subtotal	\$ 110,870	\$ 320	\$ 111,190	\$ 116,170	\$ 122,467	\$ 126,258	
Temporary Employees	\$ 245	n/a	\$ 245	\$ 329	\$ 335	\$ 341	
Total Labor	\$ 111,115	\$ 320	\$ 111,435	\$ 116,499	\$ 122,802	\$ 126,599	
Allocation of Total Labor							
Electric Expense	51.39%	\$ 57,107	\$ 164	\$ 57,271	\$ 59,869	\$ 63,108	\$ 65,059
Gas Expense	15.47%	\$ 17,186	\$ 50	\$ 17,236	\$ 18,022	\$ 18,998	\$ 19,585
Construction	33.04%	\$ 36,715	\$ 106	\$ 36,821	\$ 38,492	\$ 40,574	\$ 41,829
Allocation to Affiliates	0.05%	\$ 52	\$ -	\$ 52	\$ 58	\$ 61	\$ 63
Disability Benefits	0.05%	\$ 55	\$ -	\$ 55	\$ 58	\$ 61	\$ 63
Income Deductions	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	100.00%	\$ 111,115	\$ 320	\$ 111,435	\$ 116,499	\$ 122,802	\$ 126,599

CENTRAL HUDSON GAS & ELECTRIC CORPORATION

RATE BASE

Twelve Months Ending March 31, 2017

Schedule A	-	Summary
Schedule B	-	Deferred Charges
Schedule C	-	Deferred Federal Taxes
Schedule D	-	Deferred State Taxes
Schedule E	-	Working Capital
Schedule F	-	Capitalization
Schedule G	-	Corporate Earnings Base
Schedule H	-	Earnings Base – Capitalization Adjustment to Rate Base

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
RATE BASE SUMMARY
(\$000)

	Twelve-Month Average for the Period Ended March 31, 2017		
	Electric	Gas	Corporate
Book Cost of Utility Plant	\$1,449,571	\$485,318	\$1,934,889
Less: Accumulated Provision for Depreciation and Amortization	(407,239)	(136,937)	(544,176)
Net Plant	1,042,332	348,381	1,390,713
Noninterest-Bearing Construction Work in Progress	19,345	14,280	33,625
Preliminary Survey & Investigation	4	1	5
Customer Advances for Undergrounding	(481)	(243)	(724)
Deferred Charges	(1,754)	1	(1,753)
Accumulated Deferred Federal Taxes	(235,233)	(84,252)	(319,485)
Accumulated Deferred State Taxes	(27,754)	(9,670)	(37,424)
Working Capital	53,659	13,297	66,956
Unadjusted Rate Base	850,118	281,795	1,131,913
Capitalization Adjustment to Rate Base	(418)	(139)	(557)
Rate Base	\$849,700	\$281,656	\$1,131,356

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
RATE BASE - DEFERRED CHARGES
(\$000)

Twelve-Month Average for the
Period Ended March 31, 2017

	Electric	Gas	Corporate
Research & Development Costs	\$ (87)	\$ (6)	\$ (93)
MTA Tax	1,298	511	1,809
Unamortized Debt Expense	2,915	916	3,831
Carrying Charge on NMP-2 Settlement Agreement Costs	(2)	0	(2)
Deferred Revenues - Attachment Rents	(915)	0	(915)
Electric Reliability Metric	(1,103)	0	(1,103)
Gas Negative Revenue Adjustments	-	(930)	(930)
Executive Deferred Compensation Plan	2,396	599	2,995
Carrying Charge on Asbestos Litigation	4	0	4
Unamortized Loss on Reacquired Debt	3,096	972	4,068
Economic Development	(3,609)	(875)	(4,484)
Competition Education Program - Over/Under Collection	(183)	(26)	(209)
Carrying Charge on Enhanced Powerful Opportunities Program	90	(157)	(67)
Carrying Charge on Environmental SIR Costs & Recoveries	(205)	(51)	(256)
Carrying Charge on Property Taxes	(38)	23	(15)
Carrying Charge on 18A Temporary Assessment - Over/Under	102	34	136
Carrying Charge on PSC General Assessment - Over Under	26	13	39
Carrying Charge on RDM	(63)	(30)	(93)
Carrying Charge on Storm Costs	524	0	524
Carrying Charge on Management Audit Costs	(11)	(2)	(13)
Carrying Charge on Stray Voltage Overcollection - Electric	(15)	0	(15)
Federal Research Credit	(2,278)	(462)	(2,740)
Carrying Charge on Deferred Interest (Variable)	5	2	7
Carrying Charge on MFC Overcollection - Gas	-	(2)	(2)
CC-Energy Efficiency Incentives-CYE 2015	88	9	97
CC-Energy Efficiency Incentives-CYE 2011	194	0	194
Def Low Income Bill Disc./Fortis Funded	(356)	(95)	(451)
Competitive Metering Initiative	(254)	0	(254)
Deferred Accretion Expense	268	46	314
Net Plant/Depreciation Target Shortfall-RY1	(5)	(119)	(124)
Carrying Charge on Net Plant/Depr Target Shortfall-RY5	(97)	0	(97)
Gas Threat Assessment - Horseheads Order	-	199	199
Carrying Charge - Bulk Electric System	100	0	100
Rate Case Expense Deferral	412	106	518
Carrying Charge - Storm Reserve	(32)	0	(32)
Carrying Charge - Rate Moderators	(3,542)	(486)	(4,028)
Carrying Charge - Danskammer Gas Revenue	-	(176)	(176)
PRA - Service Terminations	260	67	327
PRA - Leak Prone Pipe Replacement	-	66	66
Gas Service Expansion Program Incentives	-	4	4
Carrying Charge - Low Income Bill Discount	(267)	112	(155)
Carrying Charge - REV Demo Proj - Targeted Load Mgmt	33	0	33
Carrying Charge - REV Demo Proj - Dynamic Load Mgmt	8	0	8
Carrying Charge - REV Demo Proj - Energy Exchange	32	0	32
Carrying Charge - Cost to Achieve Tax Refund	(3)	(1)	(4)
Bonus Depreciation Deferral - RY2	(493)	(274)	(767)
Carrying Charge - Empire Zone Rate - Lost Revenues - Electric	19	0	19
Carrying Charge - Distribution Service Installation Plan (DSIP)-Elec	22	0	22
Carrying Charge - NYS Tax Rate Change - Electric	35	0	35
Carrying Charge -NYSERDA CEF/Internal EET	(117)	(1)	(118)
Carrying Charge -Bonus Depreciation Deferral - RY1	(6)	(3)	(9)
Revenue Requirement - Leak Prone Pipe	-	18	18
Total Deferred Charges	\$ (1,754)	\$ 1	\$ (1,753)

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
RATE BASE - DEFERRED FEDERAL TAXES
(\$000)

	Twelve-Month Average for the Period Ended March 31, 2017		
	Electric	Gas	Corporate
Research & Development	\$ 30	\$ 2	\$ 32
Investment Tax Credit	(46)	(2)	(48)
Contributions in Aid of Construction	6,410	5,681	12,091
Unbilled Revenue	3,228	1,751	4,979
MTA Tax	(459)	(178)	(637)
Deferred Avoided Cost Interest Capitalized	2,865	438	3,303
Deferred Revenues - Attachment Rents	320	0	320
Bonds Redeemed	(312)	(98)	(410)
Cost of Removal	(4,266)	(832)	(5,098)
Repair Allowance	(7,429)	0	(7,429)
Carrying Charge on NMP-2 Settlement Agreement Costs	1	0	1
Normalized Depreciation	(191,787)	(75,134)	(266,921)
Electric Reliability Metric	386	0	386
Gas Negative Revenue Adjustments	0	125	125
MACRS - Capital Reliability Program	1,582	0	1,582
Asbestos Litigation Carrying Charge	(2)	0	(2)
Economic Development	1,263	306	1,569
Competition Education Program - Over/Under Collection	64	9	73
Carrying Charge on Powerful Opportunities Program	(31)	55	24
Carrying Chg on Environmental SIR Costs & Recoveries	72	18	90
Carrying Charge on Property Taxes	13	(8)	5
Prepaid Insurance	(535)	(134)	(669)
Carrying Charge on 18A Assessment / Surcharge	(45)	(17)	(62)
Carrying Charge on RDM	22	11	33
Carrying Charge on Storm Costs	(183)	0	(183)
Carrying Charge on Management & Operational Audit Costs	3	1	4
Carrying Charge on Stray Voltage Overcollection - Electric	5	0	5
Repair Deduction	(48,836)	(16,378)	(65,214)
NOL Carryforward	735	247	982
Interest Expense on Tax Reserve	0	59	59
Federal Research Credit	797	162	959
Carrying Charge on MFC Overcollection	0	1	1
Carrying Charge on Deferred Interest (Variable)	(2)	(1)	(3)
CC-Energy Efficiency Incentives - CYE2015	(31)	(3)	(34)
CC-Energy Efficiency Incentives - CYE2011	(68)	0	(68)
Def Low Income Bill Disc./Fortis Funded	124	33	157
Competitive Metering Initiative	89	0	89
Deferred Accretion Expense	(94)	(16)	(110)
Carrying Charge on Net Plant/Depr Target Shortfall-RY5	34	0	34
Carrying Charge on Net Plant/Depr Target Shortfall-RY1	2	42	44
Gas Threat Assessment - Horseheads Order	0	(70)	(70)
Carrying Charge - Bulk Electric System	(35)	0	(35)
Rate Case Expense Deferral	(143)	(37)	(180)
Carrying Charge - Storm Reserve	11	0	11
Carrying Charge - Rate Moderators	1,240	170	1,410
Carrying Charge - Danskammer Gas Revenue	0	62	62
PRA - Service Terminations	(91)	(23)	(114)
PRA - Leak Prone Pipe Replacement	0	(23)	(23)
Gas Service Expansion Program Incentives	0	(1)	(1)
Carrying Charge - Low Income Bill Discount	94	(39)	55
Carrying Charge - REV Demo Proj - Targeted Demand Mgmt	(12)	0	(12)
Carrying Charge - REV Demo Proj - Dynamic Load Mgmt	(3)	0	(3)
Carrying Charge - REV Demo Proj - Energy Exchange	(11)	0	(11)
Carrying Charge - Cost to Achieve Tax Refund	1	0	1
Bonus Depreciation Deferral	172	96	268
Carrying Charge - Empire Zone Rate - Lost Revenues	(7)	0	(7)
Carrying Charge - Distribution Service Installation Plan (DSIP)-Elec	(8)	0	(8)
Carrying Charge - NYS Tax Rate Change - Electric	(12)	0	(12)
Carrying Charge -NYSERDA CEF/Internal EET	41	0	41
Carrying Charge -Bonus Depreciation Deferral - RY1	2	1	3
Revenue Requirement - Leak Prone Pipe	0	(6)	(6)
FIT-SIT Contra Accounts	(391)	(522)	(913)
	<u>\$ (235,233)</u>	<u>\$ (84,252)</u>	<u>\$ (319,485)</u>

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
RATE BASE - DEFERRED STATE TAXES
(\$000)

	Twelve-Month Average for the Period Ended March 31, 2017		
	Electric	Gas	Corporate
Normalized Depreciation	\$ (18,073)	\$ (5,554)	\$ (23,627)
Research & Development	6	1	7
MTA Tax	91	19	110
Deferred Avoided Cost Interest Capitalized	529	71	600
Deferred Revenues - Attachment Rents	59	0	59
Bonds Redeemed	(49)	(15)	(64)
Cost of Removal	(849)	(163)	(1,012)
Repair Allowance	(1,086)	0	(1,086)
Contributions in Aid of Construction	1,241	1,115	2,356
Unbilled Revenue	599	325	924
Electric Reliability Metric	72	0	72
Gas Negative Revenue Adjustments	0	24	24
MACRS - Capital Reliability Program	412		412
Economic Development	235	57	292
Competition Education Program - Over/Under Collection	12	2	14
Carrying Charge on Powerful Opportunities Program	(6)	10	4
Carrying Chg on Environmental SIR Costs & Recoveries	13	3	16
Carrying Charge on Property Taxes	2	(1)	1
Prepaid Insurance	(99)	(25)	(124)
Carrying Charge on 18A Assessment / Surcharge	(8)	(3)	(11)
Carrying Charge on RDM	4	2	6
Carrying Charge on Storm Costs	(34)	0	(34)
Carrying Charge on Management & Operational Audit Costs	1	0	1
Carrying Charge on Stray Voltage Overcollection - Electric	1	0	1
Repair Deduction	(11,216)	(5,612)	(16,828)
Interest Expense on Tax Reserve	0	9	9
Federal Research Credit	148	30	178
CC-Energy Efficiency Incentives - CYE2015	(6)	(1)	(7)
CC-Energy Efficiency Incentives - CYE2011	(13)	0	(13)
Def Low Income Bill Disc./Fortis Funded	23	6	29
Competitive Metering Initiative	17	0	17
Deferred Accretion Expense	(17)	(3)	(20)
Carrying Charge on Net Plant/Depr Target Shortfall-RY5	6	0	6
Carrying Charge on Net Plant/Depr Target Shortfall-RY1	0	8	8
Gas Threat Assessment - Horseheads Order	0	(13)	(13)
Carrying Charge - Bulk Electric System	(6)	0	(6)
Rate Case Expense Deferral	(27)	(7)	(34)
Carrying Charge - Storm Reserve	2	0	2
Carrying Charge - Rate Moderators	230	32	262
Carrying Charge - Danskammer Gas Revenue	0	11	11
PRA - Service Terminations	(17)	(4)	(21)
PRA - Leak Prone Pipe Replacement	0	(4)	(4)
Carrying Charge - Low Income Bill Discount	17	(7)	10
Carrying Charge - REV Demo Proj - Targeted Demand Mgmt	(2)	0	(2)
Carrying Charge - REV Demo Proj - Energy Exchange	(2)	0	(2)
Bonus Depreciation Deferral	32	18	50
Carrying Charge - Empire Zone Rate - Lost Revenues	(1)	0	(1)
Carrying Charge - Distribution Service Installation Plan (DSIP)-Elec	(1)	0	(1)
Carrying Charge - NYS Tax Rate Change - Electric	(2)	0	(2)
Carrying Charge -NYSERDA CEF/Internal EET	8	0	8
Revenue Requirement - Leak Prone Pipe	-	(1)	(1)
	<u>\$ (27,754)</u>	<u>\$ (9,670)</u>	<u>\$ (37,424)</u>

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
RATE BASE - WORKING CAPITAL
(\$000)

DESCRIPTION	Twelve-Month Average for the Period Ended March 31, 2017		
	Electric	Gas	Corporate
Other Materials and Supplies	\$14,610	\$3,473	\$18,083
<u>Prepayments:</u>			
Prepaid Property Taxes	10,770	3,290	14,060
Prepaid Insurance	862	215	1,077
Other Prepayments	3,862	965	4,827
Total Prepayment Working Capital	15,494	4,470	19,964
O & M Cash Working Capital	23,555	5,354	28,909
Total Working Capital	\$53,659	\$13,297	\$66,956

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
RATE BASE - CAPITALIZATION
(\$000)

Twelve-Month Average for the
Period Ended March 31, 2017

Long Term Debt	\$551,033
Short Term Debt	5,500
Customer Deposits	7,611
Common Stock	260,422
Premium on Capital Stock	63,840
Capital Stock Expense	(4,633)
Unappropriated Retained Earnings	<u>260,157</u>
Total Capitalization per Books	<u><u>\$1,143,930</u></u>

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
RATE BASE - CORPORATE EARNINGS BASE
(\$000)

Twelve-Month Average for the
Period Ended March 31, 2017

	Electric	Gas	Corporate
Unadjusted Rate Base	\$850,118	\$281,795	\$1,131,913
Interest-Bearing CWIP	37,282	4,474	41,756
Asbestos Litigation: Net of Tax	63	0	63
Powerful Opportunities Program: Net of Tax	(99)	(337)	(436)
Low Income Bill Discount	(822)	700	(122)
MGP SIR Costs & Recoveries: Net of Tax	520	130	650
Property Tax Deferral: Net of Tax	(749)	(68)	(817)
Net Lost Revenue - MFC Overcollection - RY 2 & 3	0	493	493
18A/General Assessment Surcharge : Net of Tax	1,755	699	2,454
RDM Deferral: Net of Tax	(5,356)	(779)	(6,135)
Management & Operational Audit Costs : Net of Tax	(24)	2	(22)
Stray Voltage Overcollection : Net of Tax	(237)	0	(237)
Variable Rate Notes - Interest: Net of Tax	122	40	162
Gas Threat Assessment - Horseheads Order	0	1,247	1,247
Bulk Electric System	613	0	613
Net Plant/Depreciation Target Shortfall-RY5	(799)	0	(799)
Energy Efficiency Incentives - CYE 2011	1,591	0	1,591
Energy Efficiency Incentives - CYE 2015	1,183	142	1,325
Storm Deferral Costs	3,104	0	3,104
Rate Moderator	(24,510)	(5,337)	(29,847)
Storm Reserve - Net of Tax	(298)	0	(298)
Waiver of Reconnection Fee - Net of Tax	(4)	0	(4)
REV Demo Projects - Targeted Demand Management	1,481	0	1,481
REV Demo Projects - Dynamic Load Management	149	0	149
REV Demo Projects - Energy Exchange	682	0	682
Cost to Achieve Tax Refund	(32)	(6)	(38)
NYS Tax Rate Change	508	0	508
Empire Zone Rate-Lost Revenues	501	0	501
Distribution Service Installation Plan (DSIP)	591	0	591
NYSERDA CEF/Internal EET	(11,512)	(198)	(11,710)
Bonus Depreciation Deferral - RY1	(145)	(81)	(226)
Capital Base Tax	35	9	44
FIT-SIT Contra Accounts	(1,238)	(128)	(1,366)
NMP-2 Settlement Agreement Costs	(37)	0	(37)
Pension Carrying Charge Base	14,959	675	15,634
OPEB Carrying Charge Base	(20,872)	(4,544)	(25,416)
Pension & OPEB FIT-SIT Contra Accounts	(1,073)	(304)	(1,377)
Total Unadjusted Earnings Base	\$847,450	\$278,624	\$1,126,074
Allocation	75%	25%	100%
Earnings Base/Capitalization Adjustment	(\$418)	(\$139)	(\$557)
Earnings Base	\$847,032	\$278,485	\$1,125,517

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
RATE BASE
EARNINGS BASE - CAPITALIZATION ADJUSTMENT TO RATE BASE
(\$000)

Twelve-Month Average for the
Period Ended March 31, 2017

Total Unadjusted Earnings Base (Schedule G)		\$1,126,074
Total Capitalization per Books (Schedule F)	\$1,143,930	
Adjustments to Capitalization:		
Deferred Gas Supplier Refunds	0	
Deferred Gas Costs	(2,360)	
Working Capital - Material & Supplies Inventory	(4,133)	
Non-Utility Property	(524)	
Deferred Long Term Gas R&D/GRI Costs	216	
Temporary Cash Investments	(2,491)	
Deferred Electric Fuel Costs	(7,167)	
FIT-SIT Contra Accounts	(60)	
Daily Average vs Twelve Month Average:		
Short-Term Debt	171	
Common Stock	0	
Long Term Debt	(2,064)	
Total Capitalization as Adjusted		<u>1,125,518</u>
Capitalization Adjustment to Rate Base		<u><u>(557)</u></u>

CENTRAL HUDSON GAS & ELECTRIC CORPORATION

RATE BASE

Years Ending December 31, 2017, December 31, 2018 and

Rate Year - Twelve Months Ending June 30, 2019

Schedule A	-	Summary
Schedule B	-	Deferred Charges
Schedule C	-	Deferred Federal Taxes
Schedule D	-	Deferred State Taxes
Schedule E	-	Working Capital

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
RATE BASE SUMMARY - CHANGE SINCE RATE YEAR #3 OF LAST RATE CASE
(\$000)

	Case 14-E-0318 & 14-G-0319 Twelve-Month Average for the Period Ended June 30, 2016			2017 Rate Case Twelve-Month Average for the Period Ended June 30, 2019			Changes 14-E/G-0318/0319 vs 2017 Rate Case		
	Electric	Gas	Corporate	Electric	Gas	Corporate	Electric	Gas	Corporate
Book Cost of Utility Plant	\$1,554,464	\$546,801	\$2,101,265	\$1,684,027	\$618,022	\$2,302,049	\$129,563	\$71,221	\$200,784
Less: Accumulated Provision for Depreciation and Amortization	(442,734)	(149,354)	(592,088)	(453,631)	(150,857)	(604,488)	(10,897)	(1,503)	(12,400)
Net Plant	1,111,730	397,447	1,509,177	1,230,396	467,165	1,697,561	118,666	69,718	188,384
Noninterest-Bearing Construction Work in Progress	25,797	15,038	40,835	25,955	13,478	39,433	158	(1,560)	(1,402)
Preliminary Survey & Investigation	0	0	0	18	4	22	18	4	22
Customer Advances for Undergrounding	(553)	(178)	(731)	(462)	(365)	(827)	91	(187)	(96)
Deferred Charges	8,934	2,371	11,305	5,803	2,430	8,233	(3,131)	59	(3,072)
Accumulated Deferred Federal Taxes	(229,541)	(80,364)	(309,905)	(296,729)	(102,461)	(399,190)	(67,188)	(22,097)	(89,285)
Accumulated Deferred State Taxes	(20,044)	(7,259)	(27,303)	(36,219)	(14,329)	(50,548)	(16,175)	(7,070)	(23,245)
Working Capital	42,977	11,089	54,066	55,047	14,583	69,630	12,070	3,494	15,564
Unadjusted Rate Base	939,300	338,144	1,277,444	983,809	380,505	1,364,314	44,509	42,361	86,870
Capitalization Adjustment to Rate Base	8,866	2,357	11,223	(418)	(139)	(557)	(9,284)	(2,496)	(11,780)
Rate Base	\$948,166	\$340,501	\$1,288,667	\$983,391	\$380,366	\$1,363,757	\$35,225	\$39,865	\$75,090

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
RATE BASE SUMMARY - BRIDGE PERIODS AND RATE YEAR
(\$000)

	Twelve-Month Average for the Period Ended December 31, 2017			Twelve-Month Average for the Period Ended December 31, 2018			Twelve-Month Average for the Period Ended June 30, 2019		
	Electric	Gas	Corporate	Electric	Gas	Corporate	Electric	Gas	Corporate
Book Cost of Utility Plant	\$1,524,954	\$522,919	\$2,047,873	\$1,625,490	\$585,650	\$2,211,140	\$1,684,027	\$618,022	\$2,302,049
Less: Accumulated Provision for Depreciation and Amortization	(422,031)	(140,097)	(562,128)	(442,096)	(146,713)	(588,809)	(453,631)	(150,857)	(604,488)
Net Plant	1,102,923	382,822	1,485,745	1,183,394	438,937	1,622,331	1,230,396	467,165	1,697,561
Noninterest-Bearing Construction Work in Progress	18,025	14,163	32,188	22,234	12,614	34,848	25,955	13,478	39,433
Preliminary Survey & Investigation	17	4	21	18	4	22	18	4	22
Customer Advances for Undergrounding	(465)	(360)	(825)	(462)	(365)	(827)	(462)	(365)	(827)
Deferred Charges	(4,555)	(223)	(4,778)	6,062	2,517	8,579	5,803	2,430	8,233
Accumulated Deferred Federal Taxes	(250,092)	(92,781)	(342,873)	(285,573)	(96,019)	(381,592)	(296,729)	(102,461)	(399,190)
Accumulated Deferred State Taxes	(30,574)	(11,154)	(41,728)	(34,339)	(13,432)	(47,771)	(36,219)	(14,329)	(50,548)
Working Capital	49,296	13,257	62,553	52,780	14,155	66,935	55,047	14,583	69,630
Unadjusted Rate Base	884,575	305,728	1,190,303	944,114	358,411	1,302,525	983,809	380,505	1,364,314
Capitalization Adjustment to Rate Base	(418)	(139)	(557)	(418)	(139)	(557)	(418)	(139)	(557)
Rate Base	<u>\$884,157</u>	<u>\$305,589</u>	<u>\$1,189,746</u>	<u>\$943,696</u>	<u>\$358,272</u>	<u>\$1,301,968</u>	<u>\$983,391</u>	<u>\$380,366</u>	<u>\$1,363,757</u>

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
RATE BASE - DEFERRED CHARGES (BRIDGE PERIODS AND RATE YEAR)
(\$000)

	Twelve-Month Average for the Period Ended December 31, 2017			Twelve-Month Average for the Period Ended December 31, 2018			Twelve-Month Average for the Period Ended June 30, 2019		
	Electric	Gas	Corporate	Electric	Gas	Corporate	Electric	Gas	Corporate
Research & Development Costs	\$ 518	\$ 266	\$ 784	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MTA Tax	1,138	485	1,623	1,106	533	1,639	1,106	533	1,639
Unamortized Debt Expense	2,807	929	3,736	2,506	835	3,341	2,355	785	3,140
NMP-2 Settlement Agreement Costs	(6)	-	(6)	-	-	-	-	-	-
Deferred Revenues - Attachment Rents	(915)	-	(915)	(915)	-	(915)	(915)	-	(915)
Electric Reliability Metric	(2,037)	-	(2,037)	-	-	-	-	-	-
Gas Negative Revenue Adjustments	-	(1,223)	(1,223)	-	-	-	-	-	-
Executive Deferred Compensation Plan	870	217	1,087	-	-	-	-	-	-
Carrying Charge on Asbestos Litigation	8	-	8	-	-	-	-	-	-
Unamortized Loss on Required Debt	2,763	915	3,678	2,368	789	3,157	2,173	724	2,897
Economic Development	(2,989)	(719)	(3,708)	-	-	-	-	-	-
Competition Education Program - Over/Under Collection	(183)	41	(142)	(183)	-	(183)	(183)	-	(183)
Carrying Charge on Powerful Opportunities Program	76	(183)	(107)	-	-	-	-	-	-
Carrying Chg on Environmental SIR Costs & Recoveries	(10)	(2)	(12)	-	-	-	-	-	-
Carrying Charge on Property Taxes	(129)	7	(122)	-	-	-	-	-	-
Carrying Charge on 18A Temp Assessment - Over/Under	136	54	190	-	-	-	-	-	-
Carrying Charge on PSC General Assessment - Over Under	48	24	72	-	-	-	-	-	-
Carrying Charge on RDM	(112)	(22)	(134)	-	-	-	-	-	-
Carrying Charge on Storm Costs	749	-	749	-	-	-	-	-	-
Management & Operational Audit Costs	-	-	-	156	44	200	309	86	395
Carrying Charge on Management & Operational Audit Costs	(5)	-	(5)	-	-	-	-	-	-
Carrying Charge on Stray Voltage Overcollection - Electric	(37)	-	(37)	-	-	-	-	-	-
Federal Research Credit	(2,373)	(490)	(2,863)	-	-	-	-	-	-
Carrying Charge on Deferred Interest (Variable)	19	7	26	-	-	-	-	-	-
Carrying Charge on MFC Overcollection - Gas	-	(17)	(17)	-	-	-	-	-	-
CC-Energy Efficiency Incentives-CYE 2015	174	20	194	-	-	-	-	-	-
CC-Energy Efficiency Incentives-CYE 2011	311	-	311	-	-	-	-	-	-
Carrying Charge on Deferral on overcoll of interest	(4)	(1)	(5)	-	-	-	-	-	-
Def Low Income Bill Disc./Fortis Funded	(356)	(95)	(451)	-	-	-	-	-	-
Competitive Metering Initiative	(254)	-	(254)	(254)	-	(254)	(254)	-	(254)
Deferred Accretion Expense	374	66	440	-	-	-	-	-	-
Net Plant/Depreciation Target Shortfall-RY1	-	(268)	(268)	-	-	-	-	-	-
Carrying Charge on Net Plant/Depr Target Shortfall-RY5	(156)	-	(156)	-	-	-	-	-	-
Gas Threat Assessment - Horseheads Order	-	290	290	-	-	-	-	-	-
Carrying Charge - Bulk Electric System	145	-	145	-	-	-	-	-	-
Rate Case Expense Deferral	534	136	670	1,278	316	1,594	1,212	302	1,514
Carrying Charge - Storm Reserve	(11)	-	(11)	-	-	-	-	-	-
Carrying Charge - Rate Moderators	(5,151)	(671)	(5,822)	-	-	-	-	-	-
Carrying Charge - Danskammer Gas Revenue	-	(361)	(361)	-	-	-	-	-	-
PRA - Service Terminations	518	172	690	-	-	-	-	-	-
PRA - Leak Prone Pipe Replacement	-	237	237	-	-	-	-	-	-
Carrying Charge - Low Income Bill Discount	(328)	160	(168)	-	-	-	-	-	-
REV Demo Proj - CenHub Insights Plus - Revenue Requirement	11	-	11	-	-	-	-	-	-
Carrying Charge - REV Demo Proj - Targeted Load Mgm	127	-	127	-	-	-	-	-	-
Carrying Charge - REV Demo Proj - Dynamic Load Mgm	21	-	21	-	-	-	-	-	-
Carrying Charge - REV Demo Proj - Energy Exchange	97	-	97	-	-	-	-	-	-
Carrying Charge - Cost to Achieve Tax Refund	(6)	(1)	(7)	-	-	-	-	-	-
Bonus Depreciation Deferral - RY2	(728)	(386)	(1,114)	-	-	-	-	-	-
Carrying Charge - Empire Zone Rate - Lost Revenues - Electric	77	-	77	-	-	-	-	-	-
Carrying Charge - Distribution Service Installation Plan (DSIP)-Elec	107	-	107	-	-	-	-	-	-
Carrying Charge - NYS Tax Rate Change - Electric	72	-	72	-	-	-	-	-	-
Carrying Charge - NYS Capital Based Tax	6	2	8	-	-	-	-	-	-
Carrying Charge -NYSERDA CEF/Internal EET	(438)	-	(438)	-	-	-	-	-	-
Carrying Charge -Bonus Depreciation Deferral - RY1	(33)	(18)	(51)	-	-	-	-	-	-
Revenue Requirement - Leak Prone Pipe	-	203	203	-	-	-	-	-	-
Carrying Charge - Revenue Requirement - Leak Prone Pipe	-	3	3	-	-	-	-	-	-
Total Deferred Charges	(\$4,555)	(\$223)	(\$4,778)	\$6,062	\$2,517	\$8,579	\$5,803	\$2,430	\$8,233

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
RATE BASE - DEFERRED FEDERAL INCOME TAXES (BRIDGE PERIODS AND RATE YEAR)
(\$000)

	Twelve-Month Average for the Period Ended December 31, 2017			Twelve-Month Average for the Period Ended December 31, 2018			Twelve-Month Average for the Period Ended June 30, 2019		
	Electric	Gas	Corporate	Electric	Gas	Corporate	Electric	Gas	Corporate
Research & Development	\$ (181)	\$ (93)	\$ (274)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Tax Credit	(18)	-	(18)	-	-	-	-	-	-
Contributions in Aid of Construction	6,431	5,680	12,111	7,013	7,073	14,086	7,317	7,672	14,989
Unbilled Revenue	1,249	803	2,052	1,249	803	2,052	1,249	803	2,052
MTA Tax	(255)	(315)	(570)	(187)	(387)	(574)	(187)	(387)	(574)
Deferred Avoided Cost Interest Capitalized	3,118	523	3,641	3,582	636	4,218	3,838	710	4,548
Deferred Revenues - Attachment Rents	320	-	320	320	-	320	320	-	320
Bonds Redeemed	(263)	(87)	(350)	(206)	(69)	(275)	(177)	(59)	(236)
Cost of Removal	(4,148)	(1,017)	(5,165)	(3,911)	(1,149)	(5,060)	(3,847)	(1,171)	(5,018)
NMP-2 Settlement Agreement Costs	2	-	2	-	-	-	-	-	-
Normalized Depreciation	(202,290)	(80,353)	(282,643)	(229,605)	(80,303)	(309,908)	(236,706)	(84,793)	(321,499)
Repair Allowance	(7,135)	-	(7,135)	(6,745)	-	(6,745)	(6,555)	-	(6,555)
Electric Reliability Metric	713	-	713	-	-	-	-	-	-
Gas Negative Revenue Adjustments	-	365	365	-	-	-	-	-	-
MACRS - Capital Reliability Program	1,477	-	1,477	1,338	-	1,338	1,272	-	1,272
Asbestos Litigation Carrying Charge	(3)	-	(3)	-	-	-	-	-	-
Economic Development	1,046	252	1,298	-	-	-	-	-	-
Competition Education Program - Over/Under Collection	64	(14)	50	64	-	64	64	-	64
Carrying Charge on Powerful Opportunities Program	(27)	64	37	-	-	-	-	-	-
Carrying Chg on Environmental SIR Costs & Recoveries	4	1	5	-	-	-	-	-	-
Carrying Charge on Property Taxes	45	(2)	43	-	-	-	-	-	-
Prepaid Insurance	(368)	(92)	(460)	(372)	(93)	(465)	(387)	(97)	(484)
Carrying Charge on 18A Assessment / Surcharge	(65)	(27)	(92)	-	-	-	-	-	-
Carrying Charge on RDM	39	8	47	-	-	-	-	-	-
Carrying Charge on Storm Costs	(262)	-	(262)	-	-	-	-	-	-
Management & Operational Audit Costs	-	-	-	(55)	(15)	(70)	(108)	(30)	(138)
Carrying Charge on Management & Operational Audit Costs	1	-	1	-	-	-	-	-	-
Carrying Charge on Stray Voltage Overcollection - Electric	13	-	13	-	-	-	-	-	-
Repair Deduction	(55,045)	(19,542)	(74,587)	(63,876)	(24,187)	(88,063)	(68,205)	(26,627)	(94,832)
NOL Carryforward	3,207	1,097	4,304	6,277	2,184	8,461	5,890	2,063	7,953
Interest Expense on Tax Reserve	-	64	64	-	66	66	-	74	74
Federal Research Credit	831	172	1,003	-	-	-	-	-	-
Carrying Charge on MFC Overcollection	-	6	6	-	-	-	-	-	-
Carrying Charge on Deferral on overcoll of interest	-	-	-	-	-	-	-	-	-
Carrying Charge on Deferred Interest (Variable)	(7)	(2)	(9)	-	-	-	-	-	-
CC-Energy Efficiency Incentives - CYE2015	(61)	(7)	(68)	-	-	-	-	-	-
CC-Energy Efficiency Incentives - CYE2011	(109)	-	(109)	-	-	-	-	-	-
Def Low Income Bill Disc./Fortis Funded	125	33	158	-	-	-	-	-	-
Competitive Metering Initiative	89	-	89	89	-	89	89	-	89
Deferred Accretion Expense	(131)	(23)	(154)	-	-	-	-	-	-
Carrying Charge on Net Plant/Depr Target Shortfall-RY5	55	-	55	-	-	-	-	-	-
Carrying Charge on Net Plant/Depr Target Shortfall-RY1	-	94	94	-	-	-	-	-	-
Gas Threat Assessment - Horseheads Order	-	(102)	(102)	-	-	-	-	-	-
Carrying Charge - Bulk Electric System	(51)	-	(51)	-	-	-	-	-	-
Rate Case Expense Deferral	(187)	(48)	(235)	(436)	(109)	(545)	(437)	(108)	(545)
Carrying Charge - Storm Reserve	4	-	4	-	-	-	-	-	-
Carrying Charge - Rate Moderators	1,803	235	2,038	-	-	-	-	-	-
Carrying Charge - Danskammer Gas Revenue	-	126	126	-	-	-	-	-	-
PRA - Service Terminations	(181)	(60)	(241)	-	-	-	-	-	-
PRA - Leak Prone Pipe Replacement	-	(83)	(83)	-	-	-	-	-	-
Carrying Charge - Low Income Bill Discount	115	(56)	59	-	-	-	-	-	-
REV Demo Proj - CenHub Insights Plus - Revenue Requirement	(4)	-	(4)	-	-	-	-	-	-
Carrying Charge - REV Demo Proj - Targeted Demand Mgmt	(44)	-	(44)	-	-	-	-	-	-
Carrying Charge - REV Demo Proj - Dynamic Load Mgmt	(7)	-	(7)	-	-	-	-	-	-
Carrying Charge - REV Demo Proj - Energy Exchange	(34)	-	(34)	-	-	-	-	-	-
Carrying Charge - Cost to Achieve Tax Refund	2	-	2	-	-	-	-	-	-
Bonus Depreciation Deferral	255	135	390	-	-	-	-	-	-
Carrying Charge - Empire Zone Rate - Lost Revenues	(27)	-	(27)	-	-	-	-	-	-
Carrying Charge - Distribution Service Installation Plan (DSIP)-Elec	(38)	-	(38)	-	-	-	-	-	-
Carrying Charge - NYS Tax Rate Change - Electric	(25)	-	(25)	-	-	-	-	-	-
Carrying Charge - NYS Capital Based Tax	(2)	(1)	(3)	-	-	-	-	-	-
Carrying Charge - NYSERDA CEF/Internal EET	153	-	153	-	-	-	-	-	-
Carrying Charge - Bonus Depreciation Deferral - RY1	12	6	18	-	-	-	-	-	-
Revenue Requirement - Leak Prone Pipe	-	(71)	(71)	-	-	-	-	-	-
Carrying Charge - Revenue Requirement - Leak Prone Pipe	-	(1)	(1)	-	-	-	-	-	-
FIT-SIT Contra Accounts	(297)	(449)	(746)	(112)	(469)	(581)	(159)	(511)	(670)
Total Deferred Federal Taxes	\$ (250,092)	\$ (92,781)	\$ (342,873)	\$ (285,573)	\$ (96,019)	\$ (381,592)	\$ (296,729)	\$ (102,461)	\$ (399,190)

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
 RATE BASE - DEFERRED STATE INCOME TAXES (BRIDGE PERIODS AND RATE YEAR)
 (\$000)

	Twelve-Month Average for the Period Ended December 31, 2017			Twelve-Month Average for the Period Ended December 31, 2018			Twelve-Month Average for the Period Ended June 30, 2019		
	Electric	Gas	Corporate	Electric	Gas	Corporate	Electric	Gas	Corporate
Normalized Depreciation	\$ (19,460)	\$ (6,196)	\$ (25,656)	\$ (21,118)	\$ (7,610)	\$ (28,728)	\$ (22,267)	\$ (8,144)	\$ (30,411)
Research & Development	(34)	(17)	(51)	-	-	-	-	-	-
MTA Tax	(23)	(19)	(42)	(72)	(35)	(107)	(72)	(35)	(107)
Deferred Avoided Cost Interest Capitalized	578	87	665	670	110	780	720	124	844
Deferred Revenues - Attachment Rents	59	-	59	59	-	59	59	-	59
Bonds Redeemed	(41)	(13)	(54)	(31)	(10)	(41)	(26)	(9)	(35)
Cost of Removal	(806)	(195)	(1,001)	(743)	(216)	(959)	(724)	(219)	(943)
Repair Allowance	(1,064)	-	(1,064)	(1,032)	-	(1,032)	(1,016)	-	(1,016)
Contributions in Aid of Construction	1,251	1,113	2,364	1,367	1,371	2,738	1,424	1,482	2,906
Unbilled Revenue	232	149	381	232	149	381	232	149	381
Electric Reliability Metric	132	-	132	-	-	-	-	-	-
Gas Negative Revenue Adjustments	-	69	69	-	-	-	-	-	-
MACRS - Capital Reliability Program	386	-	386	354	-	354	338	-	338
Asbestos Litigation Carrying Charge	(1)	-	(1)	-	-	-	-	-	-
Economic Development	194	47	241	-	-	-	-	-	-
Competition Education Program - Over/Under Collection	12	(3)	9	12	-	12	12	-	12
Carrying Charge on Powerful Opportunities Program	(5)	12	7	-	-	-	-	-	-
Carrying Chg on Environmental SIR Costs & Recoveries	1	-	1	-	-	-	-	-	-
Carrying Charge on Property Taxes	8	-	8	-	-	-	-	-	-
Prepaid Insurance	(68)	(17)	(85)	(69)	(17)	(86)	(72)	(18)	(90)
Carrying Charge on 18A Assessment / Surcharge	(12)	(5)	(17)	-	-	-	-	-	-
Carrying Charge on RDM	7	1	8	-	-	-	-	-	-
Carrying Charge on Storm Costs	(49)	-	(49)	-	-	-	-	-	-
Management & Operational Audit Costs	-	-	-	(10)	(3)	(13)	(20)	(6)	(26)
Carrying Charge on Stray Voltage Overcollection - Electric	2	-	2	-	-	-	-	-	-
Repair Deduction	(12,345)	(6,244)	(18,589)	(13,894)	(7,162)	(21,056)	(14,743)	(7,645)	(22,388)
Interest Expense on Tax Reserve	-	10	10	-	11	11	-	12	12
Federal Research Credit	154	32	186	-	-	-	-	-	-
Carrying Charge on MFC Overcollection	-	1	1	-	-	-	-	-	-
Carrying Charge on Deferred Interest (Variable)	(1)	-	(1)	-	-	-	-	-	-
CC-Energy Efficiency Incentives - CYE2015	(11)	(1)	(12)	-	-	-	-	-	-
CC-Energy Efficiency Incentives - CYE2011	(20)	-	(20)	-	-	-	-	-	-
Def Low Income Bill Disc./Fortis Funded	23	6	29	-	-	-	-	-	-
Competitive Metering Initiative	17	-	17	17	-	17	17	-	17
Deferred Accretion Expense	(24)	(4)	(28)	-	-	-	-	-	-
Carrying Charge on Net Plant/Depr Target Shortfall-RY5	10	-	10	-	-	-	-	-	-
Carrying Charge on Net Plant/Depr Target Shortfall-RY1	-	17	17	-	-	-	-	-	-
Gas Threat Assessment - Horseheads Order	-	(19)	(19)	-	-	-	-	-	-
Carrying Charge - Bulk Electric System	(9)	-	(9)	-	-	-	-	-	-
Rate Case Expense Deferral	(35)	(9)	(44)	(81)	(20)	(101)	(81)	(20)	(101)
Carrying Charge - Storm Reserve	1	-	1	-	-	-	-	-	-
Carrying Charge - Rate Moderators	335	44	379	-	-	-	-	-	-
Carrying Charge - Danskammer Gas Revenue	-	23	23	-	-	-	-	-	-
PRA - Service Terminations	(34)	(11)	(45)	-	-	-	-	-	-
PRA - Leak Prone Pipe Replacement	-	(15)	(15)	-	-	-	-	-	-
Carrying Charge - Low Income Bill Discount	21	(10)	11	-	-	-	-	-	-
REV Demo Proj - CenHub Insights Plus - Revenue Requirement	(1)	-	(1)	-	-	-	-	-	-
Carrying Charge - REV Demo Proj - Targeted Demand Mgmt	(8)	-	(8)	-	-	-	-	-	-
Carrying Charge - REV Demo Proj - Dynamic Load Mgmt	(1)	-	(1)	-	-	-	-	-	-
Carrying Charge - REV Demo Proj - Energy Exchange	(6)	-	(6)	-	-	-	-	-	-
Bonus Depreciation Deferral	47	25	72	-	-	-	-	-	-
Carrying Charge - Empire Zone Rate - Lost Revenues	(5)	-	(5)	-	-	-	-	-	-
Carrying Charge - Distribution Service Installation Plan (DSIP)-Elec	(7)	-	(7)	-	-	-	-	-	-
Carrying Charge - NYS Tax Rate Change - Electric	(5)	-	(5)	-	-	-	-	-	-
Carrying Charge -NYSERDA CEF/Internal EET	29	-	29	-	-	-	-	-	-
Carrying Charge -Bonus Depreciation Deferral - RY1	2	1	3	-	-	-	-	-	-
Revenue Requirement - Leak Prone Pipe	-	(13)	(13)	-	-	-	-	-	-
Total Deferred State Taxes	\$ (30,574)	\$ (11,154)	\$ (41,728)	\$ (34,339)	\$ (13,432)	\$ (47,771)	\$ (36,219)	\$ (14,329)	\$ (50,548)

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
RATE BASE - WORKING CAPITAL (BRIDGE PERIODS AND RATE YEAR)
(\$000)

DESCRIPTION	Twelve-Month Average for the Period Ended December 31, 2017			Twelve-Month Average for the Period Ended December 31, 2018			Twelve-Month Average for the Period Ended June 30, 2019		
	Electric	Gas	Corporate	Electric	Gas	Corporate	Electric	Gas	Corporate
Other Materials and Supplies	\$14,994	\$3,523	\$18,517	\$15,317	\$3,602	\$18,919	\$15,485	\$3,642	\$19,127
<u>Prepayments:</u>									
Prepaid Property Taxes	10,916	3,447	14,363	11,722	3,701	15,423	12,315	3,889	16,204
Prepaid Insurance	844	211	1,055	862	216	1,078	872	218	1,090
Other Prepayments	3,942	986	4,928	4,027	1,007	5,034	4,063	1,015	5,078
Total Prepayment Working Capital	15,702	4,644	20,346	16,611	4,924	21,535	17,250	5,122	22,372
O & M Cash Working Capital	18,600	5,090	23,690	20,852	5,629	26,481	22,312	5,819	28,131
Total Working Capital	\$49,296	\$13,257	\$62,553	\$52,780	\$14,155	\$66,935	\$55,047	\$14,583	\$69,630

EXHIBIT _____ (RRP-7)

CENTRAL HUDSON GAS & ELECTRIC CORPORATION

NET DEFERRED BALANCES AVAILABLE FOR MODERATION

Projected Balances at July 1, 2018

Central Hudson Gas & Electric Corporation
Case 17-E-xxxx
Net Electric Deferred Balances Available For Moderation

Description	Projected Balance @ July 1, 2018				
	Gross	FIT	FIT Contra	SIT	Net
Rate Moderator - Electric	(31,048,239)	10,866,900	(706,300)	2,018,100	(18,869,539)
CC - Rate Moderator - Electric	(6,985,892)	2,445,100	(158,900)	454,100	(4,245,592)
CC on OPEB Over/Under - Electric	(5,781,828)	2,023,600	(131,500)	375,800	(3,513,928)
Deferred Property Taxes - Electric	(5,216,531)	1,825,800	(118,700)	339,100	(3,170,331)
Bonus Depreciation Deferral - Electric	(2,818,500)	986,500	(64,100)	183,200	(1,712,900)
OPEB Over/Under - Electric	(2,606,669)	912,300	(59,300)	169,400	(1,584,269)
Storm Reserve	(2,098,100)	734,300	(47,700)	136,400	(1,275,100)
Net Plant Target Shortfall - Electric	(1,365,000)	477,800	(31,000)	88,700	(829,500)
Federal Income Tax Research Credit - Electric	(1,237,100)	433,000	(28,100)	80,400	(751,800)
Deferred Low Income Bill Discounts and EPOP Costs - Electric	(1,066,788)	373,400	(24,300)	69,300	(648,388)
Stray Voltage Overcollection - Electric	(771,708)	270,100	(17,600)	50,200	(469,008)
Pension Over/Under - Electric	(684,143)	239,500	(15,600)	44,500	(415,743)
Deferral of Interest Overcollection - Electric	(521,000)	182,400	(11,900)	33,900	(316,600)
CC - Deferred Property Taxes - Electric	(368,306)	128,900	(8,400)	23,900	(223,906)
CC - Net Plant Target Shortfall - Electric	(233,751)	81,800	(5,300)	15,200	(142,051)
CC - Bonus Depreciation Deferral - Electric	(136,776)	47,900	(3,100)	8,900	(83,076)
Sales Tax Adjustment - Prior Period Deferrals	(131,602)	46,100	(3,000)	8,600	(79,902)
NMP2 - O&M Supplement #5	(120,001)	42,000	(2,700)	7,800	(72,901)
Rate Case Expense Deferral & Amortization	(87,150)	30,500	(2,000)	5,700	(52,950)
CC on Stray Voltage Overcollection - Electric	(75,251)	26,300	(1,700)	4,900	(45,751)
Cost to Achieve Tax Refund - Electric	(55,300)	19,400	(1,300)	3,600	(33,600)
CC - Overcollection of Interest - Electric	(32,040)	11,200	(700)	2,100	(19,440)
CC on NMP2 - O&M Supplement #5	(12,298)	4,300	(300)	800	(7,498)
CC - Sales Tax Adj - Prior Period Deferrals	(11,599)	4,100	(300)	800	(6,999)
CC - Cost to Achieve Tax Refund - Electric	(8,823)	3,100	(200)	600	(5,323)
Total Credits	(63,474,395)	22,216,300	(1,444,000)	4,126,000	(38,576,095)
Storm Deferrals - Snowbird Nov 2014	5,344,520	(1,870,600)	121,600	(347,400)	3,248,120
CC on Pension Reserve - Electric	5,334,048	(1,866,900)	121,300	(346,700)	3,241,748
REV Demonstration Projects and Carrying Charges	4,448,948	(1,557,100)	101,200	(289,200)	2,703,848
Net Energy Efficiency Incentives and Carrying Charges-Electric	4,021,574	(1,407,600)	91,500	(261,400)	2,444,074
Empire Zone Rate - Lost Revenues - Electric	3,143,331	(1,100,200)	71,500	(204,300)	1,910,331
Wind/Thunderstorm 2/25/17	2,115,684	(740,500)	48,100	(137,500)	1,285,784
Research & Development - Electric	1,379,440	(482,800)	31,400	(89,700)	838,340
Wind Storm 2/13/17	1,197,251	(419,000)	27,200	(77,800)	727,651
Variable Rate Interest Overcollection - Electric	1,113,946	(389,900)	25,300	(72,400)	676,946
CC - Snowbird Nov 2014	1,057,983	(370,300)	24,100	(68,800)	642,983
Bulk Electric System	1,048,691	(367,000)	23,900	(68,200)	637,391
OPEB Medicare Subsidy Over/Under - Electric	979,992	(343,000)	22,300	(63,700)	595,592
General Assessment - Electric	939,801	(328,900)	21,400	(61,100)	571,201
NYS Rate Change - Electric	868,600	(304,000)	19,800	(56,500)	527,900
CC Environmental SIR Costs - Electric	578,157	(202,400)	13,200	(37,600)	351,357
CC - Empire Zone Rate - Lost Revenues - Electric	215,870	(75,600)	4,900	(14,000)	131,170
NYS Capital Base Tax - Electric	204,000	(71,400)	4,700	(13,300)	124,000
CC - Bulk Electric System	204,282	(71,500)	4,700	(13,300)	124,182
CC-NYS Rate Change - Electric	122,174	(42,800)	2,800	(7,900)	74,274
CC on General Assessment - Electric	96,370	(33,700)	2,200	(6,300)	58,570
Coll Costs for Asbestos Litigation	95,286	(33,400)	2,200	(6,200)	57,886
CC - Major Storm Reserve	82,129	(28,700)	1,900	(5,300)	50,029
CC on Var Rate Interest Overcollection - Electric	60,529	(21,200)	1,400	(3,900)	36,829
CC-NYS Capital Base Tax - Electric	17,982	(6,300)	400	(1,200)	10,882
CC - Management Audit Costs - Electric	14,432	(5,100)	300	(900)	8,732
CC on Asbestos Litigation	13,586	(4,800)	300	(900)	8,186
Total Debits	34,698,606	(12,144,700)	789,600	(2,255,500)	21,088,006
Proposed Moderation for Transmission Trimming per Case 17-E-0250	1,891,948	(662,200)	43,100	(123,000)	1,149,848
Proposed Moderation for Distribution Trimming per Case 17-E-0250	4,919,205	(1,721,700)	111,900	(319,700)	2,989,705
Net Credit Available for Moderation after Offset	(21,964,636)	7,687,700	(499,400)	1,427,800	(13,348,536)

Central Hudson Gas & Electric Corporation
Case 17-G-xxxx
Net Gas Deferred Balances Available For Moderation

Description	Projected Balance @ July 1, 2018				
	Gross	FIT	FIT Contra	Tax	Net
Rate Moderator - Gas	(8,891,610)	3,112,100	(202,300)	578,000	(5,403,810)
Deferred Property Taxes - Gas	(2,224,279)	778,500	(50,600)	144,600	(1,351,779)
CC on OPEB Over/Under - Gas	(1,769,975)	619,500	(40,300)	115,000	(1,075,775)
CC - Rate Moderator - Gas	(1,519,104)	531,700	(34,500)	98,700	(923,204)
OPEB Over/Under - Gas	(1,140,584)	399,200	(25,900)	74,100	(693,184)
Bonus Depreciation Deferral - Gas	(1,483,000)	519,100	(33,700)	96,400	(901,200)
CC on Pension Reserve - Gas	(606,693)	212,300	(13,800)	39,400	(368,793)
Net Plant Target Shortfall - Gas	(504,000)	176,400	(11,500)	32,800	(306,300)
Gas Compliance Metrics	(338,333)	118,400	(7,700)	22,000	(205,633)
Federal Income Tax Research Credit - Gas	(240,400)	84,100	(5,500)	15,600	(146,200)
Deferral of Interest Overcollection - Gas	(177,000)	62,000	(4,000)	11,500	(107,500)
CC - Bonus Depreciation Deferral - Gas	(73,764)	25,800	(1,700)	4,800	(44,864)
CC - Deferred Property Taxes - Gas	(59,586)	20,900	(1,400)	3,900	(36,186)
Rate Case Expense Deferral & Amortization	(24,080)	8,400	(600)	1,600	(14,680)
CC - Overcollection of Interest - Gas	(10,920)	3,800	(200)	700	(6,620)
Cost to Achieve Tax Refund - Gas	(9,800)	3,400	(200)	600	(6,000)
CC - Cost to Achieve Tax Refund - Gas	(1,558)	500	0	100	(958)
Total Credits	(19,074,686)	6,676,100	(433,900)	1,239,800	(11,592,686)
Gas Threat Assessment - Horseheads Order	2,131,600	(746,100)	48,500	(138,600)	1,295,400
Pension Over/Under - Gas	1,585,711	(555,000)	36,100	(103,100)	963,711
Revenue Requirement - Leak Prone Pipe	1,158,000	(405,300)	26,400	(75,300)	703,800
Deferred Low Income Bill Discounts and EPOP Costs - Gas	1,085,695	(380,000)	24,700	(70,600)	659,795
Research & Development - Gas	513,507	(179,700)	11,700	(33,400)	312,107
CC - Gas Threat Assessment - Horseheads Order	412,118	(144,200)	9,400	(26,800)	250,518
Variable Rate Interest Overcollection - Gas	389,345	(136,300)	8,900	(25,300)	236,645
General Assessment - Gas	366,993	(128,400)	8,400	(23,900)	223,093
OPEB Medicare Subsidy Over/Under - Gas	344,096	(120,400)	7,800	(22,400)	209,096
Net Energy Efficiency Incentives and Carrying Charges-Gas	186,618	(65,300)	4,200	(12,100)	113,418
CC Environmental SIR Costs - Gas	144,538	(50,600)	3,300	(9,400)	87,838
Deferred Competition Education Costs - Gas	67,847	(23,700)	1,500	(4,400)	41,247
NYS Capital Base Tax - Gas	51,000	(17,900)	1,200	(3,300)	31,000
CC on General Assessment - Gas	43,767	(15,300)	1,000	(2,800)	26,667
CC on Var Rate Interest Overcollection - Gas	20,649	(7,200)	500	(1,300)	12,649
CC - Management Audit Costs - Gas	5,652	(2,000)	100	(400)	3,352
CC-NYS Capital Base Tax - Gas	4,496	(1,600)	100	(300)	2,696
Total Debits	8,511,632	(2,979,000)	193,800	(553,400)	5,173,032
Proposed Moderation for new mandates per Case 15-G-0244	494,143	(173,000)	11,200	(32,100)	300,243
Net Credit Available for Moderation after Offset	(10,068,911)	3,524,100	(228,900)	654,300	(6,119,411)

EXHIBIT _____ (RRP-8)

CENTRAL HUDSON GAS & ELECTRIC CORPORATION

ITEMS SUBJECT TO UPDATE

Rate Year - Twelve Months Ending June 30, 2019

Central Hudson Gas & Electric Corporation
Cases 17-E-_____ & 17-G-_____
Items Subject to Update

<u>Income Statement Item</u>	<u>Description of Update</u>	<u>Testimony Reference</u>
1. Electric Sales	Update of customer & sales forecast actual data through March 2018. Forecast models will be updated with a new forecast from Moody's Economy.com and updated price forecast.	Forecasting and Rates Panel
2. Gas Sales	Update of customer & sales forecast actual data through March 2018. Forecast models will be updated with a new forecast from Moody's Economy.com and updated price forecast.	Forecasting and Rates Panel
3. Other Revenues - Finance Charges	Inclusion of the latest twelve months of finance charges in development of factors on a customer category basis.	Forecasting and Rates Panel
4. Labor	a. Update for latest known number of employees; and b. Latest known salary increases.	Revenue Requirements Panel
5. Employee Benefits	a. Latest known twelve months of medical premiums, claim activity & employee contributions; and b. Latest known twelve months of group life premiums & employee contributions; and c. Latest known levels for the Company's contribution to SIP and ESPP.	Revenue Requirements Panel
6. Pension Plan	a. Latest known changes supplied by the Company's actuary for cost estimate; and b. Inclusion of any ratemaking determinations resulting from Case 17-M-0363 FASB Update on Pensions and OPEB Net Periodic Costs.	Revenue Requirements Panel
7. OPEBs	a. Latest known changes supplied by the Company's actuary for cost estimate; and b. Inclusion of any ratemaking determinations resulting from Case 17-M-0363 FASB Update on Pensions and OPEB Net Periodic Costs.	Revenue Requirements Panel
8. Employee Training, Safety & Education, Security of Infrastructure, & Other Operating Expenses	a. Latest known cost projections related to Training Center; and b. Latest known cost projections related to Primary Control Center.	Training & Development Panel DSP Panel
9. Uncollectible Accounts	Latest known twelve months of activity to calculate the ratio of net write-offs to revenues subject to bad debt.	Customer Service Panel
10. Regulatory Commission General Assessment	Latest known estimated assessment for the fiscal year ending March 31, 2019.	Revenue Requirements Panel
11. Injuries & Damages	a. Latest known twelve months of Workers Compensation premiums & the three-year average of claims paid; b. Update to reflect surcharges and assessments imposed by the New York State Workers' Compensation Board c. Inclusion of the latest known twelve months of personal & property damage claims in development of the three-year average; and d. Update for latest known GDP factors.	Revenue Requirements Panel
12. Non-Major Storm Restoration	a. Inclusion of the latest known twelve months of non-major storm restoration expense, in development of the three-year average; and b. Update for latest known GDP factors	Revenue Requirements Panel
13. Pipeline Integrity & Inspection	Update for new contract terms and anticipated change in costs and qualification requirements of external contractor performing required gas leakage surveys.	Gas Safety Panel
14. Taxes Other than Income Taxes	a. Latest known property taxes; b. Payroll taxes to reflect known additional FUTA taxes/surtax for which deferral accounting has been requested; and c. Update for latest known GDP factors.	Property Tax Panel Revenue Requirements Panel
15. GDP Inflation Factors	Update all elements of expense for latest GDP factors where projection is based on applying inflation to the base to arrive at the Rate Year projection.	Forecasting & Rates Panel
16. Electric Deferred Balance Available for Moderation	Latest known balances and items included in the final makeup of deferred charges & credits to be netted against each other and available to moderate rates.	Revenue Requirements Panel
17. Gas Deferred Items Available for Moderation	Latest known balances and items included in the final makeup of deferred charges & credits to be netted against each other and available to moderate rates.	Revenue Requirements Panel
18. Productivity Adjustment @ 1%	Based on Productivity Base including Labor, Fringe Benefits, Pension Plan, OPEB's and Payroll Taxes @ 1%	Revenue Requirements Panel