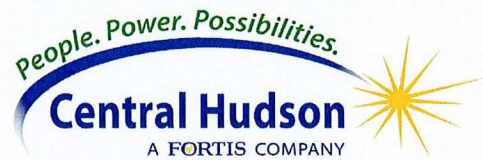


Lora Gescheidle  
CFO & Treasurer



March 26, 2024

Honorable Michelle Phillips  
Secretary  
New York State Department of Public Service  
Three Empire State Plaza  
Albany, New York 12223

Re: Case 23-M-0286 – In the Matter of the Application of  
CENTRAL HUDSON GAS & ELECTRIC CORPORATION  
for authorization, pursuant to the Public Service Law, for (a) approval to enter  
into multi-year committed credit agreements to provide committed funding to  
meet projected liquidity needs, in amounts not to exceed \$350 million in the  
aggregate and maturities not to exceed five years, and (b) approval to issue and  
sell long-term debt, commencing upon the expiration of the existing authorization  
to issue and sell long term debt securities, and from time to time through  
December 31, 2026, in an amount not to exceed \$380 million in the aggregate.

Dear Secretary Phillips:

I submit for filing with the Public Service Commission in the above-referenced proceeding, the  
Petition of Central Hudson Gas & Electric Corporation to Modify Order Authorizing Issuance of  
Securities.

Please contact me if you have any questions regarding this matter.

Respectfully submitted,

CENTRAL HUDSON GAS & ELECTRIC CORPORATION

By 

Lora Gescheidle, CFO & Treasurer

284 South Avenue  
Poughkeepsie, NY 12601  
(845) 486-5822  
lgescheidle@cenhud.com

STATE OF NEW YORK  
DEPARTMENT OF PUBLIC SERVICE  
STATE DIVISION

Petition of  
CENTRAL HUDSON GAS & ELECTRIC CORPORATION

for authorization, pursuant to the Public Service Law, for (a) *approval to enter into multi-year committed credit agreements to provide committed funding to meet projected liquidity needs, in amounts not to exceed \$350 million in the aggregate and maturities not to exceed five years, and (b) approval to issue and sell long-term debt, from time to time from January 1, 2024 through December 31, 2026, in an amount not to exceed \$380 million in the aggregate.*

Case 23-M-0286

PETITION OF CENTRAL HUDSON GAS & ELECTRIC CORPORATION  
TO MODIFY ORDER AUTHORIZING ISSUANCE OF SECURITIES

By petition filed on May 23, 2023 with the Public Service Commission (“Commission”) Central Hudson Gas & Electric Corporation (“Central Hudson” or the “Company”) requested authorization and approval to (i) enter into multi-year credit agreements to provide committed funding to meet projected liquidity needs, in amounts not to exceed \$350 million in the aggregate and maturities not to exceed 5 years; and (ii) issue and sell long-term debt securities, from time to time from January 1, 2024 through December 31, 2026, in an aggregate amount not to exceed \$380 million.

By Order Authorizing Issuance of Securities issued November 21, 2023 in the above-referenced proceeding (“Order Authorizing Issuance of Securities”), the Commission authorized the Company to issue up to \$380 million of long-term securities consisting of \$346.3 million of new debt and \$33.7 million of refinancing debt through December 31, 2026.


Under the Order Authorizing Issuance of Securities, the Commission also granted authorization to enter into or continue one or more revolving credit agreement (s) up to \$350 million and to enter into or continue derivative transactions to hedge interest rate risk associated with the Company’s NYSERDA variable rate debt obligation.

In a supplemental letter filed on June 6, 2023 Central Hudson requested authorization to enter into derivative instruments such as 1-year to 3-year interest rate caps in notional amounts equal to the outstanding principal amount of the respective series of variable debt outstanding and continued deferral accounting treatment for variations in the interest costs of Central Hudson's variable rate bonds. Variations between the actual interest rates on these bonds and the interest rate included in the current delivery rate structure for these bonds will continue to be deferred for future recovery or refund in accordance with the Commission's authorization contained in the Order Adopting Terms of Joint Proposal and Establishing Electric and Gas Rate Plan issued November 18, 2021 in Case 20-E-0428 and 20-G-0429. We expect such treatment will continue in subsequent rate orders. In practice, Central Hudson includes the costs and benefits from rate caps in the deferral accounting treatment. Under the Financing Order, the Commission granted authorization to enter into these derivative instruments for existing variable rate debt to protect against potential increases in interest rates.

By this Petition, Central Hudson requests expansion of the provision, which authorizes the Company to enter into or continue derivative transactions associated with its existing variable rate debt obligation, to also include authorization to enter into derivative instruments such as 1-year to 3-year interest rate caps or similar hedging instruments for any new variable rate debt issued during the term of the Order Authorizing Issuance of Securities. Hedging interest rates on its variable rate debt using interest rate caps helps to protect customers from sharp and unexpected increases in rates for short periods while affording the Company time to evaluate alternatives. Accordingly, Central Hudson believes it is appropriate to reflect the costs and benefits of these products in its ratemaking. The Company will file for examination any future derivative agreements entered into related to its variable rate debt under the case number of its most recently applicable financing authorization, following the filing requirements provided in the Financing Order.

THEREFORE, Central Hudson respectfully requests that the Honorable Commission modify the Order Authorizing Issuance of Securities (Issued and Effective November 21, 2023) to authorize the Company to enter into derivative instruments related to any new variable rate debt.

CENTRAL HUDSON GAS & ELECTRIC CORPORATION

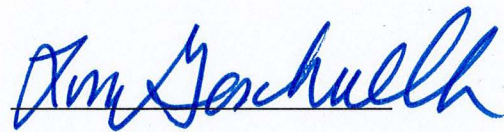
By 

Lora Gescheidle, CFO & Treasurer

Poughkeepsie, New York  
March 26, 2024

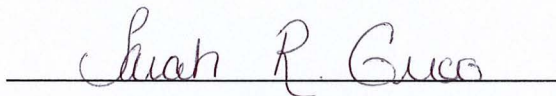
STATE OF NEW YORK     )  
  ) ss.:  
COUNTY OF DUTCHESS    )

LORA GESCHEIDLE, being duly sworn, deposes and says that she is the Treasurer of Central Hudson Gas & Electric Corporation, the Corporation on whose behalf she executed the foregoing petition; that she is authorized to sign the foregoing petition and to make this affidavit; that she has read the foregoing petition and knows the contents thereof; and that all of the facts and matters set forth therein are true and correct to the best of her knowledge, information, and belief.



Lora Gescheidle, CFO & Treasurer

Subscribed and sworn before  
me, a Notary Public, this 26 day  
of March, 2024



Notary Public  
Sarah R. Greco  
Notary Public, State of New York  
Reg. No. 01GR0020297  
Qualified in Ulster County  
Commission Expires January 2030