

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**

**CASH REQUIREMENTS**

- Schedule A - Forecast of Cash Requirements for the Twelve Months Ending June 30, 2011, 2012 and 2013
- Schedule B - Forecast of Cash Requirements, 2009 - 2013
- Schedule C - Forecast of Cash Construction Expenditures, 2009 - 2013, and the Twelve Months Ending June 30, 2011, 2012 and 2013
- Schedule D - Cash Requirements, 2004 - 2008

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**FORECAST OF CASH REQUIREMENTS**  
**TWELVE MONTHS ENDING JUNE 30, 2011, 2012 AND 2013**  
**(\$000)**

	Twelve Months Ending		
	6/30/2011	6/30/2012	6/30/2013
<b><u>Construction Expenditures</u></b>			
Cash Construction Expenditures	\$ 83,600	\$ 91,600	\$ 94,400
<b><u>Internal Funds Available</u></b>			
Depreciation Accruals	38,500	40,500	42,400
Deferred Income Taxes	11,700	11,800	12,600
Retained Earnings	20,400	18,400	14,600
OPEB Carrying Charges	4,600	5,500	6,200
Net Pension & OPEB Accrual & Deferral	38,700	33,800	26,500
Amortization of Gas Net Regulatory Assets	4,300	4,300	4,300
Total Internal Funds	118,200	114,300	106,600
<b><u>Balance of Construction Requirements to be Financed</u></b>	(34,600)	(22,700)	(12,200)
<b><u>Mandatory Refunding of Long Term Debt</u></b>	24,000	36,000	-
<b><u>Other Cash Requirements</u></b>			
AFUDC	400	900	1,300
PSC 18a Assessment Collection Lag	-	-	-
Deferred MGP Remediation Expenditures	7,450	3,650	2,300
Fuels, Materials and Supplies	700	700	700
Pension and OPEB Contributions	38,700	33,800	26,500
Pension Carrying Charges	3,000	2,500	2,000
MGP Remediation Carrying Charge	500	800	900
Electric Bill Credit	10,000	6,000	-
Total	60,750	48,350	33,700
<b>Total Cash Requirements</b>	<b>\$ 50,150</b>	<b>\$ 61,650</b>	<b>\$ 21,500</b>

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**FORECAST OF CASH REQUIREMENTS**

**2009 - 2013**

**(\$000)**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	Total <u>2009 - 2013</u>
<b>Construction Expenditures</b>						
Cash Construction Expenditures	\$ 103,100	\$ 80,700	\$ 86,700	\$ 97,100	\$ 92,700	\$ 460,300
<b>Internal Funds Available</b>						
Depreciation Accruals	35,600	37,400	39,500	41,500	43,300	197,300
Deferred Income Taxes	18,300	12,100	11,200	12,300	12,800	66,700
Retained Earnings	5,000	19,700	21,000	22,500	18,600	86,800
OPEB Carrying Charges	3,500	4,200	5,000	5,900	6,400	25,000
Net Pension & OPEB Accrual & Deferral	30,100	40,200	37,200	30,400	22,500	160,400
Amortization of Gas Net Regulatory Assets	4,500	4,300	4,300	4,300	4,300	21,700
Total Internal Funds	97,000	117,900	118,200	116,900	107,900	557,900
<b>Balance of Construction Requirements to be Financed</b>	6,100	(37,200)	(31,500)	(19,800)	(15,200)	(97,600)
<b>Mandatory Refunding of Long Term Debt</b>	20,000	24,000	-	36,000	30,000	110,000
<b>Other Cash Requirements</b>						
AFUDC	300	300	600	1,200	1,300	3,700
PSC 18a Assessment Collection Lag	8,500	-	-	-	-	8,500
Deferred MGP Remediation Expenditures	3,400	8,000	6,900	400	4,200	22,900
Fuels, Materials and Supplies	700	700	700	700	700	3,500
Pension and OPEB Contributions	25,400	40,200	37,200	30,400	22,500	155,700
Pension Carrying Charges	3,700	3,200	2,700	2,200	1,800	13,600
MGP Remediation Carrying Charge	200	300	700	800	900	2,900
Electric Bill Credit	10,000	15,000	8,000	3,000	-	36,000
Total	52,200	67,700	56,800	38,700	31,400	246,800
<b>Total Cash Requirements</b>	\$ 78,300	\$ 54,500	\$ 25,300	\$ 54,900	\$ 46,200	\$ 259,200

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**FORECAST OF CASH CONSTRUCTION EXPENDITURES**

**2009 - 2013**

**(\$000)**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	Total <u>2009 - 2013</u>
Cash Construction Expenditures: (a)						
Electric Department	\$ 60,800	\$ 57,700	\$ 59,800	\$ 67,600	\$ 60,500	\$ 306,400
Gas Department	16,000	13,500	14,100	16,600	19,600	79,800
Common Department	<u>26,300</u>	<u>9,500</u>	<u>12,800</u>	<u>12,900</u>	<u>12,600</u>	<u>74,100</u>
Total Program	<u>\$ 103,100</u>	<u>\$ 80,700</u>	<u>\$ 86,700</u>	<u>\$ 97,100</u>	<u>\$ 92,700</u>	<u>\$ 460,300</u>

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**FORECAST OF CASH CONSTRUCTION EXPENDITURES**  
**TWELVE MONTHS ENDING JUNE 30, 2011, 2012 AND 2013**

**(\$000)**

	<u>Twelve Months Ending</u>		
	<u>6/30/2011</u>	<u>6/30/2012</u>	<u>6/30/2013</u>
Cash Construction Expenditures: (a)			
Electric Department	\$ 58,000	\$ 63,800	\$ 64,000
Gas Department	14,600	15,000	17,700
Common Department	<u>11,000</u>	<u>12,800</u>	<u>12,700</u>
Total Program	<u>\$ 83,600</u>	<u>\$ 91,600</u>	<u>\$ 94,400</u>

(a) Excluding allowance for funds used during construction, a non-cash item.

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**CASH REQUIREMENTS**  
**2004 - 2008 (a)**  
**(\$000)**

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>Total</u> <u>2004 - 2008</u>
<u>Construction Expenditures</u>						
Cash Construction Expenditures	\$ 58,602	\$ 61,988	\$ 70,506	\$ 83,279	\$ 80,207	\$ 354,582
<u>Internal Funds Available</u>						
Depreciation Accruals	28,408	29,874	29,002	28,399	29,812	145,495
Deferred Income Taxes	24,069	12,811	21,256	3,105	11,375	72,616
Retained Earnings	12,178	17,665	25,401	23,966	26,268	105,478
Net Pension & OPEB Accrual & Deferral	(11,822)	(12,036)	2,812	22,794	22,221	23,969
Deferred natural gas and electric costs	(10,783)	(14,513)	3,561	(3,310)	(12,453)	(37,498)
Amortization of fossil plant incentive	(9,887)	-	-	-	-	(9,887)
Total Internal Funds	32,163	33,801	82,032	74,954	77,223	300,173
<u>Balance of Construction Requirements to be Financed</u>	26,439	28,187	(11,526)	8,325	2,984	54,409
<u>Mandatory Refunding of Long Term Debt</u>	15,000	-	-	33,000	-	48,000
<u>Optional Refunding of Preferred Stock</u>	-	3	-	-	-	3
<u>Other Cash Requirements</u>						
AFUDC	372	401	626	1,088	568	3,055
Deferred MGP Remediation Expenditures	435	711	1,485	5,050	2,834	10,515
Pension and OPEB Contributions	7,023	6,508	10,706	12,894	17,227	54,358
Proceeds from sales of emissions allowances	(13,576)	-	-	-	-	(13,576)
Proceeds from sales of generation plants/ property	-	-	2,724	468	-	3,192
Reg. Liab. Rate Moderation	-	-	13,977	18,425	5,954	38,356
Customer Benefit Fund	13,845	4,146	3,205	893	599	22,688
Provision for Uncollectibles	(5,071)	(3,592)	(4,435)	(4,850)	(7,892)	-
Other	(2,974)	9,631	(4,240)	18,325	(8,137)	12,605
Total	54	17,805	24,048	52,293	11,153	105,353
<u>Total Cash Requirements</u>	<u>\$ 41,493</u>	<u>\$ 45,995</u>	<u>\$ 12,522</u>	<u>\$ 93,618</u>	<u>\$ 14,137</u>	<u>\$ 207,765</u>

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**

**FINANCING PROGRAM**

Schedule A - Financing Program, Twelve Months Ending June 30, 2011, 2012 and 2013

Schedule B - Financing Program, 2009 - 2013

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**FINANCING PROGRAM**  
**TWELVE MONTHS ENDING JUNE 30, 2011, 2012 AND 2013**  
**(\$000)**

	<u>Twelve Months Ending</u>		
	<u>6/30/2011</u>	<u>6/30/2012</u>	<u>6/30/2013</u>
<u>Cash Requirements</u>	<u>\$ 50,150</u>	<u>\$ 61,650</u>	<u>\$ 21,500</u>
<u>Financing Program</u>			
Unsecured Medium Term Notes	45,100	59,800	21,500
Tax Exempt Debt	-	-	-
Preferred Stock	-	-	-
Common Stock	5,100	1,900	-
Short Term Debt	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 50,200</u>	<u>\$ 61,700</u>	<u>\$ 21,500</u>
<u>Short Term Debt Outstanding</u>			
Outstanding at Beginning of Year	\$ -	\$ -	\$ -
Increase (Decrease) During Year	<u>-</u>	<u>-</u>	<u>-</u>
Outstanding at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**FINANCING PROGRAM**  
**2009 - 2013**  
**(\$000)**

	2009	2010	2011	2012	2013	Total 2009 - 2013
<u>Cash Requirements</u>	\$ 78,300	\$ 54,500	\$ 25,300	\$ 54,900	\$ 46,200	\$ 259,200
<u>Financing Program</u>						
Unsecured Medium Term Notes	39,600	48,200	21,500	54,900	46,200	210,400
Tax Exempt Debt	-	-	-	-	-	-
Preferred Stock	-	-	-	-	-	-
Common Stock	64,200	6,300	3,800	-	-	74,300
Short Term Debt	(25,500)	-	-	-	-	(25,500)
<b>Total</b>	<b>\$ 78,300</b>	<b>\$ 54,500</b>	<b>\$ 25,300</b>	<b>\$ 54,900</b>	<b>\$ 46,200</b>	<b>\$ 259,200</b>
<u>Short Term Debt Outstanding</u>						
Outstanding at Beginning of Year	\$ 25,500	\$ -	\$ -	\$ -	\$ -	\$ 25,500
Increase (Decrease) During Year	(25,500)	-	-	-	-	(25,500)
Outstanding at End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**

**COMMON EQUITY RATIOS, ALLOWED ROE, DEBT RATINGS AND BOND YIELDS**

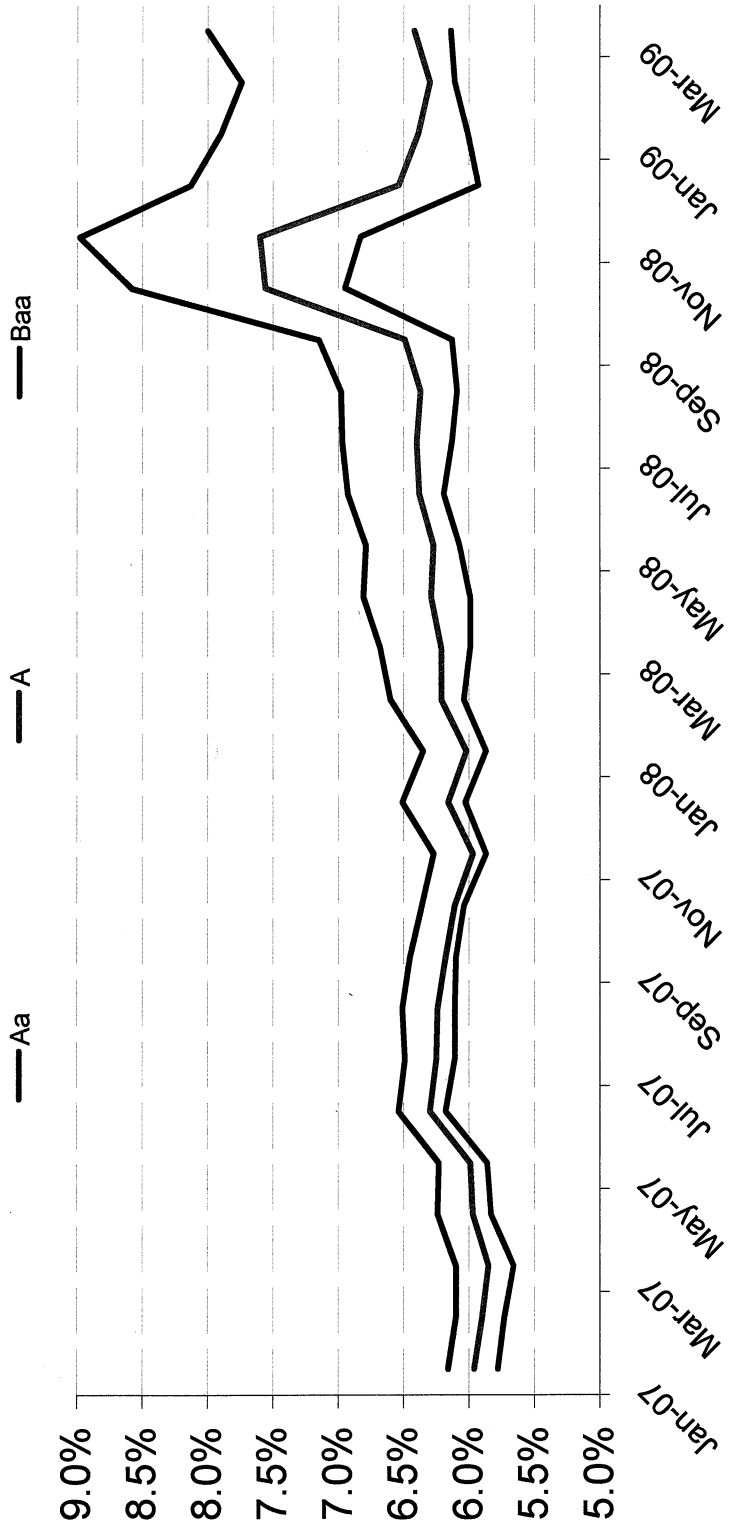
- Schedule A - New York State Electric Utilities Authorized Common Equity Ratios,  
Allowed ROE, and Debt Ratings
- Schedule B - Public Utility Bond Yields
- Schedule C - Recent Issuance Activity of Electric Utility Bonds

**NEW YORK STATE ELECTRIC UTILITIES  
AUTHORIZED COMMON EQUITY RATIOS, ALLOWED ROE, AND DEBT RATINGS**

<u>Company</u>	<u>Authorized Common Equity Ratio <sup>(a)</sup></u>	<u>Allowed ROE <sup>(a)</sup></u>	<u>S&amp;P Debt Rating <sup>(b)</sup> <sup>(f)</sup></u>	<u>S&amp;P Debt Outlook <sup>(b)</sup> <sup>(f)</sup></u>	<u>Moody's Debt Rating <sup>(c)</sup> <sup>(f)</sup></u>	<u>Moody's Debt Outlook <sup>(c)</sup> <sup>(f)</sup></u>
Central Hudson Gas and Electric Corp.	47.00%	10.00%	A	Stable	A2	Negative
New York State Electric and Gas Corp.	41.60% <sup>(b)</sup>	9.55% <sup>(b)</sup>	BBB+	Stable	Baa2	Stable
Orange & Rockland Utilities, Inc.	48.00%	9.40% <sup>(c)</sup>	A-	Stable	Baa1	Stable
Consolidated Edison Company of New York, Inc.	48.00%	10.00%	A-	Stable	A3	Stable
Rochester Gas and Electric Corp.	41.40%	9.96%	BBB	Stable	Baa2	Stable

Notes: (a) Source: SNL Interactive  
(b) Natural gas authorized common equity ratio of 44.25% and allowed ROE of 10.50%  
(c) Natural gas allowed ROE of 9.80%  
(d) Source: Standard and Poor's Ratings Direct  
(e) Source: Moody's Investors Service  
(f) Ratings are senior unsecured debt ratings with the exception of Rochester Gas and Electric, which are issuer ratings

# Public Utility Bond Yields Jan '07 - Mar '09



Source: Mergent Bond Record, April 2009

**RECENT HIGH GRADE UTILITY BOND ISSUANCE ACTIVITY**  
**SIX MONTHS ENDING JUNE 30, 2009**

Date	Issuer	Sector	Ratings (Moody's / S&P)	Term (Years)	Size (\$MM)	Pricing Spread (Basis Points)
5/11	San Diego Gas & Electric Co. (FMB)	Electric Utility	A1/A+	30	\$300	185
3/17	Southern California Edison (FMB)	Electric Utility	A2/A	30	\$500	235
2/26	Alabama Power Co.	Electric Utility	A2/A	30	\$500	235
2/4	Georgia Power Co.	Electric Utility	A2/A	30	\$500	225
3/10	South Carolina Elec. & Gas (FMB)	Electric Utility	A2/A-	30	\$175	240
3/18	Duke Energy Indiana (FMB)	Electric Utility	A3/A	30	\$450	270
5/19	PPL Electric Utilities (FMB)	Electric Utility	A3/A-	30	\$300	210
1/5	PacifiCorp (FMB)	Electric Utility	A3/A-	30	\$650	310
7/7	Interstate Power & Light Co.	Electric Utility	A3/BBB+	30	\$300	195
3/3	Pacific Gas & Electric Co.	Electric Utility	A3/BBB+	30	\$550	270
3/11	Florida Power & Light Co. (FMB)	Electric Utility	Aa3/A	30	\$500	220
1/21	Electricite de France S.A. (EDF)	Electric Utility	Aa3/A+	30	\$1,750	388
3/23	Consolidated Edison Co.	Electric Utility	A1/A-	10	\$475	400
3/3	Mississippi Power Co.	Electric Utility	A2/A	10	\$125	275
1/8	Progress Energy Carolinas	Electric Utility	A2/A-	10	\$600	285
5/28	Public Service Company of Colorado (FMB)	Electric Utility	A3/A	10	\$400	150
5/18	Central Maine Power Co.	Electric Utility	A3/A	10	\$150	250
3/18	Duke Energy Ohio (FMB)	Electric Utility	A3/A	10	\$450	250
3/25	Idaho Power Co. (FMB)	Electric Utility	A3/A-	10	\$100	340
1/5	PacifiCorp (FMB)	Electric Utility	A3/A-	10	\$350	310
3/19	Kansas City Power & Light Co.	Electric Utility	A3/BBB+	10	\$400	460
2/9	Connecticut Light & Power (FMB)	Electric Utility	A3/BBB+	10	\$250	250
1/21	Electricite de France S.A. (EDF)	Electric Utility	Aa3/A+	10	\$2,000	400
6/24	Rochester Gas & Electric (FMB)	Electric Utility	Baa1/A-	10	\$150	225
6/23	Virginia Electric & Power Co.	Electric Utility	Baa1/A-	10	\$350	138
3/23	Northwestern Energy (FMB)	Electric Utility	Baa1/A-	10	\$250	370
Average Pricing Spread						<u>273</u>

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**AVERAGE COST OF CAPITAL**  
**FOR THE TWELVE MONTHS ENDING JUNE 30, 2011, 2012 AND 2013**

- Schedule A - Average Cost of Capital
- Schedule B - Long Term Debt - Average Capitalization and Cost
- Schedule C - Preferred Stock - Average Capitalization and Cost
- Schedule D - Calculation of Average Common Equity

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**AVERAGE COST OF CAPITAL**  
**FOR THE TWELVE MONTHS ENDING JUNE 30, 2011**  
**(\$'000)**

	Amount (1)	Percent of Capitalization (2)	Cost Rate (3)	Weighted Cost of Capital (4)	Pre-tax Weighted Cost of Capital (5)
Long Term Debt	\$ 483,150	49.1%	5.37%	2.63%	2.63%
Customer Deposits	8,269	0.8%	4.85%	0.04%	0.04%
Preferred Stock	21,027	2.1%	5.05%	0.11%	0.18%
Common Equity	<u>472,600</u>	<u>48.0%</u>	<u>10.00%</u>	<u>4.80%</u>	<u>7.95%</u>
Total	<u>\$ 985,046</u>	<u>100.0%</u>		<u>7.58%</u>	<u>10.80%</u>

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**AVERAGE COST OF CAPITAL**  
**FOR THE TWELVE MONTHS ENDING JUNE 30, 2012**  
**(\$000)**

	Amount (1)	Percent of Capitalization (2)	Cost Rate (3)	Weighted Cost of Capital (4)	Pre-tax Weighted Cost of Capital (5)
Long Term Debt	\$ 507,406	49.2%	5.82%	2.86%	2.86%
Customer Deposits	8,269	0.8%	4.85%	0.04%	0.04%
Preferred Stock	21,027	2.0%	5.05%	0.10%	0.17%
Common Equity	495,300	48.0%	10.00%	4.80%	7.95%
Total	<u>\$ 1,032,002</u>	<u>100.0%</u>		<u>7.80%</u>	<u>11.02%</u>

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**AVERAGE COST OF CAPITAL**  
**FOR THE TWELVE MONTHS ENDING JUNE 30, 2013**  
**(\$'000)**

	<u>Amount</u> (1)	<u>Percent</u> of <u>Capitalization</u> (2)	<u>Cost</u> <u>Rate</u> (3)	<u>Weighted</u> <u>Cost of</u> <u>Capital</u> (4)	<u>Pre-tax</u> <u>Weighted</u> <u>Cost of</u> <u>Capital</u> (5)
Long Term Debt	\$ 523,525	49.2%	6.13%	3.02%	3.02%
Customer Deposits	8,269	0.8%	4.85%	0.04%	0.04%
Preferred Stock	21,027	2.0%	5.05%	0.10%	0.17%
Common Equity	510,800	48.0%	10.00%	4.80%	7.95%
Total	<u>\$ 1,063,621</u>	<u>100.0%</u>		<u>7.96%</u>	<u>11.17%</u>

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**LONG TERM DEBT - AVERAGE CAPITALIZATION AND COST**  
**FOR THE TWELVE MONTHS ENDING JUNE 30, 2011**  
**(\$'000)**

Long Term Debt Outstanding Issues	Maturity Date (1)	Interest Rate % (2)	Principal Amount Outstanding 6/30/2010 (3)	Charges During Rate Year (4)	Months Outstanding (5)	Average Amount Outstanding During Rate Year (6)	Interest Expense During Rate Year (7)
1999 NYSERDA Series A Fixed	August 1, 2027	5.45	33,400	-	12	33,400	1,820
1999 NYSERDA Series B Variable	July 1, 2034	2.08	33,700	-	12	33,700	701
1999 NYSERDA Series C Variable	August 1, 2028	2.08	41,150	-	12	41,150	856
1999 NYSERDA Series D Variable	August 1, 2028	2.08	41,000	-	12	41,000	853
1998 NYSERDA Series A Fixed	December 1, 2028	6.50	16,700	-	12	16,700	1,086
2003 MTN Series D @ 4.33%	September 23, 2010	4.33	24,000	(24,000)	3	6,000	260
2002 MTN Series D @ 6.64%	March 28, 2012	6.64	36,000	-	12	36,000	2,390
2004 MTN Series D @ 4.73%	February 27, 2014	4.73	7,000	-	12	7,000	331
2004 MTN Series E @ 4.80%	November 5, 2014	4.80	7,000	-	12	7,000	336
2004 MTN Series E @ 5.05%	November 4, 2019	5.05	27,000	-	12	27,000	1,364
2005 MTN Series E @ 5.84%	December 5, 2035	5.84	24,000	-	12	24,000	1,402
2006 MTN Series E @ 5.76%	November 17, 2031	5.76	27,000	-	12	27,000	1,555
2007 MTN Series F @ 5.80%	March 23, 2037	5.80	33,000	-	12	33,000	1,915
2007 MTN Series F @ 6.03%	September 19, 2017	6.03	33,000	-	12	33,000	1,989
2008 MTN Series F @ 6.85%	November 1, 2013	6.85	30,000	-	12	30,000	2,055
2009 New MTN Issuance	October 1, 2029	6.80	39,600	-	12	39,600	2,693
2010 New MTN Issuance	January 1, 2030	7.20	19,700	-	12	19,700	1,418
2010 New MTN Issuance	September 1, 2030	7.20	-	28,500	10	23,750	1,710
2011 New MTN Issuance	April 1, 2031	7.40	-	16,600	3	4,150	307
Average Long Term Debt Outstanding			473,250			\$ 483,150	
Interest Charges for the Rate Year						\$ 25,041	
Plus: Amortization of Debt Discount and Expense						898	
Less: Amortization of Premium on Debt						3	
Total Cost of Debt						\$ 25,936	
Amount							5.37%
% of Average Long Term Debt Outstanding							

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**LONG TERM DEBT - AVERAGE CAPITALIZATION AND COST**  
**FOR THE TWELVE MONTHS ENDING JUNE 30, 2012**  
**(\$000)**

	Maturity Date (1)	Interest Rate % (2)	Principal Amount Outstanding 6/30/2011 (3)	Charges During Rate Year (4)	Months Outstanding (5)	Average Amount Outstanding During Rate Year (6)	Interest Expense During Rate Year (7)
Long Term Debt							
Outstanding Issues							
1999 NYSERDA Series A Fixed	August 1, 2027	5.45	33,400	-	12	33,400	1,820
1999 NYSERDA Series B Variable	July 1, 2034	3.36	33,700	-	12	33,700	1,132
1999 NYSERDA Series C Variable	August 1, 2028	3.36	41,150	-	12	41,150	1,383
1999 NYSERDA Series D Variable	August 1, 2028	3.36	41,000	-	12	41,000	1,378
1998 NYSERDA Series A Fixed	December 1, 2028	6.50	16,700	-	12	16,700	1,086
2002 MTN Series D @ 6.84%	March 28, 2012	6.84	36,000	(36,000)	9	27,000	1,793
2004 MTN Series D @ 4.73%	February 27, 2014	4.73	7,000	-	12	7,000	331
2004 MTN Series E @ 4.80%	November 5, 2014	4.80	7,000	-	12	7,000	336
2004 MTN Series E @ 5.05%	November 4, 2019	5.05	27,000	-	12	27,000	1,364
2005 MTN Series E @ 5.84%	December 5, 2035	5.84	24,000	-	12	24,000	1,402
2006 MTN Series E @ 5.76%	November 17, 2031	5.76	27,000	-	12	27,000	1,555
2007 MTN Series F @ 5.80%	March 23, 2037	5.80	33,000	-	12	33,000	1,915
2007 MTN Series F @ 6.03%	September 19, 2017	6.03	33,000	-	12	33,000	1,989
2008 MTN Series F @ 6.85%	November 1, 2013	6.85	30,000	-	12	30,000	2,055
2009 New MTN Issuance	October 1, 2029	6.80	39,600	-	12	39,600	2,693
2010 New MTN Issuance	January 1, 2030	7.20	19,700	-	12	19,700	1,418
2010 New MTN Issuance	September 1, 2030	7.20	28,500	-	12	28,500	2,052
2011 New MTN Issuance	April 1, 2031	7.40	16,600	-	12	16,600	1,228
2011 New MTN Issuance	July 1, 2031	7.40	-	4,900	12	4,900	363
2012 New MTN Issuance	March 8, 2032	7.80	-	54,900	4	17,156	1,338
Average Long Term Debt Outstanding			494,350			\$ 507,406	\$ 28,631
Interest Charges for the Rate Year							904
Plus: Amortization of Debt Discount and Expense							3
Less: Amortization of Premium on Debt							
Total Cost of Debt						\$ 29,532	
Amount							5.82%

Average Long Term Debt Outstanding

Interest Charges for the Rate Year

Plus: Amortization of Debt Discount and Expense

Less: Amortization of Premium on Debt

Total Cost of Debt

Amount

% of Average Long Term Debt Outstanding

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**LONG TERM DEBT - AVERAGE CAPITALIZATION AND COST**  
**FOR THE TWELVE MONTHS ENDING JUNE 30, 2013**  
**(\$000)**

Long Term Debt	Maturity Date (1)	Interest Rate % (2)	Principal Amount Outstanding 6/30/2012 (3)	Charges During Rate Year (4)	Months Outstanding (5)	Average Amount Outstanding During Rate Year (6)	Interest Expense During Rate Year (7)
Outstanding Issues							
1999 NYSERDA Series A Fixed	August 1, 2027	5.45	33,400	-	12	33,400	1,820
1999 NYSERDA Series B Variable	July 1, 2034	4.21	33,700	-	12	33,700	1,419
1999 NYSERDA Series C Variable	August 1, 2028	4.21	41,150	-	12	41,150	1,732
1999 NYSERDA Series D Variable	August 1, 2028	4.21	41,000	-	12	41,000	1,726
1998 NYSERDA Series A Fixed	December 1, 2028	6.50	16,700	-	12	16,700	1,086
2004 MTN Series D @ 4.73%	February 27, 2014	4.73	7,000	-	12	7,000	331
2004 MTN Series E @ 4.80%	November 5, 2014	4.80	7,000	-	12	7,000	336
2004 MTN Series E @ 5.05%	November 4, 2019	5.05	27,000	-	12	27,000	1,364
2005 MTN Series E @ 5.84%	December 5, 2035	5.84	24,000	-	12	24,000	1,402
2006 MTN Series E @ 5.76%	November 17, 2031	5.76	27,000	-	12	27,000	1,555
2007 MTN Series F @ 5.80%	March 23, 2037	5.80	33,000	-	12	33,000	1,915
2007 MTN Series F @ 6.03%	September 19, 2017	6.03	33,000	-	12	33,000	1,989
2008 MTN Series F @ 6.85%	November 1, 2013	6.85	30,000	-	12	30,000	2,055
2009 New MTN Issuance	October 1, 2029	6.80	39,600	-	12	39,600	2,693
2010 New MTN Issuance	January 1, 2030	7.20	19,700	-	12	19,700	1,418
2010 New MTN Issuance	September 1, 2030	7.20	28,500	-	12	28,500	2,052
2011 New MTN Issuance	April 1, 2031	7.40	16,600	-	12	16,600	1,228
2011 New MTN Issuance	July 1, 2031	7.40	4,900	-	12	4,900	363
2012 New MTN Issuance	March 1, 2032	7.80	54,900	-	12	54,900	4,282
2013 New MTN Issuance	April 1, 2033	8.10	-	21,500	3	5,375	435
Average Long Term Debt Outstanding			518,150			\$ 523,525	\$ 31,202
Interest Charges for the Rate Year							886
Plus: Amortization of Debt Discount and Expense							3
Less: Amortization of Premium on Debt							
Total Cost of Debt						\$ 32,085	
Amount							
% of Average Long Term Debt Outstanding							6.13%

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**PREFERRED STOCK - AVERAGE CAPITALIZATION AND COST**  
**FOR THE TWELVE MONTHS ENDING JUNE 30, 2011**  
**(\$000)**

	Dividend Rate % (1)	Principal Amount Outstanding 6/30/2010 (2)	Charges During Rate Year (3)	Average Amount Outstanding During Rate Year (4)	Dividend Amount During Rate Year (5)	Percent (6)
Fixed Rate:	4.50	\$ 7,029	\$ -	\$ 7,029	\$ 316	
	4.75	1,998	-	1,998	95	
	4.35	6,000	-	6,000	261	
	4.96	6,000	-	6,000	298	
Total				\$ 21,027	\$ 970	
Add: Amortization and Redemption Costs					91	
Total Cost of Preferred Stock					\$ 1,061	5.05%

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**PREFERRED STOCK - AVERAGE CAPITALIZATION AND COST**  
**FOR THE TWELVE MONTHS ENDING JUNE 30, 2012**  
**(\$000)**

	Dividend Rate % (1)	Principal Amount Outstanding 6/30/2011 (2)	Charges During Rate Year (3)	Average Amount Outstanding During Rate Year (4)	Dividend Amount During Rate Year (5)	Percent (6)
Fixed Rate:	4.50	\$ 7,029	\$ -	\$ 7,029	\$ 316	
	4.75	1,998	-	1,998	95	
	4.35	6,000	-	6,000	261	
	4.96	6,000	-	6,000	298	
<b>Total</b>				<u>\$ 21,027</u>	<u>\$ 970</u>	
Add: Amortization and Redemption Costs					91	
<b>Total Cost of Preferred Stock</b>					<u>\$ 1,061</u>	<u>5.05%</u>

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**PREFERRED STOCK - AVERAGE CAPITALIZATION AND COST**  
**FOR THE TWELVE MONTHS ENDING JUNE 30, 2013**  
**(\$'000)**

	Dividend Rate % (1)	Principal Amount Outstanding 6/30/2012 (2)	Charges During Rate Year (3)	Average Amount Outstanding During Rate Year (4)	Dividend Amount During Rate Year (5)	Percent (6)
Fixed Rate:	4.50	\$ 7,029	\$ -	\$ 7,029	\$ 316	
	4.75	1,998	-	1,998	95	
	4.35	6,000	-	6,000	261	
	4.96	6,000	-	6,000	298	
<b>Total</b>				<u>\$ 21,027</u>	<u>\$ 970</u>	
Add: Amortization and Redemption Costs					91	
<b>Total Cost of Preferred Stock</b>					<u>\$ 1,061</u>	<u>5.05%</u>

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**CALCULATION OF AVERAGE COMMON EQUITY FOR THE**  
**TWELVE MONTHS ENDING DECEMBER 31, 2009, THE SIX MONTHS ENDING**  
**JUNE 30, 2010 AND THE TWELVE MONTHS ENDING JUNE 30, 2011**  
**(\$000)**

	Common <u>Stock</u> (1)	Retained <u>Earnings</u> (2)	Capital <u>Stock</u> <u>Expense</u> (3)	Total <u>Common</u> <u>Equity</u> (1)+(2)-(3)
Balance - December 31, 2008 - Ratemaking	\$ 254,300	\$ 119,000	\$ 5,000	\$ 368,300
 <u>Twelve Months Ending December 31, 2009</u>				
January 31	254,300		5,000	
February 28	254,300		5,000	
March 31	254,300		5,000	
April 30	279,300		5,000	
May 31	279,300		5,000	
June 30	279,300		5,000	
July 31	279,300		5,000	
August 31	279,300		5,000	
September 30	279,300		5,000	
October 31	279,300		5,000	
November 30	279,300		5,000	
December 31	<u>318,500</u>		<u>5,000</u>	
Total	<u>\$ 3,283,700</u>		<u>\$ 60,000</u>	
Average for Twelve Months Ending December 31, 2009	<u>273,642</u>	<u>119,000</u>	<u>5,000</u>	<u>387,642</u>
Adjustment for Retained Earnings	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Balance - December 31, 2009 - Ratemaking	<u>273,642</u>	<u>124,000</u>	<u>5,000</u>	<u>392,642</u>
 <u>Six Months Ending June 30, 2010</u>				
January 31	318,500		5,000	
February 28	318,500		5,000	
March 31	318,500		5,000	
April 30	318,500		5,000	
May 31	318,500		5,000	
June 30	<u>321,600</u>		<u>5,000</u>	
Total	<u>\$ 1,912,600</u>		<u>\$ 30,000</u>	
Average for Six Months Ending June 30, 2010	<u>318,800</u>	<u>124,000</u>	<u>5,000</u>	<u>437,800</u>
Adjustment for Retained Earnings	<u>-</u>	<u>9,800</u>	<u>-</u>	<u>9,800</u>
Balance - June 30, 2010 - Ratemaking	<u>318,800</u>	<u>133,800</u>	<u>5,000</u>	<u>447,600</u>
 <u>Twelve Months Ending June 30, 2011</u>				
July 31	321,600		5,000	
August 31	321,600		5,000	
September 30	321,600		5,000	
October 31	321,600		5,000	
November 30	321,600		5,000	
December 31	324,800		5,000	
January 31	324,800		5,000	
February 28	324,800		5,000	
March 31	324,800		5,000	
April 30	324,800		5,000	
May 31	324,800		5,000	
June 30	<u>326,700</u>		<u>5,000</u>	
Total	<u>\$ 3,881,000</u>		<u>\$ 60,000</u>	
Average for Twelve Months Ending June 30, 2011	<u>323,400</u>	<u>133,800</u>	<u>5,000</u>	<u>452,200</u>
Adjustment for Retained Earnings	<u>-</u>	<u>20,400</u>	<u>-</u>	<u>20,400</u>
Balance - June 30, 2011 - Ratemaking	<u>323,400</u>	<u>154,200</u>	<u>5,000</u>	<u>472,600</u>

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**CALCULATION OF AVERAGE COMMON EQUITY FOR THE**  
**TWELVE MONTHS ENDING JUNE 30, 2012 AND THE TWELVE MONTHS**  
**ENDING JUNE 30, 2013**  
**(\$000)**

	Common Stock (1)	Retained Earnings (2)	Capital Stock Expense (3)	Total Common Equity (1)+(2)-(3)
<u>Twelve Months Ending June 30, 2012</u>				
July 31	326,700		5,000	
August 31	326,700		5,000	
September 30	326,700		5,000	
October 31	326,700		5,000	
November 30	326,700		5,000	
December 31	328,600		5,000	
January 31	328,600		5,000	
February 28	328,600		5,000	
March 31	328,600		5,000	
April 30	328,600		5,000	
May 31	328,600		5,000	
June 30	<u>328,600</u>		<u>5,000</u>	
Total	<u>\$3,932,800</u>		<u>\$ 60,000</u>	
Average for Twelve Months Ending June 30, 2012	<u>327,700</u>	<u>154,200</u>	<u>5,000</u>	<u>476,900</u>
Adjustment for Retained Earnings	<u>-</u>	<u>18,400</u>	<u>-</u>	<u>18,400</u>
Balance - June 30, 2012 - Ratemaking	<u>327,700</u>	<u>172,600</u>	<u>5,000</u>	<u>495,300</u>
 <u>Twelve Months Ending June 30, 2013</u>				
July 31	328,600		5,000	
August 31	328,600		5,000	
September 30	328,600		5,000	
October 31	328,600		5,000	
November 30	328,600		5,000	
December 31	328,600		5,000	
January 31	328,600		5,000	
February 29	328,600		5,000	
March 31	328,600		5,000	
April 30	328,600		5,000	
May 31	328,600		5,000	
June 30	<u>328,600</u>		<u>5,000</u>	
Total	<u>\$3,943,200</u>		<u>\$ 60,000</u>	
Average for Twelve Months Ending June 30, 2013	<u>328,600</u>	<u>172,600</u>	<u>5,000</u>	<u>496,200</u>
Adjustment for Retained Earnings	<u>-</u>	<u>14,600</u>	<u>-</u>	<u>14,600</u>
Balance - June 30, 2013 - Ratemaking	<u>328,600</u>	<u>187,200</u>	<u>5,000</u>	<u>510,800</u>

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**

**CAPITALIZATION AND CAPITALIZATION RATIOS**

- Schedule A - Forecast of Capitalization and Capitalization Ratios, 2009 - 2013
- Schedule B - Actual Capitalization and Capitalization Ratios, 2004 - 2008
- Schedule C - Actual Capitalization and Capitalization Ratios, June 30, 2009

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**CAPITALIZATION AND CAPITALIZATION RATIOS**  
**YEAR ENDING 2009 - 2013**  
**(\$000)**

	2009	2010	2011	2012	2013
<u>Capitalization</u>					
Long Term Debt <sup>(1)</sup>	\$ 453,452	\$ 477,649	\$ 499,146	\$ 518,043	\$ 534,240
Unamortized Premium & Discount on Debt - net	(52)	(49)	(46)	(43)	(40)
Total Long Term Debt	<u>453,400</u>	<u>477,600</u>	<u>499,100</u>	<u>518,000</u>	<u>534,200</u>
Preferred Stock	21,027	21,027	21,027	21,027	21,027
Common Stock	318,500	324,800	328,600	328,600	328,600
Retained Earnings	124,000	143,700	164,700	187,200	205,800
Total Common Equity	<u>442,500</u>	<u>468,500</u>	<u>493,300</u>	<u>515,800</u>	<u>534,400</u>
Total Capitalization	<u>\$ 916,900</u>	<u>\$ 967,100</u>	<u>\$ 1,013,400</u>	<u>\$ 1,054,800</u>	<u>\$ 1,089,600</u>
Short Term Debt	-	-	-	-	-
Total (Financial)	<u>\$ 916,900</u>	<u>\$ 967,100</u>	<u>\$ 1,013,400</u>	<u>\$ 1,054,800</u>	<u>\$ 1,089,600</u>
Customer Deposits	8,269	8,269	8,269	8,269	8,269
Total (Rate-making)	<u>\$ 925,169</u>	<u>\$ 975,369</u>	<u>\$ 1,021,669</u>	<u>\$ 1,063,069</u>	<u>\$ 1,097,869</u>
<u>Capitalization Ratios (Financial)</u>					
Long Term Debt	49.4%	49.4%	49.3%	49.1%	49.0%
Short Term Debt	0.0%	0.0%	0.0%	0.0%	0.0%
Total Debt	49.4%	49.4%	49.3%	49.1%	49.0%
Preferred Stock	2.3%	2.2%	2.1%	2.0%	1.9%
Common Equity	48.3%	48.4%	48.7%	48.9%	49.0%
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
<u>Capitalization Ratios (Rate-making)</u>					
Long Term Debt	49.0%	49.0%	48.9%	48.7%	48.7%
Customer Deposits	0.9%	0.8%	0.8%	0.8%	0.8%
Preferred Stock	2.3%	2.2%	2.1%	2.0%	1.9%
Common Equity	47.8%	48.0%	48.3%	48.5%	48.7%
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

(1) Includes Current Maturities of Long Term Debt

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**CAPITALIZATION AND CAPITALIZATION RATIOS**  
**YEAR ENDED 2004 - 2008**  
**(\$000)**

<u>Capitalization</u>	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008
Long Term Debt <sup>(1)</sup>	\$ 319,950	\$ 343,964	\$ 370,961	\$ 403,950	\$ 433,855
Unamortized Premium & Discount on Debt - net	(67)	(64)	(61)	(58)	(55)
Total Long Term Debt	319,883	343,900	370,900	403,900	433,800
Preferred Stock	21,030	21,027	21,027	21,027	21,027
Common Stock	254,300	254,300	254,300	254,300	254,300
Retained Earnings	25,600	43,300	68,700	92,700	119,000
Total Common Equity	279,900	297,600	323,000	347,000	373,300
Total Capitalization	<u>\$ 620,813</u>	<u>\$ 662,527</u>	<u>\$ 714,927</u>	<u>\$ 771,927</u>	<u>\$ 828,127</u>
Short Term Debt	12,000	30,000	13,000	42,500	25,500
Total (Financial)	<u>\$ 632,813</u>	<u>\$ 692,527</u>	<u>\$ 727,927</u>	<u>\$ 814,427</u>	<u>\$ 853,627</u>
Customer Deposits	6,496	7,101	7,954	8,126	8,445
Total (Rate-making)	<u>\$ 627,309</u>	<u>\$ 669,628</u>	<u>\$ 722,881</u>	<u>\$ 780,053</u>	<u>\$ 836,572</u>
<u>Capitalization Ratios (Financial)</u>					
Long Term Debt	50.5%	49.7%	51.0%	49.6%	50.8%
Short Term Debt	1.9%	4.3%	1.8%	5.2%	3.0%
Total Debt	52.4%	54.0%	52.7%	54.8%	53.8%
Preferred Stock	3.3%	3.0%	2.9%	2.6%	2.5%
Common Equity	44.2%	43.0%	44.4%	42.6%	43.7%
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
<u>Capitalization Ratios (Rate-making)</u>					
Long Term Debt	51.0%	51.4%	51.3%	51.8%	51.9%
Customer Deposits	1.0%	1.1%	1.1%	1.0%	1.0%
Preferred Stock	3.4%	3.1%	2.9%	2.7%	2.5%
Common Equity	44.6%	44.4%	44.7%	44.5%	44.6%
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

(1) Includes Current Maturities of Long Term Debt

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**  
**CAPITALIZATION AND CAPITALIZATION RATIOS**  
**as of June 30, 2009**  
**(\$000)**

	( a )		( b )		( c )	
	Consolidated Capital CH Energy	Consolidated Percentage	Non-Utility Capital	Non-Utility Percentage	Central Hudson Utility Capital Structure (a - b + CDs)	Utility Percentage
Long Term Debt	\$463,896	45.72%	\$50,000	29.73%	\$413,896	48.42%
Preferred Stock	21,027	2.07%	0	0.00%	21,027	2.46%
Common Equity	<u>529,769</u>	<u>52.21%</u>	<u>118,169</u>	<u>70.27%</u>	<u>411,600</u>	48.15%
Total Capital	<u>\$1,014,692</u>	<u>100.00%</u>	<u>\$168,169</u>	<u>100.00%</u>	<u>\$846,523</u>	
Customer Deposits (CDs)					<u>8,269</u>	<u>0.97%</u>
Total Capital w/ CDs					<u>\$854,792</u>	<u>100.00%</u>

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION****S&P AND MOODY'S DEBT RATINGS, 1999-2009**

Year <sup>(1)</sup>	S&P Rating <sup>(2)</sup>	Moody's Rating <sup>(2)</sup>
1999	A	A3
2000	A	A3
2001	A	A3
2002	A	A2
2003	A	A2
2004	A	A2
2005	A	A2
2006	A	A2
2007	A	A2
2008	A	A2
2009	A	A2

(1) All years shown are ratings at year-end, except 2009, which is June 30

(2) Ratings on Central Hudson's senior unsecured debt