

Budget Billing Program

If your goal is to stabilize the amount of your monthly payments, you may want to also consider enrolling in our Budget Billing Program, which is available with both our standard service and the Fixed Price Option.

Summer's heat and winter's cold can cause big fluctuations in the size of your Central Hudson bill, and that can put a strain on your household budget. But you can avoid those big bills and pay a more modest, uniform amount each month with our Budget Billing Program.

For this program, your estimated annual utility costs are added up and divided by twelve. The result is your monthly Budget Bill: an amount that you can plan on having to pay, eleven months a year, based on your own actual history of energy use. In the twelfth month, your bill will be adjusted (either plus or minus) to reflect your actual charges over the previous eleven months.

No matter how hot or how cold the weather, your bills will stay unseasonably mild!

If you would like to enroll in our Budget Billing Program, call us on our "Central Hudson PowerLine"

**(845) 452-2700 or
1 - (800) 527-2714**

Customer Choice Plan

You may also purchase your natural gas from a supplier other than Central Hudson. While we'll continue to safely and reliably deliver that energy (and provide service and maintenance for the region's natural gas system), you can purchase the natural gas used in your home or business from an energy marketer. For an up-to-the-minute list of natural gas suppliers, access Central Hudson's website:

www.chenergygroup.com

or call our toll-free

Customer Choice Information Line:

**1 - (877) 444-CHGE
(2 4 4 3)**

Listed below are the suppliers approved to do business in our service area as of Sept. 1, 2002:

Residential and Non-Residential:

ACN Energy Inc.: 703-893-4330

Agway Energy Services: 315-449-6116

Econnergy Energy Co. Inc.: 800-805-8586

Key Span Energy Services: 978-322-3464

Mirabito Gas & Electric: 800-934-9480

National Fuel Resources: 716-630-6786

TXU Energy Services: 412-920-0800

Non-Residential Only:

Amerada Hess: 800-437-7872

Castle Power Corporation: 914-381-6600

Dynegy Energy Services: 866-247-8135

Select Energy Inc.: 800-789-2213

Select Energy New York: 888-758-6888

Sempra Energy Solutions: 619-696-3117

Sprague Energy Corp.: 603-430-5338



**Société en commandite Gaz Métropolitain
Cause tarifaire 2004, R-3510-2003**

IMPORTANT INFORMATION for our NATURAL GAS CUSTOMERS

about the
**FIXED PRICE
OPTION** for
2002 - 2003



**SCGM-11 doc 05.06
Annexe 24
2 pages en liasse**

The 2002-2003 Natural Gas Fixed Price Option

You may want to consider “locking in” the price you pay for natural gas through Central Hudson’s Fixed Price Option. This service allows you to stabilize the price of natural gas at pre-season rates. Normally, market demand causes fluctuation in the price of any fuel. An unusual spike in wholesale natural gas prices, or a colder winter, could result in higher bills for customers.

Please understand that our Fixed Price Option can’t protect your bill from the impacts of weather. That is, a colder-than-average winter will increase the **quantity** of natural gas you use in your home or business — and therefore the total of your bill. You should also know that the Fixed Price may not necessarily be the least-cost option during any given heating season.

The Fixed Price Option does, however, give you the opportunity to lock in the price you pay for natural gas and guards against the market price shifts which can result from supply and demand. The Fixed Price Option pertains **only to the “Gas Supply Chg” line item of your bill**, which represents the actual cost of gas Central Hudson has purchased to serve our customers.

This year, the FIXED PRICE will be 64 cents per CCF. (Remember, this is only the Gas Supply Charge portion of your bill.)

Central Hudson can make this offer available to only a limited number of customers on a first-come, first-served basis due to our ability to fix

supply contracts for a pre-determined amount of natural gas. You must also use more than 500 CCF of natural gas per year in order to qualify.

If you would like to participate in the Fixed Price Option, you must agree to do so from November 1, 2002 through October 31, 2003. **You must also complete and return the form at the far right no later than October 22, 2002.**

NOTE that the Fixed Price Option IS NOT A GUARANTEE of cost savings. Customers who enrolled last year paid about \$20 more (on average for the year) than customers who remained on the Standard Rate. But during 2000-2001 customers who enrolled were able to save about \$42 (on average for the year). In each case, the program locked in the price of natural gas several months in advance of the winter heating season to guard against price fluctuations. **While this stabilizes the price, it does not always ensure the least-cost alternative due to the unpredictability of the weather and the fluctuations in natural gas prices.**

While you must commit to enroll for the full year of the program, you always have the ability to compare the current non-fixed gas supply charge (which is updated monthly) by calling Central Hudson’s toll-free information line at

1-888-FIXEDGA (1-888-349-3342).

This heating season, Central Hudson has energy solutions to enhance the value and convenience of your natural gas service. Our **Fixed Price Option, Budget Billing Program** and **Customer Choice Plan** are all designed to provide you with an array of budget and service options — and to enable you to make the most of your energy dollar.

Fixed Price Option Application

Name: _____

Address: _____

Daytime Telephone: _____

10-Digit Central Hudson Account Number: _____

Please enroll my account in Fixed Price Option*. I understand that:

1. Central Hudson’s Fixed Price Option is in accordance with the rules, regulations, and rates stated within the utility’s tariffs and schedules and filed with the New York State Public Service Commission.
2. The Fixed Price Option does not guarantee the least-cost natural gas during the contract period.
3. The Fixed Price Option relates only to the Gas Supply Charge line item of my natural gas bill.
4. The term of this contract is one year.
5. I have signed below:

**You must enroll by Oct. 22, 2002 to participate in the program, which runs from Nov. 1, 2002 to Oct. 31, 2003. We will mail you a confirmation letter by Nov. 1, 2002.*

Customer’s Signature (Required)

Also enroll my account in Budget Billing. (If your account is currently billed under our Budget Plan you need not check this box.)

Return (by October 22, 2002) to:

**Central Hudson Gas & Electric Corporation
Customer Account Services Division
284 South Avenue
Poughkeepsie, NY 12601**

FOR OFFICE USE ONLY:

Date Received: _____

Date Approved: _____

Authorization: _____