STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held in the City of Albany on October 15, 2026

COMMISSIONERS PRESENT:

Rory M. Christian, Chair
James S. Alesi
David J. Valesky
John B. Maggiore
Uchenna S. Bright
Denise M. Sheehan
Radina R. Valova

CASE 26-E-0402 - Tariff Filing by Central Hudson Gas & Electric Corporation to Modify Its Electric Tariff Schedule, P.S.C. No. 15, Clarifying and Defining the Terms "Complete System Replacement" and "Incremental Capacity Expansion" with Respect to the Applicability of the Customer Benefit Contribution.

CASE 15-E-0751 – In the Matter of the Value of Distributed Energy Resources.

ORDER APPROVING AND DIRECTING TARIFF AMENDMENTS

(Issued and Effective October 19, 2026)

BY THE COMMISSION:

INTRODUCTION

On June 8, 2026, Central Hudson Gas & Electric Corporation (Central Hudson or the Company) filed proposed tariff revisions to its electric tariff schedule P.S.C. No. 15. The tariff amendments clarify and define the terms “Complete System Replacement” and “Incremental Capacity Expansion” for purposes of determining the applicability of the Customer Benefit Contribution (CBC) charge to grandfathered distributed generation projects that fully replace qualifying generating

equipment originally interconnected prior to January 1, 2022. By this Order, the Public Service Commission (Commission) authorizes Central Hudson's tariff revisions to become effective on December 1, 2026. Also, the Commission directs Consolidated Edison Company of New York, Inc. (Con Edison), New York State Electric & Gas Corporation (NYSEG), Niagara Mohawk Power Corporation d/b/a National Grid (National Grid), Orange and Rockland Utilities, Inc. (O&R), and Rochester Gas and Electric Corporation (RG&E) to update their respective tariffs incorporating similar language to Central Hudson's CBC tariff amendments.

BACKGROUND

On June 21, 2024, the Commission adopted the Order Addressing Customer Benefit Contribution Charges, which changed the application of CBC charges.[1] First, for Distributed Energy Resource (DER) systems that were interconnected prior to January 1, 2022, whose capacity was subsequently expanded incrementally on or after January 1, 2022, the Commission determined that there shall be no CBC charge applied to the original capacity or expanded incremental capacity. Second, for DER systems interconnected prior to January 1, 2022, only complete system replacements were identified to be charged the CBC charge, which applies to their entire capacity beginning on September 1, 2024, if not already applied. In the CBC Order, the Joint Utilities were directed to file tariff amendments that applied the CBC charge in the two situations listed above.[2] Central Hudson made its compliance filing on August 2, 2024, pursuant to the CBC

[1] Case 15-E-0751, Order Addressing Customer Benefit Contribution Charges (issued June 21, 2024) (CBC Order).

[2] The Joint Utilities include Central Hudson; Con Edison; NYSEG; National Grid; O&R; and RG&E.

Order. The Commission also directed the Joint Utilities to provide the calculation of the CBC charge on corresponding customer utility bills within six months of the CBC Order.

TARIFF FILING

Proposed modifications to the CBC charge were identified in a tariff filing by Central Hudson, filed on June 8, 2026, seeking to clarify and define the terms "Complete System Replacement" and "Incremental Capacity Expansion" for purposes of determining the applicability of the CBC charge. These definitions would be used to clarify which system modifications trigger, or do not trigger, CBC charges for distributed energy projects that became operational before January 1, 2022. The proposed tariff revisions would define a "Complete System Replacement" as the replacement of both (i) solar panels, wind turbines, fuel cells, or battery modules and (ii) the associated inverter(s). "Incremental Capacity Expansion" would be defined to include any addition of capacity to the solar panels, wind turbines, fuel cells, or battery modules after the initial project install that does not replace any existing solar panels, wind turbines, fuel cells, or battery modules, or the inverter of the prior generation system. CBC charges would apply for distributed energy projects that became operational, before January 1, 2022, and did a Complete System Replacement but the CBC charges would not apply if these projects did an Incremental Capacity Expansion. Central Hudson also requested a waiver of the newspaper publication requirements set forth in Public Service Law (PSL) §66(12)(b) and Title 16 of the New York Codes, Rules and Regulations (16 NYCRR) §720-8.1 as the Company contends the changes are clarifying in nature and will be communicated to customers through the Company's website.

NOTICE OF PROPOSED RULE MAKING

Pursuant to the State Administrative Procedure Act (SAPA) §202(1), a Notice of Proposed Rulemaking (Notice) was published in the State Register on July 1, 2026 [SAPA No. 26-E-0402SP1]. The time for submission of comments pursuant to the Notice expired on August 31, 2026. Comments were submitted by the Indicated Utilities and summarized and addressed below.[3]

COMMENTS

On August 31, 2026, the Indicated Utilities filed comments supporting Central Hudson's proposed tariff revisions to clarify the applicability of the CBC charge. The Indicated Utilities note that they have not experienced issues regarding the applicability of the CBC charge in instances of complete system replacement. However, the Indicated Utilities state that they would update their respective CBC tariffs in compliance with a Commission order as necessary and appropriate. The Indicated Utilities request waiver of newspaper requirements set forth in PSL §66(12)(b) and 16 NYCRR §720-8.1 as the Indicated Utilities' tariff filings would be similar to Central Hudson's proposed changes that are clarifying in nature and are expected to affect a limited number of customers.

LEGAL AUTHORITY

Pursuant to PSL §§5, 65(1), and 66(1) and (12)(b), the Commission has the legal authority to review the proposed tariff leaves, as well as approve such filed tariffs to ensure that the rates and services governed by those tariffs are just and reasonable and otherwise consistent with law. As such, the Commission has the legal authority to review and approve Central

[3] The Indicated Utilities are Con Edison, NYSEG, National Grid, O&R, and RG&E.

Hudson's tariff amendments and to direct similar amendments by the Indicated Utilities, as prescribed in this Order.

DISCUSSION AND CONCLUSION

Central Hudson proposed tariff amendments to its electric schedule to clarify the applicability of the CBC charge to grandfathered distributed generation projects that fully replace qualifying generating equipment originally interconnected prior to January 1, 2022, the effective date of the CBC charge. The amendments appropriately address incremental additions to such projects by excluding them from assessment of the CBC charge. The Commission accordingly authorizes tariff leaves 14 and 163.9.16 to become effective December 1, 2026.

The Indicated Utilities support Central Hudson's tariff revisions to clarify the CBC charge applicability. Moreover, while the Indicated Utilities note that they have not experienced issues with the CBC charge applicability, they agree to also update their respective CBC tariffs to match Central Hudson's proposed tariffs. To maintain consistency in tariff schedules among the Joint Utilities, the Commission directs the Indicated Utilities to file CBC tariff amendments adopting similar language to Central Hudson's CBC tariff amendments.

Additionally, the Commission finds that waiver of the requirements of PSL §66(12)(b) and 16 NYCRR §720.8.1, as to the newspaper publication requirements, is reasonable and warranted since notification was made through a post on Central Hudson's website with proof of that notification filed with the Secretary to the Commission on July 31, 2026. Further, the Commission waives newspaper requirements related to the Indicated Utilities' tariff amendments addressed in this Order as they are clarifying in nature and are expected to affect a limited number

of customers. The Indicated Utilities shall also update their respective websites to reflect the Customer Benefit Contribution tariff amendments and provide verification that they have completed the updates.

The Commission orders:

1. The tariff amendments filed by Central Hudson Gas & Electric Corporation are authorized to become effective on December 1, 2026, as discussed in the body of this Order.

2. Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, Orange and Rockland Utilities, Inc., and Rochester Gas and Electric Corporation shall file tariff amendments, in Case 15-E-0751, on or before November 16, 2026, incorporating similar language to Central Hudson Gas & Electric Corporation's Customer Benefit Contribution charge tariff amendments to become effective December 1, 2026.

3. The requirements of the Public Service Law §66(12)(b) and Title 16 of the New York Codes, Rules and Regulations §720.8.1, as to the newspaper publication of the tariff amendments filed on June 8, 2026, shall be waived, as discussed in the body of this Order.

4. The requirements of the Public Service Law §66(12)(b) and Title 16 of the New York Codes, Rules and Regulations §720.8.1, as to the requirements of newspaper publication with respect to the tariff amendments directed in Ordering Clause 2 by Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, Orange and Rockland Utilities, Inc., and Rochester Gas and Electric Corporation, shall be waived, as discussed in the body of this Order.

5. Within 30 days of the issuance of this Order, Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, Orange and Rockland Utilities, Inc., and Rochester Gas and Electric Corporation are directed to update their respective websites to reflect the Customer Benefit Contribution tariff amendments.

6. Within 10 days of the completion of Ordering Clause 5, each utility is directed to file, in Case 15-E-0751, notification of such completion.

7. Case 26-E-0402 shall be closed, while Case 15-E-0751 shall be continued.

By the Commission,

(SIGNED) MICHELLE L. PHILLIPS
Secretary

SUBJECT: Filing by CENTRAL HUDSON GAS & ELECTRIC CORPORATION

Amendments to Schedule P.S.C. No. 15 – Electricity

Third Revised Leaf No. 163.9.16
Sixth Revised Leaf No. 14

Issued: June 8, 2026 Effective: October 1, 2026
Postponed to December 1, 2026

SAPA: 26-E-0402SP1 – State Register – July 1, 2026

NEWSPAPER PUBLICATION: Waived