

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

<b>New York Independent System</b>	)	
<b>Operator, Inc.; Central Hudson Gas &amp;</b>	)	<b>Docket No. ER24-1434-001</b>
<b>Electric Corporation</b>	)	

**TRANSMITTAL LETTER, EXPLANATORY STATEMENT AND OFFER OF SETTLEMENT**

On March 8, 2024, the New York Independent System Operator, Inc. ("NYISO"), on behalf of Central Hudson Gas & Electric Corporation ("Central Hudson"), submitted a new proposed Rate Schedule 21 to the Federal Energy Regulatory Commission ("Commission") to provide for Central Hudson's recovery of costs associated with the provision of wholesale distribution service to customers who own electric resources connected to Central Hudson's distribution system and sell the output of those resources through NYISO wholesale markets, as well as customers charging electric energy storage systems for the purposes of making wholesale sales in the NYISO wholesale markets ("Rate WDS").

The Settling Parties filed interventions in response to the Rate Schedule filing.<sup>1</sup> On May 6, 2024, the Commission issued a deficiency letter to Central Hudson seeking additional information including: development of the revenue requirement and clarification of certain tariff provisions related to application of contract demand charge and merchant function charges. Central Hudson filed its response to the deficiency letter on June 5, 2024.

On August 2, 2024, the Commission issued an Order accepting Rate WDS, effective August 5, 2024, and suspending it for a nominal period, subject to refund, and set the proceeding for hearing and settlement judge procedures.<sup>2</sup>

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<sup>1</sup> The Settling Parties who attended settlement conferences and participated in settlement negotiations are Ayapa Power LLC; Key Capture Energy, LLC; Catskill Grid, LLC; New York Battery and Energy Storage Technology Consortium, Inc.; MicroGrid Networks, LLC; and the New York State Public Service Commission.

<sup>2</sup> *Cent. Hudson Gas & Elec. Corp.*, 88 FERC ¶ 61,100 (2024) (*Order Accepting and Suspending Filing, Subject*

The participants engaged in settlement discussions with the assistance of Settlement Judge Mathew J. Vlissides, Jr., who was designated to preside over settlement procedures by order of the Chief Judge dated August 8, 2024.<sup>3</sup> Settlement conferences were held before Judge Vlissides on August 28, 2024, December 3, 2024, January 27, 2025, and March 26, 2025. The settlement discussions resulted in the attached executed Settlement Agreement (“Settlement”). This Settlement reflects the agreement of the Settling Parties to resolve all outstanding issues in Docket No. ER24-1434. No Party opposes the Settlement.

The Settlement fully resolves all issues regarding Rate Schedule 21 raised in Docket No. ER24-1434 in a fair and reasonable manner that is in the public interest. Commission approval of the Settlement will avoid the expense and risk associated with hearing proceedings and any subsequent litigation. For these reasons, Central Hudson respectfully requests the presiding Administrative Law Judge to expeditiously certify the Settlement to the Commission following the comment period, and for the Commission to promptly approve the Settlement without condition or modification, following certification.

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*to Refund, and Establishing Hearing and Settlement Judge Procedures* dated August 2, 2024, and *Errata Notice* dated August 5, 2024).

<sup>3</sup> See Order of Chief Judge Designating Settlement Judge dated August 8, 2024, in Docket No. ER24-1434.

Respectfully submitted,

/s/Paul A. Colbert

Central Hudson Gas & Electric  
Corporation  
284 South Avenue  
Poughkeepsie, New York 12601  
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Email: pcolbert@cenhud.com

*Counsel to Central Hudson Gas & Electric  
Corporation*

Dated: August 6, 2025

I. LIST OF APPENDICES AND EXHIBITS

In addition to this Transmittal Letter, this filing consists of the following materials:

Explanatory Statement in Support of Offer of Settlement Agreement

Offer of Settlement Agreement

Appendix A – Rate Schedule 21 \_ Clean  
Appendix B – Rate Schedule 21 \_ Redline  
Appendix C – WDS Rate Summary  
Appendix D – 2023 Rate Filing

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<b>New York Independent System</b>	)	
<b>Operator, Inc.; Central Hudson Gas &amp;</b>	)	<b>Docket No. ER24-1434-</b>
<b>Electric Corporation</b>	)	<b>001</b>

**EXPLANATORY STATEMENT  
IN SUPPORT OF OFFER OF SETTLEMENT AGREEMENT**

Pursuant to Rule 602 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission”),<sup>1</sup> Central Hudson Gas & Electric Corporation (“Central Hudson”) submits this explanatory statement in support of the Offer of Settlement amongst Central Hudson and the Settling Parties (each a “Settling Party” and collectively the “Settling Parties”)<sup>2</sup> to resolve all of the issues pending in Docket No. ER24-1434 with respect to Central Hudson’s proposed Rate Schedule 21 of the New York Independent System Operator, Inc. (“NYISO”) Open Access Transmission Tariff (“OATT”) (“Rate Schedule 21”).

**I. INTRODUCTION**

Central Hudson is a New York corporation that: (1) transmits and distributes natural gas for residential, commercial, and industrial use; (2) transmits and distributes electric power to wholesale and retail customers; and (3) transmits electric power on behalf of third parties. Central Hudson is a participant in NYISO’s electricity markets and holds market-based rate tariff authority under the Federal Power Act (“FPA”).

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<sup>1</sup> 18 C.F.R. § 385.602 (2025).

<sup>2</sup> The Settling Parties who attended settlement conferences and participated in settlement negotiations are Ayapa Power LLC; Key Capture Energy, LLC; Catskill Grid, LLC; New York Battery and Energy Storage Technology Consortium, Inc.; MicroGrid Networks, LLC; and the New York State Public Service Commission (“NYPSC”).

On March 8, 2024, the NYISO, on behalf of Central Hudson, submitted a new proposed Rate Schedule 21 to provide for Central Hudson's recovery of costs associated with the provision of wholesale distribution service to customers who own electric resources connected to Central Hudson's distribution system and sell the output of those resources through NYISO wholesale markets, as well as customers charging electric energy storage systems for the purposes of making wholesale sales in NYISO wholesale markets ("Rate WDS").<sup>3</sup> Central Hudson is a founding member of the NYISO and a signatory to the Independent System Operator-Transmission Owner Agreement. It is also a participant in the NYISO electricity markets on behalf of certain of its end-use customers and serves as a load-serving entity to its retail customers.

The Settling Parties filed interventions in response to the Rate WDS filing. On May 6, 2024, the Commission issued a deficiency letter to Central Hudson requesting additional information on Central Hudson's Rate WDS calculations and the terms of its proposed Rate Schedule 21.<sup>4</sup> Central Hudson filed its response to the deficiency letter on June 5, 2024.<sup>5</sup> On August 2, 2024, the Commission issued an Order accepting Rate Schedule 21, effective August 5, 2024, and suspending it for a nominal period, subject to refund, and set the proceeding for hearing and settlement judge procedures.<sup>6</sup>

The participants engaged in settlement discussions with the assistance of Settlement Judge Mathew J. Vlissides, Jr., who was designated to preside over settlement procedures by order of the Chief Judge dated August 8, 2024.<sup>7</sup> Settlement conferences were held before

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<sup>3</sup> See Central Hudson filing dated March 8, 2024, in Docket No. ER24-1434-000.

<sup>4</sup> See Deficiency Letter dated May 6, 2024, in Docket No. ER24-1434-000.

<sup>5</sup> See Central Hudson's Response to Deficiency Letter dated June 5, 2024, in Docket No. ER24-1434-000.

<sup>6</sup> *Cent. Hudson Gas & Elec. Corp.*, 188 FERC ¶ 61,100 (2024) (*Order Accepting and Suspending Filing, Subject to Refund, and Establishing Hearing and Settlement Judge Procedures* dated August 2, 2024, and *Errata Notice* dated August 5, 2024).

<sup>7</sup> See Order of Chief Judge Designating Settlement Judge dated August 8, 2024, in Docket No. ER24-1434.

Judge Vlissides on August 28, 2024, December 3, 2024, January 27, 2025, and March 26, 2025. The settlement discussions resulted in this Settlement Agreement (“Settlement”), which reflects the agreement of the Settling Parties to resolve all outstanding issues in Docket No. ER24-1434.

## **I. SUMMARY OF SETTLEMENT AGREEMENT**

The Settling Parties have engaged in settlement negotiations, and Central Hudson offers this Settlement, which comprehensively resolves all issues raised in Docket No. ER24-1434, including Central Hudson’s Rate Schedule.

A summary of the provisions of the Settlement is included below. The Settlement binds each of Central Hudson and the Settling Parties to the terms and conditions included therein.

Article I sets forth the procedural history of this proceeding.

Article II describes the scope of the Settlement.

Article III sets forth the terms and conditions of the Settlement.

Article 3.1 establishes that the Settling Parties agree, subject to Commission approval, to be bound by the terms of the Settlement with respect to all items raised in the proceeding.

Articles 3.2 through 3.3 establish the methodology for determining Rate WDS rates for secondary service; primary service up to and including a maximum demand of 1,000 kW, primary service over a maximum demand of 1,000 kW; substation service; and transmission service. Rate Schedule 21, which includes the WDS Rates, are contained in Appendix A to the Settlement.

Article 3.4 states that Central Hudson will use the methodology outlined in this settlement proposal to file updated WDS rates each time Central Hudson’s NYPSC rates

change.

Article 3.5 states that Central Hudson and the Settling Parties agree either to support or not to oppose this Settlement Agreement before the Commission and agree not to take any position adverse to the terms of this Settlement Agreement in any related proceedings before the Commission or the NYPSC.

Article 3.6 states that Central Hudson and the Settling Parties agree not to make any filings pursuant to Sections 205 or 206 of the FPA that are inconsistent with the terms agreed to in this Settlement Agreement.

Article 3.7 requires that within thirty (30) days of the date the Commission approves the Settlement, Central Hudson is to make, or cause NYISO to make on its behalf, a compliance filing with the Commission, to the extent necessary, to implement the terms of the Settlement.

Article 3.8 provides the Settling Parties thirty (30) days from the date the Commission issues an order, to withdraw their support for the Settlement, if the Commission approves the Settlement with modification.

Articles IV, V, VI, and VII address procedural aspects of the Settlement. Article IV identifies when the Settlement will become effective, which is upon Commission approval. Article V provides that the Commission's approval of this Settlement will not constitute precedent nor be used to prejudice any otherwise available rights or arguments of any Settling Party in a future proceeding, other than to enforce the terms of this Settlement, and that the Settlement will not be used as evidence that a particular method is a "long-standing practice" or a "settled practice" as those terms are used in applicable precedent. Article VI describes the standard of review to be applied for any proposed modification of the Settlement Agreement. The standard of review for any modifications proposed by a Settling

Party will be the “public interest” application of the just and reasonable standard, as set forth in applicable precedent. The standard of review for any modifications proposed by the Commission acting *sua sponte* or at the request of a third party shall be the ordinary just and reasonable standard (rather than the “public interest” standard), as set forth in applicable precedent. Article VII includes certain miscellaneous provisions and reservations of rights.

## **II. SETTLEMENT QUESTIONS**

### **A. Does the settlement affect other pending cases?**

No, this settlement does not affect any other pending cases.

### **B. Does the settlement involve issues of first impression?**

No, this settlement does not involve any issues of first impression.

### **C. Does the settlement depart from Commission precedent [if so, identify by case name(s) and docket numbers (s)]?**

No, this settlement does not depart from Commission precedent.

### **D. Does the settlement seek to impose a standard of review other than the ordinary just and reasonable standard with respect to any changes to the settlement that might be sought by either a third party or the Commission acting *sua sponte*?**

No, the standard of review for any modifications proposed by the Commission acting *sua sponte* or at the request of a third party shall be the ordinary just and reasonable standard.

## **III. CONCLUSION**

The Settlement fully resolves all issues regarding Rate Schedule 21 that are the subject of Docket No. ER24-1434-000 in a fair and reasonable manner that is in the public interest. Commission approval of the Settlement will avoid the expense and risk associated with hearing proceedings and any subsequent litigation. For these reasons, Central Hudson



respectfully requests the presiding Administrative Law Judge to expeditiously certify the Settlement to the Commission following the comment period, and for the Commission to promptly approve the Settlement without condition or modification at the earliest possible date following certification.

Respectfully submitted,

/s/Paul A. Colbert

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Corporation

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*Counsel to Central Hudson Gas & Electric  
Corporation*

Dated: August 6, 2025

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<b>New York Independent System</b>	)	
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<b>Electric Corporation</b>	)	<b>Docket No. ER24-1434-</b>
	)	<b>001</b>
	)	
	)	

**OFFER OF SETTLEMENT**

Pursuant to Rule 602 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission”),<sup>1</sup> Central Hudson Gas & Electric Corporation (“Central Hudson”) submits this Offer of Settlement (“Settlement”) among Central Hudson and the Settling Parties<sup>2</sup> (each a “Settling Party” and collectively the “Settling Parties”) to resolve all of the issues pending in Docket No. ER24-1434-000 with respect to Central Hudson’s proposed Rate Schedule 21 of the New York Independent System Operator, Inc. (“NYISO”) Open Access Transmission Tariff (“OATT”) (“Rate Schedule 21”).<sup>3</sup> This Settlement Agreement addresses all outstanding issues in this proceeding.

**ARTICLE I  
PROCEDURAL BACKGROUND**

Central Hudson is a New York corporation that: (1) transmits and distributes natural gas for residential, commercial, and industrial use; (2) transmits and distributes electric power to wholesale and retail customers; and (3) transmits electric power on behalf of third

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<sup>1</sup> 18 C.F.R. § 385.602 (2025).

<sup>2</sup> The Settling Parties who attended settlement conferences and participated in settlement negotiations are Ayapa Power LLC; Key Capture Energy, LLC; Catskill Grid, LLC; New York Battery and Energy Storage Technology Consortium, Inc.; MicroGrid Networks, LLC; and the New York State Public Service Commission (“NYPSC”).

<sup>3</sup> Pursuant to Section 12 of the New York State Public Service Law, the Chair of the NYPSC is authorized to direct this filing on behalf of the NYPSC. The terms of this Settlement are not intended to represent the views of any individual member of the NYPSC.

parties. Central Hudson is a participant in NYISO's electricity markets and holds market-based rate tariff authority under the Federal Power Act ("FPA").

On March 8, 2024, NYISO, on behalf of Central Hudson, submitted a new proposed Rate Schedule 21 to provide for Central Hudson's recovery of costs associated with the provision of wholesale distribution service to customers who own electric resources connected to Central Hudson's distribution system and sell the output of those resources through NYISO wholesale markets, as well as customers charging electric energy storage systems for the purposes of making wholesale sales in NYISO wholesale markets (referred to as "Rate WDS").<sup>4</sup>

The Settling Parties filed interventions in response to the Rate Schedule 21 filing. On May 6, 2024, the Commission issued a deficiency letter to Central Hudson requesting additional information on Central Hudson's Rate WDS calculations and the terms of its proposed Rate Schedule 21.<sup>5</sup> Central Hudson filed its response to the deficiency letter on June 5, 2024.<sup>6</sup>

On August 2, 2024, the Commission issued an Order accepting Rate WDS, effective August 5, 2024, and suspending it for a nominal period, subject to refund, and set the proceeding for hearing and settlement judge procedures.<sup>7</sup>

The participants engaged in settlement discussions with the assistance of Settlement Judge Mathew J. Vlissides, Jr., who was designated to preside over settlement procedures by order of the Chief Judge dated August 8, 2024.<sup>8</sup> Settlement conferences were held before

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<sup>4</sup> See Central Hudson filing dated March 8, 2024, in Docket No. ER24-1434-000.

<sup>5</sup> See Deficiency Letter dated May 6, 2024, in Docket No. ER24-1434-000.

<sup>6</sup> See Central Hudson's Response to Deficiency Letter dated June 5, 2024, in Docket No. ER24-1434-000.

<sup>7</sup> *Cent. Hudson Gas & Elec. Corp.*, 188 FERC §61,100 (2024) (*Order Accepting and Suspending Filing, Subject to Refund, and Establishing Hearing and Settlement Judge Procedures* dated August 2, 2024, and *Errata Notice* dated August 5, 2024).

<sup>8</sup> See Order of Chief Judge Designating Settlement Judge dated August 8, 2024, in Docket No. ER24-1434.

Judge Vlissides on August 28, 2024, December 3, 2024, January 27, 2025, and March 26, 2025. The settlement discussions resulted in this Settlement Agreement. This Settlement Agreement reflects the agreement of the Settling Parties to resolve all outstanding issues in Docket No. ER24-1434.

This Settlement Agreement includes Appendix A, which is Central Hudson's agreed-upon Rate Schedule 21 (containing the Rate WDS rates), and which would be included in Schedule 21 of the NYISO OATT through a compliance filing, if the Commission approves this settlement.

## **ARTICLE II SCOPE OF SETTLEMENT**

2.1 Except as expressly set forth herein, this Settlement Agreement resolves all issues raised by Central Hudson and the Settling Parties in Docket No. ER24-1434, relating to Central Hudson's Rate Schedule 21.

## **ARTICLE III TERMS OF SETTLEMENT**

3.1 Central Hudson and the Settling Parties agree, subject to Commission approval, to be bound by the terms of this Settlement Agreement with respect to all issues raised in Docket No. ER24-1434, including Central Hudson's Rate Schedule 21 (Rate WDS rates) attached as Appendix A.

3.2 Central Hudson's WDS rates in Appendix A attached hereto were developed using New York jurisdictional Standby/Buyback rates, as contained in a Central Hudson compliance filing dated July 30, 2024, to the NYPSC, with transmission costs removed.<sup>9</sup>

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<sup>9</sup> See Order Establishing Updated Standby Service Rates and Implementing Optional Mass Market Demand Rates, In the Matter of the Value of Distributed Energy Resources, NYPSC Case 15-E-0751 (October 3, 2023) ("NYPSC Standby Rate Order"). Central Hudson's original WDS Rate filing was premised on NYPSC rates effective July 1, 2023. Since that time a new NYPSC rate plan was adopted effective July 1, 2024, in Case 23-E-0418.

The Standby/Buyback rate classifications used to develop Rate WDS are NYPSC Service Classifications (“SC”) SC2ND, SC2SD, SC2PD, SC3, SC13 Substation, and SC13 Transmission. The Rate WDS rate classifications are secondary service; primary service up to and including a maximum demand of 1,000 kW, primary service over a maximum demand of 1,000 kW; substation service; and transmission service.

a. Central Hudson developed the Rate WDS rates as follows:

- i. Began with the proforma Allocated Cost of Service (“ACOS”) used in the Backup/Standby rate calculations and scaled the ACOS results to equal the allowed revenue requirement, excluding Merchant Function Charges, in Central Hudson’s NYPSC rate filing, with rates effective July 1, 2024.<sup>10</sup>
- ii. Removed costs functionalized as transmission, consistent with FERC Order 841.<sup>11</sup>
- iii. Central Hudson initially set Customer charges at the otherwise applicable service classification customer charge pursuant to NYPSC rates.

1. Allocated the shortfall between customer charge and customer costs Contract Demand.

3.3 The Settling Parties agree to the following additional Rate WDS methodological changes, which have been incorporated into the rates shown on Appendix A.

a. Removed the revenue requirement associated with costs functionalized as

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<sup>10</sup> Ibid.

<sup>11</sup> See *Elec. Storage Participation in Mkts. Operated by Reg’l Transmission Orgs. & Indep. Sys. Operators*, Order No. 841, 162 FERC ¶ 61,127 (2018), *order on reh’g*, Order No. 841-A, 167 FERC ¶ 61,154 (2019), *aff’d sub nom. Nat’l Ass’n of Regul. Util. Comm’rs v. FERC*, 964 F.3d 1177 (D.C. Cir. 2020).

production.

- i. Reversed the revenue imputation associated with the production facilities by increasing each class's retail revenue requirement by the imputed amount prior to scaling to the WDS rate revenue requirement.
- b. Removed the Operation & Maintenance expense associated with the following programs:
  - i. Energy Efficiency programs and related amortization.
  - ii. Heat Pump programs and related amortization.
  - iii. Administrative and general labor allocations associated with the above programs.
- c. Adjusted the mapping of costs that are functionalized as "other customer" in the ACOS study so they are assigned to the customer function (no costs functionalized as "other customer" are designated as "local" or "shared").
- d. Established the customer charge at the full customer cost as determined in the modified ACOS study described herein.

3.4 Central Hudson will use the methodology outlined in this Settlement Agreement and documented in the workpapers provided to parties in this docket, to file updated WDS rates within sixty (60) days of each time Central Hudson's NYPSC rates change. Nothing contained herein shall be construed as affecting any otherwise available rights or arguments of any party with respect to such future filings.

3.5 Central Hudson and Settling Parties agree either to support or not to oppose this Settlement Agreement before the Commission and agree not to take any position adverse to the terms of this Settlement Agreement in any related proceedings before the Commission

or the NYPSC.

3.6 Central Hudson and the Settling Parties agree not to make any filings pursuant to Sections 205 or 206 of the FPA that are inconsistent with the terms agreed to in this Settlement Agreement.

3.7 Within thirty (30) days of the date that the Commission approves this Settlement Agreement, Central Hudson will make, or cause NYISO to make on Central Hudson's behalf, a compliance filing with the Commission to the extent necessary to implement the terms of this Settlement Agreement (including Rate Schedule 21 contained in Appendix A in the NYISO OATT).

3.8 To the extent the Commission approves this Settlement Agreement with modifications, the Settling Parties have thirty (30) days from the date the Commission issues an order approving this Settlement Agreement to withdraw their support for the Settlement Agreement.

#### **ARTICLE IV SETTLEMENT EFFECTIVE DATE**

4.1 This Settlement Agreement shall be effective on the date on which a Commission order approving this Settlement Agreement is issued ("Settlement Effective Date"). The Settlement Agreement shall bind the Settling Parties as of the Settlement Effective Date.

#### **ARTICLE V NO PRECEDENTIAL EFFECT**

5.1 Except as expressly provided for in this Settlement Agreement, this Settlement Agreement will not constitute a precedent in any future proceedings nor be used to prejudice any otherwise available rights or arguments of any Settling Party in a future proceeding, other than to enforce the terms of this Settlement. The Settling Parties shall not be deemed to have approved, accepted, agreed, or consented to any concept, theory, or principle

underlying or supposed to underlie any of the matters provided for herein. This Settlement Agreement shall not be used as evidence that a particular method is a “long-standing practice” as that term is used in *Columbia Gas Transmission Corp. v. FERC*, 628 F.2d 578 (D.C. Cir. 1975), or a “settled practice” as that term is used in *Public Service Comm. of New York v. FERC*, 642 F.2d 1335 (D.C. Cir. 1980).

## **ARTICLE VI STANDARD OF REVIEW**

6.1 The standard of review for any change to this Settlement Agreement proposed by Central Hudson or a Settling Party shall be the “public interest” application of the just and reasonable standard set forth in *United Gas Pipe Line Co. v. Mobile Gas Serv. Corp.*, 350 U.S. 348 (1956), and *Fed. Power Comm’n v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956), as clarified in *Morgan Stanley Capital Grp., Inc. v. Pub. Util. Dist. No. 1 of Snohomish Cnty., Wash.*, 554 U.S. 527 (2008), and refined in *NRG Power Mktg. v. Maine Pub. Utils. Comm’n*, 558 U.S. 165 (2010). The ordinary just and reasonable standard of review (rather than the “public interest” standard), as clarified in *Morgan Stanley Capital Grp., Inc. v. Pub. Util. Dist. No. 1 of Snohomish Cnty., Wash.*, 554 U.S. 527 (2008), applies to any changes to the Settlement Agreement sought by the Commission acting *sua sponte* or at the request of a non-Settling Party or a non-party to this proceeding.

## **ARTICLE VII MISCELLANEOUS**

7.1 Final Resolution. This Settlement Agreement shall be a final and complete resolution of all issues concerning Central Hudson Rate Schedule 21 in this proceeding.

7.2 Binding. This Settlement Agreement is binding upon and for the benefit of the Central Hudson and the Settling Parties and their successors and assigns.



7.3 Entire Agreement. This Settlement Agreement, including the appendices hereto, constitutes the entire agreement between Central Hudson and the Settling Parties with respect to the subject matter addressed herein, and supersedes all prior or contemporaneous understandings or agreements, oral or written, between Central Hudson and the Settling Parties with respect to the subject matter of this Settlement Agreement.

7.4 Interpretation. Central Hudson and all Settling Parties participated in the drafting of this Settlement Agreement. Neither Central Hudson nor any Settling Party shall be deemed the drafter of this Settlement Agreement, and this Settlement Agreement shall not be construed against any Party as the drafter.

7.5 Conflict. In the event of a conflict between terms contained in this Settlement Agreement and those of the attached Appendix A, the terms of this Settlement Agreement shall control.

7.6 Admissibility of Settlement Agreement. This Settlement Agreement is submitted pursuant to Rule 602(e) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.602(e) (2025). Unless and until the Settlement Agreement becomes effective pursuant to its terms, the Settlement Agreement shall be of no effect and shall not be admissible in evidence or in any way described or discussed in any proceeding before any court or regulatory body (except in comments on the Settlement in this proceeding). In addition, the discussions that resulted in this Settlement Agreement were conducted with the explicit understanding, pursuant to Rule 602(e), that all offers of settlement and any discussions relating thereto are and shall be privileged, shall be without prejudice to the position of Central Hudson and any Settling Party, and are not to be used in any manner in connection with this or any other proceeding except as specifically noted in this Settlement Agreement or in an action to enforce this Settlement Agreement.

7.7 Titles and Headings. The titles and headings of the Settlement Agreement are for reference and convenience purposes only. They are not to be construed or considered in interpreting the Settlement Agreement and do not qualify, modify, or explain the effects of the Settlement Agreement.

7.8 Enforceability and Waiver. Any failure of any Settling Party (i) to enforce any of the provisions of this Settlement Agreement or (ii) to require compliance with any of its terms at any time during the term of this Settlement Agreement shall in no way affect the validity of this Settlement Agreement, or any part hereof, and shall not be deemed a waiver of the right of Central Hudson or such Settling Party thereafter to enforce any and each such provision. Commission approval of this Settlement Agreement shall constitute a grant of any waivers of the Commission's regulations that may be necessary to effectuate all of the provisions of this Settlement Agreement.

7.9 Waiver. No provisions of this Settlement Agreement may be waived as to Central Hudson or any Settling Party, except through a writing signed by an authorized representative of the waiving Party—Central Hudson or the Settling Party. Waiver of any provision of this Settlement Agreement by a Party shall not be deemed to waive any other provision or to be a waiver of Central Hudson or any other Settling Party.

7.10 Authorization. Each person executing this Settlement Agreement on behalf of Central Hudson or a Settling Party represents and warrants that he or she is duly authorized and empowered to act on behalf of, and to authorize this Settlement Agreement to be executed on behalf of Central Hudson or the Settling Party that he or she represents.

7.11 Ambiguity. This Settlement Agreement is the result of negotiations amongst Central Hudson and the Settling Parties and has been subject to review by Central Hudson and

each Settling Party and its respective counsel. Therefore, this Settlement Agreement shall be deemed the product of Central Hudson and each Settling Party and no ambiguity in this Settlement Agreement shall be construed in favor of, or against, Central Hudson or any Settling Party.

7.12 Counterparts. This Settlement Agreement may be executed in any number of counterparts, and each executed counterpart shall have the same force and effect as an original instrument.

**IN WITNESS WHEREOF** Central Hudson and the Settling Parties, each acting on its own behalf or through an authorized representative, have caused this agreement to be executed this 31st day of July, 2025.

**[THE NEXT PAGE IS THE SIGNATURE PAGE]**

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**

**By:**

  
\_\_\_\_\_

**Name:**

*Joseph Hally*  
\_\_\_\_\_

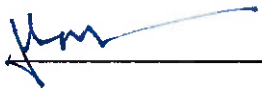
**Title:**

*Vice President Regulatory Affairs*  
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**Date:**

*7/31/2025*  
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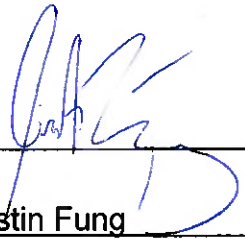
**New York State Public Service Commission**

**By:**  \_\_\_\_\_

**Name:** John Sipos

**Title:** General Counsel

**Date:** July 31, 2025

**By:**  \_\_\_\_\_

**Name:** Justin Fung

**Title:** Assistant Counsel

**Date:** July 31, 2025

KEY CAPTURE ENERGY, LLC

By:

DocuSigned by:

Rachel Goldwasser

1A1D511041084DF...

Name:

Rachel Goldwasser

Title:

General Counsel & EVP, Regulatory

Date:

7/31/2025

**MicroGrid Networks, LLC**

**By:**



**Name:**

Timothy A Dumbleton

**Title:**

COO

**Date:**

7/31/25

**New York Battery and Energy Storage Technology Consortium, Inc.**

**By:** 

**Name:** William Acker

**Title:** Executive Director

**Date:** July 31, 2025