



CENTRAL HUDSON ENTERPRISES CORPORATION

A wholly owned subsidiary of CH Energy Group, Inc.

Investing in the Future

Renewable Energy & Other Utility Assets

2009



Investment Objectives

- ❖ We invest in energy-related infrastructure including renewable energy and other utility assets (existing or under development) that will generate predictable cash and earnings
- ❖ We focus on prudent long-term investments that do not expose us to undue risk or volatility
- ❖ We prefer to invest in operating projects or those ready for construction
- ❖ We will consider minority ownership stakes, controlling interests, or outright acquisitions
- ❖ In addition to equity participation, we can provide bridge financing, mezzanine debt or other financing



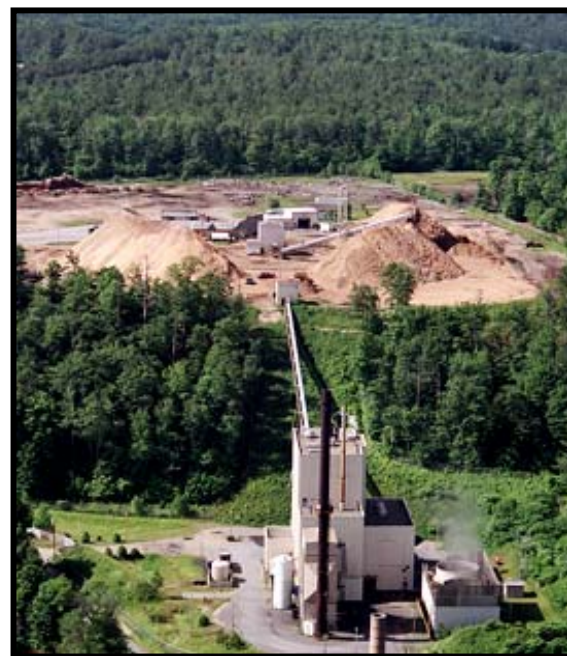
A Sample of Our Target Industries

- ❖ Renewable Energy
 - Biomass
 - Waste-to-Energy Systems
 - Wind
 - Hydro
 - Solar
 - BioFuels
- ❖ Other Utility Assets
 - Electric & Gas Transmission and Distribution
 - Peaker Generation
 - Distributed Co-Generation
 - District Energy Systems
- ❖ ... and other Energy-Related Infrastructure



Current Investments: Lyonsdale Biomass

- ❖ Lyonsdale is a 19-MW wood-burning plant in upstate New York generating electricity and steam
- ❖ CHEC acquired a majority, controlling interest in the plant and arranged for long-term power, steam and REC sale agreements
- ❖ CHEC also provided a bridge loan and worked with our joint venture partner to significantly improve operational performance





Current Investments: JB Wind Holdings

- ❖ JB Wind Holdings developed and built two wind projects: a 24-MW facility in Bear Creek, PA and a 7.5-MW system in Atlantic City, NJ
- ❖ CHEC is a minority partner in JB Wind Holdings
- ❖ CHEC added value to the project through our electrical interconnection expertise





Current Investments: Cornhusker Energy

- ❖ Cornhusker is a 40 million gallon per year fuel ethanol production facility in Nebraska
- ❖ CHEC provided subordinated debt and equity funding to the project prior to construction
- ❖ CHEC is a minority owner and continues to add value by contributing operational oversight and financial management





Current Investments: Auburn Landfill and Bio Gas to Electric Project (in construction)

- ❖ Auburn is a 3MW Landfill and Bio Gas to Electric project in Auburn, NY
- ❖ Landfill gas is provided by City of Auburn and Electricity will be sold back to the City under a long-term PPA
- ❖ CHEC led the design and construction of the facility and owns 100% of the project





Current Investments: Beacon Landfill Gas (in construction)

- ❖ Molecular Gate System to remove excess nitrogen from landfill gas
- ❖ CHEC is the owner of the Molecular Gate System and has leased the system to Beacon Landfill Gas for use at their Greentree, PA LFG processing facility





❑ CH Energy Group, Inc.

- CH Energy Group includes Central Hudson Gas & Electric Corporation - providing electricity and natural gas to more than 375,000 customers in New York State's Hudson River Valley





❑ **CH Energy Group, Inc.**

- CH Energy Group had 2008 revenues in excess of \$1 billion and Net Income in excess of \$35 million. At year-end 2008 CH Energy had a market capitalization of over \$600 million.
- CH Energy Group is the 100% owner of:
 - Central Hudson Gas & Electric Corporation (CHG&E); and
 - Central Hudson Enterprises Corporation (CHEC), an unregulated investment company that has invested in several renewable energy projects



About Central Hudson Gas & Electric Corporation

- ❖ Regulated electric and gas utility serving customers across a 2,600 square mile service territory in New York's Hudson River Valley
- ❖ 2008 electric and gas revenues of approximately \$800 million
- ❖ A-rated senior, unsecured debt by Moody's and S&P (Investment Grade)





CHG&E's Generation Plant Experience

- ❖ Significant ownership and operating experience with coal, natural gas, oil, hydroelectric, nuclear and co-gen facilities
 - Danskammer: 490-MW coal, oil and gas generating station with four simple cycle steam turbines built between 1951 and 1967 (sold in 2000)
 - Roseton: 1,200-MW oil and gas generating station with two simple cycle steam turbines built in 1973 (sold in 2000)
 - Hydro-Electric: owns and operates three plants
 - Gas Turbines: owns and operates two peaking plants



CHG&E's Transmission and Distribution Experience

- ❖ 580 miles of electric transmission facilities with voltages up to 345-kV
- ❖ 165 miles of gas transmission facilities up to 750 PSI MAOP
- ❖ Approximately 300,000 electric customers and 100,000 natural gas customers
- ❖ Strong working relationships with labor unions, regulators, environmental groups, and local governments





About Central Hudson Enterprises Corporation

- ❖ Founded in 1982 as energy services company serving the Northeast United States
- ❖ Currently holds investments in:
 - Renewable Energy Projects:
 - Lyonsdale Biomass
 - JB Wind Holdings
 - Cornhusker Energy
 - Griffith Energy (an oil distribution business serving the greater Washington D.C. area, Connecticut, and Rhode Island).





Central Hudson Enterprises Corp. may be the right fit for your project, joint venture, or business

- ❖ Strong balance sheet and excellent credit history
- ❖ Seasoned management team
- ❖ Technical and O&M expertise
- ❖ Ability to utilize federal tax credits
- ❖ Can manage and mitigate development, construction, and operations risk



❑ **Forward Looking Statements:**

Statements included in this presentation and the documents incorporated by reference which are not historical in nature are intended to be, and are hereby identified as, "forward-looking statements" for purposes of the safe harbor provided by Section 21E of the Exchange Act. Forward-looking statements may be identified by words including "anticipates," "intends," "estimates," "believes," "projects," "expects," "plans," "assumes," "seeks," and similar expressions. Forward-looking statements including, without limitation, those relating to CH Energy Group and its subsidiaries' future business prospects, revenues, proceeds, working capital, liquidity, income, and margins, are subject to certain risks and uncertainties that could cause actual results to differ materially from those indicated in the forward-looking statements, due to several important factors, including those identified from time-to-time in the forward-looking statements. Those factors include, but are not limited to: weather; fuel prices; corn and ethanol prices; plant capacity factors; energy supply and demand; interest rates; potential future acquisitions; developments in the legislative, regulatory, and competitive environment; market risks; electric and natural gas industry restructuring and cost recovery; the ability to obtain adequate and timely rate relief; changes in fuel supply or costs including future market prices for energy, capacity, and ancillary services; the success of strategies to satisfy electricity, natural gas, fuel oil, and propane requirements; the outcome of pending litigation and certain environmental matters, particularly the status of inactive hazardous waste disposal sites and waste site remediation requirements; and certain presently unknown or unforeseen factors, including, but not limited to, acts of terrorism. CH Energy Group and its subsidiaries undertake no obligation to update publicly any forward-looking statements, whether as a result of new information, future events, or otherwise. Given these uncertainties, undue reliance should not be placed on the forward-looking statements.