

CH ENERGY GROUP INC
Form DEFA14A
June 11, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to § 240.14a-12

CH ENERGY GROUP, INC.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

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Fee computed below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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(1) Amount Previously Paid:

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(3) Filing Party:

(4) Date Filed:

June 11, 2012

VOTE FOR THE MERGER PROPOSAL TODAY!

Dear Fellow Shareholder,

On June 19, 2012, CH Energy Group, Inc. (CH Energy) will hold a Special Meeting of Shareholders to approve the agreement for CH Energy to be acquired by Fortis Inc. If the transaction is completed, you will receive \$65.00 in cash for each share of CH Energy common stock that you own at the time of the acquisition, plus all dividend payments approved by the CH Energy Board of Directors through closing of the transaction, expected in early 2013.

**THE TWO LEADING PROXY ADVISORY FIRMS RECOMMEND VOTING
FOR MERGER AGREEMENT**

The two leading independent proxy advisory firms, Institutional Shareholder Services (ISS) and Glass Lewis & Co. LLC., have published their analyses recommending that shareholders vote FOR the proposal to adopt the Merger Agreement with Fortis Inc. and the other proposals submitted to you.

In its analysis, ISS stated given the substantial premium over the company s stock price and trading multiples, shareholder support for the transaction is warranted and noted that the cash nature of the merger consideration provides both certainty of value and removes the execution risk of operating as a standalone entity.

VOTE FOR THE MERGER TODAY

Your Board encourages you to vote your shares **immediately**. The failure to vote or a decision to abstain from voting has the same effect as a vote *against* the merger agreement. Your vote is critically important, and we urge you to cast it immediately.

Please follow the instructions on your attached proxy card or voting instruction form to vote by telephone or Internet. Alternatively, sign, date and return the enclosed proxy card promptly in the envelope provided to vote **FOR** the merger.

If you have any questions or need assistance in voting your shares, please contact our proxy solicitor, D.F. King & Co., Inc. toll-free at (800) 207-3158 or call collect at (212) 269-5550.

On behalf of your Board of Directors, we thank you for your continued support. **Your Board believes that this merger agreement represents substantial value for your investment and that there may never be a better time to receive an offer of such superior value.**

Sincerely,

/s/ Steven V. Lant

Steven V. Lant

Chairman of the Board, President and Chief Executive Officer

Forward-Looking Statements

Statements included in this communication 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, Inc.'s and Central Hudson Gas & Electric Company's future business prospects, revenues, proceeds, working capital, investment valuations, liquidity, income, and margins, as well as the proposed acquisition by a subsidiary of Fortis, Inc. and the expected timing of the transaction, 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: the possibility that various conditions precedent to the consummation of the proposed Fortis transaction will not be satisfied or waived; the ability to obtain shareholder and regulatory approvals of the proposed Fortis transaction on the timing and terms thereof; deviations from normal seasonal weather and storm activity; fuel prices; energy supply and demand; potential future acquisitions; legislative, regulatory, and competitive developments; interest rates; access to capital; 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; certain presently unknown or unforeseen factors, including, but not limited to, acts of terrorism; and other factors described in, or incorporated by reference in, CH Energy Group Inc.'s proxy statement filed with the U.S. Securities and Exchange Commission (the "SEC"). CH Energy Group and Central Hudson 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.

Additional Information about the Proposed Fortis Transaction and Where to Find It

This communication is being made in respect of the proposed merger transaction involving CH Energy Group and Fortis and may be deemed to be soliciting material relating to the proposed transaction. In connection with the proposed acquisition of CH Energy Group by Fortis, CH Energy Group filed a definitive proxy statement with the SEC on May 9, 2012, and may file other relevant materials with the SEC as well. The proposed transaction will be submitted to CH Energy Group shareholders for their consideration. Before making any voting or investment decision, investors and security holders of CH Energy Group are urged to read the proxy statement, and other relevant materials filed with the SEC when they become available, because they contain or will contain important information about the proposed acquisition and related matters. The proxy statement has been mailed to CH Energy Group shareholders. Investors and shareholders may obtain a free copy of the proxy statement and other documents filed by CH Energy Group at the SEC's Web site, www.sec.gov. These documents (when they are available) can also be obtained by investors and shareholders free of charge from CH Energy Group at CH Energy Group's website at www.chenergygroup.com, or by contacting CH Energy Group's Shareholder Relations Department at (845) 486-5204.

Participants in the Solicitation of Proxies

CH Energy Group, Fortis and certain of their respective directors and executive officers, under SEC rules, may be deemed to be participants in the solicitation of proxies from shareholders of CH Energy Group in connection with the proposed acquisition. Information about CH Energy Group's directors and executive officers may be found in its 2011 Annual Report on Form 10-K filed with the SEC on February 16, 2012, and definitive proxy statement relating to its 2012 Annual Meeting of Shareholders filed with the SEC on March 21, 2012. Information about Fortis' directors and executive officers may be found in its Management Information Circular available on its website at www.fortisinc.com. Additional information regarding the interests of such potential participants in the solicitation of proxies in connection with the proposed merger is included in the proxy statement filed with the SEC on May 9, 2012 and may be included in other relevant materials filed with the SEC when they become available.