FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, DC 20426

OFFICE OF ENERGY MARKET REGULATION

Niagara Mohawk Power Corporation Docket No. ER17-884-001

Issued: 4/7/17

National Grid 40 Sylvan Road Waltham, MA 02451

Attention: Patrick J. Tarmey, Esq. Counsel for National Grid

Reference: Modifications to Transmission Service Charge Formula Rate

Dear Mr. Tarmey:

On January 30, 2017, as amended on February 15, 2017,¹ Niagara Mohawk Power Corporation d/b/a National Grid submitted modifications to its Transmission Service Charge formula rate set forth in Attachment H to the New York Independent System Operator, Inc.'s (NYISO) Open Access Transmission Tariff.² You explain that National Grid is proposing the following modifications: 1) to modify the calculation of transmission-related Accumulated Deferred Income Taxes related to accelerated depreciation to incorporate the proration methodology of the Internal Revenue Service's regulations; 2) to ensure that the definition of the Forecasted Transmission Revenue Requirement (FTRR) in the formula rate is consistent with the narrative terms of the formula rate; 3) to ensure that the components of the FTRR appear in order and are consistent with the formula rate; and 4) to update source references and correct typographical errors.

Pursuant to the authority delegated to the Director, Division of Electric Power ¹ On March 27, 2017, and March 29, 2017, National Grid submitted informational filings to correct supporting workpapers included with its filing.

² New York Independent System Operator, Inc., NYISO Tariffs, <u>NYISO OATT</u>, <u>14.2-14.2.2 OATT Att H Attachment 1 to Attachment H, 14.0.0</u>.

Regulation – East, under 18 C.F.R. § 375.307, your submittal is accepted for filing, effective April 1, 2017, as requested.

The filings were noticed on January 30, 2017, and February 15, 2017, with comments, interventions, and protests due on or before February 21, 2017, and March 8, 2017, respectively. Pursuant to Rule 214 (18 C.F.R. § 385.214 (2016)), to the extent that any timely filed motions to intervene and any motion to intervene out-of-time were filed before the issuance date of this order, such interventions are granted. Granting late interventions at this stage of the proceeding will not disrupt the proceeding or place additional burdens on existing parties.

This acceptance for filing shall not be construed as constituting approval of the referenced filing or of any rate, charge, classification, or any rule, regulation, or practice affecting such rate or service contained in your filing; nor shall such acceptance be deemed as recognition of any claimed contractual right or obligation associated therewith; and such acceptance is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against National Grid.

This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Sincerely,

Kurt M. Longo, Director Division of Electric Power Regulation – East