

# Attachment A

## **6.10.6 Attachment 1 – Rate Mechanism for LS Power Grid New York Corporation I**

### **6.10.6.1 Applicability**

This Attachment A to Rate Schedule 10 of the ISO OATT establishes the RTFC for LS Power Grid New York Corporation I (“LSPG-NY”). LSPG-NY may recover costs in accordance with the requirements of Rate Schedule 10 of the ISO OATT.

### **6.10.6.2 LSPG-NY Revenue Requirement**

For purposes of Rate Schedule 10 of the ISO OATT, the revenue requirement for LSPG-NY shall be determined in accordance with its Formula Rate Template and Formula Rate Protocols.

**6.10.6.2.1 LSPG-NY Formula Rate Protocols**

**LS POWER GRID NEW YORK CORPORATION I FORMULA RATE  
IMPLEMENTATION PROTOCOLS**

6.10.6.2.1 LSPG-NY Formula Rate Template

Index

Rate Formula Template  
Utilizing FERC Form 1 Data

Projected Annual Transmission Revenue Requirement  
For the 12 months ended 12/31/2021

LS Power Grid New York Corporation I

Type of revenue requirement: enter "P" if projected or "A" if actual: P

Enter the year to which the revenue requirement relates: 2021

Appendix A	Main body of the Formula Rate
Attachment 1	Detail of the Revenue Credits
Attachment 2	Monthly Plant and Accumulated Depreciation balances
Attachment 3	Cost Support Detail
Attachment 4	Calculations showing the revenue requirement by Investment, including any Incentives,
Attachment 5	True-Up calculations
Attachment 6a-6d	Detail of the Accumulated Deferred Income Tax Balances
Attachment 7	Depreciation Rates

Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data

Projected Annual Transmission Revenue Requirement  
For the 12 months ended 12/31/2021

LS Power Grid New York Corporation I

Line No.		(1)	(2)	(3)
			12 months	Allocated Amount
1	GROSS REVENUE REQUIREMENT (page 3, line 79)			\$ -
REVENUE CREDITS		Total	Allocator	
2	Total Revenue Credits Attachment 1, line 6	-	TP 1.0000	-
3	Net Revenue Requirement (line 1 minus line 2)			-
4	True-up Adjustment (Attachment 5, line 3, col. G)	-	DA 1.00000	-
5	NET ADJUSTED REVENUE REQUIREMENT (line 3 plus line 4)			\$ -

Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2021

		LS Power Grid New York Corporation I				
Line No.	(1)	(2)	(3)	(4)	(5)	
		Source	Company Total	Allocator	Transmission (Col 3 times Col 4)	
	<b>RATE BASE:</b>					
	GROSS PLANT IN SERVICE (Note A)					
6	Production	(Attach 2, line 75)	-	NA	-	
7	Transmission	(Attach 2, line 15)	-	TP	1.0000	
8	Distribution	(Attach 2, line 30)	-	NA	-	
9	General & Intangible	(Attach 2, lines 45 + 60)	-	W/S	1.0000	
10	TOTAL GROSS PLANT (sum lines 6-9)	(If line 7>0, GP= line 10 column 5 / line 10 column 3. If line 7=0, GP=0)	-	GP=	-	
	ACCUMULATED DEPRECIATION & AMORTIZATION (Note A)					
12	Production	(Attach 2, line 151)	-	NA	-	
13	Transmission	(Attach 2, line 91)	-	TP	1.0000	
14	Distribution	(Attach 2, line 106)	-	NA	-	
15	General & Intangible	(Attach 2, lines 121 + 136)	-	W/S	1.0000	
16	TOTAL ACCUM. DEPRECIATION (sum lines 12-15)		-		-	
	NET ACQUISITION ADJUSTMENT					
18	Transmission	(Attach 2, line 166)	-	DA	1.0000	
19	TOTAL NET ACQUISITION ADJUSTMENT		-		-	
	NET PLANT IN SERVICE					
21	Production	(line 6- line 12)	-		-	
22	Transmission	(line 7- line 13)	-		-	
23	Distribution	(line 8- line 14)	-		-	
24	General & Intangible	(line 9- line 15)	-		-	
25	TOTAL NET PLANT (sum lines 21-24)	(If line 19>0, NP= line 22, column 5 / line 22, column 3. If line 19=0, NP=0)	-	NP=	-	
	ADJUSTMENTS TO RATE BASE					
27	ADIT (Attach 6a proj., line 5, Column D or Attach 6c True-up - line 5, column D) (Note C)		-	TP	1.0000	
28	Account No. 255 (enter negative) (Note D)	(Attach 3, line 169) (Note D)	-	NP	-	
28a	Excess / Deficient Accumulated Deferred Income Taxes	(Attach 8, line 29) (Note F)	-	TP	1.0000	
29	Unamortized Lumpsum Lease Payment	Note G	-	DA	1.0000	
30	Unfunded Reserves (enter negative)	Note H	-	DA	1.0000	
31	Unamortized Regulatory Assets	(Attach 3, line 204, col. b) (Note I)	-	DA	1.0000	
32	Unamortized Abandoned Plant	(Attach 3, line 204, col. c) (Note J)	-	DA	1.0000	
33	TOTAL ADJUSTMENTS (sum lines 27-32)		-		-	
34	LAND HELD FOR FUTURE USE	Company records	-	TP	1.0000	
	WORKING CAPITAL (Note K)					
36	CWC	(1/8 * (Line 48 less Line 47a))	-		-	
37	Materials & Supplies	(Attach 3, line 221, column c)	-	TP	1.0000	
38	Prepayments (Account 165 - Note K)	(Attach 3, line 189, column b)	-	GP	-	
39	TOTAL WORKING CAPITAL (sum lines 36-38)		-		-	
40	RATE BASE (sum lines 25, 33, 34, & 39)		-		-	

Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2021

	(1)	(2)	(3)	(4)	(5)
		Source	Company Total	Allocator	Transmission (Col 3 times Col 4)
41	O&M				
42	Transmission		-	TP=	1.0000
43	Less Account 565	321.112.b	-	TP=	1.0000
44	A&G	321.96.b	-	W/S	1.0000
45	Less EPRI & Reg. Comm. Exp. & Other Ad.	323.197.b	-	DA	1.0000
46	Plus Transmission Related Reg. Comm. Exp.	Note L, company records	-	TP=	1.0000
47	Less Account 566	Note L, company records	-	DA	1.0000
47a	Amortization of Regulatory Assets	321.97.b	-	DA	1.0000
47b	Account 566 excluding amort. of Reg Assets	company records	-	DA	1.0000
48	TOTAL O&M (sum lines 42, 44, 46, 47a, 47b less lines 43 & 45, 47) (Note L)	(line 47 less line 47a)	-	DA	1.0000
49	DEPRECIATION EXPENSE				
50	Transmission		-	TP	1.0000
51	General and Intangible	336.7.f (Note A)	-	W/S	1.0000
52	Amortization of Abandoned Plant	336.1.f + 336.10.f (Note A)	-	DA	1.0000
53	Amortization of Acquisition Adjustment	(Attach 3, line 205, column c) (Note J)	-	DA	1.0000
54	TOTAL DEPRECIATION (Sum lines 50-52)	(Attach 2, line 166)	-		
55	TAXES OTHER THAN INCOME TAXES (Note M)				
56	LABOR RELATED				
57	Payroll		-	W/S	1.0000
58	Highway and vehicle	263.i	-	W/S	1.0000
59	PLANT RELATED				
60	Property		-	GP	-
61	Gross Receipts	263.i	-	GP	-
62	Other	263.i	-	GP	-
63	TOTAL OTHER TAXES (sum lines 57-62)		-		
64	INCOME TAXES				
65	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\}$	(Note E)	0.00%		
66	$CIT=(T/1-T) * (1-(WCLTD/R)) =$		0.00%		
67	where WCLTD=(line 96) and R= (line 99)				
68	and FIT, SIT, p, & n are as given in footnote E.				
69	$1 / (1 - T) = (T \text{ from line 65})$		-		
70	Income Tax Calculation = line 66 * line 76		-		
71	Investment Tax Credit Amortization Adjustment	(Attachment 3, line 174) (Note D)	-	NP	-
72	Permanent Differences Tax Adjustment	(Attach 3, line 207 * line 65)	-	NP	-
73	Excess/Deficient Deferred Taxes Adjustment	Attach 8, line 58 (proj.), line 90 (actual) Note F	-	NP	-
74	Total Income Taxes	(Sum lines 72 to 73)	-		
75	RETURN				
76	[ Rate Base (line 40) * Rate of Return (line 99)]		-		
77	Rev Requirement before Incentive Projects (sum lines 48, 54, 63, 74, 76)		-		
78	Incentive Return and Income Tax and Competitive Bid Concessions for Projects (Attach 4, line 67, cols. h, j & less p)		-	DA	1.0000
79	Total Revenue Requirement (sum lines 77 & 78)		-		

Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2021

**LS Power Grid New York Corporation I**  
**SUPPORTING CALCULATIONS AND NOTES**

80 TRANSMISSION PLANT INCLUDED IN ISO RATES

81	Total transmission plant (line 7, column 3)	-
82	Less transmission plant excluded from ISO rates (Note N)	-
83	Less transmission plant included in OATT Ancillary Services (Note N)	-
84	<u>Transmission plant included in ISO rates (line 81 less lines 82 &amp; 83)</u>	-

85 Percentage of transmission plant included in ISO Rates (line 84 divided by line 81) [If line 81 equal zero, enter 1) TP= 1.0000

86 WAGES & SALARY ALLOCATOR (W&S)

87	Form 1 Reference	\$	TP	Allocation			
88	Production	354.20.b	-	-	-		
89	Transmission	354.21.b	-	1.00	-		
90	Distribution	354.23.b	-	-	-		
91	Other	354.24,25,26.b	-	-	-	W&S Allocator	
92	Total (sum lines 88-91) [TP equals 1 if there are no wages & salaries]	-	-	-	-	(\$ / Allocation)	= 1.0000 = WS

93 RETURN (R) (Notes O and P)

94		\$	%	Cost	Weighted
95					
96	Long Term Debt (Attach 3, line 229)	-	47.00%	0.00%	0.00% =WCLTD
97	Preferred Stock (Attach 3, line 230)	-	0.00%	0.00%	0.00%
98	Common Stock (Attach 3, line 231)	-	53.00%	0.00%	0.00%
99	Total (sum lines 96-98)	-	-	-	0.00% =R

Development of Base Carrying charge and Summary of Incentive and Non-Incentive Investments

	Source of Total Column	(a) Non-incentive Investments from Attachment 4 (Note Q)	(b) Incentive Investments from Attachment 4 (Note Q)	(c) Total
100	Net Transmission Plant in Service (Line 22 and Transmission CIACs)	-	-	-
101	Unamortized Abandoned Plant (Line 32)	-	-	-
102	Project Specific Regulatory Assets (Line 31)	-	-	-
103	Development of Base Carrying charge and Summary of Incentive and Non-Incentive Investments			-
104	Return and Taxes (Lines 69 & 71)			-
105	Total Revenue Credits			-
106	Base Carrying Charge (used in Attach 4, Line 65) (Line 100 - Line 101)/ Line 99			0.00%

**SUPPORTING CALCULATIONS AND NOTES**

Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2021

LS Power Grid New York Corporation I

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.#)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Note  
Letter

- A Balances exclude Asset Retirement Costs.
- B No Acquisition Adjustment will be recovered until a filing requesting recovery is submitted to and approved by FERC under FPA Section 205.
- C The balances in Accounts 190, 281, 282 and 283 are allocated to transmission plant included in ISO rates based on company accounting records. Accumulated deferred income tax amounts associated with asset or liability accounts excluded from rate base do not affect rate base, such as ADIT related to asset retirement obligations and certain tax-related regulatory assets or liabilities. To the extent that the normalization requirements apply to ADIT activity in the projected net revenue requirement calculation or the true-up adjustment calculation, the ADIT amounts are computed in accordance with the proration formula of Treasury regulation Section 1.167(l)-1(h)(6) with averaging in accordance with IRC Section 168(i)(9)(B). The remaining ADIT activity are averaged. Work papers supporting the ADIT calculations will be posted with each projected net revenue requirement and/or Annual True-Up and included in the annual Informational Filing submitted to the Commission.
- D Investment tax credit (ITC) is recorded in accordance with the deferral method of accounting and any normalization requirements that relate to the eligibility to claim the credit or the recapture of the credit. The revenue requirement impact of any ITC amortization permitted to reduce income tax expense is determined as the amount of the Amortized Investment Tax Credit (266.8.f) multiplied by the applicable tax gross-up factor.
- E The composite income tax rate (T) applicable to each Rate Year (including both Annual Projections and True-Up Adjustments) is based on the Federal income tax rate (FIT), the State income tax rate (SIT) and the percentage of federal income tax deductible for state income tax purposes (P). If the utility is taxed in more than one state, it must attach a work paper showing the name of each state and how the blended or composite SIT was computed.
- Inputs Required:
- |   |                      |
|---|----------------------|
| Federal income tax rate (FIT) =                                   |                      |
| Composite state income tax rate (SIT) =                           | 0.00% (Attachment 3) |
| Percent of federal income tax deductible for state purposes (P) = | -                    |
- For each Rate Year (including both Annual Projections and True-Up Adjustments) the statutory income tax rates utilized in the Formula Rate shall reflect the weighted average rates actually in effect during the Rate Year. For example, if the statutory tax rate is 10% from January 1 through June 30, and 5% from July 1 through December 31, such rates would be weighted 181/365 and 184/365, respectively, for a non-leap year.
- F Upon enactment of changes in tax law, ADIT balances are re-measured and adjusted in the Company's books of account, resulting in excess or deficient accumulated deferred income tax assets and liabilities. Such excess or deficient ADIT attributable to assets or liabilities reflected in ISO rates and subsequent recoverable or refundable amortization will be based upon tax records and be calculated and recorded in accordance with ASC 740 and any applicable normalization requirements of the taxing jurisdiction. For each re-measurement of deferred taxes, the amounts entered as Adjustments to Rate Base or a component of Income Taxes will be supported by work papers providing the balance for each taxing jurisdiction at the beginning and end of the year, amortization for the year and any other information required to support compliance with any applicable normalization requirements.
- G In the event that transmission assets or right of ways involve a lumpsum upfront payment under a lease that qualifies as a capital lease, it will be amortized over the life of the lease to Account 567 and the unamortized balance will be included here. In the event such a lease involves monthly or annual payments, the payments will be booked to Account 567.
- H Unfunded Reserves are customer contributed capital authorized by a regulatory agency. Balances, if any, will be supported by a workpaper.  
No amounts shall be credited to accounts 228.1 through 228.4 unless authorized by a regulatory authority or authorities to be collected in a utility's rates.
- I Recovery of Regulatory Assets must be authorized by the Commission.
- J Unamortized Abandoned Plant and Amortization of Abandoned Plant will be zero until the Commission accepts or approves recovery of the cost of Abandoned Plant.
- K Cash Working Capital assigned to transmission is transmission-allocated O&M minus the amortization of any Regulatory Asset, divided by eight.  
Prepayments are the electric related prepayments booked to Account No. 165 and reported on Pages 110-111 line 57 in the Form 1.
- L Line 45 removes EPRI Annual Membership Dues listed in Form 1 at 353.f, any EPRI Lobbying expenses included in line 42 of the template and all Regulatory Commission Expenses itemized at 351.h.  
Line 45 removes all advertising included in Account 930.1, except safety, education or out-reach related advertising.  
Line 45 removes all EEI and EPRI research, development and demonstration expenses.  
Line 46 reflects all Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting itemized at 351.h  
Line 42 or Line 44 and thus Line 48 shall include any NYISO charges other than penalties, including but not limited to administrative costs.
- M Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year.
- N Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed to be included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.
- O ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC under FPA Section 205 or 206.
- P A hypothetical capital structure of 47% debt and 53% equity will be used until the entire Marcy to New Scotland 345 kV Upgrade Project is placed in-service. After the Marcy to New Scotland 345 kV Upgrade Project is placed in-service, the lesser of a 53% equity ratio or the actual equity ratio will be used.
- Q Non-incentive investments are investments without ROE incentives and incentive investments are investments with ROE incentives

**Attachment 1 - Revenue Credit Workpaper\***  
**LS Power Grid New York Corporation I**

<b>Account 454 - Rent from Electric Property (300.19.b)</b>	Notes 1 & 3	
1 Rent from FERC Form No. 1		-
 <b>Account 456 (including 456.1) (300.21.b and 300.22.b)</b>	Notes 1 & 3	
2 Other Electric Revenues (Note 2)		-
3 Professional Services		-
4 Revenues from Directly Assigned Transmission Facility Charges (Note 2)		-
5 Rent or Attachment Fees associated with Transmission Facilities		-
 6 Total Revenue Credits	Sum lines 2-5 + line 1	-

Note 1 All revenues booked to Account 454 that are derived from cost items classified as transmission-related will be included as a revenue credit. All revenues booked to Account 456 (includes 456.1) that are derived from cost items classified as transmission-related, and are not derived from rates under this transmission formula rate will be included as a revenue credit. Work papers will be included to properly classify revenues booked to these accounts to the transmission function. A breakdown of all Account 454 revenues by subaccount will be provided below, and will be used to derive the proper calculation of revenue credits. A breakdown of all Account 456 revenues by subaccount and customer will be provided and tabulated below, and will be used to develop the proper calculation of revenue credits.

Note 2 If the facilities associated with the revenues are not included in the formula, the revenue is shown below, but not included in the total above.

Note 3 All Account 454, 456, and 456.1 Revenues must be itemized below and tie to FERC Form No. 1 cites set forth below.

Line No.		TOTAL	NY-ISO	Other 1	Other 2
1	Accounts 456 and 456.1 (300.21.b plus 300.22.b)	-	-	-	-
1a		-	-	-	-
...		-	-	-	-
1x		-	-	-	-
2		-	-	-	-
3	Total	-	-	-	-
4	Less:				
5	Revenue for Demands in Divisor	-	-	-	-
6	<b>Sub Total Revenue Credit</b>	-	-	-	-
7	Prior Period Adjustments	-	-	-	-
8	Total (must tie to 300.21.b plus 300.22.b)	-	-	-	-
9	Account 454 (300.19.b)	\$			
9a		-			
9b		-			
9c		-			
9d		-			
9e		-			
9f		-			
9g		-			
...					
9x		-			
10	Total (must tie to 300.19.b)	-			

**Attachment 2 - Cost Support**  
**LS Power Grid New York Corporation I**

**Plant in Service Worksheet (Note 2)**

1	<b>Calculation of Transmission Plant In Service</b>	Source (Less ARO, see Note 1)	Year	Balance
2	December	p206.58.b	-	-
3	January	company records	-	-
4	February	company records	-	-
5	March	company records	-	-
6	April	company records	-	-
7	May	company records	-	-
8	June	company records	-	-
9	July	company records	-	-
10	August	company records	-	-
11	September	company records	-	-
12	October	company records	-	-
13	November	company records	-	-
14	December	p207.58.g	-	-
15	<b>Transmission Plant In Service</b>	(sum lines 2-14) /13		-
16	<b>Calculation of Distribution Plant In Service</b>	Source (Less ARO, see Note 1)		
17	December	p206.75.b	-	-
18	January	company records	-	-
19	February	company records	-	-
20	March	company records	-	-
21	April	company records	-	-
22	May	company records	-	-
23	June	company records	-	-
24	July	company records	-	-
25	August	company records	-	-
26	September	company records	-	-
27	October	company records	-	-
28	November	company records	-	-
29	December	p207.75.g	-	-
30	<b>Distribution Plant In Service</b>	(sum lines 17-29) /13		-
31	<b>Calculation of Intangible Plant In Service</b>	Source (Less ARO, see Note 1)		
32	December	p204.5.b	-	-
33	January	company records	-	-
34	February	company records	-	-
35	March	company records	-	-
36	April	company records	-	-
37	May	company records	-	-
38	June	company records	-	-
39	July	company records	-	-

40	August	company records	-	-
41	September	company records	-	-
42	October	company records	-	-
43	November	company records	-	-
44	December	p205.5.g	-	-
45	<b>Intangible Plant In Service</b>	(sum lines 32-44) /13		-
46	<b>Calculation of General Plant In Service</b>	Source (Less ARO, see Note 1)		
47	December	p206.99.b	-	-
48	January	company records	-	-
49	February	company records	-	-
50	March	company records	-	-
51	April	company records	-	-
52	May	company records	-	-
53	June	company records	-	-
54	July	company records	-	-
55	August	company records	-	-
56	September	company records	-	-
57	October	company records	-	-
58	November	company records	-	-
59	December	p207.99.g	-	-
60	<b>General Plant In Service</b>	(sum lines 47-59) /13		-
61	<b>Calculation of Production Plant In Service</b>	Source (Less ARO, see Note 1)		
62	December	p204.46b	-	-
63	January	company records	-	-
64	February	company records	-	-
65	March	company records	-	-
66	April	company records	-	-
67	May	company records	-	-
68	June	company records	-	-
69	July	company records	-	-
70	August	company records	-	-
71	September	company records	-	-
72	October	company records	-	-
73	November	company records	-	-
74	December	p205.46.g	-	-
75	<b>Production Plant In Service</b>	(sum lines 62-74) /13		-
76	<b>Total Plant In Service</b>	(sum lines 15, 30, 45, 60, & 75)		-

**Accumulated Depreciation Worksheet**

**Appendix A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions**

77	<b>Calculation of Transmission Accumulated Depreciation</b>	Source (Less ARO, see Note 1)	Year	Balance
78	December	Prior year p219.25.c	-	-

79	January	company records	-	-
80	February	company records	-	-
81	March	company records	-	-
82	April	company records	-	-
83	May	company records	-	-
84	June	company records	-	-
85	July	company records	-	-
86	August	company records	-	-
87	September	company records	-	-
88	October	company records	-	-
89	November	company records	-	-
90	December	p219.25.c	-	-
91	<b>Transmission Accumulated Depreciation</b>	(sum lines 78-90) /13		-
92	<b>Calculation of Distribution Accumulated Depreciation</b>	Source (Less ARO, see Note 1)		
93	December	Prior year p219.26.c	-	-
94	January	company records	-	-
95	February	company records	-	-
96	March	company records	-	-
97	April	company records	-	-
98	May	company records	-	-
99	June	company records	-	-
100	July	company records	-	-
101	August	company records	-	-
102	September	company records	-	-
103	October	company records	-	-
104	November	company records	-	-
105	December	p219.26.c	-	-
106	<b>Distribution Accumulated Depreciation</b>	(sum lines 93-105) /13		-
107	<b>Calculation of Intangible Accumulated Amortization</b>	Source (Less ARO, see Note 1)		
108	December	Prior year p200.21.c	-	-
109	January	company records	-	-
110	February	company records	-	-
111	March	company records	-	-
112	April	company records	-	-
113	May	company records	-	-
114	June	company records	-	-
115	July	company records	-	-
116	August	company records	-	-
117	September	company records	-	-
118	October	company records	-	-
119	November	company records	-	-
120	December	p200.21.c	-	-
121	<b>Accumulated Intangible Amortization</b>	(sum lines 108-120) /13		-
122	<b>Calculation of General Accumulated Depreciation</b>	Source (Less ARO, see Note 1)		

123	December	Prior year p219.28.c	-	-
124	January	company records	-	-
125	February	company records	-	-
126	March	company records	-	-
127	April	company records	-	-
128	May	company records	-	-
129	June	company records	-	-
130	July	company records	-	-
131	August	company records	-	-
132	September	company records	-	-
133	October	company records	-	-
134	November	company records	-	-
135	December	p219.28.c	-	-
136	<b>Accumulated General Depreciation</b>	(sum lines 123-135) /13		-
137	<b>Calculation of Production Accumulated Depreciation</b>	Source (Less ARO, see Note 1)		
138	December	p219.20.c to 24.c (prior year)	-	-
139	January	company records	-	-
140	February	company records	-	-
141	March	company records	-	-
142	April	company records	-	-
143	May	company records	-	-
144	June	company records	-	-
145	July	company records	-	-
146	August	company records	-	-
147	September	company records	-	-
148	October	company records	-	-
149	November	company records	-	-
150	December	p219.20.c to 24.c	-	-
151	<b>Production Accumulated Depreciation</b>	(sum lines 138-150) /13		-
152	<b>Total Accumulated Depreciation and Amortization</b>	(sum lines 91, 106, 121, 136, & 151)		-

**Acquisition Adjustment Worksheet**

			Year	FERC 114 - Balance	FERC 115 - Accumulated Amortization	Net Balance	FERC 406 - Amortization Exp
153	December	company records				-	-
154	January	company records				-	-
155	February	company records				-	-
156	March	company records				-	-
157	April	company records				-	-
158	May	company records				-	-
159	June	company records				-	-
160	July	company records				-	-

161	August	company records	-	-	-	-	-
162	September	company records	-	-	-	-	-
163	October	company records	-	-	-	-	-
164	November	company records	-	-	-	-	-
165	December	company records	-	-	-	-	-
166	<b>Transmission Acquisition Adj.</b>	(sum lines 153-165) /13		-	-	-	-

Note

- 1 Balances exclude Asset Retirement Costs.
- 2 For the initial rate year, capital balances that are typically based on a 13-month average will be divided by the number of months the rate is in effect.

**Attachment 3 - Cost Support  
LS Power Grid New York Corporation I**

			Beginning of Year	End of Year	Average Balance
Numbering continues from Attachment 2					
167	Account No. 255 (enter negative)	267.8.h	-	-	
168	Portion of Unamortized ITC Not Reflected in Rate Base (enter negative)		-	-	
169	Portion of Unamortized ITC Reducing in Rate Base		-	-	-
			Jurisdiction 1	Jurisdiction 2	Total
170	Investment Tax Credit Amortization (enter negative)	114.19.c	-	-	
171	ITC Amortization Not Permitted to Reduce Recoverable Tax Expense (enter negative)		-	-	
172	ITC Amortization Permitted to Reduce Recoverable Tax Expense		-	-	
173	Applicable Tax Gross-up Factor		-	-	
174	Investment Tax Credit Amortization Adjustment		-	-	-
175	Prepayments (Account 165) (Prepayments exclude Prepaid Pension Assets)		A	B	
			Year	Balance	
176	December	111.57.d	-	-	
177	January	company records	-	-	
178	February	company records	-	-	
179	March	company records	-	-	
180	April	company records	-	-	
181	May	company records	-	-	
182	June	company records	-	-	
183	July	company records	-	-	
184	August	company records	-	-	
185	September	company records	-	-	
186	October	company records	-	-	
187	November	company records	-	-	
188	December	111.57.c	-	-	
189	<b>Prepayments</b>	(sum lines 176-188) /13			-

**Reserves**

189a	(b)	(c)	(d)	(e)	(f)	(g)	(h)
			Enter 1 if NOT in a trust or reserved account, enter zero (0) if included in a trust or reserved account	Enter 1 if the accrual account is included in the formula rate, enter (0) if NOT included in the formula rate	Enter the percentage paid for by customers, less the percent associated with an offsetting liability on the balance sheet	Allocation (Plant or Labor Allocator)	Amount Allocated, col. c x col. d x col. e x col. f x col. g
	List of all Reserves	Amount					
190	Reserve 1	-	-	-	-	-	-
190a	Reserve 2	-	-	-	-	-	-
190b	Reserve 3	-	-	-	-	-	-
190c	Reserve 4	-	-	-	-	-	-
190d	...	-	-	-	-	-	-
190e	...	-	-	-	-	-	-
	<b>Total</b>						

All unfunded reserves will be listed above, specifically including (but not limited to) all subaccounts for FERC Account Nos. 228.1 through 228.4. "Unfunded reserve" is defined as an accrued balance (1) created and increased by debiting an expense which is included in this formula rate (column (e), using the same allocator in column (g) as used in the formula to allocate the amounts in the corresponding expense account) (2) in advance of an anticipated expenditure related to that expense (3) that is not deposited in a restricted account (e.g., set aside in an escrow account, see column (d)) with the earnings thereon retained within that account. Where a given reserve is only partially funded through accruals collected from customers, only the balance funded by customer collections shall serve as a rate base credit, see column (f). The source of monthly balance data is company records.

Month			Unamortized Regulatory Asset (b) Note A	Unamortized Abandoned Plant (c) Note B
(a)				
191	December	2020	-	-
192	January	2021	-	-
193	February	2021	-	-
194	March	2021	-	-
195	April	2021	-	-
196	May	2021	-	-
197	June	2021	-	-
198	July	2021	-	-
199	August	2021	-	-
200	September	2021	-	-
201	October	2021	-	-
202	November	2021	-	-
203	December	2021	-	-
204	Average of the 13 Monthly Balances		-	-
205	Amortization Expense of Abandoned Plant		-	-

**Multi-jurisdictional Workpaper**

		New York	State 2	State 3	State 4	State 5	Weighed Average
<b>Income Tax Rates</b>							
206	Weighting SIT=Composite State Income Tax Rate SIT will include multiple state or local income tax rates, if applicable, weighted based on the apportionment methodologies of each jurisdiction and the number of days in the year that the rates are effective.						0
207	The Tax Effect of Permanent Differences captures the differences in the income taxes due under the Federal and State calculations and the income taxes calculated in Appendix A that are not the result of a timing difference. If any, a workpaper showing the calculation will be attached.						

**Materials & Supplies**

		Stores Expense Undistributed p227.16 (a)	Transmission Materials & Supplies p227.8 (b)	Total c (col a+col b)
Note: for the projection, the prior year's actual balances will be used				
Form No.1 page				
208	December	Column b	-	-
209	January	Company Records	-	-
210	February	Company Records	-	-
211	March	Company Records	-	-
212	April	Company Records	-	-
213	May	Company Records	-	-
214	June	Company Records	-	-
215	July	Company Records	-	-
216	August	Company Records	-	-
217	September	Company Records	-	-
218	October	Company Records	-	-
219	November	Company Records	-	-
220	December	Column c	-	-
221	Average	sum line 208 to 220 divided by 13	-	-

Notes

- A Recovery of regulatory assets requires authorization from the Commission.
- B Recovery of abandoned plant is limited to any abandoned plant recovery authorized by FERC.

**COST OF CAPITAL**

**Attachment 3 - Cost Support  
LS Power Grid New York Corporation I**

RETURN ON RATE BASE ( R )						
			\$	%	Cost	Weighted
222	Long Term Interest (117, sum of 62.c through 67.c) (Note D)		-			
223	Preferred Dividends (118.29c) (positive number)		-			
224	Proprietary Capital (Line 25 (c))		-			
225	Less Preferred Stock (Line 9)		-			
226	Less Account 216.1 Undistributed Subsidiary Earnings (Line 25 (d))		-			
227	Less Account 219 Accum. Other Comprehensive Income (Line 25 (e))		-			
228	Common Stock (Sum of Lines 224 through 227)		-			
229	Long Term Debt	Line 246 col (a), Note A and Appendix A Note P	-	47.00%	0.00%	0.00% =WCLTD
230	Preferred Stock	Line 246 col (b), Note B and Appendix A Note P	-	0.00%	0.00%	0.00%
231	Common Stock	Line 228 col (b), Note C and Appendix A Notes O and P	-	53.00%	0.00%	0.00%
232	Total	(Sum of Lines 229 through 231)	-			0.00% =R

	(a)	(b)	(c)	(d)	(e)
	Long Term Debt (Note A)	Preferred Stock (112.3.c)	Proprietary Capital (112.16.c)	Undistributed Sub Earnings 216.1 (112.12.c)	Accum Other Comp. Income 219 (112.15.c)
233	December (Prior Year)	-	-	-	-
234	January	-	-	-	-
235	February	-	-	-	-
236	March	-	-	-	-
237	April	-	-	-	-
238	May	-	-	-	-
239	June	-	-	-	-
240	July	-	-	-	-
241	August	-	-	-	-
242	September	-	-	-	-
243	October	-	-	-	-
244	November	-	-	-	-
245	December	-	-	-	-
246	13-Month Average	-	-	-	-

**Notes**

- A Long Term debt balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112, lines 18.c to 21.c, in the Form No. 1; the cost is calculated by dividing line 222 by the Long Term Debt balance on line 229.
- B Preferred Stock balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 line 3.c in the Form No. 1
- C Common Stock balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on Form 1 page 112 line 16.c less lines 3.c , 12.c, and 15.c
- D Long-term interest will exclude any short-term interest included in FERC Account 430, Interest on Debt to Associated Companies





**Attachment 5 - Example of True-Up Calculation**  
**LS Power Grid New York Corporation I**

1	Year	Annual True-Up Calculation					
	A	B	C	D	E	F	G
	Project Identification	Project Name	Actual Adjusted Net Revenue Requirement <sup>1</sup>	Revenue Received <sup>2</sup>	Net Under/(Over) Collection (C-D)	Interest Income (Expense)	Total True-Up Adjustment (E + F)
2			-	-	-	-	-
2a			-	-	-	-	-
2b			-	-	-	-	-
2c			-	-	-	-	-
2d			-	-	-	-	-
3	Total		-	-	-	-	-

Notes

1. From Attachment 4, Column (q) for the period being true-up
2. The "revenue received" is the total amount of revenue distributed in the True-Up Year. The amounts do not include any true-ups or prior period adjustments and reflects any Competitive Bid Concessions
3. Then Monthly Interest Rate shall be equal to the interest rate set forth below on line 13 and be applied to the amount in Column E for a period of 24 months
4. The True-Up Adjustment is applied to each project prorata based its contribution to the Revenue Requirement shown in Attachment 4

**FERC Refund Interest Rate**

	(a)	(b)	(c)	(d)
	Interest Rate:	Quarter	Year	Quarterly Interest Rate under Section 35.19(a)
4				
5		1st Qtr.	-	-
6		2nd Qtr	-	-
7		3rd Qtr	-	-
8		4th Qtr	-	-
9		1st Qtr	-	-
10		2nd Qtr	-	-
11		3rd Qtr	-	-
12		Sum lines 5-11	-	-
13	Avg. Monthly FERC Rate	Line 12 divided by 7		-

**LS Power Grid New York Corporation I**  
**Attachment 6a - Accumulated Deferred Income Taxes (ADIT) Proration and Averaging Worksheet**  
**Projected Annual Transmission Revenue Requirement**  
**For the 12 months ended 12/31/2021**

Line No.	ADIT Account	Amount	
1	190	-	From line 25
2	281 (enter negative)	-	From line 58
3	282 (enter negative)	-	From line 91
4	283 (enter negative)	-	From line 124
5	Total Projected ADIT	-	Enter as negative Appendix A, page 2, line 27

6	Rate year =	2021
7	Test period days after rates become effective	365

**Note 1** - The computations on this workpaper average the projected annual activity of accumulated deferred income taxes. To the extent that the ADIT is subject to the normalization requirements, the proration rules of Treasury Regulation Sec. 1.167(l)-1(h)(6) and the consistency rules of IRC Section 168(i)(9)(B) are applied. Activity related to the portions of the account balances not subject to the proration requirement are averaged instead of prorated.

**Note 2** - The components of the accumulated deferred income tax balances are detailed on Attachment 6b.

Account 190 - Accumulated Deferred Income Taxes			Amount debit / <credit>
11	Beginning Balance		-
12	Less: Portion not related to transmission		-
13	Less: Portion not reflected in rate base		-
14	Subtotal: Portion reflected in rate base	Line 11 - line 12 - line 13	-
15	Less: Portion subject to proration	Line 29, Col. D	-
16	Portion subject to averaging	Line 14 - line 15	-
17	Ending Balance		-
18	Less: Portion not related to transmission		-
19	Less: Portion not reflected in rate base		-
20	Subtotal: Portion reflected in rate base	Line 17 - line 18 - line 19	-
21	Less: Portion subject to proration (before proration)	Line 41 Col. D	-
22	Portion subject to averaging (before averaging)	Line 20 - line 21	-
23	Ending balance of portion subject to proration (prorated)	Line 41 Col. H	-
24	Average balance of portion subject to averaging	(Line 16 + line 22) / 2	-
25	Amount reflected in rate base	Line 23 + line 24	- Enter on line 1

**Note 3** - Accumulated deferred income tax activity in account 190 subject to the proration rules relates to taxable contributions in aid of construction, net operating loss carryforwards, regulatory liabilities for excess deferred income taxes and any other amounts subject to the Section 168 or other normalization requirements.

Account 190 - Accumulated Deferred Income Taxes								(h)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
Month	Year	Forecasted Monthly Activity debit / <credit>	Forecasted Month-end Balance debit / <credit>	Days until End of Test Period	Days in Test Period	Prorated Forecasted Monthly Activity debit / <credit>	Forecasted Prorated Month-end Balance debit / <credit>	
							Prior Month Col. (h) + Current Month Col. (g)	
							(c) X (e) X (f)	
28								
29	December 31,	2020	NA	-	NA	365	NA	
30	January	2021	-	-	335	365	-	
31	February	2021	-	-	307	365	-	
32	March	2021	-	-	276	365	-	
33	April	2021	-	-	246	365	-	
34	May	2021	-	-	215	365	-	
35	June	2021	-	-	185	365	-	
36	July	2021	-	-	154	365	-	
37	August	2021	-	-	123	365	-	
38	September	2021	-	-	93	365	-	

39	October	2021	-	-	62	365	-	-
40	November	2021	-	-	32	365	-	-
41	December	2021	-	-	1	365	-	-
42	Total		-					

43 **Account 281 - Accumulated Deferred Income Taxes**

				Amount debit / <credit>
44	Beginning Balance			-
45	Less: Portion not related to transmission			-
46	Less: Portion not reflected in rate base			-
47	Subtotal: Portion reflected in rate base			-
48	Less: Portion subject to proration			-
49	Portion subject to averaging			-
50	Ending Balance			-
51	Less: Portion not related to transmission			-
52	Less: Portion not reflected in rate base			-
53	Subtotal: Portion reflected in rate base			-
54	Less: Portion subject to proration (before proration)			-
55	Portion subject to averaging (before averaging)			-
56	Ending balance of portion subject to proration (prorated)			-
57	Average balance of portion subject to averaging			-
58	Amount reflected in rate base			- Enter on line 2

59 **Note 4** - Accumulated deferred income tax activity in account 281 subject to the proration rules relates differences between depreciation methods and lives for public utility property and any other amounts subject to the Section 168 or other normalization requirements.

60 **Account 281 - Accumulated Deferred Income Taxes**

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	Month	Year	Forecasted Monthly Activity debit / <credit>	Forecasted Month- end Balance debit / <credit>	Days until End of Test Period	Days in Test Period	Prorated Forecasted Monthly Activity debit / <credit>  (c) X (e) X (f)	Forecasted Prorated Month- end Balance debit / <credit>  Prior Month Col. (h) + Current Month Col. (g)
61								
62	December 31,	2020	NA	-	NA	365	NA	-
63	January	2021	-	-	335	365	-	-
64	February	2021	-	-	307	365	-	-
65	March	2021	-	-	276	365	-	-
66	April	2021	-	-	246	365	-	-
67	May	2021	-	-	215	365	-	-
68	June	2021	-	-	185	365	-	-
69	July	2021	-	-	154	365	-	-
70	August	2021	-	-	123	365	-	-
71	September	2021	-	-	93	365	-	-
72	October	2021	-	-	62	365	-	-
73	November	2021	-	-	32	365	-	-
74	December	2021	-	-	1	365	-	-
75	Total		-					

76 **Account 282 - Accumulated Deferred Income Taxes**

				Amount debit / <credit>
77	Beginning Balance			-
78	Less: Portion not related to transmission			-
79	Less: Portion not reflected in rate base			-
80	Subtotal: Portion reflected in rate base			-
81	Less: Portion subject to proration			-
82	Portion subject to averaging			-
83	Ending Balance			-
84	Less: Portion not related to transmission			-
85	Less: Portion not reflected in rate base			-
86	Subtotal: Portion reflected in rate base			-
87	Less: Portion subject to proration (before proration)			-
88	Portion subject to averaging (before averaging)			-

89	Ending balance of portion subject to proration (prorated)	Line 107 Col. H	-
90	Average balance of portion subject to averaging	(Line 82 + line 88) / 2	-
91	Amount reflected in rate base	Line 89 + line 90	- Enter on line 3

92 **Note 5** - Accumulated deferred income tax activity in account 282 subject to the proration rules relates differences between depreciation methods and lives for public utility property and any other amounts subject to the Section 168 or other normalization requirements.

93 **Account 282 - Accumulated Deferred Income Taxes**

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	Month	Year	Forecasted Monthly Activity debit / <credit>	Forecasted Month-end Balance debit / <credit>	Days until End of Test Period	Days in Test Period	Prorated Forecasted Monthly Activity debit / <credit>	Forecasted Prorated Month-end Balance debit / <credit>
							(c) X (e) X (f)	Prior Month Col. (h) + Current Month Col. (g)
94								
95	December 31,	2020	NA	-	NA	365	NA	-
96	January	2021	-	-	335	365	-	-
97	February	2021	-	-	307	365	-	-
98	March	2021	-	-	276	365	-	-
99	April	2021	-	-	246	365	-	-
100	May	2021	-	-	215	365	-	-
101	June	2021	-	-	185	365	-	-
102	July	2021	-	-	154	365	-	-
103	August	2021	-	-	123	365	-	-
104	September	2021	-	-	93	365	-	-
105	October	2021	-	-	62	365	-	-
106	November	2021	-	-	32	365	-	-
107	December	2021	-	-	1	365	-	-
108	Total		-					

109 **Account 283 - Accumulated Deferred Income Taxes**

		Amount debit / <credit>
110	Beginning Balance	-
111	Less: Portion not related to transmission	-
112	Less: Portion not reflected in rate base	-
113	Subtotal: Portion reflected in rate base	Line 110 - line 111 - line 112
114	Less: Portion subject to proration	Line 128 Col. D
115	Portion subject to averaging	Line 113 - line 114
116	Ending Balance	-
117	Less: Portion not related to transmission	-
118	Less: Portion not reflected in rate base	-
119	Subtotal: Portion reflected in rate base	Line 111 - line 112 - line 113
120	Less: Portion subject to proration (before proration)	Line 135 Col. D
121	Portion subject to averaging (before averaging)	Line 114 - line 115
122	Ending balance of portion subject to proration (prorated)	Line 135 Col. H
123	Average balance of portion subject to averaging	(Line 110 + line 116) / 2
124	Amount reflected in rate base	Line 117 + line 118

125 **Note 6** - Accumulated deferred income tax activity in account 283 subject to the proration rules relates differences between depreciation methods and lives for public utility property and any other amounts subject to the Section 168 or other normalization requirements.

126 **Account 283 - Accumulated Deferred Income Taxes**

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	Month	Year	Forecasted Monthly Activity debit / <credit>	Forecasted Month-end Balance debit / <credit>	Days until End of Test Period	Days in Test Period	Prorated Forecasted Monthly Activity debit / <credit>	Forecasted Prorated Month-end Balance debit / <credit>
							(c) X (e) X (f)	Prior Month Col. (h) + Current Month Col. (g)
127								
128	December 31,	2020	NA	-	NA	365	NA	-
129	January	2021	-	-	335	365	-	-
130	February	2021	-	-	307	365	-	-

131	March	2021	-	-	276	365	-	-
132	April	2021	-	-	246	365	-	-
133	May	2021	-	-	215	365	-	-
134	June	2021	-	-	185	365	-	-
135	July	2021	-	-	154	365	-	-
136	August	2021	-	-	123	365	-	-
137	September	2021	-	-	93	365	-	-
138	October	2021	-	-	62	365	-	-
139	November	2021	-	-	32	365	-	-
140	December	2021	-	-	1	365	-	-
141		Total	-					

**LS Power Grid New York Corporation I**  
**Attachment 6b - Accumulated Deferred Income Taxes (ADIT) Detail Worksheet**  
**Projected Annual Transmission Revenue Requirement**  
**For the 12 months ended 12/31/2021**

	Projected amount - beginning of year 2021	Projected amount during the year 2021	Projected amount - end of year 2021	Explanation
Composite income tax rate	26.61%	26.61%	26.61%	
<b>Account 190 (+ = debit for DTA/DTL amounts)</b>				
<i>Included in rate base and subject to proration</i>				
Item 1	-	-	-	
Item 2	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	
<i>Included in rate base but not subject to proration</i>				
Item 1	-	-	-	
Item 2	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	
<i>Excluded from rate base</i>				
Item 1	-	-	-	
Item 2	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	
Total Temporary Differences - account 190	-	-	-	
Total DTA / <DTL> - account 190	-	-	-	
<b>Account 281 (+ = debit for DTA/DTL amounts)</b>				
<i>Included in rate base and subject to proration</i>				
Item 1	-	-	-	
Item 2	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	
<i>Included in rate base but not subject to proration</i>				
Item 1	-	-	-	
Item 2	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	
<i>Excluded from rate base</i>				
Item 1	-	-	-	
Item 2	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	
Total Temporary Differences - account 281	-	-	-	
Total DTA / <DTL> - account 281	-	-	-	
<b>Account 282 (+ = debit for DTA/DTL amounts)</b>				
<i>Included in rate base and subject to proration</i>				
Tax depreciation	-	-	-	
Book depreciation of tax basis	-	-	-	
Item 3	-	-	-	

Item 4	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	

**Included in rate base but not subject to proration**

Item 1	-	-	-	
Item 2	-	-	-	
Item 3	-	-	-	
Item 4	-	-	-	
Item 5	-	-	-	
Item 6	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	

**Excluded from rate base**

AFUDC-equity accrual	-	-	-	
AFUDC-equity - book depreciation	-	-	-	
Item 3	-	-	-	
Item 4	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	

Total Temporary Differences - account 282  
DTA / <DTL> - account 282

**Account 283 (+ = debit for DTA/DTL amounts)**

**Included in rate base and subject to proration**

Item 1	-	-	-	
Item 2	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	

**Included in rate base but not subject to proration**

Item 1	-	-	-	
Item 2	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	

**Excluded from rate base**

Item 1	-	-	-	
Item 2	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	

Total Temporary Differences - account 283  
DTA / <DTL> - account 283

**LS Power Grid New York Corporation I**  
**Attachment 6c - Accumulated Deferred Income Taxes (ADIT) Proration and Averaging Worksheet**  
**Actual Annual Transmission Revenue Requirement (True-up Adjustment)**  
**For the 12 months ended 12/31/2021**

Line No.	ADIT Account	Amount	
1	190	-	From line 25
2	281 (enter negative)	-	From line 58
3	282 (enter negative)	-	From line 91
4	283 (enter negative)	-	From line 124
5	Total Projected ADIT	-	Enter as negative Appendix A, page 2, line 27

6	Rate year =	2021
7	Test period days after rates become effective	365

8 **Note 1** - The computations on this worksheet average the actual annual activity of accumulated deferred income taxes. To the extent that the ADIT is subject to the normalization requirements, the proration rules of Treasury Regulation Sec. 1.167(l)-1(h)(6) and the consistency rules of IRC Section 168(i)(9)(B) are applied. Activity related to the portions of the account balances not subject to the proration requirement are averaged instead of prorated.

9 **Note 2** - The components of the accumulated deferred income tax balances are detailed on Attachment 6d.

Account 190 - Accumulated Deferred Income Taxes			Amount
			debit / <credit>
11	Beginning Balance	FF1 234.8.b	-
12	Less: Portion not related to transmission		-
13	Less: Portion not reflected in rate base		-
14	Subtotal: Portion reflected in rate base	Line 11 - line 12 - line 13	-
15	Less: Portion subject to proration	Line 29, Col. D	-
16	Portion subject to averaging	Line 14 - line 15	-
17	Ending Balance	FF1 234.8.c	-
18	Less: Portion not related to transmission		-
19	Less: Portion not reflected in rate base		-
20	Subtotal: Portion reflected in rate base	Line 17 - line 18 - line 19	-
21	Less: Portion subject to proration (before proration)	Line 41 Col. D	-
22	Portion subject to averaging (before averaging)	Line 20 - line 21	-
23	Ending balance of portion subject to proration (prorated)	Line 41 Col. H	-
24	Average balance of portion subject to averaging	(Line 16 + line 22) / 2	-
25	Amount reflected in rate base	Line 23 + line 24	-

**Note 3** - Accumulated deferred income tax activity in account 190 subject to the proration rules relates to taxable contributions in aid of construction, net operating loss carryforwards, regulatory liabilities for excess deferred income taxes and any other amounts subject to the Section 168 or other normalization requirements.

Account 190 - Accumulated Deferred Income Taxes													
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
Month	Year	Forecasted Monthly Activity debit / <credit>	Forecasted Month end Balance debit / <credit>	Days until End of Test Period	Days in Test Period	Prorated Forecasted Monthly Activity debit / <credit> (c) X (e) X (f)	Forecasted Prorated Month-end Balance debit / <credit> (h) + Current Month Col. (g)	Actual Monthly Activity	Difference between projected monthly and actual monthly activity (See Note 7.)	Preserve projected proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 8.)	Fifty percent of the difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 9.)	Fifty percent of actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 10.)	Balance reflecting proration or averaging (See Note 11.)
28													
29	December 31, 2020	NA	-	NA	365	NA	-	NA	NA	NA	NA	NA	-
30	January 2021	-	-	335	365	-	-	-	-	-	-	-	-
31	February 2021	-	-	307	365	-	-	-	-	-	-	-	-
32	March 2021	-	-	276	365	-	-	-	-	-	-	-	-
33	April 2021	-	-	246	365	-	-	-	-	-	-	-	-
34	May 2021	-	-	215	365	-	-	-	-	-	-	-	-
35	June 2021	-	-	185	365	-	-	-	-	-	-	-	-
36	July 2021	-	-	154	365	-	-	-	-	-	-	-	-
37	August 2021	-	-	123	365	-	-	-	-	-	-	-	-
38	September 2021	-	-	93	365	-	-	-	-	-	-	-	-
39	October 2021	-	-	62	365	-	-	-	-	-	-	-	-
40	November 2021	-	-	32	365	-	-	-	-	-	-	-	-
41	December 2021	-	-	1	365	-	-	-	-	-	-	-	-
42	Total	-	-					-	-	-	-	-	-

Account 281 - Accumulated Deferred Income Taxes			Amount
			debit / <credit>
44	Beginning Balance	FF1 272.8.b	-
45	Less: Portion not related to transmission		-
46	Less: Portion not reflected in rate base		-
47	Subtotal: Portion reflected in rate base	Line 44 - line 45 - line 46	-
48	Less: Portion subject to proration	Line 62 Col. D	-
49	Portion subject to averaging	Line 47 - line 48	-
50	Ending Balance	FF1 273.8.k	-
51	Less: Portion not related to transmission		-
52	Less: Portion not reflected in rate base		-
53	Subtotal: Portion reflected in rate base	Line 50 - line 51 - line 52	-
54	Less: Portion subject to proration (before proration)	Line 74 Col. D	-
55	Portion subject to averaging (before averaging)	Line 53 - line 54	-
56	Ending balance of portion subject to proration (prorated)	Line 74 Col. H	-
57	Average balance of portion subject to averaging	(Line 49 + line 55) / 2	-
58	Amount reflected in rate base	Line 56 + line 57	-

**Note 4** - Accumulated deferred income tax activity in account 281 subject to the proration rules relates differences between depreciation methods and lives for public utility property and any other amounts subject to the Section 168 or other normalization requirements.

Account 281 - Accumulated Deferred Income Taxes													
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
Month	Year	Forecasted Monthly Activity debit / <credit>	Forecasted Month end Balance debit / <credit>	Days until End of Test Period	Days in Test Period	Prorated Forecasted Monthly Activity debit / <credit> (c) X (e) X (f)	Forecasted Prorated Month-end Balance debit / <credit> (h) + Current Month Col. (g)	Actual Monthly Activity	Difference between projected monthly and actual monthly activity (See Note 7.)	Preserve projected proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 8.)	Fifty percent of the difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 9.)	Fifty percent of actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 10.)	Balance reflecting proration or averaging (See Note 11.)
61													
62	December 31, 2020	NA	-	NA	365	NA	-	NA	NA	NA	NA	NA	-
63	January 2021	-	-	335	365	-	-	-	-	-	-	-	-
64	February 2021	-	-	307	365	-	-	-	-	-	-	-	-
65	March 2021	-	-	276	365	-	-	-	-	-	-	-	-
66	April 2021	-	-	246	365	-	-	-	-	-	-	-	-
67	May 2021	-	-	215	365	-	-	-	-	-	-	-	-
68	June 2021	-	-	185	365	-	-	-	-	-	-	-	-
69	July 2021	-	-	154	365	-	-	-	-	-	-	-	-
70	August 2021	-	-	123	365	-	-	-	-	-	-	-	-
71	September 2021	-	-	93	365	-	-	-	-	-	-	-	-
72	October 2021	-	-	62	365	-	-	-	-	-	-	-	-
73	November 2021	-	-	32	365	-	-	-	-	-	-	-	-
74	December 2021	-	-	1	365	-	-	-	-	-	-	-	-
75	Total	-	-					-	-	-	-	-	-

76 Account 282 - Accumulated Deferred Income Taxes			Amount
			debit / <credit>
77	Beginning Balance	FF1 274.2.b	-
78	Less: Portion not related to transmission		-
79	Less: Portion not reflected in rate base		-
80	Subtotal: Portion reflected in rate base	Line 77 - line 78 - line 79	-
81	Less: Portion subject to proration	Line 95 Col. D	-
82	Portion subject to averaging	Line 80 - line 81	-
83	Ending Balance	FF1 275.2.k	-
84	Less: Portion not related to transmission		-
85	Less: Portion not reflected in rate base		-
86	Subtotal: Portion reflected in rate base	Line 78 - line 79 - line 80	-
87	Less: Portion subject to proration (before proration)	Line 107 Col. D	-
88	Portion subject to averaging (before averaging)	Line 81 - line 82	-
89	Ending balance of portion subject to proration (prorated)	Line 107 Col. H	-
90	Average balance of portion subject to averaging	(Line 82 + line 88) / 2	-
91	Amount reflected in rate base	Line 89 + line 90	- Enter on line 3

92 **Note 5** - Accumulated deferred income tax activity in account 282 subject to the proration rules relates differences between depreciation methods and lives for public utility property and any other amounts subject to the Section 168 or other normalization requirements.

93 Account 282 - Accumulated Deferred Income Taxes													
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
Month	Year	Forecasted Monthly Activity debit / <credit>	Forecasted Month end Balance debit / <credit>	Days until End of Test Period	Days in Test Period	Prorated Forecasted Monthly Activity debit / <credit> (c) X (e) X (f)	Forecasted Prorated Month-end Balance debit / <credit> Prior Month Col. (h) + Current Month Col. (g)	Actual Monthly Activity	Difference between projected monthly and actual monthly activity (See Note 7.)	Preserve projected proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 8.)	Fifty percent of the difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 9.)	Fifty percent of actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 10.)	Balance reflecting proration or averaging (See Note 11.)
94													
95	December 31, 2020	NA	-	NA	365	NA	-	NA	NA	NA	NA	NA	-
96	January 2021	-	-	335	365	-	-	-	-	-	-	-	-
97	February 2021	-	-	307	365	-	-	-	-	-	-	-	-
98	March 2021	-	-	276	365	-	-	-	-	-	-	-	-
99	April 2021	-	-	246	365	-	-	-	-	-	-	-	-
100	May 2021	-	-	215	365	-	-	-	-	-	-	-	-
101	June 2021	-	-	185	365	-	-	-	-	-	-	-	-
102	July 2021	-	-	154	365	-	-	-	-	-	-	-	-
103	August 2021	-	-	123	365	-	-	-	-	-	-	-	-
104	September 2021	-	-	93	365	-	-	-	-	-	-	-	-
105	October 2021	-	-	62	365	-	-	-	-	-	-	-	-
106	November 2021	-	-	32	365	-	-	-	-	-	-	-	-
107	December 2021	-	-	1	365	-	-	-	-	-	-	-	-
108	Total	-	-					-	-	-	-	-	-

109 Account 283 - Accumulated Deferred Income Taxes			Amount
			debit / <credit>
110	Beginning Balance	FF1 276.9.b	-
111	Less: Portion not related to transmission		-
112	Less: Portion not reflected in rate base		-
113	Subtotal: Portion reflected in rate base	Line 110 - line 111 - line 112	-
114	Less: Portion subject to proration	Line 128 Col. D	-
115	Portion subject to averaging	Line 113 - line 114	-
116	Ending Balance	FF1 277.9.k	-
117	Less: Portion not related to transmission		-
118	Less: Portion not reflected in rate base		-
119	Subtotal: Portion reflected in rate base	Line 111 - line 112 - line 113	-
120	Less: Portion subject to proration (before proration)	Line 135 Col. D	-
121	Portion subject to averaging (before averaging)	Line 114 - line 115	-
122	Ending balance of portion subject to proration (prorated)	Line 135 Col. H	-
123	Average balance of portion subject to averaging	(Line 110 + line 116) / 2	-
124	Amount reflected in rate base	Line 117 + line 118	- Enter on line 4

125 **Note 6** - Accumulated deferred income tax activity in account 283 subject to the proration rules relates differences between depreciation methods and lives for public utility property and any other amounts subject to the Section 168 or other normalization requirements.

126 Account 283 - Accumulated Deferred Income Taxes													
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
Month	Year	Forecasted Monthly Activity debit / <credit>	Forecasted Month end Balance debit / <credit>	Days until End of Test Period	Days in Test Period	Prorated Forecasted Monthly Activity debit / <credit> (c) X (e) X (f)	Forecasted Prorated Month-end Balance debit / <credit> Prior Month Col. (h) + Current Month Col. (g)	Actual Monthly Activity	Difference between projected monthly and actual monthly activity (See Note 7.)	Preserve projected proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 8.)	Fifty percent of the difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 9.)	Fifty percent of actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 10.)	Balance reflecting proration or averaging (See Note 11.)
127													
128	December 31, 2020	NA	-	NA	365	NA	-	NA	NA	NA	NA	NA	-
129	January 2021	-	-	335	365	-	-	-	-	-	-	-	-
130	February 2021	-	-	307	365	-	-	-	-	-	-	-	-
131	March 2021	-	-	276	365	-	-	-	-	-	-	-	-
132	April 2021	-	-	246	365	-	-	-	-	-	-	-	-
133	May 2021	-	-	215	365	-	-	-	-	-	-	-	-
134	June 2021	-	-	185	365	-	-	-	-	-	-	-	-
135	July 2021	-	-	154	365	-	-	-	-	-	-	-	-
136	August 2021	-	-	123	365	-	-	-	-	-	-	-	-
137	September 2021	-	-	93	365	-	-	-	-	-	-	-	-
138	October 2021	-	-	62	365	-	-	-	-	-	-	-	-
139	November 2021	-	-	32	365	-	-	-	-	-	-	-	-
140	December 2021	-	-	1	365	-	-	-	-	-	-	-	-
141	Total	-	-					-	-	-	-	-	-

142 **Note 7** - Column J is the difference between actual monthly and projected monthly activity (Column I minus Column C). Specifically, if projected and actual activity are both positive, a negative in Column J represents over-projection (i.e., the amount of projected activity that did not occur) and a positive in Column J represents under-projection (i.e., the excess of actual activity over projected activity). If projected and actual activity are both negative, a negative in Column J represents under-projection (i.e., the excess of actual activity over projected activity) and a positive in Column J represents over-projection (i.e., the amount of projected activity that did not occur).

143 **Note 8** - Column K preserves the effects of ADIT proration from the projected revenue requirement when actual monthly and projected monthly activity are either both increases or decreases. Specifically, if Column J indicates that ADIT activity was over-projected, enter Column G x [Column I / Column C]. If Column J indicates that ADIT activity was under-projected, enter the amount from Column G and complete Column L. In other situations, enter zero.

144 **Note 9** - Column L applies when (1) Column J indicates that ADIT activity was under-projected AND (2) actual monthly and projected monthly activity are either both increases or both decreases. Enter 50 percent of the amount from Column J. In other situations, enter zero. The ADIT activity in column L is multiplied by 50 percent to reflect averaging of rate base to the extent that the proration requirement has not been applied to a portion of the monthly ADIT activity.

145 **Note 10** - Column M applies when (1) projected monthly activity was an increase while actual monthly activity was a decrease OR (2) projected monthly activity was a decrease while actual monthly activity was an increase. Enter 50 percent of the amount of actual monthly activity (Col I). In other situations, enter zero. The ADIT activity in column M is multiplied by 50 percent to reflect averaging of rate base to the extent that the proration requirement has not been applied to a portion of the monthly ADIT activity.

146 **Note 11** - Column N is computed by adding the prorated monthly ADIT activity, if any, from Column K to the portion of monthly ADIT activity, if any, from Column L or M to the balance at the end of the prior month.

**LS Power Grid New York Corporation I**  
**Attachment 6d - Accumulated Deferred Income Taxes (ADIT) Detail Worksheet**  
**Actual Annual Transmission Revenue Requirement (True-up Adjustment)**  
**For the 12 months ended 12/31/2021**

	Actual amount - beginning of year 2021	Actual amount during the year 2021	Actual amount - end of year 2021	Explanation
Composite income tax rate	26.61%	26.61%	26.61%	
<b>Account 190 (+ = debit for DTA/DTL amounts)</b>				
<i>Included in rate base and subject to proration</i>				
Item 1	-	-	-	
Item 2	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	
<i>Included in rate base but not subject to proration</i>				
Item 1	-	-	-	
Item 2	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	
<i>Excluded from rate base</i>				
Item 1	-	-	-	
Item 2	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	
Total Temporary Differences - account 190	-	-	-	
Total DTA / <DTL> - account 190	-	-	-	
<b>Account 281 (+ = debit for DTA/DTL amounts)</b>				
<i>Included in rate base and subject to proration</i>				
Item 1	-	-	-	
Item 2	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	
<i>Included in rate base but not subject to proration</i>				
Item 1	-	-	-	
Item 2	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	
<i>Excluded from rate base</i>				
Item 1	-	-	-	
Item 2	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	
Total Temporary Differences - account 281	-	-	-	
Total DTA / <DTL> - account 281	-	-	-	
<b>Account 282 (+ = debit for DTA/DTL amounts)</b>				
<i>Included in rate base and subject to proration</i>				
Tax depreciation	-	-	-	
Book depreciation of tax basis	-	-	-	

Item 3	-	-	-	
Item 4	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	

**Included in rate base but not subject to proration**

Item 1	-	-	-	
Item 2	-	-	-	
Item 3	-	-	-	
Item 4	-	-	-	
Item 5	-	-	-	
Item 6	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	

**Excluded from rate base**

AFUDC-equity accrual	-	-	-	
AFUDC-equity - book depreciation	-	-	-	
Item 3	-	-	-	
Item 4	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	

Total Temporary Differences - account 282	-	-	-	
DTA / <DTL> - account 282	-	-	-	

**Account 283 (+ = debit for DTA/DTL amounts)**

**Included in rate base and subject to proration**

Item 1	-	-	-	
Item 2	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	

**Included in rate base but not subject to proration**

Item 1	-	-	-	
Item 2	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	

**Excluded from rate base**

Item 1	-	-	-	
Item 2	-	-	-	
Subtotal of temporary differences	-	-	-	
DTA / <DTL> for such temporary differences	-	-	-	

Total Temporary Differences - account 283	-	-	-	
DTA / <DTL> - account 283	-	-	-	

**LS Power Grid New York Corporation I**  
**Attachment 7 - Depreciation and Amortization Rates**  
**For the 12 months ended 12/31/2021**

Line	Account Number	FERC Account	Rate (Annual)Percent (Notes A and B)
<b>TRANSMISSION PLANT</b>			
1	350.2	Land Rights	1.43% *
2	352	Structures and Improvements	2.82% *
3	353	Station Equipment	2.69% *
4	354	Towers and Fixtures	1.67% *
5	355	Poles and Fixtures	2.28% *
6	356	Overhead Conductor and Devices	2.61% *
7	357	Underground Conduit	1.98% **
8	358	Underground Conductor and Devices	2.30% **
9	359	Roads and Trails	1.43% *
<b>GENERAL PLANT</b>			
10	391	Office Furniture & Equipment	12.50% *
11	391.1	Computer Hardware	12.50% *
12	392	Transportation Equipment	10.00% *
13	393	Stores Equipment	12.50% *
14	397	Communication Equipment	25.00% *
<b>INTANGIBLE PLANT</b>			
15	301	Organization	1.85% *
16	302	Franchises and Consents	1.85% *
17	303	Computer Software	6.67% *
18	303.1	Contributions in Aid of Construction	Note C

Notes

- A \* Taken directly from affiliate Cross Texas Transmission, LLC as approved by the Public Utility Commission of Texas in Docket No. 43950.
- \*\* Based on a proxy depreciation rate as supported in Section 205 filing.
- B These depreciation rates will not change absent the appropriate filing at FERC.
- C In the event a Contribution in Aid of Construction (CIAC) is made for a transmission facility, the transmission depreciation rates above will be weighted based on the relative amount of underlying plant booked to the accounts shown in lines 1-9 above and the weighted average depreciation rate will be used to amortize the CIAC. The life of a facility subject to a CIAC will be equivalent to the depreciation rate calculated above, i.e.,  $100\% \div \text{depreciation rate} = \text{life in years}$ . The estimated life of the facility or rights associated with the facility will not change over the life of a CIAC without prior FERC approval.

LS Power Grid New York, LLC  
Worksheet - Annual Excess or Deficient Accumulated Deferred Income Taxes Worksheet  
Annual Transmission Revenue Requirement  
For the 12 months ended 12/31/2021

Line No.

**1 Purpose of worksheet**

- The purposes of this portion of the worksheet are to:
- describe legislation resulting in re-measurement of ADIT accounts,
  - explain how any ADIT accounts were re-measured,
  - explain the excess or deficient ADIT contained therein,
  - explain the accounting for any excess or deficient amounts in Accounts 182.3 (Other Regulatory Assets) and 254 (Other Regulatory Liabilities),
  - reconcile the amounts of excess or deficient ADIT determined as a result of each specific change in tax law (i.e., unrecovered regulatory assets and unfunded regulatory liabilities comprising the Rate Base Adjustment Mechanism) as of the beginning and end of the current test period,
  - indicate whether each excess or deficient ADIT amount is protected (i.e., subject to the normalization rules) or unprotected (i.e., not subject to the normalization rules),
  - indicate the amount of amortization of the excess or deficient ADIT returned or recovered through rates (i.e., the Income Tax Allowance Adjustment Mechanism) during the current period,
  - indicate the accounts to which the excess or deficient ADIT are amortized,
  - indicate the amortization period of the excess or deficient ADIT being returned or recovered through rates, and
- 2 - describe the method of amortization each excess or deficient ADIT amount.

**3 Description of changes in tax law**

**Note 1a** - The Tax Cuts and Jobs Act (Public Law No. 115-97) was enacted on December 22, 2017. The TCJA reduced the federal corporate income tax rate from 35 percent to 21 percent, effective January 1, 2018. The composite tax rates used for the re-measurement of ADIT balances are:

	Historical	New
Federal income tax rate	35%	21%
State income tax rate	7%	7%
Composite federal/state income tax rate	39.55%	26.53%
Tax gross-up factor	1.65426	1.36110

**Note 1b** - Describe change in tax law.

**12 Summary of re-measurement of ADIT resulting from the 2017 decrease in federal income tax rate**

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	ADIT on Regulatory Asset or Liability Affecting Rate	Debit or <Credit> to Account 410.1	Debit or <Credit> to Account 411.1	Debit or <Credit> to Account 410.2	Debit or <Credit> to Account 411.2
Account	Balance Prior to Change in Law	Portion Affecting Rate Base	Balance Re-measured after Change in Law	Portion Affecting Rate Base Re-measured after Change in Law	Debit or <Credit> to ADIT Affecting Rate Base	Debit or <Credit> to Account 182.3	Portion of Debit or <Credit> to Account 182.3 Affecting Rate Base	Debit or <Credit> to Account 254	Portion of Debit or <Credit> to Account 254 Affecting Rate Base	ADIT on Regulatory Asset or Liability 283	Debit or <Credit> to Account 190 or 283	Debit or <Credit> to Account 190 or 283	Debit or <Credit> to Account 410.2	Debit or <Credit> to Account 411.2
190														
281 (enter negative)														
282 (enter negative)														
283 (enter negative)														
19 Total														
20 Summary of entry related to ADIT affecting rate base														
21 Effect on rate base prior to re-measurement														
22 Effect on rate base after re-measurement														

**Note 2 - Explanation of how ADIT accounts are re-measured upon a change in income tax law**

Deferred tax assets and liabilities are adjusted (re-measured) for the effect of the changes in tax law (including tax rates) in the period that the change is enacted. Adjustments are recorded in the appropriate deferred tax balance sheet accounts (Accounts 190, 281, 282 and 283) based on the nature of the temporary difference and the related classification requirements of the accounts. If as a result of action or expected action by a regulator, it is probable that the future increase or decrease in taxes payable due to the change in tax law or rates will be recovered from or returned to customers through future rates, a regulatory asset or liability is recognized in Account 182.3 (Other Regulatory Assets), or Account 254 (Other Regulatory Liabilities), as appropriate, for that probable future revenue or reduction in future revenue. Re-measurements of deferred tax balance sheet accounts may also result in re-measurements of tax-related regulatory assets or liabilities that had been recorded prior to the change in tax law. If it is not probable that the future increase or decrease in taxes payable due to the change in tax law or rates will be recovered from or returned to customers through future rates, tax expense is recognized in Account 410.2 (Provision for Deferred Income Taxes, Other Income or Deductions) or tax benefit is recognized in Account 411.2 (Provision for Deferred Income Taxes-Credit,

**24 Rate Base Adjustment Mechanism - Summary**

Account	Projected Revenue Requirement Amount	Actual Revenue Requirement (True-up) Amount
182.3 (debit or <credit>)		
254 (debit or <credit>)		
29 Total Excess / Deficient ADIT		

**30 Rate Base Adjustment Mechanism - Reconciliation of Beginning and End of Test Period Balances - Projected**

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Description (+ = debit, < = credit)	Balance at Beginning of Year - Projected	Re-measurement of ADIT - Projected (Note 3)	Annual Amortization - Projected (Note 4)	Other Adjustments - Projected (Note 5)	Balance at End of Year - Projected (d)+(e)+(f)+(g)	Whether subject to normalization rules	Amortization period and method		
33 Federal rate decrease (2017) - affecting rate base						Protected			
34 Federal rate decrease (2017) - affecting rate base						Unprotected			
35 Federal rate decrease (2017) - not affecting rate base						Unprotected			
36 Item 2									
37 Total for account 182.3									
38 Federal rate decrease (2017) - affecting rate base						Protected			
39 Federal rate decrease (2017) - affecting rate base						Unprotected			
40 Federal rate decrease (2017) - not affecting rate base						Unprotected			
41 Item 2									
42 Total for account 254									
43 Total excess or deficient ADIT									

**44 Income Tax Allowance Mechanism - Projected**

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Description (+ = debit, < = credit)	Annual Amortization from Table Above	Debit or <Credit> to Account 410.1	Debit or <Credit> to Account 411.1	Debit or <Credit> to Account 410.2	Debit or <Credit> to Account 411.2	Debit or <Credit> to Account 190	Debit or <Credit> to Account 283		
46 Federal rate decrease (2017) - affecting rate base									
48 Federal rate decrease (2017) - affecting rate base									
49 Federal rate decrease (2017) - not affecting rate base									
50 Item 2									
51 Total for account 182.3									
52 Federal rate decrease (2017) - affecting rate base									
53 Federal rate decrease (2017) - affecting rate base									
54 Federal rate decrease (2017) - not affecting rate base									
55 Item 2									
56 Total for account 254									
57 Total amortization and offsetting entries									
58									

**Note 3** - A change in tax law did not occur with respect to the service period.

**Note 4** - The amortization of the excess and/or deficient ADIT recorded in Account 254 (Other Regulatory Liabilities) and/or Account 182.3 (Other Regulatory Assets) is recorded with offsetting entries to Account 410.1 (Provision for Deferred Income Taxes, Utility Operating Income) or Account 411.1 (Provision for Deferred Income Taxes - Credit, Utility Operating Income), as appropriate. In addition, the deferred tax asset related to Account 254 or the deferred tax liability related to Account 182.3 is adjusted, as appropriate. This activity is summarized in the table "Income Tax Allowance Mechanism - Projected." The annual amortization in the tables above reflects tax gross-up and is stated at the revenue requirement level.

**Note 5** - Re-estimates of the effects of a prior change in tax law did not occur during the period.

62 **Note 6a** - Certain excess deferred taxes pertaining to the Tax Cuts and Jobs Act are subject to (protected by) the normalization requirements of Act Section 13001(d).

63 **Rate Base Adjustment Mechanism - Reconciliation of Beginning and End of Test Period Balances - Actual**

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Description (+ = debit, < = credit)			Balance at Beginning of Year - Projected	Remeasurement of ADIT - Actual (Note 7)	Annual Amortization - Actual (Note 8)	Other Adjustments - Actual (Note 9)	Balance at End of Year - Projected (d)+(e)+(f)+(g)	Whether subject to normalization rules	Amortization period and method
66							-	Protected	Remaining depreciable lives (ranging from 25-35 years) using the average rate assumption method
67							-	Unprotected	10 years, straight-line (2021-2030)
68							-	Unprotected	Adjustment of the regulatory asset resulting from after-tax accounting for AFUDC-equity existing prior to the change in tax law - remaining depreciable lives (ranging from 25-35 years), straight-line
69	Item 2								
70	Total for account 182.3		-	-	-	-	-		
71							-	Protected	Remaining depreciable lives (ranging from 25-35 years) using the average rate assumption method
72							-	Unprotected	10 years, straight-line (2021-2030)
73							-	Unprotected	Adjustment of the regulatory asset resulting from after-tax accounting for AFUDC-equity existing prior to the change in tax law - remaining depreciable lives (ranging from 25-35 years), straight-line
74	Item 2								
75	Total for account 254		-	-	-	-	-		
76	Total excess or deficient ADIT		-	-	-	-	-		

76 **Income Tax Allowance Mechanism - Actual**

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Description (+ = debit, < = credit)			Annual Amortization	Debit or <Credit> to Account 410.1	Debit or <Credit> to Account 411.1	Debit or <Credit> to Account 410.2	Debit or <Credit> to Account 411.2	Debit or <Credit> to Account 190	Debit or <Credit> to Account 283
79			-						
80			-						
81			-						
82	Item 2								
83	Total for account 182.3		-	-	-	-	-	-	-
84			-						
85			-						
86			-						
87	Item 2								
88	Total for account 254		-	-	-	-	-	-	-
89	Total amortization and offsetting entries		-	-	-	-	-	-	-
90			-	-	-	-	-	-	-

91 **Note 7** - A change in tax law did not occur with respect to the service period.

92 **Note 8** - The amortization of the excess and/or deficient ADIT recorded in Account 254 (Other Regulatory Liabilities) and/or Account 182.3 (Other Regulatory Assets) is recorded with offsetting entries to Account 410.1 (Provision for Deferred Income Taxes, Utility Operating Income) or Account 411.1 (Provision for Deferred Income Taxes - Credit, Utility Operating Income), as appropriate. In addition, the deferred tax asset related to Account 254 or the deferred tax liability related to Account 182.3 is adjusted, as appropriate. This activity is summarized in the table "Income Tax Allowance Mechanism - Projected." The annual amortization in the tables above reflects tax gross-up and is stated at the revenue requirement level.

93 **Note 9** - Re-estimates of the effects of a prior change in tax law did not occur during the period.

94 **Note 10a** - Certain excess deferred taxes pertaining to the Tax Cuts and Jobs Act are subject to (protected by) the normalization requirements of Act Section 13001(d).

#### **6.10.6.2.2 Formula Rate Implementation Protocols**

The formula rate template (“Formula Rate Template” or “Template”) and the following procedures (“Protocols”) together comprise the filed rate (“Formula Rate”) of LS Power Grid New York Corporation I (“LSPG-NY”) for transmission revenue requirement determinations under the ISO OATT. LSPG-NY shall follow the instructions specified in the Formula Rate to annually calculate its actual net adjusted revenue requirement set forth at page 1, line 5 of the Template (“Net Adjusted Revenue Requirement”). The Net Adjusted Revenue Requirement shall be determined for January 1 to December 31 of a given calendar year (the “Rate Year”). The Formula Rate shall become effective for recovery of LSPG-NY’s Net Adjusted Revenue Requirement upon the effective date for incorporation into the ISO OATT through an appropriate filing with the Commission under Section 205 of the Federal Power Act (“FPA”).

#### **Section 1. Annual Projection**

- A. On or before September 30 preceding the first Rate Year and each subsequent Rate Year thereafter, LSPG-NY shall determine its projected Net Adjusted Revenue Requirement for the upcoming Rate Year in accordance with its Formula Rate (“Annual Projection”). The Annual Projection shall include the True-up Adjustment described and defined in Section 2, if applicable.
- B. Posting and Notice of the Annual Projection. LSPG-NY shall cause its Annual Projection to be posted in both a Portable Document Format (PDF) and fully-functioning Excel format at a publicly accessible location on the ISO website. Such posting shall include (i) all inputs in sufficient detail to identify the components of LSPG-NY’s Annual Projections, and (ii) explanations of the bases for the projections and input data. If the date for making such posting of the

Annual Projection should fall on a weekend or a holiday recognized by FERC, then the posting shall be made no later than the next business day. Within ten (10) days of posting the projected Net Adjusted Revenue Requirement, LSPG-NY shall provide notice of such posting to the Service List. As used in these protocols, "Service List" shall mean (i) the email list of the ISO OATT Transmission Customers maintained by ISO; (ii) any state regulatory agency with rate jurisdiction over a public utility located within the ISO footprint; and (iii) any consumer advocate agency authorized by state law to review and contest the rates for any such public utility, provided such consumer advocate agency requests to be placed on the Service List and provides an email address to LSPG-NY.

For the determination of the initial Rate Year's projected Net Adjusted Revenue Requirement, balances for capital costs reflected in the Formula Rate Template that subsequently use a 13 month average will be divided by the number of months the Formula Rate is in effect to calculate the monthly projected cost of service to be collected each month of the first year. The remaining inputs used in the Formula Rate Template- will be developed in accordance with the Formula Rate Template.

- C. Revisions to the Annual Projection. If LSPG-NY makes changes in the Annual Projection for a given Rate Year, LSPG-NY shall cause such revised Annual Projection to be promptly posted at a publicly accessible location on the ISO website and distribute notice to the Service List. Changes posted prior to October 31 of the preceding Rate Year, or the next business day if October 31 is not a business day, shall be reflected in the Annual Projection for the Rate Year;

changes posted after that date will be reflected, as appropriate, in the True-up Adjustment for the Rate Year.

- D. Review and Challenge of the Annual Projection. The Annual Projection, including the True-Up Adjustment, for each Rate Year shall be subject to review, challenge, true-up and refunds or surcharges with interest, to the extent and in the manner provided in these Protocols.
- E. The projected Net Adjusted Revenue Requirement shall:
1. Include a workable, data-populated Formula Rate Template and underlying work papers in native format with all formulas and links intact;
  2. Provide the formula rate calculations and all inputs thereto, as well as supporting documentation and work papers for data that are used in the projected Net Adjusted Revenue Requirement;
  3. Provide sufficient information to enable interested persons to replicate the calculation of the projected Net Adjusted Revenue Requirement;
  4. Provide a work paper demonstrating compliance with the cost containment commitments set forth in the Formula Rate Template;
  5. With respect to any change in accounting that affects inputs to the formula rate or the resulting charges billed under the formula rate (“Accounting Change”):
    - a. Identify any Accounting Changes, including:
      - i. the initial implementation of an accounting standard or policy;
      - ii. the initial implementation of accounting practices for unusual or unconventional items where FERC has not provided specific accounting direction;

- iii. correction of errors and prior period adjustments that impact the projected Net Adjusted Revenue Requirement calculation;
  - iv. the implementation of new estimation methods or policies that change prior estimates; and
  - v. changes to income tax elections;
- b. Identify items included in the projected Net Adjusted Revenue Requirement at an amount other than on a historic cost basis (e.g., fair value adjustments);
  - c. Identify any reorganization or merger transaction during the previous year and explain the effect of the accounting for such transaction(s) on inputs to the projected Net Adjusted Revenue Requirement; and
  - d. Provide, for each item identified pursuant to items in Section 1.E.5.a-c of these Protocols, a narrative explanation of the individual impact of such changes on the projected Net Adjusted Revenue Requirement.
- F. **Joint Informational Meeting.** Transmission Owners with transmission projects that utilize a regional or inter-regional cost sharing mechanism shall endeavor to hold a joint informational meeting to enable all interested parties to understand how those Transmission Owners are implementing their formula rates for cost recovery of such projects (“Joint Informational Meeting”). Notice of the Joint Informational Meeting, including the time, date, and location, shall be posted on the LSPG-NY website and distributed to the Service List no less than seven (7) days prior to such meeting, and the Transmission Owners shall provide remote access to Joint Informational Meetings to allow all interested parties the opportunity to remotely participate in such meetings. LSPG-NY will participate in

Joint Informational Meetings once it begins development of a project for which costs are to be regionally or inter-regionally allocated.

**Section 2. Calculation of True-Up Adjustment**

- A. LSPG-NY will calculate the amount of under-or-over-collection of its actual Net Revenue Requirement during the preceding Rate Year (“True-up Adjustment”) after the FERC Form No.1 data for that Rate Year has been filed with the Commission. The True-Up Adjustment shall be the sum of the True-Up Adjustment over/under recovery as determined in Section 2.B and the Interest on the True-Up Adjustment over/under recovery as determined in Section 2.C.
- B. Calculation of the True-Up Adjustment. To determine any over or under recovery, LSPG-NY’s projected Net Revenue Requirement collected during the previous Rate Year will be compared to LSPG-NY’s actual Net Revenue Requirement for the previous Rate Year. LSPG-NY shall calculate its actual Net Revenue Requirement for the previous Rate Year in accordance with LSPG-NY’s Formula Rate and based upon: (i) LSPG-NY’s FERC Form No. 1 for that same Rate Year; (ii) any FERC orders specifically applicable to LSPG-NY’s calculation of its annual revenue requirement; (iii) the books and records of LSPG-NY (which shall be maintained consistent with the FERC Uniform System of Accounts (“USofA)); (iv) FERC accounting policies and practices applicable to the calculation of annual revenue requirements under formula rates; and (v) any aspects of the ISO OATT and other governing documents that apply to the calculation of annual revenue requirements under individual transmission owner formula rates to determine any over-or-under-recovery. Notwithstanding anything

to the contrary herein, if the initial year of this rate schedule is a partial year, the initial projected Net Revenue Requirement will be divided by the number of months the Formula Rate is in effect to calculate the monthly projected cost of service to be collected each month of the first year. Similarly, the actual Net Revenue Requirement will be divided by the number of months the rate is in effect to calculate the actual cost of service to be collected each month of the first year. The first True-up Adjustment will compare the projected Net Revenue Requirement billed and the actual Net Revenue Requirement for that initial Rate Year.

- C. Interest. Interest on any True-up Adjustment over/under recovery of the actual Net Revenue Requirement shall be calculated in accordance with the Formula Rate true-up worksheet.

### **Section 3. Annual Update**

- A. On or before June 30 following each Rate Year, LSPG-NY shall calculate its actual Net Adjusted Revenue Requirement including the True-up Adjustment, as described in Section 2, for each Rate Year (“Annual Update”).
- B. Posting and Notice of the Annual Update. No later than June 30 following each Rate Year, LSPG-NY shall cause its Annual Update to be posted in both a PDF and fully functioning Excel format at a publicly accessible location on the ISO website. Within ten (10) days of such posting, LSPG-NY shall provide notice of such posting to the Service List. The date on which the last of the events listed in this Section 3.B occurs shall be that year’s “Publication Date.” If the date for making such posting of the Annual Update should fall on a weekend or a holiday

recognized by FERC, then the posting shall be due the next business day. In addition, within ten (10) days of the Publication Date the Annual Update shall be submitted as an informational filing with the FERC.

- C. The Annual Update for the Rate Year shall:
1. Include a workable data-populated Formula Rate Template and underlying work papers in native format with all formulas and links intact;
  2. Be based on LSPG-NY's FERC Form No. 1 for the prior calendar year;
  3. Provide the formula rate calculations and all inputs thereto, as well as supporting documentation and work papers for data that are used in the Annual Update that are not otherwise available in FERC Form No. 1. It is the intent of the formula rate, including the supporting explanations and allocations described therein, that each input to the formula rate will be either taken directly from FERC Form No. 1 or reconcilable to FERC Form No. 1 by the application of clearly identified and supported information. If the referenced form is superseded, the successor form(s) shall be utilized and supplemented as necessary to provide equivalent information as that provided in the superseded form. If the referenced form(s) is (are) discontinued, equivalent information as that provided in the discontinued form(s) shall be utilized;
  4. Provide sufficient information to enable interested persons to replicate the calculation of the Annual Update results from FERC Form No. 1;
  5. Provide a work paper demonstrating compliance with the cost containment commitments set forth in the Formula Rate Template;

6. Identify any changes in the formula references (page and line numbers) to FERC Form No. 1;
7. Identify all material adjustments made to the FERC Form No. 1 data in determining formula inputs, including relevant footnotes to FERC Form No. 1 and any adjustments not shown in FERC Form No. 1;
8. Provide underlying data for formula rate inputs that provide greater granularity than is required for FERC Form No. 1;
9. With respect to any change in accounting that affects inputs to the formula rate or the resulting charges billed under the formula rate (“Accounting Change”):
  - a. Identify any Accounting Changes, including
    - i. the initial implementation of an accounting standard or policy;
    - ii. the initial implementation of accounting practices for unusual or unconventional items where FERC has not provided specific accounting direction;
    - iii. correction of errors and prior period adjustments that impact the True-Up Adjustment calculation;
    - iv. the implementation of new estimation methods or policies that change prior estimates; and
    - v. changes to income tax elections;
  - b. Identify items included in the Annual Update at an amount other than on a historic cost basis (e.g., fair value adjustments);
  - c. Identify any reorganization or merger transaction during the previous year and explain the effect of the accounting for such transaction(s) on inputs to the Annual Update; and

- d. Provide, for each item identified pursuant to items 3.C.9.a-c of these Protocols, a narrative explanation of the individual impact of such changes on the True-Up Adjustment.
- 10. Shall not seek to modify the Formula Rate and shall not be subject to challenge by any interested person seeking to modify the Formula Rate. (i.e., any modifications to the Formula Rate will require, as applicable, an FPA Section 205 or Section 206 filing or initiation of a Section 206 investigation).
- D. Annual Update Meeting. No less than twenty (20) business days and no more than thirty (30) business days after June 30, LSPG-NY shall hold an open meeting among interested persons (“Annual Update Meeting”) in order for LSPG-NY to explain its Annual Update and to provide interested persons an opportunity to seek information and clarifications regarding the Annual Update. No less than seven (7) days prior to such Annual Update Meeting, LSPG-NY shall cause notice to be posted on the ISO’s website of the time, date, and location of the Annual Update Meeting and LSPG-NY shall provide notice of such meeting to the Service List.
- E. Example – Timeline for 2022 Annual Update: On or before September 30, 2021, LSPG-NY will determine the projected Net Adjusted Revenue Requirement for the 2022 Rate Year, which is expected to be the first year that costs are recovered from Transmission Customers under the Formula Rate. LSPG-NY will post the Annual Projection for the 2022 Rate Year in accordance with Section 1 above. LSPG-NY will not determine a True-up Adjustment or post an Annual Update on June 30, 2022 if no costs have been recovered under the Formula Rate during

2021. On or before September 30, 2022, LSPG-NY will post the Annual Projection for the 2023 Rate Year. On or before June 30, 2023, LSPG-NY will post its first Annual Update, calculating the True-up Adjustment for the 2022 Rate Year determined pursuant to Section 2 above. Such True-up Adjustment will be reflected in the Annual Projection of the Net Adjusted Revenue Requirement for the 2024 Rate Year posted on or before September 30, 2023. The Annual Update posted on or before June 30, 2023 will be subject to the customer review and challenge procedures described in Sections 4 and 5 of these Protocols.

#### **Section 4. Annual Review Procedures**

The Annual Update and Annual Projection for each Rate Year shall be subject to the following review procedures (“Annual Review Procedures”):

- A. Information Request Deadline. interested parties shall have up to one hundred twenty (120) calendar days after the Publication Date (unless such period is extended with the written consent of LSPG-NY or by FERC order) to serve reasonable information requests on LSPG-NY as described in Section 4.B.
- B. Limitations on Scope. Such information and document requests shall be limited to what is necessary to determine: (1) the extent or effect of an Accounting Change; (2) whether the Annual Update or Annual Projection fails to include data properly recorded in accordance with these protocols; (3) the proper application of the Formula Rate and procedures in these protocols; (4) the accuracy of data and consistency with the formula rate of the calculations shown in the Annual Update or Annual Projection; (5) the prudence of actual costs and expenditures; (6) the effect of any change to the underlying Uniform System of Accounts or

FERC Form No. 1; or (7) any other information that may reasonably have substantive effect on the calculation of the charge pursuant to the formula. The information and document requests shall not otherwise be directed to ascertaining whether the formula rate is just and reasonable.

- C. Responses to Information Requests. LSPG-NY shall make a good faith effort to respond to information and document requests within ten (10) business days of receipt of such requests. In the event an information request is not provided within 10 business days, the parties will mutually agree on an extension of the Review Period.
- D. Public Availability of Information Requests and Responses. LSPG-NY will cause to be posted on the ISO website all information requests from interested parties and LSPG-NY's response(s) to such requests; except, however, if responses to information and document requests include material deemed by LSPG-NY to be confidential information, such information will not be publicly posted but will be made available to requesting parties pursuant to a confidentiality agreement to be executed by LSPG-NY and the requesting party.
- E. Privilege. LSPG-NY shall not claim that responses to information and document requests provided pursuant to these protocols are subject to any settlement privilege in any subsequent FERC proceeding addressing LSPG-NY's Annual Update or Annual Projection.

## **Section 5. Challenge Procedures**

- A. Informal Challenge Deadlines. interested persons shall have until the latest of one hundred fifty (150) calendar days after the Publication Date, thirty (30) calendar

days after the receipt of all responses to timely submitted information requests (unless such period is extended with the written consent of LSPG-NY or by FERC order), or thirty (30) calendar days after resolution of a dispute that does not result in the production of additional information (“Review Period”), to review the calculations and to notify LSPG-NY in writing of any specific challenges that fall within the parameters as defined in the Limitations on Scope in Section 5.G of these Protocols (“Informal Challenge”). Failure to pursue an issue through an Informal Challenge or to lodge a Formal Challenge regarding any issue as to a given Annual Update or Annual Projection shall bar pursuit of such issue with respect to that Annual Update or Annual Projection, but shall not bar pursuit of such issue or the lodging of a Formal Challenge as to such issue as it relates to a subsequent Annual Update or Annual Projection

- B. Contents, Scope, and Response. An interested party submitting an Informal Challenge to LSPG-NY must specify the inputs, supporting explanations, allocations, calculations, or other information to which it objects, and provide an appropriate explanation and documents to support its challenge. LSPG-NY shall respond to any Informal Challenge within twenty (20) business days of notification of such challenge. LSPG-NY, and where applicable, the Transmission Provider, shall appoint a senior representative to work with the party that submitted the Informal Challenge (or its representative) toward a resolution of the challenge. If LSPG-NY disagrees with such challenge, LSPG-NY will provide the interested person(s) with an explanation supporting the inputs, supporting explanations, allocations, calculations, or other information.

- C. **Public Availability of Informal Challenges.** LSPG-NY will cause to be posted at a publicly-accessible location on the ISO website all Informal Challenges from interested persons and LSPG-NY's response(s) to such Informal Challenges; except, however, if Informal Challenges or responses to Informal Challenges include material deemed by LSPG-NY to be confidential information, such information will not be publicly posted but will be made available to requesting parties pursuant to a confidentiality agreement to be executed by LSPG-NY and the requesting party.
- D. **Remedies.** Any changes or adjustments to the Annual Update or Annual Projection resulting from the Informal Challenge process that are agreed to by LSPG-NY will be reported in the informational filing required pursuant to Section 3 of these Protocols. Any such changes or adjustments agreed to by LSPG-NY on or before December 1 will be reflected in the projected Net Adjusted Revenue Requirement for the upcoming Rate Year. Any changes or adjustments agreed to by LSPG-NY after December 1 will be reflected in the following year's Annual Update.
- E. **Formal Challenge Deadlines.** Any interested persons may file a challenge with the FERC ("Formal Challenge") contesting some action or inaction by LSPG-NY with respect to the Annual Update or Annual Projection, and shall do so no later than sixty (60) calendar days following the end of the Review Period (unless such date is extended with the written consent of LSPG-NY to continue efforts to resolve the Informal Challenge). A Formal Challenge shall be filed in the same docket as LSPG-NY's informational filing discussed in Section 3 of these

Protocols. LSPG-NY shall respond to the Formal Challenge by submitting any response to FERC within thirty (30) calendar days of the date of the filing of the Formal Challenge, and LSPG-NY shall serve on the filing party(ies) and the Service List by electronic service on the date of such filing. A party may not pursue a Formal Challenge on a specific issue if that party did not submit an Informal Challenge on the issue during the applicable Review Period.

F. Contents of Formal Challenges. Formal Challenges shall be filed pursuant to these Protocols. All information and correspondence produced by LSPG-NY pursuant to these Protocols may be included in any Formal Challenge or other FERC proceeding relating to the Formula Rate, subject to any applicable confidentiality and Critical Energy Infrastructure Information restrictions.

Formal Challenges shall be filed pursuant to these Protocols and shall satisfy all of the following requirements.

- (1) A Formal Challenge shall:
  - (a) Clearly identify the action or inaction which is alleged to violate the filed Formula Rate Template or Protocols;
  - (b) Explain how the action or inaction violates the Formula Rate or Protocols;
  - (c) Set forth the business, commercial, economic or other issues presented by the action or inaction as such relate to or affect the party filing the Formal Challenge, including:
    - (i) the extent or effect of an Accounting Change;
    - (ii) whether the Annual Update or Annual Projection fails to include data properly recorded in accordance with these Protocols;

- (iii) the proper application of the Formula Rate and procedures in the Protocols;
  - (iv) the accuracy of data and consistency with the formula rate of the charges shown in the Annual Update or Annual Projection;
  - (v) the prudence of actual costs and expenditures;
  - (vi) the effect of any change to the underlying Uniform System of Accounts or FERC Form 1; or
  - (vii) any other information that may reasonably have substantive effect on the calculation of the charge pursuant to the Formula Rate.
- (d) Make a good faith effort to quantify the financial impact or burden (if any) created for the party filing the Formal Challenge as a result of the action or inaction;
  - (e) State whether the issues presented are pending in an existing Commission proceeding or a proceeding in any other forum in which the filing party is a party, and if so, provide an explanation why timely resolution cannot be achieved in that forum;
  - (f) State the specific relief or remedy requested, including any request for stay or extension of time, and the basis for that relief;
  - (g) Include all documents that support the facts in the Formal Challenge in possession of, or otherwise attainable by, the filing party, including, but not limited to, contracts and affidavits; and
  - (h) State whether the filing party utilized the Informal Challenge procedures described in these Protocols to dispute the action or inaction raised by the Formal Challenge, and, if not, describe why not.

- (2) Service. Any person filing a Formal Challenge must serve a copy of the Formal Challenge on LSPG-NY. Service to LSPG-NY must be simultaneous with filing at the Commission. Simultaneous service can be accomplished by electronic mail in accordance with § 385.2010(f)(3) of FERC's regulations, facsimile, express delivery, or messenger. The party filing the Formal Challenge shall serve the individual listed as the contact person on LSPG-NY's Informational Filing required under Section 3 of these Protocols.
- G. Limitations on Scope. Informal and Formal Challenges shall be limited to all issues that may be necessary to determine: (1) the extent or effect of an Accounting Change; (2) whether the Annual Update or Annual Projection fails to include data properly recorded in accordance with these Protocols; (3) the proper application of the formula rate and procedures in these Protocols; (4) the accuracy of data and consistency with the formula rate of the calculations shown in the Annual Update or Annual Projection; (5) the prudence of actual costs and expenditures; (6) LSPG-NY's compliance with the cost containment commitments reflected in the Formula Rate; (7) the effect of any change to the underlying Uniform System of Accounts or FERC Form No. 1; or (8) any other information that may reasonably have substantive effect on the calculation of the charge pursuant to the formula.
- H. Burden. In any Formal Challenge proceeding initiated by FERC concerning a given year's Annual Update or Accounting Changes, LSPG-NY shall bear the burden, consistent with section 205 of the FPA, of proving that it has correctly applied the terms of the formula rate consistent with these Protocols, and that it

followed the applicable requirements and procedures in these Protocols. Nothing herein is intended to alter the burdens applied by FERC with respect to prudence challenges.

- I. Reservation of Rights under FPA Sections 205 and 206. Except as specifically provided in these Protocols and subject to terms of certain Offer of Settlement and Stipulations filed with FERC in setting LSPG-NY's Formula Rate, nothing herein shall be deemed to limit in any way the right of LSPG-NY to file unilaterally, pursuant to Section 205 of the FPA and the regulations thereunder, to change the formula rate or any of its inputs (including, but not limited to, an application seeking changes to the Formula Rate or any of the stated value inputs requiring a Section 205 filing under these Protocols including, but not limited to, return on equity and depreciation rates), or the right of any interested persons of the Commission to seek such changes pursuant to Section 206 of the FPA and the regulations thereunder.
- J. Any interested party seeking changes to the application of the formula rate due to a change in the Uniform System of Accounts or FERC Form No. 1, shall first raise the matter with LSPG-NY before pursuing a Formal Challenge.

**Section 6. Changes to the Annual Update or Annual Projection**

Except as provided in Sections 4 and 5 of these Protocols, any changes to the data inputs, including but not limited to revisions to LSPG-NY's FERC Form No. 1, or as the result of any FERC proceeding to consider the Annual Update or Annual Projection, or as a result of the procedures set forth herein, shall be incorporated into the formula rate and the charges produced by the formula rate in the Annual Projection for the next Rate Year. This reconciliation

mechanism shall apply in lieu of mid-Rate Year adjustments. Interest on any refund or surcharge shall be calculated in accordance with the procedures outlined in these Protocols.

### **6.10.6.3 Cost Allocation**

LSPG-NY costs associated with the AC Transmission Project for recovery pursuant to Rate Schedule 10 of the ISO OATT shall be allocated to Responsible LSEs consistent with AC Transmission Public Policy Transmission Need Cost Allocation Methodology in Section 31.8.2 of the ISO OATT.