

6.10.8 Attachment 2 – Rate Mechanism for the Recovery of NYPA Portion of Segment A of the AC Transmission Public Policy Transmission Need Projects

6.10.8.1 Applicability

This Attachment 2 to Rate Schedule 10 of the ISO OATT establishes the RTFC for the recovery of costs for the NYPA portion of Segment A of the AC Transmission Public Policy Transmission Need projects (“Project”). The Project was selected by the ISO Board of Directors as identified in a decision and Public Policy Transmission Planning Report issued April 8, 2019 (i.e., the Project was identified therein as “Project T027”). NYPA (“Project Developer”) may recover eligible costs for the Project in accordance with the requirements of Rate Schedule 10 of the ISO OATT. For purposes of Rate Schedule 10 of the ISO OATT: (i) the Project shall constitute the applicable “Eligible Project”; and (ii) Project Developer shall constitute the applicable “Transmission Owner” to recover costs for the Project through the RTFC.

6.10.8.2 Project Revenue Requirement

For purposes of Rate Schedule 10 of the ISO OATT, the revenue requirement for the Project shall be determined using the Formula Rate Template and Formula Rate Implementation Protocols included in Section 14.2.3 of Attachment H of the ISO OATT. The Project’s revenue requirement shall be stated separately on line 11b of the NYPA Formula Rate Template’s Transmission Revenue Requirement Summary, and there shall be no duplicative recovery of costs as between the Project revenue requirement, the NTAC revenue requirement or any other NYPA project-specific revenue requirement.

6.10.8.3 Project Cost Allocation

The costs of the Project eligible for recovery pursuant to Rate Schedule 10 of the ISO OATT shall be allocated to Responsible LSEs in accordance with Section 31.8.2 of Appendix E of

Attachment Y to the ISO OATT.