

## ATTACHMENT 3

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

**LS Power Grid New York Corporation I ) Docket No. ER20-716-001**

**OFFER OF SETTLEMENT**

**To: Honorable Andrew Satten  
Settlement Judge**

Pursuant to Rule 602 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission”), 18 C.F.R. §385.602, LS Power Grid New York Corporation I (“LSPGNY”), on behalf of the Settling Parties (each a “Settling Party” and collectively the “Settling Parties”),<sup>1</sup> submits this Offer of Settlement (“Settlement”) to resolve all issues in Docket No. ER20-716-001. In addition to the Settling Parties, each of the parties to ER20-716 (together with the Settling Parties collectively the “Parties,” and each, individually, a “Party”) participated in the resolution of this matter. Settling Parties are not aware of any opposition to this Settlement.

**I. BACKGROUND**

1.1 LSPGNY is a non-incumbent transmission developer selected, together with NYPA, by the New York Independent System Operator, Inc. (“NYISO”) to develop, own and operate the Marcy to New Scotland Project (the “Segment A Project”) of what is known as the

---

<sup>1</sup> The Settling Parties attended all settlement conferences and actively participated in settlement negotiations. The Settling Parties are: LSPGNY, New York Power Authority (“NYPA”), New York State Public Service Commission (NYPSC), the Municipal Electric Utilities Association of New York (“MEUA”), Multiple Intervenors (an unincorporated association of approximately 60 large industrial, commercial, and institutional energy consumers with manufacturing and other facilities located throughout New York State)(“Multiple Intervenors”), and the City of New York (“City”).

AC Transmission Projects. The AC Transmission Projects are Public Policy driven transmission additions, based on public policy transmission needs identified by the NYPSC. NYISO solicited proposals to address the public policy needs identified by the NYPSC under the NYISO's tariffed Public Policy Transmission Planning process. The NYISO Board selected the LSPGNY/NYPA proposal for the Segment A Project on April 8, 2019, following a competitive solicitation consistent with NYISO's Order No. 1000<sup>2</sup> planning process. As discussed below, the AC Transmission Projects, and Segment A Project, provide significant benefits to New York.

**A. LSPGNY's Transmission Rate Filings**

1.2 On January 7, 2019, as updated on April 8, 2019, LSPGNY (and its affiliate LS Power Grid New York, LLC) filed in Docket No. EL19-30-000 a petition for a declaratory order pursuant to Section 219<sup>3</sup> of the Federal Power Act ("FPA") and Order No. 679<sup>4</sup> seeking Commission authorization for abandoned plant transmission rate incentives for the Project. On May 16, 2019, the Commission granted the Project full recovery of prudently incurred costs if the Project is abandoned for reasons beyond LSPGNY's control.<sup>5</sup>

1.3 On December 31, 2019, in Docket No. ER20-716-000, NYISO filed on behalf of LSPGNY a transmission formula rate template and formula rate implementation protocols,

---

<sup>2</sup> *Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, Order No. 1000, FERC Stats. & Regs. ¶ 31,323 (2011), *order on reh'g*, Order No. 1000-A, 139 FERC ¶ 61,132, *order on reh'g and clarification*, Order No. 1000-B, 141 FERC ¶ 61,044 (2012), *aff'd sub nom. S.C. Pub. Serv. Auth. v. FERC*, 762 F.3d 41 (D.C. Cir. 2014).

<sup>3</sup> 16 U.S.C. § 824s (2012).

<sup>4</sup> *Promoting Transmission Investment through Pricing Reform*, Order No. 679, FERC Stats. & Regs. ¶ 31,222, *order on reh'g*, Order No. 679-A, FERC Stats. & Regs. ¶ 31,236 (2006), *order on reh'g*, 119 FERC ¶ 61,062 (2007).

<sup>5</sup> *LS Power Grid New York, LLC, et al.*, 167 FERC ¶ 61,139 (2019) (the "Abandonment Order").

together with a request for certain incentive rate treatments (“the Formula Rate Filing”).<sup>6</sup> In testimony supporting the Formula Rate Filing, LSPGNY’s witnesses provided testimony supporting, among other things: (1) a 10% base return on equity (“ROE”); (2) approval of LSPGNY’s actual capital structure subject to a cap of 53% equity; and (3) depreciation rates based on those of an affiliate. The Formula Rate Filing also incorporated the 80/20 Cost Containment that was a required part of the Public Policy Transmission Project proposal submission.

1.4 In addition to the formula rate and formula rate protocols, the Formula Rate Filing sought incentive rates for:

(1) capitalization of certain costs that would not otherwise be capitalized and authorization to establish a regulatory asset for such costs; (2) use of a hypothetical capital structure consisting of 47% debt and 53% equity until the Project achieves commercial operation; (3) a 50 basis point adder to LSPG-NY’s return on equity (“ROE”) for participating in a Regional Transmission Organization (“RTO”) as an independent transmission company (“ITC”), subject to the resulting ROE being within the zone of reasonableness; (4) a 50 basis point adder to LSPG-NY’s ROE for the risks and challenges of the Project, subject to the resulting ROE being within the zone of reasonableness; and (5) if applicable upon Project in-service, a performance-based rate in the form of an ROE adjustment consistent with the 80/20 risk mitigation required as part of the Project proposal.<sup>7</sup>

1.5 Protests and comments to the Formula Rate Filing were filed by the NYPSC, the City, and MEUA. On February 10, 2020, LSPGNY filed an answer to comments and protests.

1.6 On February 27, 2020, Commission Staff issued LSPGNY a letter requesting additional information on the Formula Rate Filing. LSPGNY submitted supplemental

---

<sup>6</sup> Transmittal Letter of LSPGNY and accompanying Testimony as filed through eTariff by NYISO on December 31, 2019.

<sup>7</sup> Rate Filing at 3.

information to Commission Staff on March 26, 2020 and sought a May 27, 2020 effective date. No additional interventions or protests were filed in response to LSPGNY's supplemental information.

**B. Commission Order**

1.7 On May 26, 2020, the Commission accepted for filing LSPGNY's submittal, suspended it for a nominal period, effective as of May 27, 2020 and subject to refund, and establishing hearing and settlement judge procedures regarding certain matters.<sup>8</sup> Specifically, the Commission identified, but did not limit, the following issues related to the Formula Rate for hearing and settlement judge procedures: "the allocation factors under the Protocols, the depreciation of land rights and underground facilities, ROE issues, recovery and accounting for contributions in aid of construction (CIAC), and land held for future use."<sup>9</sup> In setting the Performance-based Rate Incentive and Cost Cap for hearing, the Commission found that "issues include, but are not limited to, the eligible and ineligible costs to be included in the proposed Performance-based Rate Incentive, such as the 'other unforeseeable costs,' as well as whether and how the varying rates are appropriately calibrated to risks and challenges of being over or under the cost cap."<sup>10</sup>

1.8 In the Formula Rate Order, the Commission granted LSPGNY's requests for certain incentives, including (1) authorization to create a regulatory asset to capitalize certain costs that would not otherwise be capitalized (Regulatory Asset Incentive), (2) authorization to use a hypothetical capital structure, consisting of 47% debt and 53% equity, until the project achieves full commercial operation (Hypothetical Capital Structure Incentive),

---

<sup>8</sup> *New York Independent System Operator, Inc. et al.*, 171 FERC ¶ 61,159 (2020)("Formula Rate Order").

<sup>9</sup> Formula Rate Order at P 74.

<sup>10</sup> *Id.* at P 53.

(3) a 50 basis-point return on equity (ROE) adder for participating in a regional transmission organization (RTO) or independent system operator (ISO) (the RTO-Participation Incentive), and (4) a 50 basis-point ROE adder to reflect the significant risks and challenges associated with the development of its portion of a transmission project (the ROE Risk Adder).<sup>11</sup>

**C. Requests For Rehearing And Judicial Review**

1.9 On June 25, 2020 the NYPSC filed a request for rehearing of the Formula Rate Order. The NYPSC’s rehearing request asked that the Commission “revise its determinations in the [Formula Rate] Order related to: (1) a 50 basis-point bonus adder to return on equity (ROE) as an incentive for LS Power Grid New York Corporation I (LSPG-NY) to participate in the New York Independent System Operator, Inc. (NYISO); and, (2) a hypothetical capital structure for LSPG-NY, consisting of 47% debt and 53% equity.”<sup>12</sup>

1.10 On July 27, 2020 the Commission issued a Notice of Denial of Rehearing by Operation of Law and Providing for Further Consideration.

1.11 On September 23, 2020 the NYPSC filed, in the United States Court of Appeals for the District of Columbia Circuit, a Petition for Review of the Formula Rate Order and the denial of its rehearing by operation of law.<sup>13</sup>

1.12 On September 24, 2020 the Commission issued an Order Addressing Arguments Raised On Rehearing, modifying the discussion in the Formula Rate Order but reaching the same result.<sup>14</sup>

---

<sup>11</sup> *Id.* at P 2. The Commission approved a ten year amortization period for the regulatory asset. *Id.* at PP 20, 23.

<sup>12</sup> Request For Rehearing of the New York Public Service Commission, filed June 25, 2020 in Docket No. ER20-716-002.

<sup>13</sup> New York Public Service Commission v Federal Energy Regulatory Commission, Case No. 20-1386.

<sup>14</sup> *New York Independent System Operator, Inc.*, 172 FERC ¶ 61,266 (2020).

1.13 On November 23, 2020 the NYPS&C filed a second Petition for Review with the United States Court of Appeals for the District of Columbia Circuit.<sup>15</sup> On November 25, 2020 the two Petitions were consolidated.

1.14 On December 15, 2020 LSP&NY filed a Motion for Leave to Intervene in the consolidated Court cases.

#### **D. Settlement Judge Procedures**

1.15 On June 3, 2020 Chief Administrative Law Judge Carmen Cintron appointed Judge Andrew Satten as Settlement Judge for the proceeding. On June 16, 2020 Judge Satten issued an order setting the initial settlement conference for July 15, 2020. The settlement conference was held as scheduled on July 15, 2020. A technical conference was held on August 10, 2020 to address questions related to the Formula Rate Filing. Additional scheduled settlement discussions/conferences were held on August 27 and September 30, 2020.

1.16 Settlement proposals between certain intervenors on the one hand and LSP&NY on the other hand were exchanged on August 21, September 4, October 22, November 10, December 4, December 11, and December 18, 2020, January 14, January 24, and January 28, 2021.

## **II. SCOPE AND BENEFITS OF SETTLEMENT**

### **A. Scope**

2.1 The participants in Docket ER20-716-000 *et seq.* are engaged in proceedings regarding the rates and terms and conditions for service under the LSP&NY Formula Rate and Formula Rate Protocols to be collected under the NYISO Tariff. In addition, the proceedings

---

<sup>15</sup> New York Public Service Commission v Federal Energy Regulatory Commission, Case No. 20-1464.

addressed certain incentive rate treatments sought by LSPGNY. This Settlement resolves all issues among the Parties regarding LSPGNY's filings under Sections 205 and 219 of the FPA, including, as discussed below, the Petitions for Review of orders related to LSPGNY's filings.

2.2 By this Offer of Settlement LSPGNY has offered and the above-named participants in this proceeding either support or do not oppose the terms, conditions, and stipulations of the Settlement outlined below.

**B. Benefits**

2.3 The AC Transmission Projects, including the Segment A Project, are important to stakeholders in New York as the projects address critical public policy transmission needs in New York. The NYPSC has identified that the AC Transmission Projects “will reduce transmission congestion so that large amounts of power can be transmitted to regions of New York where it is most needed; reduce production costs through congestion relief; reduce capacity resource costs; improve market competition and liquidity; enhance system reliability, flexibility, and efficiency; improve preparedness for and mitigation of impacts of generator retirements; enhance resiliency/storm hardening; avoid refurbishment costs of aging transmission; take better advantage of existing fuel diversity; increase diversity in supply, including additional renewable resources; promote job growth and the development of new efficient generation resources Upstate; reduce environmental and health impacts through reductions in less efficient electric generation; reduce costs of meeting renewable resource standards; increase tax receipts from increased infrastructure investment; enhance planning and operational flexibility; obtain synergies with other future transmission projects; and relieve gas transportation constraints.”<sup>16</sup>

---

<sup>16</sup> *Proceeding on Motion of the Commission to Examine Alternating Current Transmission Upgrades, et al.*, Order Finding Transmission Needs Driven by Public Policy Requirements, NYPSC Case No. 12-T- 0502 (December 17, 2015) at 13.

The NYISO determined that under its baseline case, the selected AC Transmission projects collectively would provide, over the 20-year study period, \$2.576 billion in Demand Congestion Change in 2018 dollars.<sup>17</sup> The NYISO further determined that under its Clean Energy Standard plus Retirements Scenario, the AC Transmission Projects collectively would provide, over the same 20-year study period, \$9.633 billion in Demand Congestion Change in 2018 dollars.<sup>18</sup>

### **III. TERMS OF SETTLEMENT**

#### **A. Definitions**

- 3.1 1. “Segment A Project” shall mean the various components of the Double-Circuit Marcy to New Scotland Project (T027) proposed jointly by LSPGNY and the NYPA and selected by NYISO as the more efficient or cost-effective transmission solution from the competing projects to address the public policy-based transmission need to increase Central East transfer capability by at least 350 MW, as identified by the NYPSC.<sup>19</sup>
2. “LSPGNY Segment A Project” shall mean the portion of the Segment A Project to be owned by LSPGNY.
3. “Other Project Capitalized Costs” are capitalized costs incurred other than to develop, construct, and place the Segment A Project in service, such as capitalized spare parts.
4. “Third Party Costs” are costs that result from: (i) NYISO modifications or further NYISO requirements, including interconnection costs and upgrades

---

<sup>17</sup> AC Transmission Public Policy Transmission Plan Report (dated April 8, 2019) at p. 76.

<sup>18</sup> *Id.*

<sup>19</sup> LS Power Grid New York Corporation is formerly known as North America Transmission Corporation.

resulting from the NYISO interconnection process; or (ii) payments to an incumbent Transmission Owner including real estate-related costs incurred in any lease arrangements, purchases related to the acquisition of rights-of-way or access to rights-of-way, purchases of rights to access utility facilities and payments for assets to be retired; (iii) increased costs, such as costs incurred related to the rescheduling of outages or the relocation of utility assets, due to an action or inaction by the incumbent transmission owner and that are beyond the ability of LSPGNY to control or mitigate or (iv) all sales and property taxes. Third Party Costs are recoverable in the formula rate and includable in FERC Account 107 during construction and the appropriate account after being placed in service.

5. “Project Costs” are all capital costs incurred to develop, construct, and place the Segment A Project in service excluding Third Party Costs, Project Development Costs, Other Project Capitalized Costs, and Unforeseeable Costs in excess of 5% of the Cost Cap.

6. “Project Development Costs” are costs incurred for the Segment A Project prior to the selection of one or more transmission developer(s) by the NYISO Board of Directors, are not included in the Capital Cost Bid submitted to the NYISO, are not subject to the Cost Cap defined below, and are recoverable in the formula rate.

7. “Unforeseeable Costs” shall mean costs and savings that, with the exercise of commercially reasonable due diligence, could not have been anticipated at the time the Capital Cost Bid for the Segment A Project was submitted to the NYISO on April 29, 2016. Unforeseeable Costs are costs:

- a) Associated with material modifications to the routing or scope of work of the Segment A Project that results from a NYPSC order, negotiation, or settlement agreements within the siting process, or are imposed or required by any other governmental agency. For the avoidance of doubt, foreseeable obligations as included in the New York State Article VII Certificate application, or non-material obligations imposed upon LSPGNY and NYPA as a normal part of the siting process, shall not be deemed to be Unforeseeable Costs;
- b) Associated with changes in applicable laws and regulations, or interpretations thereof by governmental agencies;
- c) As a result of orders of courts or action or inaction by governmental agencies; or
- d) related to destruction, damage, interruption, suspension, or interference of or with the Project caused by landslides, lightning, earthquakes, hurricanes, tornadoes, severe weather, fires, explosions, floods, epidemics, acts of public enemy, acts of terrorism, wars, blockades, riots, rebellions, sabotage, insurrections, environmental contamination or damage, or strike, provided that (i) the cause was not reasonably within the control of LSPGNY or NYPA, (ii) LSPGNY and NYPA made reasonable efforts to avoid or minimize the adverse impacts of any of the above-listed events, and (iii) LSPGNY and NYPA took reasonable steps to expeditiously resolve the event after it occurred.

8. “Capital Cost Bid” is defined as the bid submitted by LSPGNY and NYPA to the NYISO on April 29, 2016 for the Segment A Project.

**B. Return on Equity and Capital Structure**

**1. Return on Equity**

3.2 The Base Return on Equity (“Base ROE”) shall be 9.65%. The Base ROE shall continue in effect, unless or until modified by FERC pursuant to Sections 205 or 206 of the FPA and subject to the Moratorium contained in this Settlement.

**2. Return on Equity Incentive Adders**

3.3 For the LSPGNY Segment A Project, a 100 basis point (“bp”) adder to the Base ROE will apply to Project Costs incurred up to the Cost Cap (defined in Section III. B. 5 below). A 100 bp ROE adder shall also apply to Unforeseeable Costs (that are more than five (5) percent of the Cost Cap), Third Party Costs, and Project Development Costs. The 100 bp consists of a 50 bp incentive adder to account for benefits to customers, including congestion relief, and a 50 bp incentive adder for risks and challenges in developing the AC Transmission Projects.

**3. Capital Structure**

3.4 During construction, the Hypothetical Capital Structure shall apply. After all facilities are placed in service, LSPGNY’s actual capital structure, up to 52% equity, shall be used in the formula rate. This provision will apply to the LSPGNY’s Segment A Project, unless or until modified by the Commission pursuant to Section 205 or 206 of the FPA and subject to the Moratorium contained in this Settlement. All actual costs incurred based upon long-term debt outstanding shall be recoverable through the formula rate.

**4. Depreciation Rates**

3.5 LSPGNY agrees to apply the following Depreciation Rates:

<u>Account No.</u>	<u>Description</u>		<u>Settlement Depr. Rates (%)</u>
Intangible Plant			
301	Organization		1.85%
302	Franchises and Consents		1.85%
303	Miscellaneous Intangible Plant / Computer Software		6.67%
303.1	Contributions in Aid of Construction		Note C in Attachment 7 of Formula Rate Template
Transmission Plant			
350.2	Land Rights		1.43%
352	Structures and Improvements		1.60
353	Station Equipment		2.06
354	Towers and Fixtures		2.06
355	Poles and Fixtures		2.06
356	Overhead Conductors		2.06
357	Underground Conduit		1.40
358	Underground Conductors		1.75
359	Roads and Trails		1.00
General Plant			
391	Office Furniture & Equipment		12.50%
391.1	Computer Hardware		12.50%
392	Transportation Equipment		10.00%
393	Stores Equipment		12.50%

397	Communications Equipment		25.00%
-----	-----------------------------	--	--------

The above depreciation rates shall stay in effect for a period of at least six years after the Project commences full commercial operation (“Commercial Operation Date”).<sup>20</sup> Thereafter, the above depreciation rates shall stay in effect until changed pursuant to a Commission order emanating from an FPA Section 205 or Section 206 filing.

## 5. Cost Cap, Cost Containment and Risk Sharing

3.6 A Cost Cap shall apply to the LSPGNY Segment A Project, based on the sum of \$316,500,000 plus Allowance for Funds Used During Construction (AFUDC)(“Cost Cap”). All prudently incurred costs below the Cost Cap are fully recoverable, including with respect to the Base ROE, ROE Incentive Adders, depreciation, and debt costs. The following cost containment provisions (“Cost Containment Mechanism”) apply for the life of the Segment A Project. The Cost Containment Mechanism applies as follows:

1. **Cost Containment Mechanism For Prudently Incurred Actual Project Costs Above Cost Cap**
  - a. 20% of any prudently incurred Project Costs above the Cost Cap that are subject to the Cost Containment Mechanism will not earn any ROE, but LSPGNY will be allowed to recover the associated depreciation and debt cost.
  - b. 80% of any prudently incurred Project Costs above the Cost Cap that are subject to the Cost Containment Mechanism will not earn any ROE Incentive Adders on the equity portion of such costs, but LSPGNY

---

<sup>20</sup> The Segment A project will be placed in service at various times as certain pieces are completed. The reference to full commercial operation is to clarify that the Moratorium Period runs beginning when the entirety of Segment A is in service, the Commercial Operation Date, rather than on a segment by segment basis.

will be allowed to earn the Base ROE, associated depreciation, and debt cost.

2. Additional ROE Adder for Actual Project Costs Below the Cost Cap
  - a. For purposes of providing an incentive to reduce costs, the Settling Parties agree that LSPGNY may utilize an additional ROE adder when the actual Project Costs are below the “Adjusted Cost Cap.”
  - b. The Adjusted Cost Cap shall be comprised of the sum of \$261,000,000 plus AFUDC.
3. LSPGNY will receive an additional ROE adder as set forth in Table A below when prudently incurred Project Costs are less than the Adjusted Cost Cap:

<b>TABLE A</b>	
Project Costs Below Adjusted Cost Cap	ROE Adder
0% to <=5%	0.05%
>5% to <=10%	0.17%
>10% to <=15%	0.30%
>15% to <=20%	0.45%
>20% to <=25%	0.62%
>25%	0.71%

**6. Cost Allocation**

3.7 The cost allocation for the LSPGNY Segment A Project shall be calculated in accordance with NYISO’s Open Access Transmission Tariff Section 31.8.2 AC Transmission Public Policy Transmission Need Cost Allocation Methodology, which identifies “(i) 25 percent of the costs

will be allocated to all Load Zones in the NYCA based upon load-ratio share, and (ii) 75 percent of the costs will be allocated to those Load Zones that would economically benefit from the implementation of the AC Transmission Project based on the relative reduction in energy payments.”

The zonal cost allocations for the Segment A Project, as determined by the NYISO, are as follows:

LBMP Load Zone	Allocation %
A	1.9
B	1.5
C	2.1
D	0.4
E	1.0
F	1.8
G	1.6
H	4.6
I	14.0
J	67.3
K	3.8
TOTAL	100

The above cost allocations are applicable only to the LSPGNY Segment A Project. Cost allocations for other transmission projects developed or acquired by LSPGNY will be determined separately as provided in the NYISO’s Open Access Transmission Tariff.

**7. Recovery of Payment to National Grid**

3.8 To support development of the LSPGNY Segment A Project, LSPGNY made /will make payments to National Grid for electric plant that must be removed from right of way to complete the development of Segment A. The Parties agree that LSPGNY will reflect such costs in Account 303 with a depreciation rate of 6.67% (15 years).

## **8. Formula Rate Template**

3.9 In conjunction with this Settlement, LSPGNY has reflected certain changes to the Formula Rate Template. The form of the Formula Rate Template is attached to the Settlement as Attachment A. Attachment B consists of a marked version of the Formula Rate Template reflecting all changes from LSPGNY's initial Formula Rate Template.

## **9. Formula Rate Protocols**

3.10 The NYISO selected LSPGNY and NYPA to jointly develop and construct the Segment A Project. LSPGNY and NYPA will not jointly own any Project assets. This means that project capital and operating costs will be recovered through separate and distinct transmission formula rates filed by each of these entities.

3.11 The Parties agree that duplicative recovery of Project Costs shall not be permitted and that there shall be full transparency in annual formula rate updates regarding the division of assets and cost responsibility between each entity. To improve cost transparency between LSPGNY and NYPA regarding costs, within six months of placing the entire Segment A project in service, LSPGNY will provide an informational workpaper identifying the final assets owned by LSPGNY and NYPA respectively, the total ratebase of the assets, details including accounting entries of any transfers of assets that may have occurred between the parties that changed the ownership of any assets, the amount of any costs greater than the Cost Cap or less than the Adjusted Cost Cap, as the case may be, and details on the operations and maintenance costs incurred to date. Every year, as part of its annual True-Up Adjustment as set for in the Formula Rate Protocols, LSPGNY will clearly identify payments to NYPA for operations and maintenance in its annual True-Up Adjustment. To the extent there is any mark-up in the operations and maintenance costs incurred by NYPA and charged to LSPGNY, LSPGNY shall

justify the mark-up as an appropriate expense to be recovered under the formula rate. In conjunction with this Settlement, LSPGNY has reflected certain changes, as agreed to by the Parties, to the Formula Rate Protocols. The Formula Rate Protocols are provided in clean format as Attachment C and in redline as Attachment D to this Settlement.

3.12 LSPGNY will provide updates of Unforeseeable Costs as part of project cost updates in its annual informational filing through construction, including information demonstrating how such costs were determined to be Unforeseeable Costs. In addition, to the extent that there are Third Party Costs arising under clause (iii) of the definition of Third Party Costs, LSPGNY will provide information on such costs as part of project cost updates in its annual informational filing through construction, including information demonstrating how such costs were determined.

**C. Unless Identified Above, No Change In Commission Approved Rate Incentives**

3.13 The Commission's Abandonment Order and Formula Rate Order granted LSPGNY certain incentive rate treatment. Nothing in this Settlement modifies the incentives granted by the Commission other than as specifically addressed herein. As noted herein, the Formula Rate Order granted LSPGNY 100 basis point incentive rate adders to the Base ROE.

**D. Moratorium Period**

3.14 The provisions of this Settlement shall be subject to a five-year moratorium on any changes made or proposed under Section 205 or Section 206 of the FPA by Parties to this Settlement, except that no more than a 100 basis point ROE adder shall be sought for the life of the Segment A Project, and that the depreciation rates shall not be changed for a period of six years. Such moratorium period shall commence on the Commercial Operation Date of the Segment A Project. During the Moratorium, no Party shall submit a filing under FPA Sections

205 or 206 to seek changes in the financial matters addressed in this Settlement or in the Formula Rate Template or Formula Rate Protocols.

**E. Compliance Filings**

3.15 Within 30 days of the Effective Date of this Settlement, or the Revised Effective Date defined in Paragraph 6.2 if applicable, LSPGNY shall submit a revised Formula Rate Template and Formula Rate Protocols as shown in Attachments A and C attached hereto.

Likewise, within 30 days of the Effective Date of this Settlement, or the Revised Effective Date, if applicable, NYPSC shall submit a dismissal of its Petitions for Review in Case Nos. 20-1386 and 20-1464.

**IV. LIST OF DOCUMENTS**

4.1 In addition to this Offer of Settlement, the Settlement consists of the following documents, which together represent the complete offer of settlement by LSPGNY in this proceeding:

- a. Attachment A, a revised clean, unpopulated, Formula Rate Template consisting of Appendix A and Attachments 1-8, to be effective as of May 27, 2020;
- b. Attachment B, a revised marked, unpopulated Formula Rate Template consisting of Appendix A and Attachments 1-8, to be effective as of May 27, 2020, and showing changes from LSPGNY's previously filed Formula Rate Template;
- c. Attachment C, a revised version of the Formula Rate Protocols;
- d. Attachment D, revised marked Formula Rate Protocol reflecting the differences between LSPGNY's initially filed protocols and the Formula Rate Protocols resulting from this Settlement.

4.2 To the extent there is any inconsistency between this Settlement,

including Attachments A-D, and any other settlement document, this Settlement shall control.

## **V. RESERVATIONS**

5.1 This Settlement represents a negotiated Offer of Settlement and resolves all issues set for hearing in the above-captioned proceedings. The approval or acceptance of this Settlement by the Commission shall not constitute a determination by the Commission as to the merits of any allegations or contentions made in this proceeding by any Party. No Party shall be deemed in any respect to have made an admission that any allegation or contention made by any other Party or contained in these proceedings is true or valid or untrue or invalid.

5.2 The discussions between the participants in this proceeding that resulted in this Settlement occurred pursuant to Rule 602 of the Commission's Rules of Practice and Procedure and with the explicit understanding that such discussions were made without prejudice to the position of any party, or any participant presenting such offer, and/or party participating in any such discussions. The discussions resulting in this Offer of Settlement are not to be used in any manner, in these proceedings or otherwise, except as specifically noted in this Settlement.

5.3 This Settlement is submitted on the condition that, should the Commission fail to issue an order approving or accepting this Settlement in its entirety and without material change or condition that any Party deems to be unacceptable, this Settlement shall be deemed withdrawn.

5.4 This Settlement is intended to relate only to the specific matters referred to herein. Except as specifically provided in this Settlement or in the documents attached to and made a part of this Settlement, nothing in this Settlement shall establish or constitute the adoption of any ratemaking principle binding on the Parties in the future, and no Party shall be deemed to have

approved, accepted, agreed, or consented for purposes other than this proceeding to any specific ratemaking methodology or principle, accounting treatment, or level of expense or revenue.

5.5 This Settlement is contingent on the following: (i) no Party shall seek additional terms and conditions for this Settlement other than those contained herein; and (ii) approval of this Settlement by the Commission, without condition or modification, unless such condition(s) or modification(s) is (are) not opposed by the Parties or the Parties are deemed to have accepted the Settlement as modified and/or conditioned by the Commission's order (as provided in Section 6.2 hereof). If any of these contingencies are not fulfilled, then: (i) this Settlement shall not be binding on any Party; (ii) the Parties shall not be obliged to negotiate further, other than to discuss in good faith whether any condition(s) or modification(s) required by the Commission is (are) acceptable to them; (iii) all Parties shall be deemed to have reserved all their respective rights and remedies with respect to the issues in this proceeding; and (iv) this Settlement shall not be part of the record in this or any other proceeding, and all discussions and negotiations thereon shall be privileged.

5.6 Absent the mutual agreement of the Parties to a proposed change to this Settlement, the standard of review for unilateral changes to this Settlement proposed by a Party shall be the "public interest" standard set forth in *United Gas Pipe Line Co. v. Mobile Gas Serv. Corp.*, 350 U.S. 332 (1956) ("*Mobile*"); *Fed. Power Comm'n v. Sierra Pac. Power Co.*, 350 U.S. 348 (1956) ("*Sierra*"); *Morgan Stanley Capital Grp. Inc. v. Pub. Util. Dist. No. 1 of Snohomish Cnty.*, 554 U.S. 527 (2008); and *NRG Power Mktg., LLC v. Maine Pub. Utils. Comm'n*, 558 U.S. 165 (2010), and the standard of review for any changes proposed by a non-Party, or the Commission acting *sua sponte*, shall be the just and reasonable standard of review, *Devon Power LLC*, 134 FERC ¶ 61,208 at P 10 (2011), reh'g denied, 137 FERC ¶ 61,073 (2011), *review*

*dismissed in part and denied in part sub nom. New England Power Generators Ass'n v. FERC*, 707 F.3d 364 (D.C. Cir. 2012). During the term of the Moratorium reflected in Paragraph 3.14 herein, changes to the rates specified in this Settlement proposed by a Party will be reviewed, like changes to the Settlement terms themselves, under the “public interest” standard set forth in *Mobile* and *Sierra*. Changes to the rates specified in this Settlement by a non-Party, or the Commission acting *sua sponte*, will be reviewed under the ordinary just and reasonable standard of review regardless of who files for that change.

5.7 Except as otherwise expressly stated herein, nothing in this Settlement or the attached documents shall impair, diminish, or restrain the rights of LSPGNY, any other Party, or the Commission, under Sections 205 and 206 of the FPA, as the case may be. Further, notwithstanding the resolution of the various issues referred to herein, it is the intent of the Parties that no element of this Settlement or the attached documents constitutes a “settled practice” as that term was interpreted in *Pub. Serv. Comm'n of New York v. FERC*, 642 F.2d 1335 (D.C. Cir. 1980).

5.8 Except as provided in Paragraphs 3.1-3.12 and 3.15 of this Settlement and, to the extent not reflected in this Settlement and/or the LSPGNY Developer Agreement, nothing contained herein shall be construed as affecting in any way LSPGNY’s right to unilaterally submit revised tariff records or to make an application to revise prospectively its Formula Rate, or to make any other application or request, including, for example, applications submitted pursuant to FPA Section 205 or 219 or Commission Order No. 679, or to oppose any filing made or action taken pursuant to FPA Section 206. Except as provided by Section 3.14 regarding the Moratorium Period, nothing contained herein shall be construed as affecting in any way the right of the Commission, or any other Party to unilaterally make an application of any type to the

Commission to modify prospectively LSPGNY's Formula Rate under FPA Section 206, or to oppose any filing made by LSPGNY under FPA Section 205 or 219.

## **VI. EFFECTIVE DATE**

6.1 This Settlement shall become effective upon a final order of the Commission approving this Settlement without condition or modification, or, if approved with condition or modification, that such condition(s) or modification(s) as the Commission may require is (are) accepted, or not opposed, by the Parties ("Effective Date"). A Commission order shall be deemed a "final order" as of the date that rehearing is denied by the Commission, or if rehearing is not sought, the day following the date by which any request for rehearing would have been required to be filed with the Commission pursuant to 18 C.F.R. § 385.713(b).

6.2 In the event of a Commission order requiring any modification or condition to this Settlement, any Party may provide written notice to the other Parties within ten (10) business days of any such order that such modification or condition is unacceptable, in which case this Settlement shall be of no force and effect, unless the Parties agree in writing, within an additional fifteen (15) business days of any such notice, to modifications acceptable to all Parties that are consistent with the modification and/or condition imposed by Commission order and any such modifications are approved in a final Commission order no longer subject to rehearing (the "Revised Effective Date"). In the absence of written notice that Commission mandated modifications are unacceptable, all Parties shall be deemed to have accepted this Settlement as modified and/or conditioned by the Commission.

## **VII. MISCELLANEOUS**

7.1 The various provisions of this Settlement are not severable, and this Settlement shall be deemed an integrated package in which none of the terms of this Settlement is agreed to without each of the others.

7.2 This Settlement constitutes the full and complete offer of settlement with respect to the subject matter hereof and supersedes all prior negotiations, understandings, and agreements, whether written or oral, between the Parties with respect to the subject matter thereof. Other than as reflected in this Settlement, there are no warranties or representations among the Parties in connection with the subject matter hereof.

7.3 The titles and headings of the various Articles of this Settlement are for reference and convenience purposes only, and are not to be construed or taken into account in interpreting this Settlement and do not qualify, modify, or explain the effects of this Settlement Agreement.

7.4 This Settlement is binding upon and for the benefit of the Parties and their successors and assigns.

## **VIII. OFFER OF SETTLEMENT**

8.1 This Settlement is subject to the condition that the Commission's order approving or accepting this Settlement, including the attached documents: (i) shall constitute the requisite approval of any waivers of any regulations as may be deemed necessary to permit the implementation of the provisions of this Settlement by its terms; (ii) finds specifically that this Settlement is in the public interest and that the rates submitted with this Settlement are accepted for filing and are made effective as provided in this Settlement; and (iii) accepts this Settlement and its components, without condition or modification unacceptable to any Party.

8.2 LSPGNY submits that the terms and conditions of this negotiated offer of settlement, which is supported by the Settling Parties and to Settling Parties' knowledge not opposed, are fair and reasonable and in the public interest and that approval or acceptance of this Settlement would be in the public interest. Accordingly, LSPGNY respectfully requests that the Commission promptly enter an order in this proceeding approving or accepting for filing this Settlement without condition or modification.

IN WITNESS WHEREOF, the Settling Parties, each acting on its own behalf or through an authorized representative, have caused this Settlement to be executed.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

**SETTLEMENT SIGNATURE PAGE**

/s/ Michael R. Engleman  
Engleman Fallon, PLLC  
1717 K Street, NW  
Suite 900  
Washington, DC 20006  
202-464-1332  
[mengleman@efenergyllaw.com](mailto:mengleman@efenergyllaw.com)

**Counsel for LS Power Grid New York Corporation I**

/s/ Kevin M. Lang  
COUCH WHITE, LLP  
540 Broadway  
P.O. Box 22222  
Albany, New York 12201-2222  
(518) 320-3421  
[klang@couchwhite.com](mailto:klang@couchwhite.com)

**Counsel for the City of New York**

/s/ Gary D. Levenson  
Principal Attorney  
New York Power Authority  
123 Main Street  
White Plains, NY 10601  
914-390-8030 (o) | 917-710-8161 (c) |  
[gary.levenson@nypa.gov](mailto:gary.levenson@nypa.gov)  
[www.nypa.gov](http://www.nypa.gov)

**Counsel for New York Power Authority**

/s/ James W. Brew  
Stone Mattheis Xenopoulos & Brew, PC  
1025 Thomas Jefferson Street, N.W.  
Eighth Floor, West Tower  
Washington, DC 20007  
Telephone: (202) 342-0800  
Email: [jbrew@smxblaw.com](mailto:jbrew@smxblaw.com)

**Counsel for Municipal Electric Utilities Association**

/s/ Michael B. Mager  
COUCH WHITE, LLP  
540 Broadway, P.O. Box 22222  
Albany, New York 12201-2222  
(518) 320-3409  
[mmager@couchwhite.com](mailto:mmager@couchwhite.com)

**Counsel for Multiple Intervenors**

/s/ Robert Rosenthal  
General Counsel  
Public Service Commission  
of the State of New York  
By: David G. Drexler  
Managing Attorney  
3 Empire State Plaza  
Albany, NY 12223-1305  
(518) 473-8178  
[David.Drexler@dps.ny.gov](mailto:David.Drexler@dps.ny.gov)

**Counsel for Public Service Commission of the State of New York**

# Attachment A

### **6.10.7.2.1 LSPG-NY Formula Rate Template**

Rate Formula Template  
Utilizing FERC Form 1 Data

Annual Transmission Revenue Requirement  
For the 12 months ended 12/31/ \_\_

LS Power Grid New York Corporation I

**Type of revenue requirement: enter "P" if projected or "A" if actual:** -  
**Enter the year to which the revenue requirement relates:** -

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
Attachment 8	Annual Excess or Deficient Accumulated Deferred Income Taxes Worksheet

Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data

Annual Transmission Revenue Requirement  
For the 12 months ended 12/31/20\_\_

LS Power Grid New York Corporation I

Line No.		(1)	(2)	(3)
				Allocated Amount
1	GROSS REVENUE REQUIREMENT (page 3, line 79)		12 months	\$ -
REVENUE CREDITS		<u>Total</u>	<u>Allocator</u>	
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)			<u>\$ -</u>

Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/20\_\_

Line No.	(1)	(2)	LS Power Grid New York Corporation I (3)	Allocator	(4)	(5) Transmission (Col 3 times Col 4)
		Source	Company Total			
	<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)					
11	Production	(Attach 2, line 151)	-	NA	-	-
12	Transmission	(Attach 2, line 91)	-	TP	1.0000	-
13	Distribution	(Attach 2, line 106)	-	NA	-	-
14	General & Intangible	(Attach 2, lines 121 + 136)	-	W/S	1.0000	-
15	TOTAL ACCUM. DEPRECIATION (sum lines 12-15)		-			-
	NET ACQUISITION ADJUSTMENT (Note B)					
17	Transmission	(Attach 2, line 166)	-	DA	1.0000	-
18	TOTAL NET ACQUISITION ADJUSTMENT		-			-
	NET PLANT IN SERVICE					
20	Production	(line 6- line 12)	-			-
21	Transmission	(line 7- line 13)	-			-
22	Distribution	(line 8- line 14)	-			-
23	General & Intangible	(line 9- line 15)	-			-
24	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					
26	ADIT (Attach 6a proj., line 5, Column D or Attach 6c True-up - line 5, column D) (Note C)		-	TP	1.0000	-
27	Account No. 255 (enter negative) (Note D)	(Attach 3, line 169) (Note D)	-	NP	-	-
28	Excess / Deficient Accumulated Deferred Income Taxes	(Attach 8, line 29) (Note F)	-	TP	1.0000	-
28a	Unamortized Lumpsum Lease Payment	Note G	-	DA	1.0000	-
29	Unfunded Reserves (enter negative)	Note H	-	DA	1.0000	-
30	Unamortized Regulatory Assets	(Attach 3, line 204, col. b) (Note I)	-	DA	1.0000	-
31	Unamortized Abandoned Plant	(Attach 3, line 204, col. c) (Note J)	-	DA	1.0000	-
32	TOTAL ADJUSTMENTS (sum lines 27-32)		-			-
33	LAND HELD FOR FUTURE USE	Company records	-	TP	1.0000	-
	WORKING CAPITAL (Note K)					
35	CWC	(1/8 * (Line 48 less Line 47a)	-			-
36	Materials & Supplies	(Attach 3, line 221, column c)	-	TP	1.0000	-
37	Prepayments (Account 165 - Note K)	(Attach 3, line 189, column b)	-	GP	-	-
38	TOTAL WORKING CAPITAL (sum lines 36-38)		-			-
39	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 12/31/20\_\_

		LS Power Grid New York Corporation I				
(1)	(2)	(3)	(4)	(5)		
	Source	Company Total	Allocator	Transmission	(Col 3 times Col 4)	
41	O&M					
42	Transmission	321.112.b	-	TP=	1.0000	-
43	Less Account 565	321.96.b	-	TP=	1.0000	-
44	A&G	323.197.b	-	W/S	1.0000	-
45	Less EPRI & Reg. Comm. Exp. & Other Ad.	Note L, company records	-	DA	1.0000	-
46	Plus Transmission Related Reg. Comm. Exp.	Note L, company records	-	TP=	1.0000	-
47	Less Account 566	321.97.b	-	DA	1.0000	-
47a	Amortization of Regulatory Assets	company records	-	DA	1.0000	-
47b	Account 566 excluding amort. of Reg Assets	(line 47 less line 47a)	-	DA	1.0000	-
48	TOTAL O&M (sum lines 42, 44, 46, 47a, 47b less lines 43 & 45, 47) (Note L)	-	-			-
49	DEPRECIATION EXPENSE					
50	Transmission	336.7.f (Note A)	-	TP	1.0000	-
51	General and Intangible	336.1.f + 336.10.f (Note A)	-	W/S	1.0000	-
52	Amortization of Abandoned Plant	(Attach 3, line 205, column c) (Note J)	-	DA	1.0000	-
53	Amortization of Acquisition Adjustment	(Attach 2, line 166)	-	DA	1.0000	-
54	TOTAL DEPRECIATION (Sum lines 50-52)	-	-			-
55	TAXES OTHER THAN INCOME TAXES (Note M)					
56	LABOR RELATED					
57	Payroll	263.i	-	W/S	1.0000	-
58	Highway and vehicle	263.i	-	W/S	1.0000	-
59	PLANT RELATED					
60	Property	263.i	-	GP	-	-
61	Gross Receipts	263.i	-	GP	-	-
62	Other	263.i	-	GP	-	-
63	TOTAL OTHER TAXES (sum lines 57-62)	-	-			-
64	INCOME TAXES					
65	$T = 1 - \{[(1 - \text{SIT}) * (1 - \text{FIT})] / (1 - \text{SIT} * \text{FIT} * p)\}$	(Note E)	0.00%			
66	$\text{CIT} = (T/1-T) * (1 - (\text{WCLTD}/R))$		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 12/31/20\_\_

**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	Transmission plant included in ISO rates (line 81 less lines 82 & 83)	-

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	-	-	-	W&S Allocator	
91	Other	354.24,25,26.b	-	-	-	(\$ / Allocation)	
92	Total (sum lines 88-91) [TP equals 1 if there are no wages & salaries]	-	-	-	-	= 1.0000	= WS

93 RETURN (R) (Notes O and P)

94		\$	%	Cost	Weighted
96	Long Term Debt (Attach 3, line 229) (Note O)	-	0.00%	0.00%	0.00% =WCLTD
97	Preferred Stock (Attach 3, line 230) (Note O)	-	0.00%	0.00%	0.00%
98	Common Stock (Attach 3, line 231) (Note O, Note P)	-	0.00%	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 (Lines 69 & 71)	-	-	-
104	Return and Taxes	-	-	-
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 12/31/20\_\_

**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) =	-
- F 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 In accordance with the Settlement Agreement in Docket No. ER 20-716 approved [Month DD, YYYY], the Base Return on Equity shall be 9.65% 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 all facilities of the Marcy to New Scotland 345 kV Upgrade Project are placed in-service, the lesser of a 52% 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

<u>Line No.</u>		<u>TOTAL</u>	<u>NY-ISO</u>	<u>Other 1</u>	<u>Other 2</u>
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)

		Source (Less ARO, see Note 1)	Year	Balance
1	<u>Calculation of Transmission Plant In Service</u>			
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	<u>Calculation of Distribution Plant In Service</u>			
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	<u>Calculation of Intangible Plant In Service</u>	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	<u>Intangible Plant In Service</u>	(sum lines 32-44) /13		-
46	<u>Calculation of General Plant In Service</u>	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	<u>General Plant In Service</u>	(sum lines 47-59) /13		-
61	<u>Calculation of Production Plant In Service</u>	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	<u>Production Plant In Service</u>	(sum lines 62-74) /13		-
76	<u>Total Plant In Service</u>	(sum lines 15, 30, 45, 60, & 75)		-

Accumulated Depreciation Worksheet

Appendix A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				
		Source (Less ARO, see Note 1)	Year	Balance
77	<u>Calculation of Transmission Accumulated Depreciation</u>			
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	<u>Calculation of Distribution Accumulated Depreciation</u>			
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

<u>Calculation of Transmission Acquisition Adj.</u>		Source	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)
	List of all Reserves	Amount	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
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 (a)			Unamortized Regulatory Asset (b) Note A	Unamortized Abandoned Plant (c) Note B
191	December	2021	-	-
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	Weighted 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	Transmission Materials & Supplies p227.8	Total
Note: for the projection, the prior year's actual balances will be used					
Form No.1 page			(a)	(b)	c (col a+col b)
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.

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

**COST OF CAPITAL**

RETURN ON RATE BASE ( R )																																																																																																					
\$																																																																																																					
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	-	0.00%	0.00%																																																																																																
230	Preferred Stock	Line 246 col (b), Note B and Appendix A Note P	-	0.00%	0.00%																																																																																																
231	Common Stock	Line 228 col (b), Note C and Appendix A Notes O and P	-	0.00%	0.00%																																																																																																
232	Total	(Sum of Lines 229 through 231)	-		0.00% =R																																																																																																
\$																																																																																																					
%																																																																																																					
Cost																																																																																																					
Weighted																																																																																																					
=WCLTD																																																																																																					
=R																																																																																																					
<table border="1"> <thead> <tr> <th></th> <th>(a)</th> <th>(b)</th> <th>(c)</th> <th>(d)</th> <th>(e)</th> </tr> <tr> <th>Monthly Balances for Capital Structure</th> <th>Long Term Debt (Note A)</th> <th>Preferred Stock (112.3.c)</th> <th>Proprietary Capital (112.16.c)</th> <th>Undistributed Sub Earnings 216.1 (112.12.c)</th> <th>Accum Other Comp. Income 219 (112.15.c)</th> </tr> </thead> <tbody> <tr><td>233 December (Prior Year)</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td></tr> <tr><td>234 January</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td></tr> <tr><td>235 February</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td></tr> <tr><td>236 March</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td></tr> <tr><td>237 April</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td></tr> <tr><td>238 May</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td></tr> <tr><td>239 June</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td></tr> <tr><td>240 July</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td></tr> <tr><td>241 August</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td></tr> <tr><td>242 September</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td></tr> <tr><td>243 October</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td></tr> <tr><td>244 November</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td></tr> <tr><td>245 December</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td></tr> <tr><td>246 13-Month Average</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td><td align="right">-</td></tr> </tbody> </table>							(a)	(b)	(c)	(d)	(e)	Monthly Balances for Capital Structure	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	-	-	-	-	-
	(a)	(b)	(c)	(d)	(e)																																																																																																
Monthly Balances for Capital Structure	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	-	-	-	-	-																																																																																																
<b>Notes</b>																																																																																																					
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																																																																																																				

LS Power Grid New York Corporation I  
 Project Worksheet  
 Attachment 4

For the 12 months ended 12/31/20

Utilizing Appendix A Data

The calculations below calculate that additional revenue requirement for 100 basis points of ROE and 1 percent change in the equity component of the capital structure. These amounts are then used to value the actual increase in revenue in the table below (starting on line 66) associated with the actual incentive authorized by the Commission. The use of the 100 basis point calculations do not presume any particular incentive (i.e., 100 basis points) being granted by the Commission.

**Base ROE and Income Taxes Carrying Charge**

		Allocator		Result
1	Rate Base			-
2	BASE RETURN CALCULATION:			
		\$	%	Cost
3	Long Term Debt (Appendix A, Line 96)	-	0.00%	0.00%
4	Preferred Stock (Appendix A, Line 97)	-	-	0.00%
5	Common Stock (Appendix A, Line 98)	-	0.00%	0.00%
6	Total (sum lines 3-5)	-		0.00%
7	Return multiplied by Rate Base (line 1 * line 6)			-
8	INCOME TAXES			
9	$T=1 - \{(1 - SIT) * (1 - FIT)\} / (1 - SIT * FIT * p)$ = (Appendix A, line 65)	-		-
10	$CIT=(T/(1-T)) * (1-(WCLTD/R))$ =	-		-
11	where WCLTD=(line 3) and R=(line 6)			
12	and FIT, SIT & p are as given in footnote E on Appendix A.			
13	$1 / (1 - T) = (T \text{ from line 9})$	-		-
14	Amortized Investment Tax Credit (266.8f) (enter negative)	-		-
15	Income Tax Calculation = line 10 * line 7 * (1-n)	-		-
16	ITC adjustment (line 13 * line 14) * (1-n)	-	NP	-
17	Total Income Taxes (line 15 plus line 16)	-		-
18	Base Return and Income Taxes		Sum lines 7 and 17	-
19	Rate Base		Line 1	-
20	Return and Income Taxes at Base ROE		Line 18 / line 19	-

**100 Basis Point Incentive ROE and Income Taxes Carrying Charge**

Attachment 4

21	Rate Base					Result
22	100 Basis Point Incentive Return impact on					
		\$	%	Cost	Weighted	
23	Long Term Debt (line 3)	-	0.00%	0.00%	0.00%	
24	Preferred Stock (line 4)	-	-	-	0.00%	
25	Common Stock (line 5 plus 100 basis points)	-	0.00%	0.00%	0.00%	
26	Total (sum lines 24-26)	-			0.00%	
27	100 Basis Point Incentive Return multiplied by Rate Base (line 21 * line 26)					-
28	INCOME TAXES					
29	$T=1 - \{[(1 - \text{SIT}) * (1 - \text{FIT})] / (1 - \text{SIT} * \text{FIT} * p)\} =$ (Appendix A, line 61)	-				
30	$\text{CIT}=(T/1-T) * (1-(\text{WCLTD}/R)) =$	-				
31	where WCLTD=(line 23) and R= (line 26)					
32	and FIT, SIT & p are as given in footnote E on Appendix A.					
33	$1 / (1 - T) = (T \text{ from line } 29)$	-				
34	Amortized Investment Tax Credit (line 14)	-				
35	Income Tax Calculation = line 30 * line 27 * (1-n)	-				-
36	ITC adjustment (line 33 * line 34) * (1-n)	-	NP	-		-
37	Total Income Taxes (line 35 plus line 36)	-				-
38	Return and Income Taxes with 100 basis point increase in ROE		Sum lines 27 and 37			-
39	Rate Base		Line 21			-
40	Return and Income Taxes with 100 basis point increase in ROE		Line 38 / line 39			-
41	Difference in Return and Income Taxes between Base ROE and 100 Basis Point Incentive		Line 41- Line 20			-

**Effect of 1% Increase in the Equity Ratio**

42	Rate Base					Results
43	100 Basis Point Incentive Return					
		\$	%	Cost	Weighted	
44	Long Term Debt (line 3 minus 1% in equity ratio)	-	0.00%	0.00%	0.00%	
45	Preferred Stock (line 4)	-	-	-	0.00%	
46	Common Stock (line 5 plus 1% in equity ratio))	-	0.00%	0.00%	0.00%	
47	Total (sum lines 44-46)	-			0.00%	
48	Line 47 x line 42					-
49	INCOME TAXES					
50	$T=1 - \{[(1 - \text{SIT}) * (1 - \text{FIT})] / (1 - \text{SIT} * \text{FIT} * p)\} =$ (Appendix A, line 61)	-				
51	$\text{CIT}=(T/1-T) * (1-(\text{WCLTD}/R)) =$	-				
52	where WCLTD=(line 44) and R= (line 47)					
53	and FIT, SIT & p are as given in footnote E on Appendix A.					
54	$1 / (1 - T) = (T \text{ from line } 50)$	-				
55	Amortized Investment Tax Credit (line 14)	-				
56	Income Tax Calculation = line 51 * line 48 * (1-n)	-				-
57	ITC adjustment (line 54 * line 55) * (1-n)	-	NP	-		-
58	Total Income Taxes (line 56 plus line 57)	-				-
59	Return and Income Taxes with 1% Increase in the Equity Ratio		Sum lines 48 and 58			-
60	Rate Base		Line 42			-
61	Return and Income Taxes with 1% Increase in the Equity Ratio		Line 59 / line 60			-
62	Difference between Base ROE and 1% Increase in the Equity Ratio		Line 61 - Line 20			-

63 Revenue Requirement per project including incentives

64 Expense Allocator [Appendix A, lines 48 and 63, less Appendix A, line 47a (project specific) / Gross Transmission Plant In Service Column (l). If Gross Transmission Plant is zero, then the Expense Allocator should be zero] (Note B)

65 Base Carrying Charge Appendix A, Line 106

The table below breaks out the total revenue requirement on Appendix A separately for each investment. The total of Column (q) must equal the amount shown on Appendix A, Line 3.

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	
Line	Description	Net Investment (Note A)	ROE Authorized by FERC (Note D)	ROE Base (From Appendix A, line 94)	Incentive % Authorized by FERC	Line 41	Col (e) / .01 x Col (f)	Incentive \$ (Col (b) x Col (g))	Equity % in Capital Structure (% above base %, -% below base %)(1 equals 1%)	Impact of Equity Component of Capital Structure(Col (h) x (i) x Line 62	Base Return and Tax (Line 65 x Col (b)	Gross Plant In Service (Note B)	Expense Allocator (line 64)	O&M, Taxes Other than Income (Col. (l) x Col. (n)	Depreciation/Amortization Expense	Competitive Bid Concession (Note C)	Total Revenues (Col. (h) + (j) + (k) +(n) +(o) -(p))
66				0.00%		-	-	-									-
66a				0.00%		-	-	-									-
66b				0.00%		-	-	-									-
66c				0.00%		-	-	-									-
...				0.00%		-	-	-									-
...				0.00%		-	-	-									-
...				0.00%		-	-	-									-
...				0.00%		-	-	-									-
...				0.00%		-	-	-									-
...				0.00%		-	-	-									-
...				0.00%		-	-	-									-
...				0.00%		-	-	-									-
...				0.00%		-	-	-									-
...				0.00%		-	-	-									-
...				0.00%		-	-	-									-
...				0.00%		-	-	-									-
...				0.00%		-	-	-									-
...				0.00%		-	-	-									-
...				0.00%		-	-	-									-
67 Total		\$0		0.00%		-	-	-				\$0					-
68 Check Sum Appendix A Line 3																	-
69 Difference (must be equal to zero)																	-

- Note:
- A Column (b), Net Investment includes the Net Plant In Service, unamortized regulatory assets, and unamortized abandoned plant.
  - B Column (l), Gross Plant in Service excludes Regulatory Assets, CWIP, and Abandoned Plant.
  - C Competitive Bid Concession, if any, will reflect outcome of competitive developer selection process and will be computed on a workpaper that will be provided as supporting documentation for each Annual Update and will be zero or a reduction to the revenue requirement. The amount in Column (p) above equals the amount by which the annual revenue requirement is reduced from the ceiling rate.
  - D Column (e), for each project with an incentive in column (e), note the docket No. in which FERC granted the incentive>

Project	Docket No.	Note

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

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

- From Attachment 4, Column (q) for the period being true-up
- 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
- 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
- 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)
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 12/31/20\_\_**

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 =	-
7	Test period days after rates become effective	-

**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.

10	<b>Account 190 - Accumulated Deferred Income Taxes</b>		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.

27	<b>Account 190 - Accumulated Deferred Income Taxes</b>							
	(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)
28	<hr/>							
29	December 31,	-	NA	-	NA	-	NA	-
30	January	-	-	-	-	-	-	-
31	February	-	-	-	-	-	-	-
32	March	-	-	-	-	-	-	-
33	April	-	-	-	-	-	-	-
34	May	-	-	-	-	-	-	-
35	June	-	-	-	-	-	-	-
36	July	-	-	-	-	-	-	-
37	August	-	-	-	-	-	-	-
38	September	-	-	-	-	-	-	-
39	October	-	-	-	-	-	-	-
40	November	-	-	-	-	-	-	-
41	December	-	-	-	-	-	-	-
42	Total		-					

43	<b>Account 281 - Accumulated Deferred Income Taxes</b>		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	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		-
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	-

Enter on line 2

**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	<b>Account 281 - Accumulated Deferred Income Taxes</b>							
	(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)
61	<hr/>							
62	December 31,	-	NA	-	NA	-	NA	-
63	January	-	-	-	-	-	-	-
64	February	-	-	-	-	-	-	-
65	March	-	-	-	-	-	-	-
66	April	-	-	-	-	-	-	-
67	May	-	-	-	-	-	-	-
68	June	-	-	-	-	-	-	-
69	July	-	-	-	-	-	-	-
70	August	-	-	-	-	-	-	-
71	September	-	-	-	-	-	-	-
72	October	-	-	-	-	-	-	-
73	November	-	-	-	-	-	-	-
74	December	-	-	-	-	-	-	-
75	Total		-					

76	<b>Account 282 - Accumulated Deferred Income Taxes</b>		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	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		-
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

**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	<b>Account 282 - Accumulated Deferred Income Taxes</b>							
	(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	<hr/>							
95	December 31,	-	NA	-	NA	-	NA	-
96	January	-	-	-	-	-	-	-
97	February	-	-	-	-	-	-	-
98	March	-	-	-	-	-	-	-
99	April	-	-	-	-	-	-	-
100	May	-	-	-	-	-	-	-
101	June	-	-	-	-	-	-	-
102	July	-	-	-	-	-	-	-
103	August	-	-	-	-	-	-	-
104	September	-	-	-	-	-	-	-
105	October	-	-	-	-	-	-	-
106	November	-	-	-	-	-	-	-
107	December	-	-	-	-	-	-	-
108	Total		-					

109	<b>Account 283 - Accumulated Deferred Income Taxes</b>		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	-

Enter on line 4

**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	<b>Account 283 - Accumulated Deferred Income Taxes</b>							
	(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	<hr/>							
128	December 31,	-	NA	-	NA	-	NA	-
129	January	-	-	-	-	-	-	-
130	February	-	-	-	-	-	-	-
131	March	-	-	-	-	-	-	-
132	April	-	-	-	-	-	-	-
133	May	-	-	-	-	-	-	-
134	June	-	-	-	-	-	-	-
135	July	-	-	-	-	-	-	-
136	August	-	-	-	-	-	-	-
137	September	-	-	-	-	-	-	-
138	October	-	-	-	-	-	-	-
139	November	-	-	-	-	-	-	-
140	December	-	-	-	-	-	-	-
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 12/31/20\_\_**

	Projected amount - beginning of year	Projected amount during the year	Projected amount - end of year	Explanation
Composite income tax rate	0%	0%	0%	
<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	-	-	-	

**Account 282 (+ = debit for DTA/DTL amounts)****Included in rate base and subject to proration**

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	-	-	-	



76	<b>Account 282 - Accumulated Deferred Income Taxes</b>			Amount debit / <credit>
77	Beginning Balance	FF1 274.2.b	-	-
78	Less: Portion not related to transmitter		-	-
79	Subtotal: Portion reflected in rate base		-	-
80	Less: Portion subject to proration	Line 77 - line 78 - line 79	-	-
81	Portion subject to averaging	Line 95 Col. D	-	-
82		Line 80 - line 81	-	-
83	Ending Balance	FF1 275.2.k	-	-
84	Less: Portion not related to transmitter		-	-
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

**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	<b>Account 282 - Accumulated Deferred Income Taxes</b>										(i)	(j)	(k)	(l)	(m)	(n)
	(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)	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. l) 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	December 31,	-	NA	-	NA	-	NA	-	NA	NA	NA	NA	NA	NA	-	
95	January	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
96	February	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
97	March	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
98	April	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
99	May	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
100	June	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
101	July	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
102	August	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
103	September	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
104	October	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
105	November	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
106	December	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
107	December	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
108	Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

109	<b>Account 283 - Accumulated Deferred Income Taxes</b>			Amount debit / <credit>
110	Beginning Balance	FF1 276.9.b	-	-
111	Less: Portion not related to transmitter		-	-
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 transmitter		-	-
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

**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	<b>Account 283 - Accumulated Deferred Income Taxes</b>										(i)	(j)	(k)	(l)	(m)	(n)
	(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)	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. l) 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	December 31,	-	NA	-	NA	-	NA	-	NA	NA	NA	NA	NA	NA	-	
128	January	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
129	February	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
130	March	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
131	April	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
132	May	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
133	June	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
134	July	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
135	August	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
136	September	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
137	October	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
138	November	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
139	December	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
140	December	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
141	Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

**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).

**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.

**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.

**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. l). 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.

**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 12/31/20\_\_**

	Actual amount - beginning of year	Actual amount during the year	Actual amount - end of year	Explanation
Composite income tax rate	-	-	-	
	0%	0%	0%	
<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	-	-	-	

**Account 282 (+ = debit for DTA/DTL amounts)****Included in rate base and subject to proration**

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 / &lt;DTL&gt; - 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 / &lt;DTL&gt; - account 283

**LS Power Grid New York Corporation I**  
**Attachment 7 - Depreciation and Amortization Rates**  
**For the 12 months ended 12/31/20\_\_**

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	1.60% *
3	353	Station Equipment	2.06% *
4	354	Towers and Fixtures	2.06% *
5	355	Poles and Fixtures	2.06% *
6	356	Overhead Conductor and Devices	2.06% *
7	357	Underground Conduit	1.40% **
8	358	Underground Conductor and Devices	1.75% **
9	359	Roads and Trails	1.00% *
<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	Miscellaneous Intangible Plant / 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 shall stay in effect until changed pursuant to a Commission order emanating from an FPA Section 205 or Section 206 filing.
- 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% ÷ depreciation rate = 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 Corporation I**  
**Worksheet - Annual Excess or Deficient Accumulated Deferred Income Taxes Worksheet**  
**Annual Transmission Revenue Requirement**  
**For the 12 months ended 12/31/20**

Line No.

**Purpose of worksheet**

- The purposes of this portion of the worksheet are to:
- describe legislation resulting in remeasurement 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 unrecovered 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
  - describe the method of amortization each excess or deficient ADIT amount.

**Description of changes in tax law**

**Note 1a - The composite tax rates used for the remeasurement of ADIT balances are:**

	Historical	New
Federal income tax rate	0%	0%
State income tax rate	0%	0%
Composite federal/state income tax rate	0%	0%
Tax gross-up factor	0.00000	0.00000

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

**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					
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 <Credit> to Account 182.3 Affecting Rate Base	Debit or <Credit> to Account 254	Portion of <Credit> to Account 254 Affecting Rate Base	ADIT on Regulatory Asset or Liability Account 190 or 283	ADIT on Regulatory Asset or Liability Affecting Rate Base Account 190 or 283	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
190															
281 (enter negative)															
282 (enter negative)															
283 (enter negative)															
Total															
Summary of entry related to ADIT affecting rate base															
Effect on rate base prior to re-measurement															
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).

**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>)		
Total Excess / Deficient ADIT		

**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 rates	Amortization period and method		
Item 1									
Item ...									
Total for account 182.3									
Item 1									
Item ...									
Total for account 254									
Total excess or deficient ADIT									

**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		
Item 1									
Item ...									
Total for account 182.3									
Item 1									
Item ...									
Total for account 254									
Total amortization and offsetting entry									

**Note**

**Note**

**Note**

**Note**

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

64	(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
65	Item 1			-	-	-	-	-		
66				-	-	-	-	-		
67				-	-	-	-	-		
68				-	-	-	-	-		
69	Item ...			-	-	-	-	-		
70	Total for account 182.3			-	-	-	-	-		
71	Item 1			-	-	-	-	-		
72				-	-	-	-	-		
73				-	-	-	-	-		
74	Item ...			-	-	-	-	-		
75	Total for account 254			-	-	-	-	-		
76	Total excess or deficient ADIT			-	-	-	-	-		

76 Income Tax Allowance Mechanism - Actual

77	(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
78	Item 1			-	-	-	-	-	-	-
79				-	-	-	-	-	-	-
80				-	-	-	-	-	-	-
81				-	-	-	-	-	-	-
82	Item ...			-	-	-	-	-	-	-
83	Total for account 182.3			-	-	-	-	-	-	-
84	Item 1			-	-	-	-	-	-	-
85				-	-	-	-	-	-	-
86				-	-	-	-	-	-	-
87	Item ...			-	-	-	-	-	-	-
88	Total for account 254			-	-	-	-	-	-	-
89	Total amortization and offsetting entries			-	-	-	-	-	-	-
90				-	-	-	-	-	-	-

- 91 Note
- 92 Note
- 93 Note
- 94 Note

## Attachment B

**6.10.76.2.1 LSPG-NY Formula Rate Template**

Rate Formula Template  
Utilizing FERC Form 1 Data

~~Projected~~ Annual Transmission Revenue Requirement  
For the 12 months ended 12/31/24

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: 2020\_-

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
<u>Attachment 8</u>	<u>Annual Excess or Deficient Accumulated Deferred Income Taxes Worksheet</u>

Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data

Projected Annual Transmission Revenue Requirement  
For the 12 months ended 12/31/2024

LS Power Grid New York Corporation I

Line No.		(1)	(2)	(3)
				Allocated Amount
1	GROSS REVENUE REQUIREMENT (page 3, line 79)		12 months	\$ -
<b>REVENUE CREDITS</b>				
2	Total Revenue Credits Attachment 1, line 6	<u>Total</u> -	<u>Allocator</u> 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)			<u>\$ -</u>

Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2024

Line No.	(1)	(2)	LS Power Grid New York Corporation I (3)	Allocator	(4)	(5) Transmission (Col 3 times Col 4)
		Source	Company Total			
	<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)					
11	Production	(Attach 2, line 151)	-	NA	-	-
12	Transmission	(Attach 2, line 91)	-	TP	1.0000	-
13	Distribution	(Attach 2, line 106)	-	NA	-	-
14	General & Intangible	(Attach 2, lines 121 + 136)	-	W/S	1.0000	-
15	TOTAL ACCUM. DEPRECIATION (sum lines 12-15)		-			-
	NET ACQUISITION ADJUSTMENT (Note B)					
17	Transmission	(Attach 2, line 166)	-	DA	1.0000	-
18	TOTAL NET ACQUISITION ADJUSTMENT		-			-
	NET PLANT IN SERVICE					
20	Production	(line 6- line 12)	-			-
21	Transmission	(line 7- line 13)	-			-
22	Distribution	(line 8- line 14)	-			-
23	General & Intangible	(line 9- line 15)	-			-
24	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					
26	ADIT (Attach 6a proj., line 5, Column D or Attach 6c True-up - line 5, column D) (Note C)		-	TP	1.0000	-
27	Account No. 255 (enter negative) (Note D)	(Attach 3, line 169) (Note D)	-	NP	-	-
28	Excess / Deficient Accumulated Deferred Income Taxes	(Attach 8, line 29) (Note F)	-	TP	1.0000	-
28a	Unamortized Lumpsum Lease Payment	Note G	-	DA	1.0000	-
29	Unfunded Reserves (enter negative)	Note H	-	DA	1.0000	-
30	Unamortized Regulatory Assets	(Attach 3, line 204, col. b) (Note I)	-	DA	1.0000	-
31	Unamortized Abandoned Plant	(Attach 3, line 204, col. c) (Note J)	-	DA	1.0000	-
32	TOTAL ADJUSTMENTS (sum lines 27-32)		-			-
33	LAND HELD FOR FUTURE USE	Company records	-	TP	1.0000	-
	WORKING CAPITAL (Note K)					
35	CWC	(1/8 * (Line 48 less Line 47a)	-			-
36	Materials & Supplies	(Attach 3, line 221, column c)	-	TP	1.0000	-
37	Prepayments (Account 165 - Note K)	(Attach 3, line 189, column b)	-	GP	-	-
38	TOTAL WORKING CAPITAL (sum lines 36-38)		-			-
39	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 12/31/2024

		LS Power Grid New York Corporation I				
(1)	(2)	(3)	(4)	(5)		
	Source	Company Total	Allocator	Transmission	(Col 3 times Col 4)	
41	O&M					
42	Transmission	321.112.b	-	TP=	1.0000	-
43	Less Account 565	321.96.b	-	TP=	1.0000	-
44	A&G	323.197.b	-	W/S	1.0000	-
45	Less EPRI & Reg. Comm. Exp. & Other Ad.	Note L, company records	-	DA	1.0000	-
46	Plus Transmission Related Reg. Comm. Exp.	Note L, company records	-	TP=	1.0000	-
47	Less Account 566	321.97.b	-	DA	1.0000	-
47a	Amortization of Regulatory Assets	company records	-	DA	1.0000	-
47b	Account 566 excluding amort. of Reg Assets	(line 47 less line 47a)	-	DA	1.0000	-
48	TOTAL O&M (sum lines 42, 44, 46, 47a, 47b less lines 43 & 45, 47) (Note L)	-	-			-
49	DEPRECIATION EXPENSE					
50	Transmission	336.7.f (Note A)	-	TP	1.0000	-
51	General and Intangible	336.1.f + 336.10.f (Note A)	-	W/S	1.0000	-
52	Amortization of Abandoned Plant	(Attach 3, line 205, column c) (Note J)	-	DA	1.0000	-
53	Amortization of Acquisition Adjustment	(Attach 2, line 166)	-	DA	1.0000	-
54	TOTAL DEPRECIATION (Sum lines 50-52)	-	-			-
55	TAXES OTHER THAN INCOME TAXES (Note M)					
56	LABOR RELATED					
57	Payroll	263.i	-	W/S	1.0000	-
58	Highway and vehicle	263.i	-	W/S	1.0000	-
59	PLANT RELATED					
60	Property	263.i	-	GP	-	-
61	Gross Receipts	263.i	-	GP	-	-
62	Other	263.i	-	GP	-	-
63	TOTAL OTHER TAXES (sum lines 57-62)	-	-			-
64	INCOME TAXES					
65	$T = 1 - \{[(1 - \text{SIT}) * (1 - \text{FIT})] / (1 - \text{SIT} * \text{FIT} * p)\}$	(Note E)	0.00%			
66	$\text{CIT} = (T/1-T) * (1 - (\text{WCLTD}/\text{R}))$		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 12/31/2024

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	Transmission plant included in ISO rates (line 81 less lines 82 & 83)		-

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	-	-	-			
92	Total (sum lines 88-91) [TP equals 1 if there are no wages & salaries]	-	-	-	=	W&S Allocator (\$ / Allocation)	= WS
						1.0000	

93 RETURN (R) (Notes O and P)

94		\$	%	Cost	Weighted
95					
96	Long Term Debt (Attach 3, line 229) (Note O)	-	7.00%	0.00%	0.00% =WCLTD
97	Preferred Stock (Attach 3, line 230) (Note O)	-	0.00%	0.00%	0.00%
98	Common Stock (Attach 3, line 231) (Note O, Note P)	-	3.00%	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 12/31/2024

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) =	-
- F 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.
- G 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.
- H 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.
- I 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.
- J Recovery of Regulatory Assets must be authorized by the Commission.
- K Unamortized Abandoned Plant and Amortization of Abandoned Plant will be zero until the Commission accepts or approves recovery of the cost of Abandoned Plant.
- L 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.
- M 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.
- N 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.
- O Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year.
- P 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.
- Q ~~In accordance with the Settlement Agreement in Docket No. ER 20-716 approved [Month DD, YYYY], the Base Return on Equity shall be 9.65%. 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.
- R 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 all facilities of the Marcy to New Scotland 345 kV Upgrade Project ~~is are~~ placed in-service, the lesser of a ~~63%-52%~~ equity ratio or the actual equity ratio will be used.
- S 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

<u>Line No.</u>		<u>TOTAL</u>	<u>NY-ISO</u>	<u>Other 1</u>	<u>Other 2</u>
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)

		Source (Less ARO, see Note 1)	Year	Balance
1	<u>Calculation of Transmission Plant In Service</u>			
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	<u>Calculation of Distribution Plant In Service</u>			
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	<u>Calculation of Intangible Plant In Service</u>	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	<u>Intangible Plant In Service</u>	(sum lines 32-44) /13		-
46	<u>Calculation of General Plant In Service</u>	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	<u>General Plant In Service</u>	(sum lines 47-59) /13		-
61	<u>Calculation of Production Plant In Service</u>	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	<u>Production Plant In Service</u>	(sum lines 62-74) /13		-
76	<u>Total Plant In Service</u>	(sum lines 15, 30, 45, 60, & 75)		-

Accumulated Depreciation Worksheet

Appendix A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				
		Source (Less ARO, see Note 1)	Year	Balance
77	<u>Calculation of Transmission Accumulated Depreciation</u>			
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	<u>Calculation of Distribution Accumulated Depreciation</u>			
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

<u>Calculation of Transmission Acquisition Adj.</u>		Source	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		-	-	-
			<b>Jurisdiction 1</b>	<b>Jurisdiction 2</b>	<b>Total</b>
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)		<b>A</b>	<b>B</b>	<b>Balance</b>
			<b>Year</b>		
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)
	List of all Reserves	Amount	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
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 (a)			Unamortized Regulatory Asset (b) Note A	Unamortized Abandoned Plant (c) Note B
191	December	2021	-	-
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**

Income Tax Rates		New York	State 2	State 3	State 4	State 5	Weighed Average
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 attach						

**Materials & Supplies**

			Stores Expense Undistributed p227.16	Transmission Materials & Supplies p227.8	Total
Note: for the projection, the prior year's actual balances will be used					
Form No.1 page			(a)	(b)	c (col a+col b)
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.

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

**COST OF CAPITAL**

RETURN ON RATE BASE ( R )						
\$						
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%	
230	Preferred Stock	Line 246 col (b), Note B and Appendix A Note P		-	0.00% 0.00%	
231	Common Stock	Line 228 col (b), Note C and Appendix A Notes O and P		-	63.00% 0%	
232	Total (Sum of Lines 229 through 231)			-	0.00% =R	
Cost						
Weighted						
=WCLTD						
=R						
		(a)	(b)	(c)	(d)	
		(e)	Accum Other			
		Long Term Debt	Preferred Stock	Proprietary	Undistributed	Income 219
	Monthly Balances for Capital Structure	(Note A)	(112.3.c)	Capital	Sub Earnings	(112.15.c)
		(112.16.c)	216.1 (112.12.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					

Utilizing Appendix A Data

The calculations below calculate that additional revenue requirement for 100 basis points of ROE and 1 percent change in the equity component of the capital structure. These amounts are then used to value the actual increase in revenue in the table below (starting on line 66) associated with the actual incentive authorized by the Commission. The use of the 100 basis point calculations do not presume any particular incentive (i.e., 100 basis points) being granted by the Commission.

**Base ROE and Income Taxes Carrying Charge**

		Allocator		Result
1	Rate Base			-
2	BASE RETURN CALCULATION:			
		\$	%	
3	Long Term Debt (Appendix A, Line 96)	-	42.00% 0%	0.00%
4	Preferred Stock (Appendix A, Line 97)	-	-	0.00%
5	Common Stock (Appendix A, Line 98)	-	63.00% 0%	0.00%
6	Total (sum lines 3-5)	-		0.00%
7	Return multiplied by Rate Base (line 1 * line 6)			-
8	INCOME TAXES			
9	$T=1 - \{(1 - SIT) * (1 - FIT)\} / (1 - SIT * FIT * p)$ (Appendix A, line 65)	-		
10	$CIT=(T/(1-T)) * (1-(WCLTD/R))$	-		
11	where WCLTD=(line 3) and R=(line 6)			
12	and FIT, SIT & p are as given in footnote E on Appendix A.			
13	$1 / (1 - T) = (T \text{ from line 9})$	-		
14	Amortized Investment Tax Credit (266.8f) (enter negative)	-		
15	Income Tax Calculation = line 10 * line 7 * (1-n)	-		-
16	ITC adjustment (line 13 * line 14) * (1-n)	-	NP	-
17	Total Income Taxes (line 15 plus line 16)	-		-
18	Base Return and Income Taxes		Sum lines 7 and 17	-
19	Rate Base		Line 1	-
20	Return and Income Taxes at Base ROE		Line 18 / line 19	-

**100 Basis Point Incentive ROE and Income Taxes Carrying Charge**

Attachment 4

21	Rate Base					Result
22	100 Basis Point Incentive Return impact on					
		\$	%	Cost	Weighted	
23	Long Term Debt (line 3)	-	47.00% 0%	0.00%	0.00%	
24	Preferred Stock (line 4)	-	-	-	0.00%	
25	Common Stock (line 5 plus 100 basis points)	-	63.00% 0%	4.00% 0%	0.00%	
26	Total (sum lines 24-26)	-	-	-	0.00%	
27	100 Basis Point Incentive Return multiplied by Rate Base (line 21 * line 26)					
28	INCOME TAXES					
29	$T=1 - \{[(1 - \text{SIT}) * (1 - \text{FIT})] / (1 - \text{SIT} * \text{FIT} * p)\}$ = (Appendix A, line 61)	-				
30	$\text{CIT}=(T/1-T) * (1-(\text{WCLTD}/R))=$	-				
31	where $\text{WCLTD}=(\text{line 23})$ and $R=(\text{line 26})$	-				
32	and FIT, SIT & p are as given in footnote E on Appendix A.	-				
33	$1 / (1 - T) = (T \text{ from line 29})$	-				
34	Amortized Investment Tax Credit (line 14)	-				
35	Income Tax Calculation = line 30 * line 27 * (1-n)	-				
36	I TC adjustment (line 33 * line 34) * (1-n)	-	NP	-		
37	Total Income Taxes (line 35 plus line 36)	-				
38	Return and Income Taxes with 100 basis point increase in ROE		Sum lines 27 and 37			
39	Rate Base		Line 21			
40	Return and Income Taxes with 100 basis point increase in ROE		Line 38 / line 39			
41	Difference in Return and Income Taxes between Base ROE and 100 Basis Point Incentive		Line 41- Line 20			

**Effect of 1% Increase in the Equity Ratio**

42	Rate Base					Results
43	100 Basis Point Incentive Return					
		\$	%	Cost	Weighted	
44	Long Term Debt (line 3 minus 1% in equity ratio)	-	48.00% 0%	0.00%	0.00%	
45	Preferred Stock (line 4)	-	-	-	0.00%	
46	Common Stock (line 5 plus 1% in equity ratio))	-	64.00% 0%	0.00%	0.00%	
47	Total (sum lines 44-46)	-	-	-	0.00%	
48	Line 47 x line 42					
49	INCOME TAXES					
50	$T=1 - \{[(1 - \text{SIT}) * (1 - \text{FIT})] / (1 - \text{SIT} * \text{FIT} * p)\}$ = (Appendix A, line 61)	-				
51	$\text{CIT}=(T/1-T) * (1-(\text{WCLTD}/R))=$	-				
52	where $\text{WCLTD}=(\text{line 44})$ and $R=(\text{line 47})$	-				
53	and FIT, SIT & p are as given in footnote E on Appendix A.	-				
54	$1 / (1 - T) = (T \text{ from line 50})$	-				
55	Amortized Investment Tax Credit (line 14)	-				
56	Income Tax Calculation = line 51 * line 48 * (1-n)	-				
57	I TC adjustment (line 54 * line 55) * (1-n)	-	NP	-		
58	Total Income Taxes (line 56 plus line 57)	-				
59	Return and Income Taxes with 1% Increase in the Equity Ratio		Sum lines 48 and 58			
60	Rate Base		Line 42			
61	Return and Income Taxes with 1% Increase in the Equity Ratio		Line 59 / line 60			
62	Difference between Base ROE and 1% Increase in the Equity Ratio		Line 61 - Line 20			

63 Revenue Requirement per project including incentives

64 Expense Allocator [Appendix A, lines 48 and 63, less Appendix A, line 47a (project specific) / Gross Transmission Plant In Service Column (l). If Gross Transmission Plant is zero, then the Expense Allocator should be zero] (Note B)

65 Base Carrying Charge Appendix A, Line 106

The table below breaks out the total revenue requirement on Appendix A separately for each investment. The total of Column (q) must equal the amount shown on Appendix A, Line 3.

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	
Line	Description	Net Investment (Note A)	ROE Authorized by FERC (Note D)	ROE Base (From Appendix A, line 94)	Incentive % Authorized by FERC	Line 41	Col (e) / .01 x Col (f)	Incentive \$ (Col (b) x Col (g))	Equity % in Capital Structure (% above base %, -% below base %)(1 equals 1%)	Impact of Equity Component of Capital Structure(Col (h) x (i) x Line 62	Base Return and Tax (Line 65 x Col (b)	Gross Plant In Service (Note B)	Expense Allocator (line 64)	O&M, Taxes Other than Income (Col. (l) x Col. (n)	Depreciation/Amortization Expense	Competitive Bid Concession (Note C)	Total Revenues (Col. (h) + (j) + (k) +(n) +(o) -(p))
66				0.00%		-	-	-									
66a				0.00%		-	-	-									
66b				0.00%		-	-	-									
66c				0.00%		-	-	-									
...				0.00%		-	-	-									
...				0.00%		-	-	-									
...				0.00%		-	-	-									
...				0.00%		-	-	-									
...				0.00%		-	-	-									
...				0.00%		-	-	-									
...				0.00%		-	-	-									
...				0.00%		-	-	-									
...				0.00%		-	-	-									
...				0.00%		-	-	-									
...				0.00%		-	-	-									
...				0.00%		-	-	-									
...				0.00%		-	-	-									
...				0.00%		-	-	-									
67	Total	\$0		0.00%		-	-	-				\$0					
68	Check Sum Appendix A Line 3																
69	Difference (must be equal to zero)																

- Note:
- A Column (b), Net Investment includes the Net Plant In Service, unamortized regulatory assets, and unamortized abandoned plant.
  - B Column (l), Gross Plant in Service excludes Regulatory Assets, CWIP, and Abandoned Plant.
  - C Competitive Bid Concession, if any, will reflect outcome of competitive developer selection process and will be computed on a workpaper that will be provided as supporting documentation for each Annual Update and will be zero or a reduction to the revenue requirement. The amount in Column (p) above equals the amount by which the annual revenue requirement is reduced from the ceiling rate.
  - D Column (e), for each project with an incentive in column (e), note the docket No. in which FERC granted the incentive>

Project	Docket No.	Note

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

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

- From Attachment 4, Column (q) for the period being true-up
- 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
- 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
- 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)
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 12/31/2024\_\_**

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 =	2024_
7	Test period days after rates become effective	365_

8 **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.

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

10	<b>Account 190 - Accumulated Deferred Income Taxes</b>		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.

27	<b>Account 190 - Accumulated Deferred Income Taxes</b>							
	(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)
28	<hr/>							
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	<b>Account 281 - Accumulated Deferred Income Taxes</b>		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	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		-
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	-

Enter on line 2

**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	<b>Account 281 - Accumulated Deferred Income Taxes</b>							
	(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)
61	<hr/>							
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	<b>Account 282 - Accumulated Deferred Income Taxes</b>		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	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		-
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

**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	<b>Account 282 - Accumulated Deferred Income Taxes</b>							
	(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	<hr/>							
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	<b>Account 283 - Accumulated Deferred Income Taxes</b>		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	-

Enter on line 4

**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	<b>Account 283 - Accumulated Deferred Income Taxes</b>							
	(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	<hr/>							
128	December 31,	<del>2020</del>	NA	-	NA	<del>365</del>	NA	-
129	January	<del>2021</del>	-	-	<del>335</del>	<del>365</del>	-	-
130	February	<del>2021</del>	-	-	<del>307</del>	<del>365</del>	-	-
131	March	<del>2021</del>	-	-	<del>276</del>	<del>365</del>	-	-
132	April	<del>2021</del>	-	-	<del>246</del>	<del>365</del>	-	-
133	May	<del>2021</del>	-	-	<del>215</del>	<del>365</del>	-	-
134	June	<del>2021</del>	-	-	<del>185</del>	<del>365</del>	-	-
135	July	<del>2021</del>	-	-	<del>154</del>	<del>365</del>	-	-
136	August	<del>2021</del>	-	-	<del>123</del>	<del>365</del>	-	-
137	September	<del>2021</del>	-	-	<del>93</del>	<del>365</del>	-	-
138	October	<del>2021</del>	-	-	<del>62</del>	<del>365</del>	-	-
139	November	<del>2021</del>	-	-	<del>32</del>	<del>365</del>	-	-
140	December	<del>2021</del>	-	-	<del>1</del>	<del>365</del>	-	-
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 12/31/2024**

	Projected amount - beginning of year	Projected amount during the year	Projected amount - end of year	Explanation
Composite income tax rate	2021_ 26.1%0%	2021_ 26.1%0%	2021_ 26.1%0%	
<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	-	-	-	

**Account 282 (+ = debit for DTA/DTL amounts)****Included in rate base and subject to proration**

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 12/31/20 ~~21~~**

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 2i

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

**Note 1** - The computations on this workpaper 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(l)(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 6d.

Line	Account 190 - Accumulated Deferred Income Taxes	Amount
11	Beginning Balance	FF1 234.8.b
12	Less: Portion not related to transmitter	-
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 23, Col. D
16	Portion subject to averaging	Line 14 - line 15
17	Ending Balance	FF1 234.8.c
18	Less: Portion not related to transmitter	-
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.

27	Account 190 - Accumulated Deferred Income Taxes										(i)	(j)	(k)	(l)	(m)	(n)
	(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>	Forecasted Prorated Month-end Balance debit / <credit>	Actual Monthly Activity	Difference between projected monthly and actual monthly activity (See Note 7.)	Preserve projected proration when 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.)		
							(c) X (e) X (f)	Prior Month Col. (h) + Current Month Col. (g)								
28	December 31,	2020-	NA	-	NA	365-	NA	NA	NA	NA	NA	NA	NA	-		
29	January	2021-	-	-	235-	365-	-	-	-	-	-	-	-	-		
30	February	2021-	-	-	307-	365-	-	-	-	-	-	-	-	-		
31	March	2021-	-	-	276-	365-	-	-	-	-	-	-	-	-		
32	April	2021-	-	-	246-	365-	-	-	-	-	-	-	-	-		
33	May	2021-	-	-	215-	365-	-	-	-	-	-	-	-	-		
34	June	2021-	-	-	185-	365-	-	-	-	-	-	-	-	-		
35	July	2021-	-	-	154-	365-	-	-	-	-	-	-	-	-		
36	August	2021-	-	-	123-	365-	-	-	-	-	-	-	-	-		
37	September	2021-	-	-	93-	365-	-	-	-	-	-	-	-	-		
38	October	2021-	-	-	62-	365-	-	-	-	-	-	-	-	-		
39	November	2021-	-	-	32-	365-	-	-	-	-	-	-	-	-		
40	December	2021-	-	-	1-	365-	-	-	-	-	-	-	-	-		
41	Total		-	-					-	-	-	-	-	-		

43	Account 281 - Accumulated Deferred Income Taxes									
44	Beginning Balance	FF1 272.8.b								
45	Less: Portion not related to transmitter	-								
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 transmitter	-								
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.

60	Account 281 - Accumulated Deferred Income Taxes										(i)	(j)	(k)	(l)	(m)	(n)
	(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>	Forecasted Prorated Month-end Balance debit / <credit>	Actual Monthly Activity	Difference between projected monthly and actual monthly activity (See Note 7.)	Preserve projected proration when 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.)		
							(c) X (e) X (f)	Prior Month Col. (h) + Current Month Col. (g)								
61	December 31,	2020-	NA	-	NA	365-	NA	NA	NA	NA	NA	NA	NA	-		
62	January	2021-	-	-	335-	365-	-	-	-	-	-	-	-	-		
63	February	2021-	-	-	307-	365-	-	-	-	-	-	-	-	-		
64	March	2021-	-	-	276-	365-	-	-	-	-	-	-	-	-		
65	April	2021-	-	-	246-	365-	-	-	-	-	-	-	-	-		
66	May	2021-	-	-	215-	365-	-	-	-	-	-	-	-	-		
67	June	2021-	-	-	185-	365-	-	-	-	-	-	-	-	-		
68	July	2021-	-	-	154-	365-	-	-	-	-	-	-	-	-		
69	August	2021-	-	-	123-	365-	-	-	-	-	-	-	-	-		
70	September	2021-	-	-	93-	365-	-	-	-	-	-	-	-	-		
71	October	2021-	-	-	62-	365-	-	-	-	-	-	-	-	-		
72	November	2021-	-	-	32-	365-	-	-	-	-	-	-	-	-		
73	December	2021-	-	-	1-	365-	-	-	-	-	-	-	-	-		
74	Total		-	-					-	-	-	-	-	-		

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

**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	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
<b>Account 282 - Accumulated Deferred Income Taxes</b>														
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)	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. l) 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	December 31,	2020-	NA	-	NA	366-	NA	NA	NA	NA	NA	NA	NA	-
95	January	2021-	-	-	336-	366-	-	-	-	-	-	-	-	-
96	February	2021-	-	-	307-	366-	-	-	-	-	-	-	-	-
97	March	2021-	-	-	276-	366-	-	-	-	-	-	-	-	-
98	April	2021-	-	-	246-	366-	-	-	-	-	-	-	-	-
99	May	2021-	-	-	215-	366-	-	-	-	-	-	-	-	-
100	June	2021-	-	-	185-	366-	-	-	-	-	-	-	-	-
101	July	2021-	-	-	154-	366-	-	-	-	-	-	-	-	-
102	August	2021-	-	-	123-	366-	-	-	-	-	-	-	-	-
103	September	2021-	-	-	93-	366-	-	-	-	-	-	-	-	-
104	October	2021-	-	-	62-	366-	-	-	-	-	-	-	-	-
105	November	2021-	-	-	32-	366-	-	-	-	-	-	-	-	-
106	December	2021-	-	-	1-	366-	-	-	-	-	-	-	-	-
107	Total	-	-	-	-	-	-	-	-	-	-	-	-	-

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

**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	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
<b>Account 283 - Accumulated Deferred Income Taxes</b>														
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)	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. l) 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	December 31,	2020-	NA	-	NA	366-	NA	NA	NA	NA	NA	NA	NA	-
128	January	2021-	-	-	336-	366-	-	-	-	-	-	-	-	-
129	February	2021-	-	-	307-	366-	-	-	-	-	-	-	-	-
130	March	2021-	-	-	276-	366-	-	-	-	-	-	-	-	-
131	April	2021-	-	-	246-	366-	-	-	-	-	-	-	-	-
132	May	2021-	-	-	215-	366-	-	-	-	-	-	-	-	-
133	June	2021-	-	-	185-	366-	-	-	-	-	-	-	-	-
134	July	2021-	-	-	154-	366-	-	-	-	-	-	-	-	-
135	August	2021-	-	-	123-	366-	-	-	-	-	-	-	-	-
136	September	2021-	-	-	93-	366-	-	-	-	-	-	-	-	-
137	October	2021-	-	-	62-	366-	-	-	-	-	-	-	-	-
138	November	2021-	-	-	32-	366-	-	-	-	-	-	-	-	-
139	December	2021-	-	-	1-	366-	-	-	-	-	-	-	-	-
140	Total	-	-	-	-	-	-	-	-	-	-	-	-	-

**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).

**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.

**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.

**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. l). 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.

**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 12/31/2024\_\_**

	Actual amount - beginning of year	Actual amount during the year	Actual amount - end of year	Explanation
	2021_	2021_	2021_	
Composite income tax rate	26.1%0%	26.1%0%	26.1%0%	
<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	-	-	-	

**Account 282 (+ = debit for DTA/DTL amounts)*****Included in rate base and subject to proration***

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 / &lt;DTL&gt; - 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 / &lt;DTL&gt; - account 283

**LS Power Grid New York Corporation I**  
**Attachment 7 - Depreciation and Amortization Rates**  
**For the 12 months ended 12/31/2024**

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	<del>2.82%</del> -1.60% *
3	353	Station Equipment	<del>2.69%</del> -2.06% *
4	354	Towers and Fixtures	<del>1.67%</del> -2.06% *
5	355	Poles and Fixtures	<del>2.28%</del> -2.06% *
6	356	Overhead Conductor and Devices	<del>2.61%</del> -2.06% *
7	357	Underground Conduit	<del>1.98%</del> -1.40% **
8	358	Underground Conductor and Devices	<del>2.30%</del> -1.75% **
9	359	Roads and Trails	<del>1.43%</del> -1.00% *
<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	<u>Miscellaneous Intangible Plant /</u> 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~~ shall stay in effect until changed pursuant to a Commission order emanating from an FPA Section 205 or Section 206 filing.
- 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% ÷ depreciation rate = 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 Corporation 1-144**  
**Worksheet - Annual Excess or Deficient Accumulated Deferred Income Taxes Worksheet**  
**Annual Transmission Revenue Requirement**  
**For the 12 months ended 12/31/2014 -**

Line No.

**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
  - describe the method of amortization each excess or deficient ADIT amount.

**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	35.00%	21.00%
State income tax rate	7.00%	7.00%
Composite federal/state income tax rate	30.50%	26.50%
Tax gross-up factor	1.65426	1.36144

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

**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	ADIT on Regulatory Asset or Liability Affecting Rate	ADIT on Regulatory Asset or Liability Affecting Rate	ADIT on Regulatory Asset or Liability Affecting Rate	ADIT on Regulatory Asset or Liability Affecting Rate	ADIT on Regulatory Asset or Liability Affecting Rate	ADIT on Regulatory Asset or Liability Affecting Rate
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 Affecting Rate Base	Debit or <Credit> to Account 182.3	Portion of <Credit> to Affecting Rate Base	Debit or <Credit> to Account 254	Portion of <Credit> to Affecting Rate Base	ADIT on Regulatory Asset or Liability Affecting Rate	ADIT on Regulatory Asset or Liability Affecting Rate	ADIT on Regulatory Asset or Liability Affecting Rate	ADIT on Regulatory Asset or Liability Affecting Rate	ADIT on Regulatory Asset or Liability Affecting Rate	ADIT on Regulatory Asset or Liability Affecting Rate	ADIT on Regulatory Asset or Liability Affecting Rate
15 190																
16 281 (enter negative)																
17 282 (enter negative)																
18 283 (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,

**Rate Base Adjustment Mechanism - Summary**

Account	Projected Revenue Requirement Amount	Actual Revenue Requirement (True-up) Amount
25 182.3 (debit or <credit>)		
26 254 (debit or <credit>)		
27 Total Excess / Deficient ADIT		

**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 rates	Amortization period and method		
32 Federal rate decrease (2017) - affecting rate base [cm 1]						Protected			
33 Federal rate decrease (2017) - affecting rate base						Unprotected			
34 Federal rate decrease (2017) - not affecting rate base						Unprotected			
35 Item 2...									
36 Total for account 182.3									
37 Federal rate decrease (2017) - affecting rate base [cm 1]						Protected			
38 Federal rate decrease (2017) - affecting rate base						Unprotected			
39 Federal rate decrease (2017) - not affecting rate base						Unprotected			
40 Item 2...									
41 Total for account 254									
42 Total excess or deficient ADIT									

**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 [cm 1]									
47 Federal rate decrease (2017) - affecting rate base									
48 Federal rate decrease (2017) - not affecting rate base									
49 Item 2...									
50 Total for account 182.3									
51 Federal rate decrease (2017) - affecting rate base [cm 1]									
52 Federal rate decrease (2017) - affecting rate base									
53 Federal rate decrease (2017) - not affecting rate base									
54 Item 2...									
55 Total for account 254									
56 Total amortization and offsetting entry									

**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 Accounts 410.1 (Provision for Deferred Income Taxes - Entry Operating Income) and/or Account 411.1 (Provision for Deferred Income Taxes - Credit Entry 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.**

**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 13004(d).**

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

64	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
				Balance at	Remeasuremen	Annual	Other	Balance at End	Whether	
				Beginning of	t of ADIT -	Amortization -	Adjustments -	of Year -	subject to	
				Year -	Actual	Actual	Actual	Projected	normalization	Amortization period and method
				Projected	(Note 7)	(Note 8)	(Note 9)	(d)+(e)+(f)+(g)	rates	
65	Description (+ = debit, < = credit)									
66	Federal rate decrease (2017) - affecting rate base [cm 1]								Protected	Remaining depreciable lives (ranging from 25-35 years) using the average rate
67	Federal rate decrease (2017) - affecting rate base								Unprotected	10 years, straight line (2021-2030)
68	Federal rate decrease (2017) - not affecting rate base								Unprotected	Adjustment of the regulatory asset resulting from after-tax accounting for AFLDC - equity existing prior to the change in tax law - remaining depreciable lives (ranging from 25-35 years), straight line
69	Item 3									
70	Total for account 182.3			-	-	-	-	-		
71	Federal rate decrease (2017) - affecting rate base [cm 1]								Protected	Remaining depreciable lives (ranging from 25-35 years) using the average rate
72	Federal rate decrease (2017) - affecting rate base								Unprotected	assumption method 10 years, straight line (2021-2030)
73	Federal rate decrease (2017) - not affecting rate base								Unprotected	Adjustment of the regulatory asset resulting from after-tax accounting for AFLDC - equity existing prior to the change in tax law - remaining depreciable lives (ranging from 25-35 years), straight line
74	Item 3									
75	Total for account 254			-	-	-	-	-		
76	Total excess or deficient ADIT			-	-	-	-	-		

76 **Income Tax Allowance Mechanism - Actual**

77	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
				Annual	Debit or	Debit or	Debit or	Debit or	Debit or	Debit or
				Amortization	<Credit> to	<Credit> to	<Credit> to	<Credit> to	<Credit> to	<Credit> to
				Account 410.1	Account 410.1	Account 411.1	Account 410.2	Account 411.2	Account 190	Account 283
78	Description (+ = debit, < = credit)									
79	Federal rate decrease (2017) - affecting rate base [cm 1]			-						
80	Federal rate decrease (2017) - affecting rate base			-						
81	Federal rate decrease (2017) - not affecting rate base			-						
82	Item 3									
83	Total for account 182.3			-	-	-	-	-	-	-
84	Federal rate decrease (2017) - affecting rate base [cm 1]			-						
85	Federal rate decrease (2017) - affecting rate base			-						
86	Federal rate decrease (2017) - not affecting rate base			-						
87	Item 3									
88	Total for account 254			-	-	-	-	-	-	-
89	Total amortization and offsetting entry			-	-	-	-	-	-	-
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).

# Attachment C

#### **6.10.7.2.2 LS Power Grid New York Corporation I 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 payments, if any, to NYPA for operations and maintenance. To the extent there is any mark-up in the operations and maintenance costs incurred by NYPA and charged to LSPG-NY, LSPG-NY shall justify the mark-up as an appropriate expense to be recovered under the formula rate.

7. Identify any changes in the formula references (page and line numbers) to FERC Form No. 1;
8. 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;
9. Provide underlying data for formula rate inputs that provide greater granularity than is required for FERC Form No. 1;
10. 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.

11. 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.

#### **Section 7. Updates During Transmission Project Construction**

LSPG-NY anticipates that it will undertake development activities prior to having an obligation for an informational filing related to its Annual Update or which are outside the scope of the annual transmission revenue requirement for a particular Rate Year. During the period of construction, on June 30 of each year or Rate Year as the case may be, LSPG-NY shall provide project cost updates to be included with its annual informational filing set forth in Section 3.B of these Protocols, information regarding any "Unforeseeable Costs" as that

term is defined in the Offer of Settlement approved by the Commission in Docket No. ER20-716-001, together with information demonstrating how such costs were determined to be Unforeseeable Costs. In addition, to the extent that there are any “Third Party Costs,” as such term is defined in the Offer of Settlement approved by the Commission in Docket No. ER20-716-001, arising under clause (iii) of the definition of Third Party Costs as set forth in the Offer of Settlement approved by the Commission in Docket No. ER20-716-001, LSPG-NY will provide information on such Third Party Cost as part of project cost updates in its annual informational filing, including information demonstrating how such costs were determined to be Third Party Costs.

In addition to the project cost updates referenced above, within six months of placing the entire “Segment A Project,” as is defined in the Offer of Settlement approved by the Commission in Docket No. ER20-716-001, in service, LSPG-NY will provide an informational workpaper identifying the final assets owned by LSPG-NY and the NYPA respectively, the total ratebase of the assets, details including accounting entries of any transfers of assets that may have occurred between the parties that changed the ownership of any assets, the amount of any costs greater than the “Cost Cap” or less than the “Adjusted Cost Cap” as those terms are defined in the Offer of Settlement approved by the Commission in Docket No. ER20-716-001, as the case may be, and details on the operations and maintenance costs incurred to date.

## ATTACHMENT D

#### **6.10.76.2.2 LS Power Grid New York Corporation I 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 payments, if any, to NYPA for operations and maintenance. To the extent there is any mark-up in the operations and maintenance costs incurred by NYPA and charged to LSPG-NY, LSPG-NY shall justify the mark-up as an appropriate expense to be recovered under the formula rate.

76. Identify any changes in the formula references (page and line numbers) to  
FERC

Form No. 1;

87. 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;

98. Provide underlying data for formula rate inputs that provide greater  
granularity than is required for FERC Form No. 1;

109. 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.

110. 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.

#### **Section 7. Updates During Transmission Project Construction**

LSPG-NY anticipates that it will undertake development activities prior to having an obligation for an informational filing related to its Annual Update or which are outside the scope of the annual transmission revenue requirement for a particular Rate Year. During the period of construction, on June 30 of each year or Rate Year as the case may be, LSPG-NY shall provide project cost updates to be included with its annual informational filing set forth in Section 3.B of these Protocols, information regarding any "Unforeseeable Costs" as that

term is defined in the Offer of Settlement approved by the Commission in Docket No. ER20-716-001, together with information demonstrating how such costs were determined to be Unforeseeable Costs. In addition, to the extent that there are any “Third Party Costs,” as such term is defined in the Offer of Settlement approved by the Commission in Docket No. ER20-716-001, arising under clause (iii) of the definition of Third Party Costs as set forth in the Offer of Settlement approved by the Commission in Docket No. ER20-716-001, LSPG-NY will provide information on such Third Party Cost as part of project cost updates in its annual informational filing, including information demonstrating how such costs were determined to be Third Party Costs.

In addition to the project cost updates referenced above, within six months of placing the entire “Segment A Project,” as is defined in the Offer of Settlement approved by the Commission in Docket No. ER20-716-001, in service, LSPG-NY will provide an informational workpaper identifying the final assets owned by LSPG-NY and the NYPA respectively, the total ratebase of the assets, details including accounting entries of any transfers of assets that may have occurred between the parties that changed the ownership of any assets, the amount of any costs greater than the “Cost Cap” or less than the “Adjusted Cost Cap” as those terms are defined in the Offer of Settlement approved by the Commission in Docket No. ER20-716-001, as the case may be, and details on the operations and maintenance costs incurred to date.