

14.2 Attachment 1 to Attachment H (Niagara Mohawk Power Corporation) and NYPA Transmission Adjustment Charge

14.2.1 Attachment 1 to Attachment H: Schedules (Niagara Mohawk Power Corporation)

Table of Contents

Historical Transmission Revenue Requirement	Schedule 1
Forecasted Transmission Revenue Requirement	Schedule 2
Annual True-up with Interest Calculation	Schedule 3
Year to Year Comparison	Schedule 4
Allocators	Schedule 5
Transmission Investment Base (Part 1 of 2)	Schedule 6 Page 1 of 2
Transmission Investment Base (Part 1 of 2)	Schedule 6 Page 2 of 2
Transmission Investment Base (Part 2 of 2)	Schedule 7
Capital Structure	Schedule 8
Expenses	Schedule 9
Other	Schedule 10
System Dispatch Expense - Component CCC	Schedule 11
Billing Units - Component BU	Schedule 12
Forecasted Accumulated Deferred Income Taxes (FADIT)	Schedule 13
(Excess)/Deficient ADIT Worksheet	Schedule 14
(Excess)/Deficient ADIT Remeasurement Support	Schedule 14a
Project Specific Revenue Requirement	Schedule 15a
Project Return	Schedule 15b
Project Specific (Excess)/Deficient ADIT Worksheet	Schedule 15c
Project Specific (Excess)/Deficient ADIT Remeasurement Worksheet	Schedule 15d



Niagara Mohawk Power Corporation

Calculation of RR Pursuant to Attachment H, Section 14.1.9.2

Year

Attachment 1

Schedule 1

Calculation of RR

14.1.9.2 The RR component shall equal the (a) Historical Transmission Revenue Requirement plus (b) the Forecasted Transmission Revenue Requirement plus (c) the Annual True-Up, determined in accordance with the formula below.

Historical Transmission Revenue Requirement (Historical TRR)

Line No.

1	<u>Historical Transmission Revenue Requirement (Historical TRR)</u>			
2				
3	14.1.9.2 (a)	Historical TRR shall equal the sum of NMPC’s (A) Return and Associated Income Taxes, (B) Transmission Related Depreciation Expense, (C) Transmission Related		
4		Real Estate Tax Expense, (D) Transmission Related Amortization of Investment Tax Credits, <u>(E) Transmission Operation and Maintenance Expense,</u>		
5		<u>(F) Transmission Related Administrative and General Expenses, (G) Transmission Related Payroll Tax Expense, (H) Amortization of Transmission Regulatory Assets</u>		
6		and Liabilities, (I) Billing Adjustments, and (J) Transmission Related Bad Debt Expense less (K) Revenue Credits, (L) Transmission Rents,		
7		and (M) Project Specific Revenue Requirement Credits, all determined for the most recently ended calendar year as of the beginning of the update year.		
8		Reference		
9		Section: 0		
10		(A)	#DIV/0!	Schedule 8, Line 64
11		(B)	#DIV/0!	Schedule 9, Line 6, column 5
12		(C)	#DIV/0!	Schedule 9, Line 12, column 5
13		(D)	#DIV/0!	Schedule 9, Line 16, column 5 times minus 1
14		(E)	\$0	Schedule 9, Line 23, column 5
15		(F)	#DIV/0!	Schedule 9, Line 38, column 5
16		(G)	\$0	Schedule 9, Line 44, column 5
17		(H)	#DIV/0!	Schedule 9, Line 46, column 5
18			#DIV/0!	
19				
20		(I)	\$0	Schedule 10, Line 1
21		(J)	\$0	Schedule 10, Line 4
22		(K)	\$0	Schedule 10, Line 7
23		(L)	\$0	Schedule 10, Line 15
24		(M)	#DIV/0!	Schedule 10, Line 18
25				
26		Total Historical Transmission Revenue Requirement (Sum of Line 18 through Line 24)		
			#DIV/0!	

Niagara Mohawk Power Corporation
Forecasted Transmission Revenue Requirement
Attachment H, Section 14.1.9.2

Attachment 1
Schedule 2

Year

Shading denotes an input

Line No.

1	14.1.9.2 (b) FORECASTED TRANSMISSION REVENUE REQUIREMENTS			
2	Forecasted TRR shall equal (1) the Forecasted Transmission Plant Additions (FTPA) multiplied by the Adjusted Annual (AFTRRF), plus (2) Forecasted ADIT Adjustment (FADITA), plus (3) the Mid-Year Trend			
3	Adjustment (MYTA), less (4) Transmission Support Payments (TSP), plus (5) the Tax Rate Adjustment (TRA), less (6) Other Billing Adjustments (OBA) as shown in the following formula:			
4				
5	Forecasted TRR = (FTPA * AFTRRF) + FADITA + MYTA - TSP + TRA - OBA			
6				
7		<u>Period</u>	<u>Reference</u>	<u>Source</u>
8				
9				
10	(1) FORECASTED TRANSMISSION PLANT ADDITIONS (FTPA)	\$0		Workpaper 8, Section I, Line 16
11	Adjusted Annual Transmission Revenue Requirement Factor (AFTRRF)	#DIV/0!		Line 78
12	Sub-Total (Lines 10*11)	#DIV/0!		
13				
14	(2) FORECASTED ADIT ADJUSTMENT (FADITA)			
15	The Forecasted ADIT Adjustment (FADITA) shall equal the Forecasted ADIT (FADIT)			
16	multiplied by the Cost of Capital Rate, where:			
17				
18	Forecasted ADIT(FADIT) shall equal the projected change in Accumulated Deferred Income Taxes from the most recently			
19	concluded calendar year related to accelerated depreciation and associated with Transmission Plant for the			
20	Forecasted Period calculated in accordance with Treasury regulation Section 1.167(1)-1(h)(6).			
21				
22	Forecasted ADIT (FADIT)	#DIV/0!		Schedule 13, Line 24
23	Cost of Capital Rate	#DIV/0!		Schedule 8, Line 62
24	Forecasted ADIT Adjustment (FADITA)	#DIV/0!		Line 22 * Line 23
25				
26	(3) MID YEAR TREND ADJUSTMENT (MYTA)			
27	The Mid-Year Trend Adjustment shall be the difference, whether positive or negative, between			
28	(i) the Historical TRR Component (E) excluding Transmission Support Payments, based on actual data for the first three months of the Forecast Period,			

29	and (ii) the Historical TRR Component (E) excluding Transmission Support Payments, based on data for the first three months of the year prior to the Forecast Period.		
30			
31	Plus Mid-Year Trend Adjustment (MYTA)	\$0	Workpaper 9, line 32, variance column
32			
33	(4) TRANSMISSION SUPPORT PAYMENTS (TSP)		
34	Less Impact of Transmission Support Payments on Historical Transmission Revenue Requirement	\$0	Worpaper 9A
35	Less: Other Billing Adjustments - Dunkirk Settlement ER14-543-000	\$0	Schedule 10
36			
37	(5) TAX RATE ADJUSTMENT (TRA)		
38	The Tax Rate Adjustment shall be the amount, if any, required to adjust Historical TRR Component (A) for any change in the Federal Income Tax Rate		
39	and/or the State Income Tax Rate that takes effect during the first five months of the Forecast Period.		
40			
41	Tax Rate Adjustment (TRA)	\$0	
42			
43	(6) OTHER BILLING ADJUSTMENTS (OBA)		
44	Other Billing Adjustments shall equal any amounts related to the HTRR calculation that are		
45	required to be adjusted in the current year's FTRR to remove the impact on the Update Year		
46			
47	Other Billing Adjustments (OBA)	\$0	Schedule 10, Line 1
48			
49	Forecasted Transmission Revenue Requirement (Line 12 + Line 24 + Line 31 - Line 34 - Line 35 + Line 41-Line 47)	#DIV/0!	
50			
51	14.1.9.2(c) <u>ANNUAL FORECAST TRANSMISSION REVENUE REQUIREMENT FACTOR</u>		
52			
53	Adjusted Annual Forecast Transmission Revenue Requirement Factor (AFTRRF) shall equal the difference between the Annual Forecast		
54	Transmission Revenue Requirement Factor (FTRRF) and the quotient of (1) Cost of Capital Rate multiplied by the Transmission Related		
55	Accumulated Deferred Taxes less Accumulated Deferred Inv. Tax Cr (255) for the most recently concluded calendar year,		
56	and (ii) the year-end Transmission Plant in Service determined in accordance with Section 14.1.9.2 (a), component (A)1(a).		
57			
58	The Annual Forecast Transmission Revenue Requirement Factor (Annual FTRRF) shall equal the sum of Historical TRR components (A) through (C),		
59	divided by the year-end balance of Transmission Plant in Service determined in accordance with Section 14.1.9.2 (a), component (A)1(a).		
60			
61	Derivation of Annual Forecast Transmission Revenue Requirement		

62	Investment Return and Income Taxes	(A)	#DIV/0!	Schedule 1, Line 10
----	------------------------------------	-----	---------	---------------------

63	Depreciation Expense	(B)	#DIV/0!	Schedule 1, Line 11
64	Property Tax Expense	(C)	#DIV/0!	Schedule 1, Line 12
65	Total Expenses (Lines 62 thru 64)		#DIV/0!	
66	Transmission Plant	(a)	#DIV/0!	Schedule 6, Page 1, Line 12
67	Annual Forecast Transmission Revenue Requirement Factor (Lines 65/ Line 66)		#DIV/0!	
68				
69	Adjustment to FTRRF to reflect removal of ADIT that is subject to normalization			
70	Transmission Related ADIT Balance at year-end		#DIV/0!	Schedule 7, Line 6, Column L
71	Less: Accumulated Deferred Inv. Tax Cr (255)		#DIV/0!	Schedule 7, Line 5, Column L
72	Net Transmission ADIT Balance at year-end		#DIV/0!	Line 70 - Line 71
73	Cost of Capital Rate		#DIV/0!	Schedule 8, Line 62
74	Total Return and Income Taxes Associated with ADIT Balance at year-end		#DIV/0!	Line 72 * Line 73
75				
76	Annual Forecast Transmission Revenue Requirement Factor (FTRRF)		#DIV/0!	Line 67
77	Less: Incremental Annual Forecast Transmission Revenue Requirement Factor Adjustment for ADIT		#DIV/0!	Line 74 / Line 66
78	Adjusted Annual Forecast Transmission Revenue Requirement Factor (AFTRRF)		#DIV/0!	Line 76 - Line 77

Niagara Mohawk Power Corporation

Annual True-up (ATU)

Attachment 1

Schedule 3

Attachment H Section 14.1.9.2 (c)

Line No.	Year						Source		
1									
2	14.1.9.2(d)	The Annual True-Up (ATU) shall equal (1) the difference between the Actual Transmission Revenue Requirement and the Prior Year							
3		Transmission Revenue Requirement, plus (2) the difference between the Actual Scheduling, System Control and Dispatch costs							
4		and Prior Year Scheduling, System Control and Dispatch costs, plus (3) the difference between the Prior Year Billing Units and the Actual Year							
5		Billing Units multiplied by the Prior Year Unit Rate, plus (4) Interest on the net differences.							
6									
7	(1)	Revenue Requirement (RR) of rate effective July 1 of prior year			\$0		Schedule 4, Line 1, Col (d)		
8		Less: Annual True-up (ATU) from rate effective July 1 of prior year			\$0		Schedule 4, Line 1, Col (c)		
9		Prior Year Transmission Revenue Requirement			\$0		Line 7 - Line 8		
10									
11		Actual Transmission Revenue Requirement			#DIV/0!		Schedule 4, Line 2, Col (a)		
12		Difference			#DIV/0!		Line 11 - Line 9		
13									
14	(2)	Prior Year Scheduling, System Control and Dispatch costs (CCC)			\$0		Schedule 4, Line 1, Col (e)		
15		Actual Scheduling, System Control and Dispatch costs (CCC)			\$0		Schedule 4, Line 2, Col (e)		
16		Difference			\$0		Line 15 - Line 14		
17									
18	(3)	Prior Year Billing Units (MWH)			\$0		Schedule 4, Line 1, Col (f)		
19		Actual Billing Units			-		Schedule 4, Line 2, Col (f)		
20		Difference			-		Line 18 - Line 19		
21		Prior Year Indicative Rate			#DIV/0!		Schedule 4, Line 1, Col (g)		
22		Billing Unit True-Up			#DIV/0!		Line 20 * Line 21		
23									
24		Total Annual True-Up before Interest			#DIV/0!		(Line 12 + Line 16 + Line 22)		
25									
26	(4)	Interest			#DIV/0!		Line 57, Column 9		
27									
28		Annual True-up RR Component			#DIV/0!		(Line 24 + Line 26)		
29									
30	Interest Calculation per 18 CFR § 35.19a								
31	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
32	Quarters	Annual	Accrued Prin	Monthly	Days			Accrued Prin	Accrued
33		Interest	& Int. @ Beg	(Over)/Under	in	Period		& Int. @ End	Int. @ End
34		Rate (a)	Of Period	Recovery	Period (b)	Days	Multiplier	Of Period	Of Period
35									
36	3rd QTR		0		92	92	1.0000	\$0	\$0
37	July	0.00%		#DIV/0!	31	92	1.0000	#DIV/0!	#DIV/0!

NYISO Tariffs --> Open Access Transmission Tariff (OATT) --> 14 OATT Attachment H - Annual Transmission Revenue Requireme --> 14.2-14.2.1 OATT Att H Attachment 1 to Attachment H

38	August	0.00%	#DIV/0!	31	61	1.0000	#DIV/0!	#DIV/0!
39	September	0.00%	#DIV/0!	30	30	1.0000	#DIV/0!	#DIV/0!
40								



41	4th QTR		#DIV/0!		92	92	1.0000	#DIV/0!	#DIV/0!
42	October	0.00%		#DIV/0!	31	92	1.0000	#DIV/0!	#DIV/0!
43	November	0.00%		#DIV/0!	30	61	1.0000	#DIV/0!	#DIV/0!
44	December	0.00%		#DIV/0!	31	31	1.0000	#DIV/0!	#DIV/0!
45									
46	1st QTR		#DIV/0!		91	91	1.0000	#DIV/0!	#DIV/0!
47	January	0.00%		#DIV/0!	31	91	1.0000	#DIV/0!	#DIV/0!
48	February	0.00%		#DIV/0!	28	60	1.0000	#DIV/0!	#DIV/0!
49	March	0.00%		#DIV/0!	31	31	1.0000	#DIV/0!	#DIV/0!
50									
51	2nd QTR		#DIV/0!		91	91	1.0000	#DIV/0!	#DIV/0!
52	April	0.00%		#DIV/0!	30	91	1.0000	#DIV/0!	#DIV/0!
53	May	0.00%		#DIV/0!	31	61	1.0000	#DIV/0!	#DIV/0!
54	June	0.00%		#DIV/0!	30	30	1.0000	#DIV/0!	#DIV/0!
55									
56									
57	Total (over)/under Recovery			#DIV/0!	(line 24)	#DIV/0!			#DIV/0!

(a) Interest rates shall be the interest rates as reported on the FERC Website <http://www.ferc.gov/legal/acct-matts/interest-rates.asp>

(b) For leap years use 29 days in the month of February

Attachment 1
 Schedule 4

Niagara Mohawk Power Corporation

Wholesale TSC Calculation Information

Line No.		(a)	(b)	(c)	(d)	(e)	(f)	(g)
		Historical Transmission Revenue Requirement (Historical TRR)	Forecasted Transmission Revenue Requirement	Annual True Up	Revenue Requirement (RR)	Scheduling System Control and Dispatch Costs (CCC)	Annual Billing Units (BU) MWh	Rate \$/MWh (*)
1	Prior Year Rates Effective _____	-	-	-	-	-	-	#DIV/0!
2	Current Year Rates Effective July 1, _____	#DIV/0!	#DIV/0!		#DIV/0!	-	-	#DIV/0!
3	Increase/(Decrease)							#DIV/0!
4	Percentage Increase/(Decrease)							#DIV/0!
1.)	Information directly from Niagara Mohawk Prior Year Informational Filing							
2.)								
(a)	Schedule 1, Line 26							
(b)	Schedule 2, Line 49							
(c)	Schedule 3, Line 28							
(d)	Attachment H, Section 14.1.9.2 The RR Component shall equal Col (a) Historical Transmission Revenue Requirement plus Col (b) the Forecasted Transmission Revenue Requirement which shall exclude Transmission Support Payments, plus Col (c) the Annual True-Up plus Col (c) the Annual True-Up							
(e)	Schedule 11, Line 21 - Annual Scheduling, System Control and Dispatch Costs. (i.e. the Transmission Component of control center costs) as recorded in FERC Account 561 and its associated sub-accounts from the prior calendar year excluding any NY Independent System Operator (NYISO) system control and load dispatch expenses already recovered under Schedule 1 of the NYISO Tariff.							
(f)	Schedule 12, line 17 - Billing Units shall be the total Niagara Mohawk load as reported to the NYISO for the calendar year prior to the Forecast Period, including the load for customers taking service under Niagara Mohawk's TSC rate. The total Niagara Mohawk load will be adjusted to exclude (i) load associated with wholesale transactions being revenue credited through the WR, CRR, SR, ECR, and Reserved components of Attachment H of the NYISO TSC rate including Niagara Mohawk's external sales, load associated with grandfathered OATT agreements, and any load related to pre-OATT grandfathered agreements; (ii) load associated with transactions being revenue credited under Historical TRR Component J; and (iii) load associated with netted station service.							
(g)	(Col (d) + Col (e)) / Col (f)							

(*) The rate column represents the unit rate prior to adjustments; the actual rate will be determined pursuant to the applicable TSC formula rate.

Niagara Mohawk Power Corporation
Allocation Factors - As calculated pursuant to Section 14.1.9.1

Attachment 1
Schedule 5

		Year			
		Shading denotes an input			
Line No.	Description		Amount	Source	Definition
1	14.1.9.1 1.	<u>Electric Wages and Salaries Factor</u>	83.5000%		Fixed per settlement Docket ER08-552
2					
3	14.1.9.1 3.	<u>Transmission Wages and Salaries Allocation Factor</u>	13.0000%		Fixed per settlement Docket ER08-552
4					
5					
6					
7					
8	14.1.9.1 2.	<u>Gross Transmission Plant Allocation Factor</u>			
9	Transmission Plant in Service		#DIV/0!	Schedule 6, Page 2, Line 3, Col 5	Gross Transmission Plant Allocation Factor shall equal the total investment in
10	Plus: Transmission Related General		\$0	Schedule 6, Page 2, Line 5, Col 5	Transmission Plant in Service, Transmission Related Electric General Plant,
11	Plus: Transmission Related Common		\$0	Schedule 6, Page 2, Line 10, Col 5	Transmission Related Common Plant and Transmission
12	Plus: Transmission Related Intangible Plant		\$0	Schedule 6, Page 2, Line 15, Col 5	Related Intangible Plant
13	Gross Transmission Investment		#DIV/0!	Sum of Lines 9 - 13	divided by Gross Electric Plant.
14					
15	Total Electric Plant			FF1 207.104g	
16	Plus: Electric Common		\$0	Schedule 6, Page 2, Line 10, Col 3	
17	Gross Electric Plant in Service		\$0	Line 15 + Line 16	
18					
19	Percent Allocation		#DIV/0!	Line 13 / Line 17	
20					
21	14.1.9.1 4.	<u>Gross Electric Plant Allocation Factor</u>			
22					
23	Total Electric Plant in Service		\$0	Line 15	Gross Electric Plant Allocation Factor shall equal
24	Plus: Electric Common Plant		\$0	Schedule 6, Page 2, Line 10, Col 3	Gross Electric Plant divided by the sum of Total Gas Plant,
25	Gross Electric Plant in Service		\$0	Line 23 + Line 24	Total Electric Plant, and Total Common Plant
26					
27	Total Gas Plant in Service			FF1 201.8d	

30	Gross Plant in Service (Gas & Electric)	-	Sum of Lines 27-Lines 29
31			
32	Percent Allocation	#DIV/0!	Line 25 / Line 30

Niagara Mohawk Power Corporation
Annual Revenue Requirements of Transmission Facilities
Transmission Investment Base (Part 1 of 2)
Attachment H, section 14.1.9.2

Line No.

1	14.1.9.2 (a)	<u>Transmission Investment Base</u>		
2				
3	A.1.	Transmission Investment Base shall be defined as (a) Transmission Plant in Service, plus (b) Transmission Related Electric General Plant, plus		
4		(c) Transmission Related Common Plant, plus (d) Transmission Related Intangible Plant, plus (e) Transmission Related Plant Held for Future Use, less		
5		(f) Transmission Related Depreciation Reserve, less (g) Transmission Related Accumulated Deferred Taxes, plus (h)		
6		Transmission Regulatory Assets and Liabilities, plus (i) Transmission Related Prepayments, plus (j) Transmission Related Materials and Supplies,		
7		plus (k) Transmission Related Cash Working Capital.		
8				
9				
10		Description	Reference	Year
11			Section:	
12		Transmission Plant in Service	(a)	#DIV/0!
13		General Plant	(b)	<u>\$0</u>
14		Common Plant	(c)	\$0
15		Intangible Plant	(d)	\$0
16		Plant Held For Future Use	(e)	\$0
17		Total Plant (Sum of Line 12 - Line 16)		#DIV/0!
18				
19		Accumulated Depreciation	(f)	#DIV/0!
20		Accumulated Deferred Income Taxes	(g)	#DIV/0!
21		Transmission Regulatory Assets and Liabilities	(h)	#DIV/0!
22		Net Investment (Sum of Line 17 -Line 21)		#DIV/0!
23				
24		Prepayments	(i)	#DIV/0!
25		Materials & Supplies	(j)	#DIV/0!
26		Cash Working Capital	(k)	\$0
27				
28		Total Investment Base (Sum of Line 22 - Line 26)		#DIV/0!

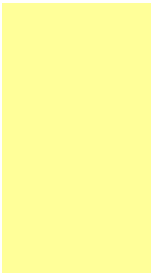
Niagara Mohawk Power Corporation
Annual Revenue Requirements of Transmission Facilities
Transmission Investment Base (Part 1 of 2)
Attachment H Section 14.1. 9.2 (a) A. 1.

Attachment 1
Schedule 6
Page 2 of 2

Year

Shading denotes an input

Line	(1)	(2)	(3) = (1)*(2)	(4)	(5) = (3)*(4)	FERC Form 1/PSC Report Reference for col (1)			Definition	
No.	Total	Factor	Allocated	Factor	Allocated					
1	<u>Transmission Plant</u>					FF1 207.58g	14.1.9.2(a)A.1.(a)		Transmission Plant in Service shall equal the balance of total investment in Transmission Plant plus Wholesale Metering Investment.	
2	Wholesale Meter Plant				#DIV/0!	Workpaper 1				
3	Total Transmission Plant in Service (Line 1+ Line 2)				#DIV/0!					
4										
5	<u>General Plant</u>	100.00%	\$0	13.00%	(c)	\$0	FF1 207.99g	14.1.9.2(a)A.1.(b)	Transmission Related Electric General Plant shall equal the balance of investment in Electric General Plant mulitplied by the Transmission Wages and Salaries Allocation Factor.	
6										
7										
8										
9										
10	<u>Common Plant</u>	83.50%	(a)	\$0	13.00%	(c)	\$0	FF1 201. 8h	14.1.9.2(a)A.1.(c)	Transmission Related Common Plant shall equal Common Plant multiplied by the Electric Wages and Salaries Allocation Factor and further multiplied by the Transmission Wages and Salaries Allocation Factor.
11										
12										
13										
14										
15	<u>Intangible Plant</u>	100.00%	-	\$0	13.00%	(c)	\$0	FF1 205.5g	14.1.9.2(a)A.1.(d)	Transmission Related Intangible Plant shall equal Intangible Electric Plant multiplied by the



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Niagara Mohawk Power Corporation
Annual Revenue Requirements of Transmission Facilities
Transmission Investment Base (Part 2 of 2)

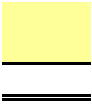
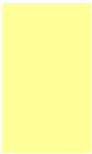
Attachment 1
Schedule 7

Attachment H Section 14.1.9.2 (a) A. 1. Shading denotes an input		Year							
Line No.		(1) <u>Total</u>	(2) Allocation <u>Factor</u>	(3) = (1)*(2) Electric <u>Allocated</u>	(4) Allocation <u>Factor</u>	(5) = (3)*(4) Transmission <u>Allocated</u>	FERC Form 1/PSC Report <u>Reference for col (1)</u>		<u>Definition</u>
1	<u>Transmission Accumulated Deferred Taxes</u>								
2	Accumulated Deferred Taxes (281-282)		100.00%	\$0	#DIV/0! (d)	#DIV/0!	FF1 275.2k	14.1.9.2(a)A.1.(g)	Transmission Related Accumulated Deferred Income Taxes shall equal the electric balance of Total Accumulated Deferred Income Taxes (FERC Accounts 190, 55,281, 282, and 283 net of stranded costs), multiplied by the Gross Transmission Plant Allocation Factor.
3	Accumulated Deferred Taxes (283)	\$0	100.00%	\$0	#DIV/0! (d)	#DIV/0!	Workpaper 2, Line 5		
4	Accumulated Deferred Taxes (190)		100.00%	\$0	#DIV/0! (d)	#DIV/0!	FF1 234.8c		
5	Accumulated Deferred Inv. Tax Cr (255)		100.00%	\$0	#DIV/0! (d)	#DIV/0!	FF1 267.8h		
6	Total (Sum of Line 2 - Line 5)			\$0		#DIV/0!			
7	<u>Transmission Regulatory Assets and Liabilities</u>								
8	Excess AFUDC		100.00%	\$0	#DIV/0! (d)	#DIV/0!	FF1 232 lines 20,25	14.1.9.2(a)A.1.(h)	Transmission Related Regulatory Assets and Liabilities shall equal: (i) the balance of Regulatory Assets net of Regulatory Liabilities assigned to Transmission plus (ii) the electric balance of Regulatory Assets net of Regulatory Liabilities multiplied by the Gross Transmission Plant Allocation Factor.
90	FAS 109	\$0	100.00%	\$0	#DIV/0! (d)	#DIV/0!	Schedule 14, line 3a, column Q		
10	Excess (Deficient) ADIT - Tax Rate Changes	\$0	100.00%	\$0	100.00%	\$0	Schedule 14, line 2, column Q		
11	Total (Line 9 + Line 10)	\$0		\$0		#DIV/0!			
12									
13	<u>Transmission Prepayments</u>						FF1 111.57c	14.1.9.2(a)A.1.(i)	Transmission Related Prepayments shall be the product of Prepayments excluding Federal and State taxes multiplied by the Gross Electric Plant Allocation Factor and further multiplied by the Gross Transmission Plant Allocation Factor.
14	Less: Prepaid State and Federal Income Tax						FF1 263 lines 2 &7 (h)		
15	Total Prepayments (Line 13 + Line 14)	\$0	#DIV/0! (b)	#DIV/0!	#DIV/0! (d)	#DIV/0!			
16									
17									
18	<u>Transmission Material and Supplies</u>							14.1.9.2(a)A.1.(j)	Transmission Related Materials and Supplies shall equal: (i) the balance of Materials and Supplies assigned to Transmission plus (ii) the product of Material and Supplies assigned to Construction multiplied by the Gross Electric Plant Allocation Factor and further multiplied by Gross Transmission Plant Allocation Factor.
19	Trans. Specific O&M Materials and Supplies					\$0	FF1 227.8c		
20	Construction Materials and Supplies		#DIV/0! (b)	#DIV/0!	#DIV/0! (d)	#DIV/0!	FF1 227.5c		
21	Total (Line 19 + Line 20)					#DIV/0!			
22									
23									
24									
25	<u>Cash Working Capital</u>							14.1.9.2(a)A.1.(k)	Transmission Related Cash Working Capital shall be an allowance equal to the product of: (i) 12.5% (45 days/ 360 days = 12.5%)
26	Operation & Maintenance Expense					\$0	Schedule 9, Line 23		

NYISO Tariffs --> Open Access Transmission Tariff (OATT) --> 14 OATT Attachment H - Annual Transmission Revenue Requireme --> 14.2-14.2.1 OATT Att H Attachment 1 to Attachment H

270.1250x 45 / 360multiplied by (ii) Transmission Operation and Maintenance Expense.

28Total (Line 26 * Line 27)\$0



Allocation Factor Reference

- (a) Schedule 5, line 1 - not used on this Schedule
- (b) Schedule 5, line 32
- (c) Schedule 5, line 3 - not used on this Schedule
- (d) Schedule 5, line 19

Niagara Mohawk Power Corporation
Annual Revenue Requirements of Transmission Facilities
Cost of Capital Rate

Attachment 1
Schedule 8

Shading denotes an input

Year

Line No.

1

The Cost of Capital Rate shall equal the proposed Weighted Costs of Capital plus Federal Income Taxes and State Income Taxes.

2

The Weighted Costs of Capital will be calculated for the Transmission Investment Base using NMPC’s actual capital structure and will equal the sum of (i), (ii), and (iii) below:

3

(i) the long-term debt component, which equals the product of the actual weighted average embedded cost to maturity of NMPC’s long-term debt outstanding during the year and the sum of (a) the ratio of actual long-term debt to total capital at year-end; and

4

(b) the extent, if any, by which the ratio of NMPC’s actual common equity to total capital at year-end exceeds fifty percent (50%). Long term debt shall be defined as the average of the beginning of the year and end of year balances of the following: long term debt less the unamortized

5

Discounts on Long-Term Debt less the unamortized Loss on Reacquired Debt plus unamortized Gain on Reacquired Debt. Cost to maturity of NMPC’s long-term debt shall be defined as the cost of long term debt included in the debt discount expense and

6

any loss or gain on reacquired debt.

7

(ii) the preferred stock component, which equals the product of the actual weighted average embedded cost to maturity of NMPC’s preferred stock then outstanding and the ratio of actual preferred stock to total capital at year-end;

8

(iii) the return on equity component shall be the product of the allowed return on equity of 10.3% and the ratio of NMPC’s actual common equity to total capital at year-end, provided that such ratio

9

shall not exceed fifty percent (50%).

10

11

12

13

14

15

16

17

(i)

Long-Term Debt

\$0

Workpaper 6, Line 16b

#DIV/0!

#DIV/0!

Workpaper 6, Line 17c

#DIV/0!

18

(ii)

Preferred Stock

FF1 112.3c

#DIV/0!

#DIV/0!

Workpaper 6, Line 24d

#DIV/0!

#DIV/0!

19

(iii)

Common Equity

112.3,12,15c

#DIV/0!

10.30%

#DIV/0!

#DIV/0!

20

Total Investment Return

\$0

#DIV/0!

#DIV/0!

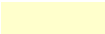
#DIV/0!

21

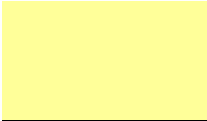
22

23

24
25



▪



=====

=====

26 Federal Income
14.1.9.2.2.(b) Tax shall equal = (A + [B / C] X Federal Income
27 (1 - Tax Rate)
28
29 where A is the sum of the preferred stock component and the return on equity component, each as determined in Sections (a)(ii) and for the ROE set forth in (a)(iii)
above, B is the Equity AFUDC component of Depreciation Expense for
30 Transmission Plant in Service as defined at Section 14.1.9.1.16 (FF1 117.38c), and C is the Transmission Investment Base as shown at Schedule 6, Page 1 of 2, Line
28.

31
32 =
33 (#DIV/0! +(\$0)/ #DIV/0! X)
34 (1 - 0)
35 = #DIV/0!

36
37
38 State Income
Tax shall = Federal Income State
14.1.9.2.2.(c) equal (A + [B / C] + Tax Rate) X Income Tax
39 (1 - Tax Rate) Rate
40

41 where A is the sum of the preferred stock component and the return on equity component as determined in (a)(ii) and (a)(iii) above , B is the Equity AFUDC
component of Depreciation Expense for Transmission Plant in
42 Service as defined at Section 14.1.9.1.16 above, and C is the Transmission Investment Base as shown at Schedule 6, Page 1 of 2, Line 28.

43
44
45
46 = #DIV/0 + \$ #DIV/
47 (! (0)/ 0! + #DIV/0!) X
48 (1 - 0)
49 = #DIV/0!

50
51
52 (a)+(b)+(c) Cost of
53 Capital Rate = #DIV/0!

56 Transmission Investment Base and the Cost of Capital Rate

57

=====

=====

=====

58
59

	Transmission Investment		
60	Base	<u>#DIV/0!</u>	Schedule 6, page 1 of 2, Line 28
61			
	Cost of Capital		
62	Rate	<u>#DIV/0!</u>	Line 53
63			
	= Investment Return		
64	and Income Taxes	#DIV/0!	Line 60 X Line 62

Niagara Mohawk Power Corporation
Annual Revenue Requirements of Transmission Facilities
Transmission Expenses

Attachment 1
Schedule 9

Attachment H Section 14.1.9.2

Year

Shading denotes an input

Line No.	(1) <u>Total</u>	(2) Allocation <u>Factor</u>	(3) = (1)*(2) <u>Electric</u> <u>Allocated</u>	(4) Allocation <u>Factor</u>	(5) = (3)*(4) Transmission <u>Allocated</u>	FERC Form 1/ PSC Report <u>Reference for col (1)</u>	<u>Definition</u>
<u>Depreciation Expense</u>							
1	Transmission Depreciation				\$0	FF1 336.7f	14.1.9.2.B. Transmission Related Depreciation Expense shall equal the sum of: (i) Depreciation Expense for Transmission Plant in Service, plus (ii) the product of Electric General Plant Depreciation Expense multiplied by the Transmission Wages and Salaries Allocation Factor plus (iii) Common Plant Depreciation Expense multiplied by the Electric Wages and Salaries Allocation Factor, further multiplied by the Transmission Wages and Salaries Allocation Factor plus (iv) Intangible Electric Plant Depreciation Expense multiplied by the Transmission Wages and Salaries Factor plus (v) depreciation expense associated with the Wholesale Metering Investment.
2	General Depreciation	100.0000%	\$0	13.0000% (c)	\$0	FF1 336.10f	
3	Common Depreciation	83.5000% (a)	\$0	13.0000% (c)	\$0	FF1 356.1	
4	Intangible Depreciation	100.0000%	\$0	13.0000% (c)	\$0	FF1 336.1f	
5	Wholesale Meters				#DIV/0!	Workpaper 1	
6	Total (Line 1+2+3+4+5)				#DIV/0!		
7							
8							
9							
10							
11							
12	<u>Real Estate Taxes</u>	100.0000%	\$0	#DIV/0! (d)	#DIV/0!	FF1 263.25i	14.1.9.2.C. Transmission Related Real Estate Tax Expense shall equal the electric Real Estate Tax Expenses multiplied by the Gross Transmission Plant Allocation Factor.
13							
14							
15							
16	<u>Amortization of Investment Tax Credits</u>	#DIV/0! (b)	#DIV/0!	#DIV/0! (d)	#DIV/0!	FF1 117.58c	14.1.9.2.D. Transmission Related Amortization of Investment Tax Credits shall equal the product of Amortization of Investment Tax Credits multiplied by the Gross Electric Plant Allocation Factor and further multiplied by the Gross Transmission Plant Allocation Factor.
17							
18							
19							
20	<u>Transmission Operation and Maintenance</u>						
21	Operation and Maintenance				\$0	FF1 321.112b	14.1.9.2.E. Transmission Operation and Maintenance Expense shall equal the sum of electric expenses as recorded in FERC Account Nos. 560, 562-574.
22	less Load Dispatching - #561				\$0	FF1 321.84-92b	
23	O&M (Line 21 - Line 22)	\$0			\$0		
24							
25	<u>Transmission Administrative and General</u>						14.1.9.2.F. Transmission Related Administrative and General Expenses shall equal the product of electric Administrative and General Expenses, excluding the sum of Electric Property Insurance, Electric Research and
26	Total Administrative and General					FF1 323.197b	
27	less Property Insurance (#924)					FF1 323.185b	
28	less Pensions and Benefits (#926)					FF1 323.187b	Development Expense and Electric Environmental Remediation Expense,
29	less: Research and Development Expenses (#930)	\$0				Workpaper 12	and 50% of the NYPSC Regulatory Expense

30

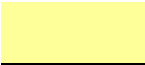
NYISO Tariffs --> Open Access Transmission Tariff (OATT) --> 14 OATT Attachment H - Annual Transmission Revenue Requireme --> 14.2-14.2.1 OATT Att H Attachment 1 to Attachment H
Less: 50% of NY PSC Regulatory Expense
Less: 18a Charges (Temporary Assessment)

31

50% of Workpaper 15

multiplied by the Transmission Wages and Salaries Allocation Factor,

Workpaper 15



32	less: Environmental Remediation Expense	\$0				Workpaper 11		plus the sum of Electric Property Insurance multiplied by the Gross
33	Subtotal (Line 26-27-28-29-30-31-32)	\$0	100.0000%	\$0	13.0000% (c)	\$0		Transmission Plant Allocation Factor, plus transmission-specific Electric
34	PLUS Property Insurance alloc. using Plant Allocation	\$0	100.0000%	\$0	#DIV/0! (d)	#DIV/0!	Line 27	
35	PLUS Pensions and Benefits	\$88,644,000	100.0000%	\$88,644,000	13.0000% (c)	\$11,523,720	Workpaper 3	Research and Development Expense, and transmission-specific
36	PLUS Transmission-related research and development	\$0				\$0	Workpaper 12	Electric Environmental Remediation Expense. In addition, Administrative
37	PLUS Transmission-related Environmental Expense	\$0				\$0	Workpaper 11	and General Expenses shall exclude the actual Post-Employment
38	Total A&G (Line 33+34+35+36+37)	\$88,644,000		\$88,644,000		#DIV/0!		Benefits Other than Pensions ("PBOP") included in FERC Account 926,
39								and shall add back in the amounts shown on Workpaper 3, page 1,
40	Payroll Tax Expense							or other amount subsequently approved by FERC under Section 205 or 206.
41	Federal Unemployment						FF1 263.4i	14.1.9.2.G. Transmission Related Payroll Tax Expense shall equal the product of
42	FICA						FF1 263.3i	electric Payroll Taxes multiplied by the Transmission Wages and
43	State Unemployment						FF1 263.9i	Salaries Allocation Factor.
44	Total (Line 41+42+43)	\$0	100.0000%	\$0	13.0000% (b)	\$0		
45								
46	Amortization of (Excess)/ Deficient ADIT	\$0	100.0000%	\$0	#DIV/0! (d)	#DIV/0!	-Schedule 14, line 2, column J	14.1.9.2.H Transmission related Amortization of Regulatory Assets and Liabilities shall equal the transmission-specific Amortization of Regulatory Assets and Liabilities

Allocation Factor Reference
(a) Schedule 5, line 1
(b) Schedule 5, line 32
(c) Schedule 5, line 3
(d) Schedule 5, line 19

Niagara Mohawk Power Corporation
Annual Revenue Requirements of Transmission Facilities
Billing Adjustments, Revenue Credits, Rental Income

Attachment 1
Schedule 10

Attachment H Section 14.1.9.2 (a)		Year			
Line No.	Description	(1) Total	Source	Definition	
1	Billing Adjustments			14.1.9.2.I.	Billing Adjustments shall be any adjustments made in accordance with Section 14.1.9.4.4 below.
2				()	indicates a refund or a reduction to the revenue requirement on Schedule 1.
3					
4	Bad Debt Expense	\$0	Workpaper 4	14.1.9.2.J.	Transmission Related Bad Debt Expense shall equal
5					Bad Debt Expense as reported in Account 904 related to NMPC's wholesale transmission billing.
6					
7	Revenue Credits	\$0	Workpaper 5	14.1.9.2.K.	Revenue Credits shall equal all Transmission revenue recorded in FERC account 456
8					excluding (a) any NMPC revenues already reflected in the WR, CRR, SR, ECR and Reserved
9					components in Attachment H of the NYISO TSC rate; (b) any revenues associated
10					with expenses that have been excluded from NMPC's revenue requirement; (c) any
11					revenues associated with transmission service provided under this TSC rate, for which the
12					load is reflected in the calculation of BU, and (d) any revenues associated with Schedule 15a
13					transmission projects not charged under this TSC rate.
14					
15	Transmission Rents	\$0	Workpaper 7	14.1.9.2.L.	Transmission Rents shall equal all Transmission-related rental income recorded in FERC
16					account 454.615
17					
18	Project Specific Revenue Requirement Credit	#DIV/0!	Schedule 15a Line 19	14.1.9.2.M.	Project Specific Revenue Requirement Credit shall equal the Base Revenue Requirement associated
19					with transmission projects not charged under this TSC rate.
20				14.1.9.4(d)	
21				1	Any changes to the Data Inputs for an Annual Update, including but not limited to
22					revisions resulting from any FERC proceeding to consider the Annual Update, or
23					as a result of the procedures set forth herein, shall take effect as of the beginning
24					of the Update Year and the impact of such changes shall be incorporated into the
25					charges produced by the Formula Rate (with interest determined in accordance
26					with 18 C.F.R. § 38.19(a)) in the Annual Update for the next effective Update
27					Year. This mechanism shall apply in lieu of mid-Update Year adjustments and
28					any refunds or surcharges, except that, if an error in a Data Input is discovered
29					and agreed upon within the Review Period, the impact of such change shall be
30					incorporated prospectively into the charges produced by the Formula Rate during
31					the remainder of the year preceding the next effective Update Year, in which case
32					the impact reflected in subsequent charges shall be reduced accordingly.

33

2 The impact of an error affecting a Data Input on charges collected during the

34

Formula Rate during the five (5) years prior to the Update Year in which the error



35
36
37
38
39

was first discovered shall be corrected by incorporating the impact of the error on the charges produced by the Formula Rate during the five-year period into the charges produced by the Formula Rate (with interest determined in accordance with 18 C.F.R. § 38.19(a)) in the Annual Update for the next effective Update Year. Charges collected before the five-year period shall not be subject to correction.

(b) List of Items excluded from the Revenue Requirement

Attachment 1
Schedule 11
Page 1 of 1

Niagara Mohawk Power Corporation
System, Control, and Load Dispatch Expenses (CCC)

Attachment H, Section
14.1.9.5

The CCC shall equal the annual Scheduling, System Control and Dispatch Costs (i.e., the transmission component of control center costs) as recorded in FERC Account 561 and its associated sub-accounts using information from the prior calendar year, excluding NYISO system control and load dispatch expense already recovered under Schedule 1 of the NYISO Tariff.

Line No.				Year	Source
1	<u>Scheduling and Dispatch Expenses</u>				
2					
3	Accounts	561	Load Dispatching		FF1 321.84b
4	Accounts	561.1	Reliability		FF1 321.85b
5	Accounts	561.2	Monitor and Operate Transmission System		FF1 321.86b
6	Accounts	561.3	Transmission Service and Schedule		FF1 321.87b
7	Accounts	561.4	Scheduling System Control and Dispatch		FF1 321.88b
8	Accounts	561.5	Reliability, Planning and Standards Development		FF1 321.89b
9	Accounts	561.6	Transmission Service Studies		FF1 321.90b
10	Accounts	561.7	Generation Interconnection Studies		FF1 321.91b
11	Accounts	561.8	Reliability, Planning and Standards Dev. Services		FF1 321.92b
12					
13	Total Load Dispatch Expenses (sum of Lines 3 - 11)				Sum of Lines 3 - 11
14					
15	Less Account 561 directly recovered under Schedule 1 of the NYISO Tariff				
16					
17	Accounts	561.4	Scheduling System Control and Dispatch		Line 7
18	Accounts	561.8	Reliability, Planning and Standards Dev. Services		Line 11
19	Total NYISO Schedule 1				Line 17 + Line 18
20					
21	Total CCC Component				Line 13 - Line 19

Niagara Mohawk Power Corporation
Billing Units - MWH
Attachment H, Section 14.1.9.6

BU shall be the total Niagara Mohawk load as reported to the NYISO for the calendar billing year prior to the Forecast Period, including the load for customers taking service under Niagara Mohawk’s TSC Rate. The total Niagara Mohawk load will be adjusted to exclude (i) load associated with wholesale transactions being revenue credited through the WR, CRR, SR, ECR and Reserved components of Workpaper H of the NYISO TSC rate including Niagara Mohawk’s external sales, load associated with grandfathered OATT agreements, and any load related to pre-OATT grandfathered agreements; (ii) load associated with transactions being revenue credited under Historical TRR Component J; and (iii) load associated with netted station service.

Line No.			<u>SOURCE</u>
1	Subzone 1		NIMO TOL (transmission owner load)
2	Subzone 2		NIMO TOL (transmission owner load)
3	Subzone 3		NIMO TOL (transmission owner load)
4	Subzone 4		NIMO TOL (transmission owner load)
5	Subzone 29		NIMO TOL (transmission owner load)
6	Subzone 31		NIMO TOL (transmission owner load)
7	Total NIMO Load report to NYISO	0.000	Sum of Lines 1-6
8	LESS: All non-retail transactions		
9	Watertown		FF1 page 329.10.j
10	Disputed Station Service		NIMO TOL (transmission owner load)
11	Other non-retail transactions		All other non-retail transactions (Sum of 300,000 series PTID's from TOL)
12	Total Deductions	0.000	Sum of Lines 9 - 11
13	PLUS: TSC Load		
14	NYMPA Muni's, Misc. Villages, Jamestown (X1)		FF1 page 329.17.j
15	NYPA Niagara Muni's (X2)		FF1 page 329.1.j
16	Total additions	0.000	Sum of Lines 14 -15
17	Total Billing Units	0.000	Line 7 - Line 12 + Line 16

Niagara Mohawk Power Corporation
Forecasted Accumulated Deferred Income Taxes (FADIT)

Attachment 1
Schedule 13
Page 1 of 1

Shading denotes an input

Line No.	Description	Amount		
1	Transmission Related ADIT Balance at year-end		Schedule 7, Line 6, Column L	
2	Less: Accumulated Deferred Inv. Tax Cr (255)		Schedule 7, Line 5, Column L	
3	Net Transmission ADIT Balance at year-end (a)		Line 1 - Line 2	
4				
5	Forecasted Transmission Related ADIT balance		Internal Records	
6				
7	Change in ADIT		Line 5 - Line 3	
8				
9	Monthly Change in ADIT		Line 7 / 12 Months	
10				
11	(A) Month	(B) Remaining Days	(C) = (B)/ Line 17 (B) IRS Proration %	(D) = Line 9 *(C) Prorated ADIT
12	Month 1		100.00%	-
13	Month 2		100.00%	-
14	Month 3		100.00%	-
15	Month 4		100.00%	-
16	Month 5		100.00%	-
17	Month 6		100.00%	-
18	Month 7		#DIV/0! %	-
19	Month 8		#DIV/0! %	-
20	Month 9		#DIV/0! %	-
21	Month 10		#DIV/0! %	-
22	Month 11		#DIV/0! %	-
23	Month 12		#DIV/0! %	-
24	Total Prorated ADIT Change (Sum of 12 through 23)		\$	- to Schedule 2, Line 22

(a) The balance in Line 1, Total Transmission ADIT Balance at year-end, shall equal such ADIT that is subject to the normalization rules prescribed

The diagram consists of a yellow rectangular block on the left side of the page. To its right, there is a horizontal line. Below this line, there is a small vertical tick mark.

Niagara Mohawk Power Corporation
Annual Revenue Requirements of
Transmission Facilities
(Excess)/Deficient ADIT Worksheet
For Costs in 20__

Attachment 1

Schedule 14

Page 1 of 2

Input Cells are Shaded Yellow

		(A)	(B)	(C)	(D) = (A) + (B) + (C)	(E)	(F)			(G)	(H)	(I)	(J)	
		20__ Year End Unamortized (Excess)/Deficient ADIT (e)					Amortization Periods (f)				Amortization Expense (e) (g)			Total
Line No.	Description	FERC Account No. (a)	Ref	Protected	Unprotected	Gross-Up (i)	12/31/20__ _ Balance	Protected	Unprotected	FERC Account No. (g)	Protected	Unprotected	Gross-Up (i)	Amortizati on
<u>Transmission (EXCESS)/DEFICIENT ADIT - TAX RATE CHANGES</u>														
1a			(b)											
1 []			(c)			-	-						-	-
2	Total (Sum Lines1a thru 1[]) (d)					-	-						-	-
				-	-	-	-				-	-	-	-
Electric FAS 109/(Excess) Deficient ADIT														
3a	FAS 109 - Electric		(j)											
3[]														
4	Total (Sum Lines 3a thru 3[]) (d)													
5	TOTAL Electric FAS 109/(Excess) Deficient ADIT (Line 2 + Line 4)													
6	Deficient ADIT - Regulatory Asset Account 182.3			FF 1 Page 232 b										
7	Excess ADIT - Regulatory Liability Account 254			FF1 Page 278 b										
8	Deficient/(Excess) Deferred Income Tax Regulatory Asset/(Liability) (Line 6 + Line 7)													

Notes:

- (a) The affected ADIT accounts were remeasured by comparing ADIT on cumulative temporary differences for each item in accounts 190, 282, and 283 at the current Federal, State & Local Income Tax rate to ADIT balances at historical Federal, State & Local Income Tax rates. The difference between the two represents the excess or deficient ADIT. Refer to Schedule 14(a).
- (b) Relates to the Federal Income Tax Rate change associated with the 2017 Tax Cuts and Jobs Act.
- (c) Niagara Mohawk Power Corporation may add or remove sublines and notes explaining them without a FPA Section 205 filing.
- (d) Total equals the sum of sublines a through [], where [] is the last subline denoted by a letter.
- (e) Enter credit balances as negatives.
- (f) Deficient/(excess) ADIT balances will be amortized as follows: "Protected property-related" = ARAM, "unprotected property-related" = 31 yrs, all other unprotected deficient/(excess) ADIT balances = 10 yrs.

(g) Deficient ADIT is amortized to Account 410.1; Excess ADIT is amortized to Account 411.1.

(h) Other changes to (excess)/deficient ADIT due to the conclusion of IRS audits during applicable periods affected by a change in federal, state or local tax rates, the establishment of new (excess)/deficient ADIT due to future tax rate changes and classification changes between protected and unprotected categories due to the passage of time.

(h) Other changes to (excess)/deficient ADIT due to the conclusion of IRS audits during applicable periods affected by a change in federal, state or local tax rates, the establishment of new (excess)/deficient ADIT due to future tax rate changes and classification changes between protected and unprotected categories due to the passage of time.

- (i) Tax gross up calculated using the Composite Tax Rate / (1 - Composite Tax Rate) in effect for the applicable period.
- (j) Other Electric Transmission and Distribution FAS 109 balances
- (k) Niagara Mohawk Power Company will add footnotes below to identify excess or deficient ADIT from future Federal, State and Local income tax rate changes.
- (l) []

Niagara Mohawk Power Corporation
Annual Revenue Requirements of
Transmission Facilities
(Excess)/Deficient ADIT Worksheet
For costs in 20__

Attachment 1

Schedule 14

Page 2 of 2

Input cells are Shaded Yellow								
				(N) = (A) - (G) - (K)	(O) = (B) - (H) - (L)	(P)=(C)-(I)-(M)	(Q)= (N) + (O) + (P)	(R)
Other Adjustments (e) (h)				20__ Year End Unamortized (Excess)/Deficient ADIT (e)				
Line No.	Protected	Unprotected	Gross-Up(i)	Protected	Unprotected	Gross-Up (i)	12/31/20__ Balance	Reference
1a			-	-	-	-	-	
1 []			-	-	-	-	-	
2	-	-	-	-	-	-	-	
3a								
3b								
3c			-		-	-	-	
3d								
3 []			-		-	-	-	
4	-	-	-	-	-	-	-	
5	-	-	-	-	-	-	-	

6

FF1 Page 232 f

7

FF1 Page 278 f

8

-

Niagara Mohawk Power Corporation Annual Revenue Requirements of Transmission Facilities (Excess)/Deficient ADIT Worksheet Schedule 14(a) - Remeasurement Support - _____ For Costs in the Year of 20__														
			(A)	(B) = (A)* ____%	(C) = (A)* ____%	(D) = (B) - (C)	(E)	(F) = (E)* ____%	(G) = (E)* ____%	(H) = (F) - (G)	(I) = (D) + (H)	(J)	(K) = (I) - (J)	
			Gross Temporary				Gross Temporary							
			Difference				Difference				(Excess)/	Total (Excess)/	Adjustments	20__ (Excess)/
Line No.	Description	FERC Account No.	Fiscal Year Ended March 31, 20__ (a) (d)	ADIT @ __%	ADIT @ __%	(Excess)/ Deficient ADIT due to Rate Change	Fiscal Year Ended March 31, 20__ (a) (d)	ADIT @ ____% (c)	ADIT @ ____%	(Excess)/ Deficient ADIT due to Rate Change	Total (Excess)/ Deficient ADIT due to Rate Change	Adjustments Post Remeasurement (d)	20__ (Excess)/ Deficient ADIT due to Rate Change	
1a				-	-	-		-	-	-	-		-	
1[]				-	-	-		-	-	-	-		-	
2	Total (Sum Lines 1a thru 1[]) (b)		-	-	-	-	-	-	-	-	-	-	-	

Notes:

- (a) Company records
- (b) Total equals the sum of sublines a through [], where [] is the last subline denoted by a letter. Niagara Mohawk Power Company may add or remove sublines without a FPA Section 205 filing.
- (c) When the effective date for an income tax rate change falls within a Company's fiscal tax year, the income tax rate for such a year shall be the sum of the number of days in each time period times the tax rate for each a period.

Blended Rate	Days	Effective Rate	Blended Rate
			0.00%
			0.00%
			0.00%

- (d) Enter credit balances as negatives.
- (e) Niagara Mohawk Power Company may add footnotes below without a FPA Section 205 filing.

14 Project - Related Amortization of (Excess) Deficient ADIT

Niagara Mohawk Power Corporation
Project Specific Revenue Requirement Calculation
Smart Path Connect

_____/_____

Shading denotes an input

Line No.	Description	Amount	Source
1	Project Gross Plant In-Service	-	Workpaper _
2	CWIP	-	Workpaper _
3	Project - Related Depreciation and Amortization Reserves (Enter Credit)	-	Workpaper _
4	Project - Related Accumulated Deferred Income Taxes (Enter Credit)	-	Workpaper _
5	Project - Related Regulatory Asset (Liability)	-	Workpaper _
6	Project - Related (Excess) Deficient ADIT	-	Schedule 15c _ Line 2Q
7	Project - Related Prepayments	#DIV/0!	(Line 1/ Schedule 5 Line 13) * Schedule 7 Line 15 Column (5)
8	Project - Related Materials & Supplies	#DIV/0!	(Line 1/ Schedule 5 Line 13) * Schedule 7 Line 21 Column (5)
9	Project - Related Cash Working Capital	#DIV/0!	(Line 1/ Schedule 5 Line 13) * Schedule 7 Line 28 Column (5)
10	Net Investment Base	#DIV/0!	Sum lines 1 through 9
11	Project Specific Investment Base excl CWIP Return and Asso. Taxes	#DIV/0!	Schedule 15b Line 24
12	Project - Related Depreciation Expense	-	Workpaper _
13	Project - Related Amortization of Regulatory Asset (Liability)	-	Workpaper _

Authorized by FERC Order _____

Schedule 15c _ Line 2J

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Project-related depreciation and amortization reserve shall equal the accumulated credit of Project - Related Depreciation Expense net of any applicable retirements, cost of removal or salvage adjustments associated with the project.

Project - Related Accumulated Deferred Income Taxes shall equal ADIT calculated based on cost, accumulated book depreciation and accumulated tax depreciation.

Authorized by FERC Order _____

Project - Related (Excess) Deficient ADIT shall be the unamortized excess or deficient ADIT balance related specifically to the project as per Schedule 15c.

Project - Related Prepayments shall equal the ratio of Project Gross Plant In-Service to Gross Transmission Investments times Transmission Related Prepayments

Project - Related Materials & Supplies shall equal the ratio of Project Gross Plant In-Service to Gross Transmission Investments times Transmission Related Materials & Supplies

Project - Related Cash Working Capital shall equal the ratio of Project Gross Plant In-Service to Gross Transmission Investments times Transmission Related Cash Working Capital

Project-related depreciation expense will be determined based on application of the current FERC approved depreciation accrual rates per Section 14.1.9.1.14 of Attachment H of the NYISO OATT on a utility account basis to the Project Gross Plant In-service.

Authorized by FERC Order _____

Project - Related Amortization of (Excess) Deficient ADIT shall be the annual amortized excess or deficient ADIT balance related specifically to the project as identified in Schedule 15c Project Specific (Excess) Deficient ADIT.

1

Definitions

Project Gross Plant In-Service will be the total capital investment for the project included in Transmission Plant In Service plus an allocation of Transmission allocated General, Common and Intangible Plant based on the ratio of project specific transmission plant to Transmission Plant.

NYISO Tariffs --> Open Access Transmission Tariff (OATT) --> 14 OATT Attachment H - Annual			Attachment 1 to Attachment H	
15	Project - Related Real Estate Taxes	-	Workpaper __	Project related portion of Transmission Related Real Estate Tax Expense as determined based on the taxable value of the investment and the applicable property tax rate.
16	Project - Related Operation & Maintenance Expense	-	Workpaper __	Project - Related Operation and Maintenance Expense shall be based on charges to project-specific work orders. Operation & maintenance costs that cannot be directly attributed to a project will be allocated to a project based on the ratio of the Project Gross Plant In-service to Gross Transmission Investments.
17	Project Allocated Administrative & General Expense	#DIV/0!	(Line 1/ Schedule 5 Line 13) * (Schedule 9 Line 38 Column (5) + Schedule 9 Line 44 Column (5))	Project Allocated Administrative and General Expense shall equal the ratio of Project Gross Plant In-Service to Gross Transmission Investment times the sum of Transmission Related Administrative and General Expenses and Transmission Related Payroll Tax Expense.
18	Billing Adjustments	-	Workpaper __	Billing Adjustments shall be any adjustments made in accordance with Section 14.1.9.4.4
19	Base Revenue Requirement	#DIV/0!	Sum lines 11 through 18	
20	Project Specific Investment Base CWIP Return and Asso. Taxes	#DIV/0!	Schedule 15b Line 25	Project Specific Investment Base CWIP Return and Associated Taxes shall be the Return and Associated Income Taxes related to authorized CWIP included in ratebase
21	Cost Containment Adjustment	-	Workpaper __	Authorized by FERC Order _____. Cost containment impacts, if any, will be computed on a workpaper and provided as supporting documentation for each applicable Annual Update.
22	Billing Adjustments	-	Workpaper __	Billing Adjustments shall be any adjustments made in accordance with Section 14.1.9.4.4
23	Non-Base Revenue Requirement	#DIV/0!	Sum lines 20 through 22	
24				
25	Annual True-up including Interest	#DIV/0!	Line 37	
26				
27	Total Project Specific Revenue Requirement	#DIV/0!	Sum line 19 + 23 + 25	

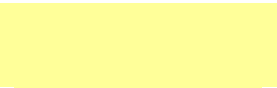
Annual True-up and Interest Calculation

28	ISO Revenues Received	-	WP5 Line _
29	Less: Prior Year True-up incl Interest	-	Workpaper _
30	Adjusted ISO Revenues	-	Sum Lines 28 and 29
31			
32	Actual Revenue Requirement	#DIV/0!	Line 19 + 23
33	Over (Under) recovery	#DIV/0!	Line 30 - Line 32
34			
35	Interest	#DIV/0!	Line 66, Column (9)
36			
37	Annual True-up including interest	#DIV/0!	Line 33 + Line 35
38			
39	Interest Calculation per 18 CFR Section 35.19a		

40	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
41	Quarters	Annual	Accrued Prin	Monthly	Days			Accrued Prin	Accrued
42		Interest	& Int. @ Beg	(Over)/Under	in	Period		& Int. @ End	Int. @ End
43		Rate (b)	Of Period	Recovery	Period (b)	Days	Multiplier	Of Period	Of Period
44									
45	3rd QTR ' _	0.00%	0		92	92	1.0000	\$0	\$0
46	July	0.00%		#DIV/0!	31	92	1.0000	#DIV/0!	#DIV/0!
47	August	0.00%		#DIV/0!	31	61	1.0000	#DIV/0!	#DIV/0!
48	September	0.00%		#DIV/0!	30	30	1.0000	#DIV/0!	#DIV/0!
49									
50	4th QTR ' _	0.00%	#DIV/0!		92	92	1.0000	#DIV/0!	#DIV/0!
51	October	0.00%		#DIV/0!	31	92	1.0000	#DIV/0!	#DIV/0!
52	November	0.00%		#DIV/0!	30	61	1.0000	#DIV/0!	#DIV/0!
53	December	0.00%		#DIV/0!	31	31	1.0000	#DIV/0!	#DIV/0!
54									
55	1st QTR ' _	0.00%	#DIV/0!		91	91	1.0000	#DIV/0!	#DIV/0!
56	January	0.00%		#DIV/0!	31	91	1.0000	#DIV/0!	#DIV/0!
57	February	0.00%		#DIV/0!	28	60	1.0000	#DIV/0!	#DIV/0!
58	March	0.00%		#DIV/0!	31	31	1.0000	#DIV/0!	#DIV/0!
59									
60	2nd QTR ' _	0.00%	#DIV/0!		91	91	1.0000	#DIV/0!	#DIV/0!
61	April	0.00%		#DIV/0!	30	91	1.0000	#DIV/0!	#DIV/0!
62	May	0.00%		#DIV/0!	31	61	1.0000	#DIV/0!	#DIV/0!

63	June	0.00%	#DIV/0!	30	30	1.0000	#DIV/0!	#DIV/0!
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64



65

66	Total (Over)/Under Recovery	#DIV/0!	#DIV/0!	#DIV/0!
----	-----------------------------	---------	---------	---------

- (b) Interest rates shall be the interest rates as reported on the FERC Website <http://www.ferc.gov/legal/acct-matts/interest-rates.asp>
- (c) For leap years use 29 days in the month of February

Niagara Mohawk Power Corporation
Project Return and Associated Income Taxes
Smart Path Connect

Attachment 1
Schedule 15b
Page 35 of 38

Shading denotes an input

Cost Of Capital		Cost of Capital rate will equal the cost of capital rate calculated using the Weighted Costs of Capital as defined in Section 14.1.9.2.2 (i), (ii) and (iii) of Attachment H of the OATT.					
Line		(a) CAPITALIZATION	(b) CAPITALIZATION RATIOS	(c) COST OF CAPITAL	(d) WEIGHTED COST OF CAPITAL	(e) EQUITY PORTION	Source:
1							
2	LONG TERM DEBT	\$0	#DIV/0!	#DIV/0!	#DIV/0!		Schedule 8 Line 17
3	PREFERRED STOCK	\$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	Schedule 8 Line 18
4	COMMON EQUITY	\$0	#DIV/0!	10.30%	#DIV/0!	#DIV/0!	Schedule 8 Line 19
5							
6	TOTAL INVESTMENT RETURN	\$0	#DIV/0!		#DIV/0!	#DIV/0!	Line 2 + Line 3 + Line 4
7							
8							
9	<u>Federal Income Tax</u>						
10	Equity WACC	#DIV/0!	Line 6(e)				
11	Federal Income Tax Rate	0.00%	Schedule 8 Line 32				
12	Federal Income Tax	#DIV/0!	(Line 10*Line 11)/(1-Line 11)				
13							
14	<u>State Income Tax</u>						
15	State Income Tax Rate	0.00%	Schedule 8 Line 46				
16	State Income Tax	#DIV/0!	(Line 10 + Line 12)*Line 15/(1- Line 15)				
17							
18	Cost of Capital Rate	#DIV/0!	Line 6(d) + Line 12+ Line 16				
19	Project Specific Investment Base excl CWIP	#DIV/0!	Schedule 15a Line 10 - Line 2				
20	Project Specific Investment Base CWIP	--	Schedule 15a Line 2				
21	Total Investment Base	#DIV/0!					
22							
23	<u>Return and Associated Taxes</u>						
24	Project Specific Investment Base excl CWIP Return and Asso. Taxes	#DIV/0!	Line 19 * Line 18				
25	Project Specific Investment Base CWIP Return and Asso. Taxes	#DIV/0!	Line 20 * Line 18				
26							
27	Total Return and Associated Income Taxes	#DIV/0!	Sum Line 24 + 25				

Niagara Mohawk Power Corporation
Annual Revenue Requirements of Transmission Facilities

Attachment 1
Schedule 15c
Page 1 of 2

Smart Path Connect (Excess)/Deficient ADIT Worksheet_
For Costs in 20__

Input Cells are Shaded Yellow																	
		(A)	(B)	(C)	(D) = (A) + (B) + (C)	(E)	(F)	(G)	(H)	(I)	(J)						
		20__ Year End Unamortized (Excess)/Deficient ADIT (d)				Amortization Periods (e)		Amortization Expense (d) (f)									
Line No.	Description	FERC Account No. (a)	Protected	Unprotected	Gross-Up (h)	12/31/20__ Balance	Protected	Unprotected	FERC Account No. (f)	Protected	Unprotected	Gross-Up (h)	Total Amortization				
<u>Project -related (Excess)/Deficient ADIT - Tax Rate Changes</u>																	
1a						-							-				
1 []		(b)				-							-				
2	Total (Sum Lines1a thru 1 []) (c)					-				-			-				
			-			-					-		-				

Notes:

- (a) The affected ADIT accounts were remeasured by comparing ADIT on cumulative temporary differences for each item in accounts 190, 282, and 283 at the current Federal, State & Local Income Tax rate to ADIT balances at historical Federal, State & Local Income Tax rates. The difference between the two represents the excess or deficient ADIT. Refer to Schedule 14(a).
- (b) Niagara Mohawk Power Corporation may add or remove sublines and notes explaining them without a FPA Section 205 filing.
- (c) Total equals the sum of sublines a through [], where [] is the last subline denoted by a letter.
- (d) Enter credit balances as negatives.
- (e) Deficient/(excess) ADIT balances will be amortized as follows: "Protected property-related" = ARAM, "unprotected property-related" = 31 yrs, all other unprotected deficient/(excess) ADIT balances = 10 yrs.
- (f) Deficient ADIT is amortized to Account 410.1; Excess ADIT is amortized to Account 411.1.
- (g) Other changes to (excess)/deficient ADIT due to the conclusion of IRS audits during applicable periods affected by a change in federal, state or local tax rates, the establishment of new (excess)/deficient ADIT due to future tax rate changes and classification changes between protected and unprotected categories due to the passage of time.
- (h) Tax gross up calculated using the Composite Tax Rate / (1 - Composite Tax Rate) in effect for the applicable period.
- (i) Niagara Mohawk Power Company will add footnotes below to identify excess or deficient ADIT from future Federal, State and Local income tax rate changes.
- (j) []

Niagara Mohawk Power Corporation Annual Revenue Requirements of Transmission Facilities

Attachment 1
Schedule 15c
Page 2 of 2

Smart Path Connect (Excess)Deficient ADIT Worksheet:_
For costs in 20_

Input cells are Shaded Yellow								
			(N) = (A) - (G) - (K)	(O) = (B) - (H) - (L)	(P)=(C)-(I)-(M)	(Q)= (N) + (O) + (P)	(R)	
Other Adjustments (d) (g)			20__ Year End Unamortized (Excess)/Deficient ADIT (d)					
Line No.	Protected	Unprotected	Gross-Up (h)	Protected	Unprotected	Gross-Up (h)	12/31/20__ Balance	Reference
	1a							Internal Records
	1 []							
2								

Niagara Mohawk Power Corporation
Annual Revenue Requirements of Transmission Facilities
Project Specific (Excess)/Deficient ADIT Remeasurement Worksheet: Smart Path Connect ____
Schedule 15(d) - Remeasurement Support
For Costs in the Year of 20__

			(A)	(B) = (A)* ____%	(C) = (A)* ____%	(D) = (B) - (C)	(E)	(F) = (E)* ____%	(G) = (E)* ____%	(H) = (F) - (G)	(I) = (D) + (H)	(J)	(K) = (I) - (J)	
			Gross Temporary				Gross Temporary							
			Difference				Difference				(Excess)/	Total (Excess)/	Adjustments	20__ (Excess)/
			Fiscal Year Ended				Fiscal Year Ended				Deficient ADIT	Deficient ADIT	Post	Deficient ADIT
			March 31, 20__ (a)				March 31, 20__ (a)				due to Rate	due to Rate	Remeasurement	due to Rate
			(d)	ADIT @ ____%	ADIT @ ____%	Change	(d)	ADIT @ ____% (c)	ADIT @ ____%	Change	Change	Change	(d)	Change
Line No.	Description	FERC Account No.												
1a				-	-	-		-	-	-	-	-		-
1[]				-	-	-		-	-	-	-	-		-
2	Total (Sum Lines 1a thru 1 []) (b)		-	-	-	-	-	-	-	-	-	-	-	-

- Notes:**
- (a) Company records
- (b) Total equals the sum of sublines a through [], where [] is the last subline denoted by a letter. Niagara Mohawk Power Company may add or remove sublines without a FPA Section 205 filing.
- (c) When the effective date for an income tax rate change falls within a Company's fiscal tax year, the income tax rate for such a year shall be the sum of the number of days in each time period times the tax rate for each a period.

Blended Rate	Days	Effective Rate	Blended Rate
			0.00%
			0.00%
			0.00%

- (d) Enter credit balances as negatives.
- (e) Niagara Mohawk Power Company may add footnotes below without a FPA Section 205 filing.