

## Attachment A

## **6.19.6 Attachment 1 – Rate Mechanism for the Recovery of CLCPA Eligible Projects for New York State Electric and Gas Corporation**

### **6.19.6.1 Applicability**

This Attachment 1 to Rate Schedule 19 of the ISO OATT establishes the CFC Charge of New York State Electric and Gas Corporation (“NYSEG”). NYSEG is an Eligible Transmission Owner and may recover eligible costs for its CLCPA Eligible Projects in accordance with the requirements of Rate Schedule 19 of the ISO OATT.

### **6.19.6.2 Revenue Requirement**

For purposes of Rate Schedule 19 of the ISO OATT, the revenue requirement for the Eligible Transmission Owner’s CLCPA Eligible Projects shall be determined in accordance with the formula rate protocols set forth in Section 6.19.6.2.1 and the formula rate template set forth in Section 6.19.6.2.2.

#### **6.19.6.2.1 Formula Rate Protocols**

##### **Section 1 Definitions**

The following definitions shall apply for purposes of this Attachment 1 to Rate Schedule 19 of the ISO OATT:

- a. **Accounting Change:** any change in accounting by NYSEG or its affiliates that affects inputs to the Formula Rate or the resulting charges billed under the Formula Rate.
- b. **Annual Review Procedures:** the procedures described in this Section 6.19.6.2.1 of Attachment 1 to Rate Schedule 19 of the ISO OATT that provide for review and challenge by Interested Parties of the Annual True-up Adjustment and the Annual Update.

c. **Annual Stakeholder Meeting:** an annual meeting for Interested Parties with the intention that NYSEG present, explain and answer questions related to the Annual True-up Adjustment and Annual Update.

d. **Actual Annual Transmission Revenue Requirement (“Actual ATRR”):** the actual annual revenue requirement of NYSEG’s CLCPA Eligible Projects for a Rate Year calculated in accordance with the Formula Rate and posted on the ISO website no later than June 15 following the end of such Rate Year.

e. **Annual True-up Adjustment:** the difference between the revenues collected for that Rate Year under the Formula Rate based upon the Projected ATRR (not including the True-up Adjustment or Corrections) and the Actual ATRR for the same Rate Year. The Annual True-up Adjustment is included in the Annual Update for the next Rate Year.

f. **Annual Update:** the Projected ATRR for the upcoming Rate Year, including any Annual True-up Adjustment for the prior Rate Year or any Corrections for prior years.

g. **CLCPA Eligible Projects:** the transmission projects (or any portion thereof) owned by NYSEG that qualify as a “CLCPA Eligible Project” as such term is defined in Section 6.19.1.1 of Rate Schedule 19 of the ISO OATT. For the purposes of this Attachment 1 to Rate Schedule 19 of the ISO OATT, such transmission projects may also be referred to as “Schedule 19 Projects.”

h. **Corrections:** changes due to errors or otherwise to prior Actual ATRRs that occur after that Actual ATRR is used to determine that Rate Year’s Annual True-up Adjustment and included in the applicable Annual Update.

i. **Formal Challenge:** a written challenge, filed with FERC, to the Annual True-up Adjustment submitted to the Commission or to the Annual Update posted to

the ISO website.

j. **Formula Rate:** the Formula Rate Template (as set forth in Section 6.19.6.2.2 of this Attachment 1 to Rate Schedule 19 of the ISO OATT) and the Formula Rate Protocols (as set forth in this Section 6.19.6.2.1 of this Attachment 1 to Rate Schedule 19 of the ISO OATT).

k. **Formula Rate Template:** the collection of formulas and worksheets, unpopulated with any data, included as set forth in Section 6.19.6.2.2 of this Attachment 1 to Rate Schedule 19 of the ISO OATT.

l. **Informal Challenge:** a process by which Interested Parties may challenge certain aspects of the Annual True-up Adjustment or Annual Update. Informal Challenges are presented to NYSEG directly.

m. **Informational Filing:** the filing of the Annual Update and the results of the Review Period with FERC on or before February 1 of each year commencing with the completion of the initial Rate Year for which this Attachment 1 to Rate Schedule 19 of the ISO OATT is effective. This is filed at FERC for informational purposes only and does not require any action by the Commission.

n. **Interested Parties:** any transmission customer under the ISO OATT, the New York State Department of Public Service, the New York State Department of State's Division of Consumer Protection Utility Intervention Unit, consumer advocacy agencies, the New York Attorney General or any party that has standing in a NYSEG Formula Rate proceeding under sections 205 or 206 of the FPA.

o. **Posting Date:** the date on which NYSEG causes to be posted to the ISO website its Annual Update, which is October 15 of each year; provided, however, that if

such date falls on a weekend or holiday recognized by the Commission, the Posting Date shall be the next business day.

p. **Projected Annual Transmission Revenue Requirement (“Projected ATRR”)**: the projected annual revenue requirement of NYSEG’s CLCPA Eligible Projects for the upcoming Rate Year calculated in accordance with the Formula Rate and posted on the ISO website no later than the Posting Date.

q. **Publication Date**: the date on which NYSEG causes the Annual True-up Adjustment to be posted to the ISO website, which is June 15 of each year; provided, however, that if such date falls on a weekend or holiday recognized by the Commission, the Publication Date shall be the next business day.

r. **Rate Year**: a twelve consecutive month period that begins on January 1 and continues through December 31.

s. **Review Period**: the period during which Interested Parties may request information or make Informal Challenges to the Annual True-up Adjustment or Annual Update. The Review Period extends from the Publication Date to January 31 of the following calendar year. Information requests can be submitted from the Publication Date through December 1 of the current year.

## **Section 2      Applicability**

These Formula Rate Protocols shall apply to NYSEG’s calculation of its Projected ATRR and Actual ATRR, and related Annual True-up Adjustment(s). A timeline of the annual protocol process is contained in Section 10 of this Section 6.19.6.2.1 of Attachment 1 to Rate Schedule 19 of the ISO OATT.

## **Section 3      Projected ATRR, Actual ATRR, Annual True-up Adjustment and Annual Update**

a. The Projected ATRR calculated pursuant to the Formula Rate shall be applicable on and after January 1 of the Rate Year in which the revenue requirement of Schedule 19 Projects is to be included in transmission rates.

b. On or before June 15 of each succeeding Rate Year (the Publication Date), NYSEG shall calculate its Actual ATRR and resulting Annual True-up Adjustment according to the Formula Rate and cause the results to be posted on the ISO website. Within five (5) days of such posting, NYSEG shall provide (or caused to be provided) notice of such posting to Interested Parties. The ISO shall provide notice of such posting via email to Transmission Customers. NYSEG shall provide notice via email to all other Interested Parties utilizing the most recent email address provided to NYSEG.

c. On or before October 15 of each year (the Posting Date) beginning when the revenue requirement of Schedule 19 Projects is to be included in transmission rates in the subsequent Rate Year, NYSEG shall calculate its Annual Update for the upcoming Rate Year and cause the results to be posted on the ISO website. As part of the Annual Update, NYSEG shall determine its Projected ATRR, calculated according to the Formula Rate. The Annual Update will also include the results of the Annual True-up Adjustment for the prior Rate Year and any Corrections for prior years, when applicable. Within five (5) days of such posting, NYSEG shall provide (or caused to be provided) notice of such posting to Interested Parties. The ISO shall provide notice of such posting via email to Transmission Customers. NYSEG shall provide notice via email to all other Interested Parties utilizing the most recent email address provided to NYSEG.

d. If the Publication Date or the Posting Date falls on a weekend or a holiday recognized by FERC, then the Publication Date or Posting Date, as applicable, shall be the

next business day.

e. Within thirty (30) days after the Posting Date (October 15), NYSEG shall hold the Annual Stakeholder Meeting to present, explain and answer questions concerning the Annual True-up Adjustment for the prior Rate Year and the Annual Update for the upcoming Rate Year. NYSEG will provide the opportunity for remote participation at Annual Stakeholder Meetings. To ensure that Interested Parties receive sufficient advance notice of Stakeholder Meetings, NYSEG shall schedule each Annual Stakeholder Meeting at least one (1) month in advance and cause notice thereof to be posted on the ISO website. Within five (5) days of such posting, NYSEG shall provide (or caused to be provided) notice of such posting to Interested Parties. The ISO shall provide notice of such posting via email to Transmission Customers. NYSEG shall provide notice via email to all other Interested Parties utilizing the most recent email address provided to NYSEG.

f. NYSEG shall modify the Annual Update to reflect any changes that it and the Interested Parties agree upon by no later than December 1 and shall cause the revised Annual Update to be posted on the ISO website no later than December 15. Any change agreed to or required after November 30 will be implemented as part of the subsequent Annual True-up Adjustment to be effective in the next following Rate Year. Within five (5) days of such posting, NYSEG shall provide (or caused to be provided) notice of such posting to Interested Parties. The ISO shall provide notice of such posting via email to Transmission Customers. NYSEG shall provide notice via email to all other Interested Parties utilizing the most recent email address provided to NYSEG.

g. The Actual ATRR and Annual True-up Adjustment posting shall:

i. Include a workable, data-populated Formula Rate Template and any

underlying workpapers in native format with all formulas and links intact and based on NYSEG's FERC Form No. 1 reports for the prior Rate Year;

ii. Provide supporting documentation and workpapers for data that are used in the Annual True-up Adjustment that are not otherwise available directly from the FERC Form No. 1 reports;

iii. Provide sufficient information to enable Interested Parties to replicate the calculation of the Annual True-up Adjustment;

iv. Identify any changes in the Formula Rate references (page and line numbers) to the FERC Form No. 1 report;

v. Identify all material adjustments made to the FERC Form No. 1 data in determining Formula Rate Template inputs, including relevant footnotes to the FERC Form No. 1 and any adjustments not shown in the FERC Form No. 1;

vi. Include, with respect to any Accounting Change that affects inputs to the Formula Rate Template, or the resulting Actual ATRR under the Formula Rate:

- A. a description of any changes in an accounting standard or policy;
- B. a description of any accounting practices for unusual or unconventional items where FERC has not provided specific accounting direction;
- C. any correction of material errors and material prior period adjustments that impact the Annual True-up Adjustment calculation or prior Annual True-up Adjustments;
- D. a description of any new estimation methods or policies that change prior estimates; and
- E. changes to income tax elections or rates;



vii. Identify items included in the Annual True-up Adjustment at an amount other than on a historic cost basis (*e.g.*, fair value adjustments);

viii. 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 True-up Adjustment;

ix. Include, for each item identified pursuant to 3.g.vi – 3.g.viii of these Formula Rate Protocols, a narrative explanation of the individual effect of such changes on the Actual ATRR under the Formula Rate; and

x. Provide for the prior Rate Year the following information related to affiliate cost allocation.

A. a detailed description of the methodologies used to allocate and directly assign costs between NYSEG and its affiliates by service category or function, including any changes to such cost allocation methodologies from the prior Rate Year and the reasons and justifications for those changes; and

B. the magnitude of such costs that have been allocated or directly assigned between NYSEG and each affiliate by service category or function.

h. The Projected ATRR shall:

i. Include a workable, data-populated Formula Rate Template and any underlying workpapers in native format with all formulas and links intact;

ii. Provide supporting documentation and workpapers for all Schedule 19 Projects being added to operating property in the upcoming Rate Year that are used in the Projected ATRR, including projected costs of each project, expected construction schedule and in-service dates; and

iii. Provide enough information to enable Interested Parties to replicate the calculation of the Projected ATRR.

i. If NYSEG files any corrections to its FERC Form No. 1 that impacts an Annual True-up Adjustment, such corrections and any resulting refunds or surcharges shall be reflected in the subsequent Annual True-up Adjustment or Annual Update as a Correction, with interest.

j. Interest on the Annual True-up Adjustment shall be determined based on the Commission's regulations at 18 C.F.R § 35.19a a(iii)(A). The interest payable shall be calculated using the average of the interest rates used to calculate the time value of money for the twenty-four (24) months during which the over- or under- recovery in the Actual ATRR exists (middle of Rate Year for which Annual True-up Adjustment is being determined to the middle of Rate Year where the Annual True-up Adjustment is included in the Annual Update). The interest during this 24-month period will initially be estimated and then trued-up to actual and included in a subsequent Annual True-up Adjustment.

k. Formula Rate Template inputs for (i) the ceiling rate of return on common equity; (ii) extraordinary property losses, and (iii) depreciation and amortization expense rates shall be stated values to be used in the Formula Rate approved by FERC order(s). NYSEG may make a limited section 205 filing to change its rate of return on common equity to reflect incentive rate of return adders, if any, which may only be included upon FERC order. Such filings shall comply with the filing requirements that the FERC may have established for seeking such incentives. NYSEG may also make a limited section 205 filing to request recovery of the cost of removal regulatory asset, request recovery of extraordinary property losses or change or add new depreciation and amortization rates. In each case, the sole

purpose of any such limited section 205 filing shall be to address whether such proposed changes are just and reasonable and shall not include other aspects of the Formula Rate. Changes in depreciation and amortization rates to track a state commission order shall become effective only upon FERC order permitting a change in depreciation and amortization rates, which, to the extent possible, should be made effective as of the same date the state commission order becomes effective. NYSEG will include notification of such changes in the applicable informational filing. NYSEG may also request transmission rate incentives pursuant to section 219 of the FPA.

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 taken either directly from the FERC Form No. 1 or reconcilable to the FERC Form No. 1 by the application of clearly identified and supported information. If the FERC Form No. 1 is superseded, the successor form(s) shall be utilized and supplemented as necessary to provide equivalent information as that provided in FERC Form No. 1. If the FERC Form No. 1 is discontinued, equivalent information as that provided in the FERC Form No. 1 shall be utilized.

#### **Section 4. Fundamental Predicates**

a. The Formula Rate is premised upon data reported or recorded by NYSEG consistent with the following predicates ("Fundamental Predicates"):

- i. FERC's Uniform System of Accounts;
- ii. Applicable FERC Form No. 1 reporting requirements;
- iii. FERC's policies governing formula rates for transmission service,

including FERC's policies that all charges billed under transmission formula rates are subject to: (A) challenge on grounds of imprudence, and (B) an order by FERC requiring

refunds in the manner and to the extent ordered;

iv. FERC orders establishing transmission ratemaking policies of general application to transmission-owning public utilities, including NYSEG; and

v. The accounting and cost allocation policies, practices and procedures of NYSEG to the extent consistent with the authorities listed in (i) through (iv) above.

b. The Formula Rate is based upon each of these Fundamental Predicates as existed as of the date these Formula Rate Protocols are filed with FERC. Provisions of the Formula Rate may be modified to conform to changes in these Fundamental Predicates in accordance with Section 8 of these Formula Rate Protocols or as ordered by FERC.

c. The Projected ATRR and the Actual ATRR shall include only costs for CLCPA Eligible Projects approved by the PSC as contemplated by the CSRA and such costs are directly related to or properly allocable to transmission functions pursuant to Rate Schedule 19 of the ISO OATT. Interested Parties shall be entitled to review and challenge (i) the reasonableness and prudence of costs and expenditures included in the Projected ATRR and Actual ATRR, (ii) the basis for and reasonableness of allocating all or any portion of such costs and expenditures in determining the Projected ATRR and Actual ATRR under Rate Schedule 19 of the ISO OATT, and (iii) whether the allocation of costs as applied results in a disproportionate allocation of cost to the Projected ATRR and Actual ATRR for charges under Rate Schedule 19 of the ISO OATT. Any such review and challenge shall adhere to the procedures set forth in Sections 6 and 8 below.

## **Section 5 Construction Work in Progress**

a. This section applies to any and all NYSEG Schedule 19 Projects where the

Commission has granted NYSEG CWIP in rate base, either 100% or less (“CWIP”).

i. NYSEG shall use the following accounting procedures to ensure that, if authorized by a Commission order to include 100% of any CLCPA Eligible Project CWIP in transmission rate base, NYSEG ceases to accrue for recovery any AFUDC and, if less than 100% of CWIP in transmission rate base is authorized, a corresponding percentage of AFUDC accruals will cease. NYSEG shall assign each Schedule 19 Project where the Commission has authorized CWIP a unique funding project number (“FPN”) for internal cost tracking purposes.

ii. NYSEG shall record actual construction costs to each FPN through work orders that are coded to correspond to the FPN for each applicable Schedule 19 Project. Such work orders shall be segregated from work orders for other Schedule 19 Projects for which the Commission has not authorized NYSEG to include any portion of CWIP in rate base.

iii. For each applicable Schedule 19 Project, NYSEG shall prepare monthly work order summaries of costs incurred under the associated FPN. These summaries shall show monthly additions to CWIP and transfers to plant in service and shall correspond to amounts shown in NYSEG’s FERC Form No. 1. NYSEG shall use these summaries as data inputs into the Annual True-up Adjustment. NYSEG shall make such work order summaries available upon request under the review procedures of Section 6 of these Formula Rate Protocols.

iv. When a Schedule 19 Project for which the Commission granted CWIP, or portion thereof, is placed into service, NYSEG shall deduct from the total CWIP the accumulated charges for work orders under the FPN for that project, or portion thereof. The

purpose of this control process is to ensure that expenditures are not double counted as both CWIP and as additions to plant.

v. For Schedule 19 Projects for which the Commission has not granted CWIP, NYSEG shall record AFUDC to be applied to CWIP and capitalized as part of CWIP and included in the project investment when the project is placed into service.

vi. For Schedule 19 Projects where the Commission has granted CWIP, NYSEG will include in the investment for such project's AFUDC accrued prior to the date that NYSEG first includes the CWIP for such projects in rate base.

b. For each Schedule 19 Project where FERC has approved CWIP in rate base, NYSEG shall include in its Informational Filing a report that includes the following concerning each project:

- i. the actual amount of CWIP recorded for each project by month for the Rate Year;
- ii. the current status of each project; and
- iii. the estimated in-service date for each project.

## **Section 6 Annual Review Procedures**

Each Annual True-up Adjustment and Annual Update shall be subject to the following review procedures:

a. Interested Parties shall have until December 1 to serve reasonable information requests on NYSEG for both the Annual True-up Adjustment and the Annual Update. If December 1 falls on a weekend or a holiday recognized by FERC, the deadline for submitting all information and document requests shall be extended to the next business day. Such information and document requests shall be limited to what is necessary to determine:

- i. the extent or effect of an Accounting Change;
  - ii. whether the Annual True-up Adjustment or Annual Update fails to include data properly recorded in accordance with these Formula Rate Protocols and the Fundamental Predicates or includes data not properly recorded in accordance with these Formula Rate Protocols and the Fundamental Predicates;
  - iii. whether the costs included in the Annual Update are properly accounted for (*e.g.*, recordable and recorded in the appropriate accounts) under FERC's Uniform System of Accounts under 18 C.F.R. Part 101, and otherwise consistent with NYSEG's accounting policies, practices, or procedures;
  - iv. whether there are errors in the current Annual Update and, if any are identified, whether the same or similar errors were made in prior Formula Rate filings with a further explanation identifying each Formula Rate filing in which such errors were made;
  - v. the proper application of the Formula Rate and procedures in these Formula Rate Protocols;
  - vi. the accuracy of data and consistency with the Formula Rate of the calculations shown in the Annual True-up Adjustment or the Annual Update;
  - vii. the prudence of actual costs and expenditures;
  - viii. the effect of any change to the underlying Uniform System of Accounts or the FERC Form No. 1; or
  - ix. any other information that may reasonably have a substantive effect on the calculation of the Projected ATRR or Actual ATRR pursuant to the Formula Rate.
- b. The information and document requests shall not otherwise be directed to ascertaining whether the Formula Rate is just and reasonable. Additionally, information

requests shall not solicit information concerning costs or allocations where the costs or allocation methods have been determined by FERC (or resolved by a settlement accepted by FERC) or for Annual True-up Adjustments for other Rate Years, except that such information requests shall be permitted if they seek to determine if there has been a material change in NYSEG's circumstances.

c. NYSEG shall make a good faith effort to respond to information requests pertaining to the Annual True-up Adjustment and Annual Update within fifteen (15) business days of receipt of such requests. NYSEG shall respond to all information and document requests by no later than December 20 unless the information exchange period is extended by NYSEG or FERC. If December 20 falls on a weekend or a holiday recognized by FERC, the deadline for response to information requests shall be extended to the next business day.

d. If NYSEG and any Interested Party are unable to resolve disputes related to information requests submitted in accordance with these annual review procedures, NYSEG or the Interested Party may petition FERC to appoint an Administrative Law Judge as a discovery master. The discovery master shall have the power to issue binding orders to resolve discovery disputes and compel the production of discovery, as appropriate, in accordance with these annual review procedures and consistent with FERC's discovery rules.

e. NYSEG will cause to be posted on the ISO website all information requests from Interested Parties and NYSEG's response to such requests; except to the extent such responses to information and document requests include material deemed by NYSEG to be confidential information (in which event such information will not be publicly posted but will be made available to requesting parties pursuant to a confidentiality agreement to be executed



by NYSEG and the requesting party).

f. NYSEG shall not claim that responses to information and document requests provided pursuant to these Formula Rate Protocols are subject to any settlement privilege in any subsequent FERC proceeding addressing NYSEG's Annual True-up Adjustment, Annual Update, or its Formula Rate.

g. The dates and time periods set forth in this Section 6 may be modified by agreement between NYSEG and other Interested Parties.

## **Section 7      Informational Filing**

a. By February 1 of each year, NYSEG shall submit to FERC an Informational Filing of its Annual Update and the results of the Annual Review Procedures. This Informational Filing must include the information that is required by Section 3, must describe any changes pursuant to the Annual Review Procedures and must describe all aspects of the formula rate or its inputs that are the subject of an ongoing dispute under the Informal or Formal Challenge procedures. Within five (5) days of such Informational Filing, NYSEG shall provide (or cause to be provided) notice of the Informational Filing to Interested Parties via email and by posting the docket number assigned to NYSEG's Informational Filing on NYSEG's website and OASIS.

b. Any challenges to the implementation of the Annual Update must be made through the Challenge Procedures described in Section 8 of these protocols or in a separate complaint proceeding, and not in response to the Informational Filing.

## **Section 8      Challenge Procedures**

a. Interested Parties have through January 31 of the following year to make an

Informal Challenge to NYSEG's Annual True-up Adjustment or Annual Update. If January 31 falls on a weekend or a holiday recognized by FERC, the deadline for submitting all Informal Challenges shall be extended to the next business day. Failure to pursue at least one issue through an Informal Challenge shall bar the filing of a Formal Challenge. If at least one Informal Challenge was pursued, then a Formal Challenge may be filed on that issue or any other issue. Failure to pursue an issue with respect to any particular Annual True-up Adjustment or Annual Update shall not bar pursuit of such issue through Informal Challenge or the lodging of a Formal Challenge as to such issue as it relates to subsequent Annual True-up Adjustments or Annual Updates. This Section 8 shall in no way affect a party's rights under FPA section 206.

b. A party submitting an Informal Challenge to NYSEG 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. NYSEG shall make a good faith effort to respond to any Informal Challenge within twenty (20) business days of notification of such challenge. NYSEG 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 NYSEG disagrees with such challenge, NYSEG will provide the Interested Party(ies) with an explanation supporting the inputs and provide supporting calculations, descriptions, allocations, or other information. No Informal Challenge may be submitted after January 31, and NYSEG must respond to all Informal Challenges by no later than February 28, unless the Review Period is extended by NYSEG or FERC. Informal Challenges shall be subject to the resolution procedures and limitations in this Section 8.

c. Informal Challenges shall be presented to NYSEG and Formal Challenges

filed before the FERC, pursuant to these Formula Rate Protocols and shall:

i. Clearly identify the action or inaction which is alleged to violate the filed Formula Rate or Formula Rate Protocols;

ii. Explain how the action or inaction violates the Formula Rate or Formula Rate Protocols;

iii. Set forth the business, commercial, economic, or other issues presented by the action or inaction as such relates to or affects the party filing the Informal Challenge or Formal Challenge, including:

A. The extent or effect of an Accounting Change;

B. Whether the Annual True-up Adjustment or Annual Update fails to include data properly recorded in accordance with these Formula Rate Protocols;

C. The proper application of the Formula Rate and procedures in these Formula Rate Protocols;

D. The accuracy of data and consistency with the Formula Rate of the charges shown in the Annual True-up Adjustment or Annual Update, including errors as described in Section 6.a.iv, for the current Annual True-up Adjustment or Annual Update and for any prior years in which the Formula Rate included such errors;

E. The prudence of actual costs and expenditures;

F. The effect of any change to the underlying Uniform System of Accounts or FERC Form No. 1; or

G. Any other information that may reasonably have substantive effect on the calculation of the Annual True-up Adjustment or Annual Update.

iv. Informal Challenges and Formal Challenges may address whether costs are

recorded consistent with the Fundamental Predicates in these Formula Rate Protocols and FERC's policies and regulations, how the costs charged by NYSEG's affiliates are recorded on NYSEG's books in accordance with Instruction 14 of the Uniform System of Accounts, the amounts of such centralized service company costs, and whether the costs are properly includable in transmission rates.

v. With respect to an issue that had previously been adjudicated by the Commission in a Formal Challenge proceeding that was not resolved by settlement, the principles of *res judicata* and *collateral estoppel* shall apply and, therefore, if a subsequent Formal Challenge is made with respect to such issue, NYSEG may move to dismiss on such grounds, the challenging party or other Interested Parties may contest whether such principles apply, and the Commission shall have the discretion to determine whether the Formal Challenge may proceed or should be dismissed.

vi. 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;

vii. 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;

viii. State the specific relief or remedy requested, including any request for stay or extension of time, and the basis for that relief;

ix. 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

x. State whether the filing party utilized the Informal Challenge procedures described in these Formula Rate Protocols to dispute the action or inaction raised by the Formal Challenge, and, if not, describe why not.

d. Any person filing a Formal Challenge must serve a copy of the Formal Challenge on NYSEG. Service to NYSEG must be simultaneous with filing at the Commission. Simultaneous service can be accomplished by electronic mail in accordance with 18 C.F.R. § 385.2010(f)(3), facsimile, express delivery, or messenger. The party filing the Formal Challenge shall serve the individual listed as the contact person on NYSEG's Informational Filing required under Section 7 of these Formula Rate Protocols.

e. NYSEG will cause to be posted on the ISO website all Informal Challenges from Interested Parties and NYSEG's response(s) to such Informal Challenges; except to the extent such Informal Challenges or responses to Informal Challenges include material deemed by NYSEG to be confidential information (in which event such information will not be publicly posted but will be made available to requesting parties pursuant to a confidentiality agreement to be executed by NYSEG and the requesting party).

f. Any changes or adjustments to the Annual True-up Adjustment or Annual Update resulting from the information exchange and Informal Challenge processes agreed to by NYSEG on or before December 1 will be reflected in the Annual Update for the upcoming Rate Year. Any changes or adjustments agreed to by NYSEG after December 1 will be reflected in the following year's Annual True-up Adjustment.

g. If NYSEG and a challenging party have not resolved an Informal Challenge to an Annual Update, the challenging party shall have the right to submit by May 1 a Formal Challenge with the FERC, which shall be served on NYSEG on the date of such filing as

specified in Section 8.d., above. However, there shall be no need to make a Formal Challenge or to await conclusion of the time periods in this Section 8 if the FERC already has initiated *sua sponte* a proceeding to consider the Annual Update. A Formal Challenge shall be filed in the same docket as NYSEG's informational filing discussed in Section 7 of these Formula Rate Protocols. NYSEG shall respond to the Formal Challenge by the deadline established by FERC. A party may not pursue a Formal Challenge if that party did not submit an Informal Challenge on at least one issue during the applicable Review Period.

h. In any proceeding initiated by FERC concerning the Annual True-up Adjustment or Annual Update or in response to a Formal Challenge, NYSEG shall bear the burden, consistent with FPA section 205, of proving that it has correctly applied the terms of the Formula Rate consistent with these Formula Rate Protocols, and that it followed the applicable requirements and procedures in these Formula Rate Protocols. Nothing herein is intended to alter the burdens applied by FERC with respect to prudence challenges.

i. In the event an error, as further described in Section 6.a.iv, is identified in an Annual True-up Adjustment or Annual Update and such error was present in prior Annual True-up Adjustments or Annual Updates, an Interested Party may request a FERC order making any correction or providing other remedial relief retroactive to the first Formula Rate filing in which such error occurred. NYSEG retains all rights to oppose such a request.

j. Except as specifically provided herein, nothing herein shall be deemed to limit in any way the right of NYSEG to file unilaterally, pursuant to FPA section 205 and the regulations thereunder, to change the Formula Rate or any of its inputs (including, but not limited to, rate of return and transmission incentive rate treatment), or to replace the Formula Rate with a stated rate, or the right of any Interested Party to request such changes pursuant to

FPA section 206 and the Commission's regulations thereunder.

k. No Interested Party shall seek to modify the Formula Rate under the challenge procedures set forth in this Section 8, and the Annual True-up Adjustment and Annual Update shall not be subject to challenge by anyone for the purpose of modifying the Formula Rate. Any modifications to the Formula Rate will require, as applicable, an FPA section 205 or section 206 filing.

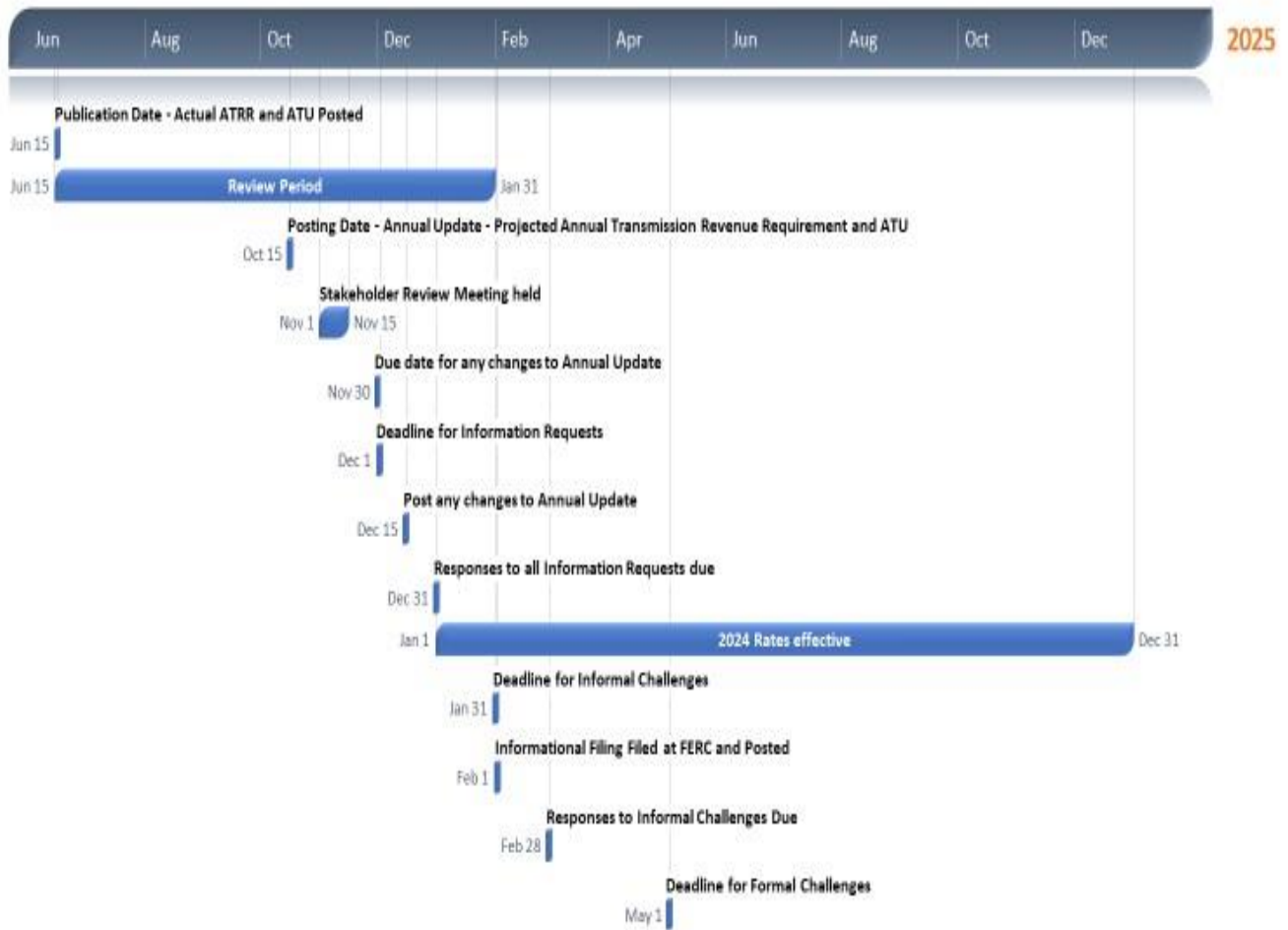
l. Any Interested Party seeking changes to the application of the Formula Rate due to a change in the Uniform System of Accounts or FERC Form No. 1 shall first raise the matter with NYSEG in accordance with this Section 8 before pursuing a Formal Challenge.

#### **Section 9 Changes to Annual Informational Filings**

Any changes to the data inputs as a result of revisions to NYSEG's FERC Form No. 1 or as a result of any FERC proceeding to consider the Annual True-up Adjustment or as a result of the procedures set forth herein shall be incorporated into the Formula Rate (with interest determined in accordance with 18 C.F.R. § 38.19a) in the Annual Update for the next effective Rate Year. This approach shall apply in lieu of mid-Rate Year adjustments or any refunds or surcharges. However, actual refunds or surcharges (with interest determined in accordance with 18 C.F.R. §38.19a) for the then current Rate Year shall be made if the Formula Rate is replaced by a stated rate by NYSEG.

#### **Section 10 Timeline of Annual Process**

2023





## Section 6.19.6.2.2 Formula Rate Template

### New York State Electric and Gas Corporation Transmission Formula Rate Schedule 19 Projects

**Actual for the 12 Months Ended 12/31/2021**

#### Index

Worksheet	Tab	Description
A	Appendix A	Annual Transmission Revenue Requirement for Schedule 19 Projects
1	RB Items	Average Balances for Most Rate Base Items
2a	ADIT-Current Year	Current Year Average Accumulated Deferred Income Taxes
2b	ADIT-Prior Year	Prior Year Average Accumulated Deferred Income Taxes
2c	ADIT Proration Projected	Proration of Projected Accumulated Deferred Income Taxes
2d	ADIT Proration Actual	Proration of Actual Accumulated Deferred Income Taxes
3	EADIT	Excess Accumulated Deferred Income Tax Rate Base and Amortization
4	IT Permanent Differences	Permanent Book/Tax Differences
5	Project Return	Return on Schedule 19 Project
6	Project Cost Of Capital	Schedule 19 Project Cost of Capital
7	True-up Adjustment	Annual True-up Adjustment
8	Depreciation Rates	Depreciation Rates Approved by the Commission and Used to Determine Schedule 19 Project Depreciation and Amortization Expense
9	Corrections	Prior Period Corrections

New York State Electric and Gas Corporation  
Appendix A: Annual Transmission Revenue Requirement for Schedule 19 Projects

Line	(1) Composite Depreciation Rates	(2)	(3)	(4)	(5)
No.	RATE BASE (Note A):	Form No. 1 or Transmission Formula Rate Reference	Company Total (where applicable)	Allocator (Note K)	Schedule 19 Projects
1	GROSS PLANT IN SERVICE				
	Production	Worksheet 1, Line 6, Col. (c)	0	NA	0
2	Transmission	Worksheet 1, Line 6, Col. (d) or Col. (m)	0	DA	0
3	Distribution	Worksheet 1, Line 6, Col. (e)	0	NA	0
4	Electric General	Worksheet 1, Line 6, Col. (f)	0	S19 W/S #DIV/0!	#DIV/0!
5	Electric Intangible	Worksheet 1, Line 6, Col. (b)	0	S19 W/S #DIV/0!	#DIV/0!
6	Common	Worksheet 1, Line 6, Col. (g)	0	CP*S19 W/S #DIV/0!	#DIV/0!
7	TOTAL GROSS PLANT	(Sum of Lines 1 through 6)	0	GP= #DIV/0!	#DIV/0!
8	Without Common - For Gross Plant Allocator Calculation Only		0	GPE= #DIV/0!	#DIV/0!
	ACCUMULATED DEPRECIATION				
9	Production	Worksheet 1, Line 12, Col. (c)	-	NA	0
10	Transmission	Worksheet 1, Line 12, Col. (d) or Col. (m)	-	DA	-
11	Distribution	Worksheet 1, Line 12, Col. (e)	-	NA	0
12	Electric General	Worksheet 1, Line 12, Col. (f)	-	S19 W/S #DIV/0!	#DIV/0!
13	Electric Intangible	Worksheet 1, Line 12, Col. (b)	-	S19 W/S #DIV/0!	#DIV/0!
14	Common	Worksheet 1, Line 12, Col. (g)	-	CP*S19 W/S #DIV/0!	#DIV/0!
15	TOTAL ACCUM. DEPRECIATION	(Sum of Lines 9 through 14)	-		#DIV/0!
	NET PLANT IN SERVICE				
16	Production	(Line 1 - Line 9)	0		0
17	Transmission	(Line 2 - Line 10)	0		0
18	Distribution	(Line 3 - Line 11)	0		0
19	General	(Line 4 - Line 12)	0		#DIV/0!
20	Intangible	(Line 5 - Line 13)	0		#DIV/0!
21	Common	(Line 6 - Line 14)	0		#DIV/0!
22	TOTAL NET PLANT	(Sum of Lines 16 through 21)	0		#DIV/0!
23	CWIP (Note O)	Worksheet 1, Line 18, Col. (g)	NA		-
24	ABANDONNED PLANT	Worksheet 1, Line 18, Col. (j)	NA		0
	ACCUMULATED DEFERRED INCOME TAXES (Note B)				
25	Accumulated Deferred Income Taxes	Worksheet 2a, Line 11, Col. (g)	NA		#DIV/0!
26	Excess Accumulated Deferred Income Taxes	3-EDIT	NA		0
27	TOTAL ACCUMULATED DEFERRED INCOME TAXES	(Line 25 + Line 26)			#DIV/0!
28	LAND HELD FOR FUTURE USE	Worksheet 1, Line 18, Col. (h) or (i)	0	DA	0
	OTHER RATE BASE ITEMS				
29	Cash Working Capital (Note C)	(Line 50 times 45/360)	NA		#DIV/0!
30	Materials & Supplies - Transmission	Worksheet 1, Line 18, Col. (k)	0	S19P #DIV/0!	#DIV/0!
31	Materials and Supplies - Electric and Gas -				
32	Assigned to Construction	Worksheet 1, Line 18, Col. (l)	0	CP*GPE #DIV/0!	#DIV/0!
33	Prepayments	Worksheet 1, Line 18, Col. (m)	0	CP*GPE #DIV/0!	#DIV/0!
34	Regulatory Asset (Note E)	Worksheet 1, Line 18, Col. (n)	NA	DA	0
35	Unfunded Liabilities	Worksheet 1, Line 18, Col. (q)	-	CP*S19 W/S #DIV/0!	#DIV/0!
36	TOTAL OTHER RATE BASE ITEMS	(Sum of Lines 29 through 34)	NA		#DIV/0!
	RATE BASE	(Line 22 + Line 23 + Line 24 + Line 27 + Line 28 + Line 35)	NA		#DIV/0!

**New York State Electric and Gas Corporation**  
**Appendix A: Annual Transmission Revenue Requirement for Schedule 19 Projects**

(1)	(2)	(3)	(4)	(5)
Line				<b>Schedule 19 Projects</b>
No.	<b>ANNUAL TRANSMISSION REVENUE REQUIREMENT</b>	<b>Form No. 1 or Transmission Formula Rate Reference</b>	<b>Company Total (where applicable)</b>	<b>Allocator (Note K)</b>
				<b>(Col 3 times Col 4)</b>
	OPERATIONS AND MAINTENANCE EXPENSES (Note M)			
37	Transmission - Direct Assign	320-323.112.b fn	0	DA
38	Transmission - Allocate	320-323.112.b fn	0	
39	Less: EPRI Dues in Account 566	352-353	0	
40	Subtotal - Transmission to Allocate	Line 38 - Line 39	0	S19P #DIV/0!
41	Electric A&G	320-323.197.b	0	
42	Less: EPRI Dues in A&G	352-353	0	
43	Less: Regulatory Commission Expenses	320-323.189.b	0	
44	Less: Property Insurance	320-323.185.b	0	
45	Less: Account 930.2 Items	Note L	0	
46	Adjusted Electric A&G	Line 41 - Line 42 - Line 43 - Line 44 - Line 45	0	S19 W/S #DIV/0!
47	Plus: Transmission Related Regulatory Expenses	350-351 fn	0	S19P #DIV/0!
	Plus: Direct Assigned Regulatory Commission Expenses	350-351 fn	NA	DA
49	Plus: Property Insurance	320-323.185.b	0	GPE #DIV/0!
50	TOTAL O&M	Sum of Lines 37, 40 and 46 through 49	NA	#DIV/0!
	DEPRECIATION AND AMORTIZATION EXPENSE			
51	Transmission	336.7.f, fn	0	DA
52	Electric General	336.10 f	0	S19 W/S #DIV/0!
53	Electric Intangible		0	S19 W/S #DIV/0!
54	Common Electric	336.11.f	0	S19 W/S #DIV/0!
	Amortization of Cost of Removal Regulatory Asset	232	NA	DA
56	Amortization of Abandoned Plant	230a fn	NA	DA
57	TOTAL DEPRECIATION	Sum of Lines 51 through 56	0	#DIV/0!
	TAXES OTHER THAN INCOME TAXES			
58	LABOR RELATED			
	Payroll (Note D)	262-263.9+262-263.17. i	0	CP*S19 W/S #DIV/0!
59	PLANT RELATED			
60	Real Estate	262-263.5.i	0	CP*GPE #DIV/0!
61	Franchise Tax	262-263	0	CP*GPE #DIV/0!
62	Gross Receipts Tax		NA	Note N
63	Other (Note E)	262-263	0	
64	TOTAL OTHER TAXES	Sum of Lines 58 and 60 through 63	0	#DIV/0!
	INCOME TAXES (Note F)			
		$T=1 - \frac{((1 - \text{SIT}) * (1 - \text{FIT}))}{(1 - \text{SIT} * \text{FIT} * p))}$	0.0000%	
65	Composite Tax Rate = T		0.0000	
66	Gross-up Factor	$1 / (1 - T)$	0.0000	
67	Income Tax Factor	$T/(1-T)$	0.0000	
	Amortization of Investment Tax Credit (enter negative)	266-267.11. f, fn	NA	DA
68	Amortization of Excess Deferred Income	Worksheet 3	NA	DA
69	Taxes (enter negative)	Worksheet 4, Line 2, Col. (e)	NA	DA
70	Tax Effect of Permanent Differences	(Line 77 * Line 67)	NA	Calc
71	Income Tax Calculation	(Line 68 * Line 66)	NA	Calc
72	ITC adjustment	(Line 69 * Line 66)	NA	Calc
73	Excess Deferred Income Tax Adjustment	(Line 70 * Line 66)	NA	Calc
74	Permanent Differences Tax Adjustment	(Line 70 * Line 66)	NA	Calc
75	TOTAL INCOME TAXES	Sum of Lines 71 through 74	NA	#DIV/0!
	RETURN (Note H)			
76	Debt	Worksheet 5, Line 12, Col. (i)	NA	Calc
77	Common Equity and Preferred Stock	Worksheet 5, Line 12, Col. (f)	NA	Calc
78	TOTAL RETURN	Sum of Lines 76 through 77	NA	#DIV/0!
	ANNUAL TRANSMISSION REVENUE REQUIREMENT BEFORE REVENUE CREDITS	(Line 50 + Line 57 + Line 64 + Line 75 + Line 78)	NA	#DIV/0!
79	REVENUE CREDITS	(Line 104)	NA	-
	ANNUAL TRANSMISSION REVENUE REQUIREMENT (ATU)	(Line 79 + Line 80)	NA	#DIV/0!
82	CORRECTIONS	Worksheet 9, Line 11, Col. (b)	NA	0
	ANNUAL TRUE-UP ADJUSTMENT (ATU) (Note G)	Worksheet 7, Line 7	NA	0
84	ATTR PLUS ATU AND CORRECTIONS	Sum of Lines 81 through 83	NA	#DIV/0!

**New York State Electric and Gas Corporation**  
**Appendix A: Annual Transmission Revenue Requirement for Schedule 19 Projects**

**SUPPORTING CALCULATIONS AND NOTES**

Line

**TRANSMISSION PLANT ALLOCATOR**

85	Electric Plant	(Line 99)	0	
86	Total Transmission Plant	(Line 2)	0	
87	Schedule 19 Projects	(Line 2)	0	
88	Schedule 19 Projects Plant Allocator	(Line 87 / Line 86)	#DIV/0!	S19P
89	Transmission Plant Allocator	(Line 86 / Line 85)	#DIV/0!	TP

**ELECTRIC WAGE AND SALARY****ALLOCATOR**

90	Production	354-355.20.b	0	
91	Transmission	354-355.21.b	0	
92	Distribution	354-355.23.b	0	
93	Other	354-355.24,25,26.b	0	
94	Total	Sum of Lines 90 through 93	0	
95	Transmission Wage and Salary Allocator	(Line 91 / Line 94)	#DIV/0!	T W/S

96	Schedule 19 Projects Wages and Salaries (transmission wages and salary times S19P)	(Line 91 * Line 88)	#DIV/0!	
97	Schedule 19 Projects Wage and Salary Allocator	(Line 96 / Line 94)	#DIV/0!	S19 W/S
98	Schedule 19 Projects Transmission Wage and Salary Allocator	(Line 96 / Line 91)	#DIV/0!	S19 W/S T

**ELECTRIC COMMON PLANT ALLOCATOR  
(CE)**

99	Electric	200-201.3.c+6.c	0		% Electric
100	Gas	200-201.3.d+6.d	0	CP=	0.000%
101	Total (excludes common)	(Line 99 + Line 100)	0		

**REVENUE CREDITS**

102	Account 454, Rent from Electric Property (Note I)	300-301, fn	-	
103	Account 456, Other Electric Revenue (Note J)	300-301, fn	-	
104	Total Revenue Credits		-	

**New York State Electric and Gas Corporation**  
**Appendix A: Annual Transmission Revenue Requirement for Schedule 19 Projects**

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

## Note

A	All amounts shown are based on five quarter averages which are contained in footnotes to the FF1 (with the following exceptions: CWC in line 28 which is based upon one-eighth of O&M, Accumulated Deferred Income Taxes in line 24 which are a combination of beginning and end of year averages and proration amounts, and Excess Accumulated Deferred Income Taxes in line 25 which are beginning/ending year averages).		
B	The maximum accumulated deferred tax offset to rate base is calculated in accordance with the proration formula prescribed by IRS regulation section 1.167(l)-1(h)(6).		
C	Cash Working Capital for Schedule 19 Projects equals one-eighth (45 days) of O&M allocated to Schedule 19 Projects.		
D	Includes only FICA and unemployment taxes.		
E	Includes removal costs related to assets removed to make room for Schedule 19 Projects which are amortized over 10 years to FERC Account 407.3, subject to FERC approval under a future, limited Section 205 filing.		
F	Below are the currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". 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 developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/1-T). Any Excess or Deficient Deferred Income Taxes reduce or increase income tax expense by the amount of the expense multiplied by (1/1-T).		
	Inputs Required:	FIT =	0.00%
		SIT=	0.00% (State Income Tax Rate or Composite SIT)
		p =	0.00% (percent of federal income tax deductible for state purposes)
G	Include ATU for Year N with Projected ATRR for Year N+2		
H	Debt cost rate = long-term interest / long term debt. Preferred cost rate = preferred dividends / preferred outstanding. The ROE is determined by the New York Public Utilities Commission and capped by the ROE determined by FERC. The ROE Cap will be supported in the original filing and no change in ROE Cap may be made absent a filing with FERC.		
I	Includes revenue related to Schedule 19 Projects only, such as pole attachments, rentals and special use.		
J	Includes revenue related to Schedule 19 Projects only.		
K	The following acronyms are used for allocators:		
	CP= common plant allocator (allocate common plant and common expenses to total electric)		
	DA= DA=direct assignment (the item is direct assigned to Schedule 19 Projects)		
	GP= gross plant allocator (allocated gross Schedule 19 Projects plant as % of electric and common plant)		
	GPE= gross electric plant allocator (allocated gross Schedule 19 Projects plant as % of total electric gross plant)		
	S19P= Schedule 19 Projects plant allocator (Schedule 19 Projects gross plant as % of total transmission gross plant)		
	S19 W/S= Schedule 19 Projects wage and salary allocator (Schedule 19 Projects wages and salaries as % of total electric wages and salaries)		
	S19 W/ST Schedule 19 Projects wages and salary allocator for transmission (Schedule 19 Projects wages and salaries as a % of transmission wages and salaries)		
	NA= not applicable (the item is not applicable to Schedule 19 Projects ATRR)		
	TPE= transmission plant allocator (transmission plant as % of electric)		
	T W/S= transmission wages and salaries as % of electric wages and salaries		
L	NYSEG will exclude items in Account 930.2 shown on FF1 page 335 that are greater than \$1 M and not directly or indirectly related to its transmission assets.		
M	NYSEG either will direct assign O&M expense that have been tracked for the Schedule 19 Projects or allocate transmission O&M to the Schedule 19 Projects, but not both.		
N	In accordance with the NYISO OATT, Section 14.1.5, the gross receipts tax included in Schedule 19 Project ATRR is as follows:		
		Total	
	Gross receipt tax rate	0.0000%	
	Revenue requirement	-	Estimate of Line 84
	Gross Receipts Tax	-	
O	May include CWIP in rate base as authorized by FERC.		

**New York State Electric and Gas Corporation**  
**Worksheet 1: Average Balances for Most Rate Base Items**  
**Actual for the 12 Months Ended 12/31/2021**

Five Quarter Averages		Gross Operating Property														(n)	(o)	(p)	(q)		
(a1)	(a2)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)								
		Schedule 19 Projects																			
Month	Year	Electric Intangible	Production	Transmission	Distribution	Electric General	Common	Project 1	Project 2	Project 3	Project 4	Total									
FF1 Reference		204-207, line 5 fn	204-207, lines 16, 25, 35 and 46 fn	204-207, line 58 fn	204-207, Line 75 fn	204-207, l. 99 fn	355 fn	204-207, line 58 fn	204-207, line 58 fn	204-207, line 58 fn	204-207, line 58 fn	204-207, line 58 fn	204-207, line 58 fn	Sum of Columns (h) through (l)							
Appendix A Line #		5	1	2	3	4	6	2	2	2	2	2	2	2							
1	December 2020	-	-	-	-	-	-	-	-	-	-	-	-	-							
2	March 2021	-	-	-	-	-	-	-	-	-	-	-	-	-							
3	June 2021	-	-	-	-	-	-	-	-	-	-	-	-	-							
4	September 2021	-	-	-	-	-	-	-	-	-	-	-	-	-							
5	December 2021	-	-	-	-	-	-	-	-	-	-	-	-	-							
6	Average	-	-	-	-	-	-	-	-	-	-	-	-	-							
Note: Exclude Asset Retirement Obligations																					
		Accumulated Depreciation																			
		Schedule 19 Projects																			
Month	Year	Electric Intangible	Production	Transmission	Distribution	Electric General	Common	Project 1	Project 2	Project 3	Project 4	Total									
FF1 Reference		200-201.21c	219, lines. 20-24 fn	219, line 25 fn	219, line 26 fn	219, line 28 fn	355 fn	219, line 25 fn	219, line 25 fn	219, line 25 fn	219, line 25 fn	219, line 25 fn	219, line 25 fn	Sum of Columns (h) through (l)							
Appendix A Line #		13	9	10	11	12	14	10	10	10	10	10	10	10							
7	December 2020	-	-	-	-	-	-	-	-	-	-	-	-	-							
8	March 2021	-	-	-	-	-	-	-	-	-	-	-	-	-							
9	June 2021	-	-	-	-	-	-	-	-	-	-	-	-	-							
10	September 2021	-	-	-	-	-	-	-	-	-	-	-	-	-							
11	December 2021	-	-	-	-	-	-	-	-	-	-	-	-	-							
12	Average	-	-	-	-	-	-	-	-	-	-	-	-	0							
		Schedule 19 Projects - CWIP														Miscellaneous Rate Base Items					
		Project 1	Project 2	Project 3	Project 4	Total	Transmission Land Held for Future Use	Schedule 19 Projects - Land Held for Future Use	Schedule 19 Projects - Abandoned Plant	Materials & Supplies - Transmission	Materials and Supplies - Assigned to Construction (Electric and Gas)	Prepayments	Regulatory Asset - Removal Costs	Accumulated Provision for Injuries and Damages	Miscellaneous Current and Accrued Liabilities	Total					
Month	Year	216 fn	216 fn	216 fn	216 fn	216 fn	214, line 17 fn	214, line TBD	230b, line TBD	227, Line 8 fn	227, line 5 fn	110-111, line 57 fn	232 fn	112-113, line 28 fn	Account 242 - see below	Sum of Columns (o) through (p)					
FF1 Reference		23	23	23	23	23	28	28	24	30	31	32	33	112-113, line 28 fn	Account 242 - see below	34					
Appendix A Line #		23	23	23	23	23	28	28	24	30	31	32	33	112-113, line 28 fn	Account 242 - see below	34					
13	December 2020	-	-	-	-	0	-	-	-	-	-	-	-	-	-	-					
14	March 2021	-	-	-	-	0	-	-	-	-	-	-	-	-	-	-					
15	June 2021	-	-	-	-	0	-	-	-	-	-	-	-	-	-	-					
16	September 2021	-	-	-	-	0	-	-	-	-	-	-	-	-	-	-					
17	December 2021	-	-	-	-	0	-	-	-	-	-	-	-	-	-	-					
18	Average	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
		Unfunded Liabilities - Account 242																			
		Accrued Vacation	Other	Total																	
Month	Year	NA	NA	NA																	
FF1 Reference		NA	NA	NA																	
Appendix A Line #		NA	NA	NA																	
19	December 2020	-	-	-																	
20	March 2021	-	-	-																	
21	June 2021	-	-	-																	
22	September 2021	-	-	-																	
23	December 2021	-	-	-																	
24	Average	-	-	-																	

New York State Electric and Gas Corporation  
**Worksheet 2a: Accumulated Deferred Income Taxes (ADIT) Worksheet - Current Year**  
**Actual for the 12 Months Ended 12/31/2021**

	(a)	(b)	(c) Schedule 19 Projects	(d) Plant Related	(e) Labor Related	(f)	(g) Total ADIT	(h)
		<b>Nonprorated Items</b>						
		<b>Current Year</b>						
1		ADIT-190	0	0	0			(Line 23)
2		ADIT-282	0	0	0			(Line 29)
3		ADIT-283	0	0	0			(Line 37)
4		Subtotal	0	0	0			(Line 1 + Line 2 + Line 3)
5		Schedule 19 Projects W/S Allocator						Appendix A
6		GP Allocator		#DIV/0!	#DIV/0!			Appendix A
7		End of Year ADIT	0	#DIV/0!	#DIV/0!		#DIV/0!	(Line 4 + Line 5 or Line 6)
8		End of Previous Year ADIT	0	#DIV/0!	#DIV/0!		#DIV/0!	Worksheet 2b, Line 7
9		Average Beginning and End of Year	0	#DIV/0!	#DIV/0!		#DIV/0!	(Average of Line 7 + Line 8)
10		Prorated ADIT					#DIV/0!	From Worksheet 2c, Line 14, Col. (r) or Worksheet 2d, Line 13, Col. (n)
11		Total ADIT					#DIV/0!	Line 9 + Line 10

In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns B-G and each separate ADIT item will be listed, dissimilar items with amounts exceeding \$100,000 will be listed separately.

	(a) ADIT-190 - Includes Only Items Applicable to Schedule 19 Projects	(b) Total	(c) Excluded	(d) Schedule 19 Projects Related	(e) Plant Related	(f) Labor Related	(g)	(h) Justification
11		0	0	0	0	0		
12		0	0	0	0	0		
13		0	0	0	0	0		
14		0	0	0	0	0		
15		0	0	0	0	0		
16		0	0	0	0	0		
17		0	0	0	0	0		
18		0	0	0	0	0		
19		0	0	0	0	0		
20		0	0	0	0	0		
21		0	0	0	0	0		
22		0	0	0	0	0		
23	<b>Total</b>	0	0	0	0	0		

Instructions for Account 190:

- ADIT items related only to Schedule 19 Projects are directly assigned to Column D
- ADIT items related to Plant are included in Column E
- ADIT items related to Labor are included in Column F
- Deferred income taxes arise when items are included in taxable income in different periods than they are included in book income.  
If the item giving rise to the ADIT is not included in the annual transmission revenue requirement ("ATR"), the associated ADIT amount shall be excluded.

New York State Electric and Gas Corporation  
**Worksheet 2a: Accumulated Deferred Income Taxes (ADIT) Worksheet - Current Year**

	(a) ADIT-282 - Includes Only Items Applicable to Schedule 19 Projects	(b) Total	(c) Excluded	(d) Schedule 19 Projects Related	(e) Plant Related	(f) Labor Related	(g)	(h) Justification
24	Depreciation - Liberalized Depreciation - Prorated	#DIV/0!	0	#DIV/0!	0	0		Worksheet 2c, Line 14, Col. (r)
25		0						
26		0						
27		0						
28		0						
29	<b>Total</b>	#DIV/0!	0	#DIV/0!	0	0		

Instructions for Account 282:

- ADIT items related only to Schedule 19 Projects are directly assigned to Column D
- ADIT items related to Plant are included in Column E
- ADIT items related to Labor are included in Column F
- Deferred income taxes arise when items are included in taxable income in different periods than they are included in book income.  
If the item giving rise to the ADIT is not included in the annual transmission revenue requirement ("ATR"), the associated ADIT amount shall be excluded.

New York State Electric and Gas Corporation  
**Worksheet 2a: Accumulated Deferred Income Taxes (ADIT) Worksheet - Current Year**

	(a) ADIT-283 - Includes Only Items Applicable to Schedule 19 Projects	(b) Total	(c) Excluded	(d) Schedule 19 Projects Related	(e) Plant	(f) Labor	(g)	(h) Justification
30	Cost of Removal	0		0	0	0		
31		0		0				
32		0						
33		0						
34		0						
35		0						
36		0						
37	<b>Total</b>	0	0	0	0	0		

Instructions for Account 283:

- ADIT items related only to Schedule 19 Projects are directly assigned to Column D
- ADIT items related to Plant are included in Column E
- ADIT items related to Labor are included in Column F
- Deferred income taxes arise when items are included in taxable income in different periods than they are included in book income.  
If the item giving rise to the ADIT is not included in the annual transmission revenue requirement ("ATR"), the associated ADIT amount shall be excluded.

New York State Electric and Gas Corporation  
Worksheet 2b: Accumulated Deferred Income Taxes (ADIT) Worksheet - Prior Year  
Actual for the 12 Months Ended 12/31/2021

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	Nonprorated Items	Schedule 19 Projects	Plant Related	Labor Related		Total ADIT		
1	Prior Year	0	0	0			(Line 20)	
2	ADIT-190	0	0	0			(Line 26)	
3	ADIT-282	0	0	0			(Line 34)	
4	ADIT-283	0	0	0			(Line 1 + Line 2 + Line 3)	
5	Subtotal	0	0	0			Appendix A	
6	Schedule 19 Projects W/S Allocator						Appendix A	
7	GP Allocator		#DIV/0!	#DIV/0!			(Line 4 * Line 5 or Line 6)	
	Prior Year ADIT	0	#DIV/0!	#DIV/0!		#DIV/0!		

In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns B-G and each separate ADIT item will be listed, dissimilar items with amounts exceeding \$100,000 will be listed separately.

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	ADIT-190 - Includes Only Items Applicable to Schedule 19 Projects	Total	Excluded	Schedule 19 Projects Related	Plant Related	Labor Related	Justification
8		0	0	0	0	0	
9		0	0	0	0	0	
10		0	0	0	0	0	
11		0	0	0	0	0	
12		0	0	0	0	0	
13		0	0	0	0	0	
14		0	0	0	0	0	
15		0	0	0	0	0	
16		0	0	0	0	0	
17		0	0	0	0	0	
18		0	0	0	0	0	
19		0	0	0	0	0	
20	Total	0	0	0	0	0	

Instructions for Account 190:

- ADIT items related only to Schedule 19 Projects are directly assigned to Column D
  - ADIT items related to Plant are included in Column E
  - ADIT items related to Labor are included in Column F
  - Deferred income taxes arise when items are included in taxable income in different periods than they are included in book income.
- If the item giving rise to the ADIT is not included in the annual transmission revenue requirement ("ATRR"), the associated ADIT amount shall be excluded.

New York State Electric and Gas Corporation  
Worksheet 2b: Accumulated Deferred Income Taxes (ADIT) Worksheet - Prior Year

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	ADIT-282 - Includes Only Items Applicable to Schedule 19 Projects	Total	Excluded	Schedule 19 Projects Related	Plant Related	Labor Related	G Justification
21	Depreciation - Liberalized Depreciation - Prorated	#DIV/0!	0	#DIV/0!	0	0	Worksheet 2d, Line 13, Col. (n)
22		0	0	0	0	0	
23		0	0	0	0	0	
24		0	0	0	0	0	
25		0	0	0	0	0	
26	Total	#DIV/0!	0	#DIV/0!	0	0	

Instructions for Account 282:

- ADIT items related only to Schedule 19 Projects are directly assigned to Column D
  - ADIT items related to Plant are included in Column E
  - ADIT items related to Labor are included in Column F
  - Deferred income taxes arise when items are included in taxable income in different periods than they are included in book income.
- If the item giving rise to the ADIT is not included in the annual transmission revenue requirement ("ATRR"), the associated ADIT amount shall be excluded.

New York State Electric and Gas Corporation  
Worksheet 2b: Accumulated Deferred Income Taxes (ADIT) Worksheet - Prior Year

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	ADIT-283 - Includes Only Items Applicable to Schedule 19 Projects	Total	Excluded	Schedule 19 Projects Related	Plant Related	Labor Related	Justification
27	Cost of Removal	0	0	0	0	0	
28		0	0	0	0	0	
29		0	0	0	0	0	
30		0	0	0	0	0	
31		0	0	0	0	0	
32		0	0	0	0	0	
33		0	0	0	0	0	
34	Total	0	0	0	0	0	

Instructions for Account 283:

- ADIT items related only to Schedule 19 Projects are directly assigned to Column D
  - ADIT items related to Plant are included in Column E
  - ADIT items related to Labor are included in Column F
  - Deferred income taxes arise when items are included in taxable income in different periods than they are included in book income.
- If the item giving rise to the ADIT is not included in the annual transmission revenue requirement ("ATRR"), the associated ADIT amount shall be excluded.



**New York State Electric and Gas Corporation**  
**Worksheet 2c: Accumulated Deferred Income Taxes - Prorated Projection**  
**Actual for the 12 Months Ended 12/31/2021**

Debit amounts are shown as positive and credit amounts are shown as negative.

Rate Year =

Account 282 (Note A)

Line #	(a) Beginning Balance & Monthly Changes	(b) Year	(c) Days in the Month	(d) Number of Days Remaining in Year After Current Month	(e) Total Days in the Projected Rate Year	(f) Weighting for Projection (d)/(e)	(g) Beginning Balance/ Monthly Amount/ Ending Balance	(h) Schedule 19 Projects	(i) Transmission Proration (f) x (h)	(j) Plant Related	(k) Gross Plant Allocator (Appendix A)	(l) Plant Allocation * (k)	(m) Plant Proration (f) x (j)	(n) Labor Related (General and Common)	(o) W/S Allocator (Appendix A)	(p) Labor Allocation (n) * (o)	(q) Labor Proration (f) x (p)	(r) Total Transmission Prorated Amount: (i) + (m) + (q)
1	December 31st balance of Prorated	2020				100.00%	#DIV/0!	0	#DIV/0!	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!
2	ADIT (Note B)	2021	31	335	365	91.78%	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!
3	January	2021	28	307	365	84.11%	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!
4	February	2021	31	276	365	75.62%	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!
5	March	2021	30	246	365	67.40%	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!
6	April	2021	31	215	365	58.90%	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!
7	May	2021	30	185	365	50.68%	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!
8	June	2021	31	154	365	42.19%	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!
9	July	2021	31	123	365	33.70%	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!
10	August	2021	30	93	365	25.48%	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!
11	September	2021	31	62	365	16.99%	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!
12	October	2021	30	32	365	8.77%	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!
13	November	2021	31	1	365	0.27%	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!
14	December	2021	31															
	Prorated Balance		365				#DIV/0!	#DIV/0!	#DIV/0!	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!

Note A: The calculations of ADIT amounts resulting from liberalized depreciations are performed in accordance with the proration requirements of Treasury Regulation Section 1.167(l)-1(h)(6).

Note B: From Worksheet 2d-Prior Year ADIT Proration Actual



**New York State Electric and Gas Corporation**  
**Worksheet 3: Excess Accumulated Deferred Income Taxes**  
**Resulting from Income Tax Rate Changes (Note A)**  
**Actual for the 12 Months Ended 12/31/2021**

Debit amounts are shown as positive and credit amounts are shown as negative.

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
Line	Description	ADIT Balances Prior to Remeasurement	ADIT Balances After Remeasurement (Note C)	Deficient or Excess Accumulated Deferred Taxes at December 31, Column (b) - Column (c)	Adjustments After Remeasurement	Adjusted Deficient or Excess Accumulated Deferred Taxes Column (d) + Column (e)	Schedule 19 Projects Allocation Factors (Note B)	Allocated to Schedule 19 Projects Column (f) * Column (g)	Protected (P) Unprotected Property (UP) Unprotected Other (UO) (Note B)	Amortization Year	Balance at December 31 Column (h) - Column (i)	Amortization Year	Balance at December 31 Column (j) - Column (k)	
<b>Deficient Deferred Income Taxes - amortized to 410.1</b>														
FERC Account 190														
1		0	0	0	0	0	0.000%	0		0	0	0	0	
2		0	0	0	0	0	0.000%	0		0	0	0	0	
3		0	0	0	0	0	0.000%	0		0	0	0	0	
4		0	0	0	0	0	0.000%	0		0	0	0	0	
5		0	0	0	0	0	0.000%	0		0	0	0	0	
6	Total FERC Account 190	0	0	0	0	0	0.000%	0		0	0	0	0	
FERC Account 282														
7		0	0	0	0	0	0.000%	0		0	0	0	0	
8		0	0	0	0	0	0.000%	0		0	0	0	0	
9		0	0	0	0	0	0.000%	0		0	0	0	0	
10		0	0	0	0	0	0.000%	0		0	0	0	0	
11	Total Account 282	0	0	0	0	0	0.000%	0		0	0	0	0	
FERC Account 283														
12		0	0	0	0	0	0.000%	0		0	0	0	0	
13		0	0	0	0	0	0.000%	0		0	0	0	0	
14		0	0	0	0	0	0.000%	0		0	0	0	0	
15		0	0	0	0	0	0.000%	0		0	0	0	0	
16		0	0	0	0	0	0.000%	0		0	0	0	0	
17	Total FERC Account 283	0	0	0	0	0	0.000%	0		0	0	0	0	
Subtotal Before Being Grossed up for Income														
18	Taxes			0		0		0		0	0	0	0	
19	Gross Up			0		0		0		0	0	0	0	
Total Deficient Accumulated Deferred Income														
20	Taxes - Account 182.3			0		0		0		0	0	0	0	
<b>Excess Accumulated Deferred Income Taxes - amortized to 411.1</b>														
FERC Account 190														
21		0	0	0	0	0	0.000%	0		0	0	0	0	
22		0	0	0	0	0	0.000%	0		0	0	0	0	
23	Total Account 190	0	0	0	0	0	0.000%	0		0	0	0	0	
FERC Account 282														
24	Accelerated Depreciation	0	0	0	0	0	0.000%	0	P	0	0	0	0	
25		0	0	0	0	0	0.000%	0		0	0	0	0	
26		0	0	0	0	0	0.000%	0		0	0	0	0	
27		0	0	0	0	0	0.000%	0		0	0	0	0	
28		0	0	0	0	0	0.000%	0		0	0	0	0	
29	Total Account 282	0	0	0	0	0	0.000%	0		0	0	0	0	
FERC Account 283														
30		0	0	0	0	0	0.000%	0		0	0	0	0	
31		0	0	0	0	0	0.000%	0		0	0	0	0	
32		0	0	0	0	0	0.000%	0		0	0	0	0	
33		0	0	0	0	0	0.000%	0		0	0	0	0	
34		0	0	0	0	0	0.000%	0		0	0	0	0	
35	Total Account 283	0	0	0	0	0	0.000%	0		0	0	0	0	
Subtotal Before Being Grossed up for Income														
36	Taxes			0		0		0		0	0	0	0	
37	Gross Up			0		0		0		0	0	0	0	
Total Excess Accumulated Deferred Income														
38	Taxes - Account 254			0		0		0		0	0	0	0	
39	Grand Total			0		0		0		0	0	0	0	
40	Total Amortization											0		

Note A: Includes Excess Deferred Income Tax Regulatory Assets or Liabilities and the associated amortization arising from income tax rate changes. This sheet will be populated and replicated for changes in federal, state or local income tax rates impacting Schedule 19 Project ADITs.

Note B: The allocation factors used to allocate total excess accumulated deferred income taxes to local transmission projections are (to be completed when used)

Note C: Remeasurement Factor equals the ratio of the current nominal tax rate to the prior nominal tax rate

41		New nominal rate	1.0%
42		Prior nominal rate	1.0%
43		Remeasurement Factor	100.0%
	Note D:		
	Note E:		
	Note F:		

**New York State Electric and Gas Corporation  
Workpaper 4: Permanent Book/Tax Differences**

**Actual for the 12 Months Ended 12/31/2021**

Line #	(a) Tax Effect of Permanent Book/Tax Differences	(b) AFUDC Equity Schedule 19 Projects	(c) Other 2	(d) Other 3	(e) Total
1	FF1 Reference Amount	-	0	0	-
2	Income Tax Effect	-	0	0	-
Ref		Line 1 * Income Tax Factor	Line 1 * Income Tax Factor	Line 1 * Income Tax Factor	Sum of Columns (b), (c) and (d)

**New York State Electric and Gas Corporation**  
**Worksheet 5: Schedule 19 Project Return**  
**Actual for the 12 Months Ended 12/31/2021**

(a)	(b) Five Quarter Average				(f) Allocate Other Rate Base Items to Schedule 19 Projects									(o)
	Gross Plant in Service	Allocator	Accumulated Depreciation	Net Operating Property	Net General Plant - Using Allocator	Net Intangible Plant - Using Allocator	Net Common Plant - Using Allocator	CWIP	Abandoned Plant - Using Allocator	Accumulated Deferred Income Taxes - Using Allocator	(Excess)/Deficient ADIT - Using Allocator	Land Held for Future Use - Using Allocator	Other Rate Base Items - Using Allocator	Total Rate Base
Line #	Workpaper 1, Line 6	Calculated	Workpaper 1, Line 12	Col. (b) - Col. (d)	Line 6 * Col. (c)	Line 6 * Col. (c)	Line 6 * Col. (c)	Workpaper 1, Line 18	Workpaper 1, Line 18	Line 6 * Col. (c)	Line 6 * Col. (c)	Line 6 * Col. (c)	Line 6 * Col. (c)	Sum of Col. (e) through Col. (n)
1	Reference Project Grouping 1	-	#DIV/0!	-	-	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
2	Project Grouping 2	-	#DIV/0!	-	-	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
3	Project Grouping 3	-	#DIV/0!	-	-	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
4	Project Grouping 4	-	#DIV/0!	-	-	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
5			#DIV/0!		-	#DIV/0!	#DIV/0!	#DIV/0!		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
6	Total	-	#DIV/0!	-	-	#DIV/0!	#DIV/0!	#DIV/0!	0	0	#DIV/0!	0	#DIV/0!	#DIV/0!
Ref						#DIV/0!	#DIV/0!	#DIV/0!	Appendix A, Line 19	Appendix A, Line 20	Appendix A, Line 21	Workpaper 1, Line 18	Workpaper 1, Line 18	#DIV/0!

	Rate Base			WACC	Return	Weighted Preferred and Common Equity Rate Attachment 6, Lines 2 + 3, Lines 10 + 11 or Lines 14 + 15	Preferred and Common Equity Return	Weighted Debt Rate		Debt Return
	Col. (a)	Attachment 6, Line 4, Line 8, Line 12, or Line 16	Col. (b) * Col. (c)					Attachment 6, Line 1, Line 5, Line 9 or Line 13	Col. (b) * Col. (h)	
7	Reference Project Grouping 1	#DIV/0!	#DIV/0!	#DIV/0!	0.00%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
8	Project Grouping 2	#DIV/0!	#DIV/0!	#DIV/0!	0.00%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
9	Project Grouping 3	#DIV/0!	#DIV/0!	#DIV/0!	0.00%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
10	Project Grouping 4	#DIV/0!	#DIV/0!	#DIV/0!	0.00%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
11		#DIV/0!		#DIV/0!		#DIV/0!			#DIV/0!	
12	Total	#DIV/0!		#DIV/0!		#DIV/0!			#DIV/0!	

Schedule 19 Projects Included in Each Project Group			
Project Name	Project Description	Gross Investment	
Project Grouping 1			
Project Grouping 2			
Project Grouping 3			
Project Grouping 4			

**New York State Electric and Gas Corporation**  
**Workpaper 6: Schedule 19 Project Cost of Capital**  
**Actual for the 12 Months Ended 12/31/2021**

Line #	(a)	(b)	(c) (Note A)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
	<b>Project Grouping 1</b>	<b>Capitalization</b>	<b>%s</b>	<b>Cost Rates</b>	<b>WACC</b>					
1	Long Term Debt	Line 22, Col. (i)	0	0.0%	#DIV/0!	#DIV/0!		ROE per New York State Public Service Commission, Case No.		0.00%
2	Preferred Stock	Line 22 Col. (b)	-	0.0%	0.000%	0.00%		ROE Cap		10.87%
3	Common Stock	Line 22 Col. (d)	0	0.0%	0.000%	0.00%				
4	Total Capitalization		0	0.0%	(Lines 1 and 2, Col. (j))	#DIV/0!				

	<b>Project Grouping 2</b>	<b>Capitalization</b>	<b>%s</b>	<b>Cost Rates</b>	<b>WACC</b>					
5	Long Term Debt	Line 22, Col. (i)	0	0.0%	#DIV/0!	#DIV/0!		ROE per New York State Public Service Commission, Case No.		0.00%
6	Preferred Stock	Line 22 Col. (b)	-	0.0%	0.000%	0.00%		ROE Cap		10.87%
7	Common Stock	Line 22 Col. (d)	0	0.0%	0.000%	0.00%				
8	Total Capitalization		0	0.0%	(Lines 5 and 6, Col. (j))	#DIV/0!				

	<b>Project Grouping 3</b>	<b>Capitalization</b>	<b>%s</b>	<b>Cost Rates</b>	<b>WACC</b>					
9	Long Term Debt	Line 22, Col. (i)	0	0.0%	#DIV/0!	#DIV/0!		ROE per New York State Public Service Commission, Case No.		0.00%
10	Preferred Stock	Line 22 Col. (b)	-	0.0%	0.000%	0.00%		ROE Cap		10.87%
11	Common Stock	Line 22 Col. (d)	0	0.0%	0.000%	0.00%				
12	Total Capitalization		0	0.0%	(Lines 9 and 10, Col. (j))	#DIV/0!				

	<b>Project Grouping 4</b>	<b>Capitalization</b>	<b>%s</b>	<b>Cost Rates</b>	<b>WACC</b>					
13	Long Term Debt	Line 22, Col. (i)	0	0.0%	#DIV/0!	#DIV/0!		ROE per New York State Public Service Commission, Docket No.		0.00%
14	Preferred Stock	Line 22 Col. (b)	-	0.0%	0.000%	0.00%		ROE Cap		10.87%
15	Common Stock	Line 22 Col. (d)	0	0.0%	0.000%	0.00%				
16	Total Capitalization		0	0.0%	(Lines 13 and 14, Col. (j))	#DIV/0!				

Common Equity					Long-term Debt				
Less: Accumulated Other Comprehensive Income									
Total	Less: Preferred Stock	Common Equity for Capitalization			Total	Unamortized Gains on Reacquired Debt	Unamortized Debt Expense	Unamortized Loss on Reacquired Debt	Long-term Debt for Capitalization
Month	Year	112-113, l.16, fn	112-113, l.3, fn	112-113, l.15, fn	Col. (a) - Col. (b) - Col. (c)	112-113, l.24, fn	112-113, l.61, fn	112-113, l.69, fn	112-113, l.81, fn Col. (e) + Col. (f) - Col. (a) - (h)
17	December	2020	-	-			-	-	-
18	March	2021	-	-			-	-	-
19	June	2021	-	-			-	-	-
20	September	2021	-	-			-	-	-
21	December	2021	-	-			-	-	-
22	Average		-	-			-	-	-

23	Long Term Interest	(114-117c, sum of lines 62, 63, 64, 65, 66)	0
24	Long-Term Debt	(Line 22, Col. (i))	0
25	Long-term Debt Interest Rate	(Line 23 / Line 24)	#DIV/0!
26	Preferred Dividends	118-119c, l.29	-
27	Preferred Stock	(Line 22 Col. (b))	-
28	Preferred Stock Rate	(Line 26 / Line 27)	0

Note A: The above common equity, preferred stock and long-term debt amounts are not used for capital structure purposes since the CSRA requires use of the NYPSC approved capital structure.

**New York State Electric and Gas Corporation**  
**Workpaper 7: True-up Adjustment for Schedule 19 Projects**  
**Actual for the 12 Months Ended 12/31/2021**

Debit amounts are shown as positive and credit amounts are shown as negative.  
The Annual True-Up Adjustment ("ATU") component of the Formula Rate for each Year shall be determined as follows:

- (i) In accordance with its formula rate protocols, NYSEG shall recalculate its Annual Transmission Revenue Requirement ("ATRR") for the previous calendar year based on its actual costs as reflected in its Form No. 1 and its books and records for that calendar year, consistent with FERC accounting policies.
- (ii) Determine the difference between the Actual ATRR as determined in paragraph (i) above, and actual revenues based upon the Projected ATRR for the previous calendar year
- (iii) Multiply the ATRR Before Interest by  $(1+i)^{24}$  months

Where:  $i =$  Average of the monthly rates from the middle of the Rate Year for which the ATU is being calculated through the middle of the year in which the ATU is included in rates (24 months)  
The interest rates are initially estimated and then trued-up to actual

To the extent possible each input to the Formula Rate used to calculate the Actual ATRR will be taken directly from the FERC Form No. 1 or will be reconcilable to the FERC Form 1 by the application of clearly identified and supported information. If the reconciliation is provided through a worksheet included in the filed Formula Rate Template, the inputs to the worksheet must meet this transparency standard, and doing so will satisfy this transparency requirement for the amounts that are output from the worksheet and input to the main body of the Formula Rate.

Line

		Estimated Interest Rate	Actual Interest Rate	Interest Rate True-Up
1	A	ATRR based on actual costs included for the previous calendar year	0	
2	B	Revenues based upon the Projected ATRR for the previous calendar year and excluding any true-up adjustment	0	
3	C	Difference (A-B)	0	0
4	D	Future Value Factor $(1+i)^{24}$	1.0000	1.0000
5	E	True-up Adjustment (C*D)	0	0
6	F	Interest Rate True-up from Prior Periods	0	
7	G	ATU Adjustment with Interest Rate True-up From Prior Periods	0	

Where:  
 $i =$  average interest rate as calculated below

Interest on Amount of Refunds or Surcharges

	Month	Year	Estimated Monthly Interest Rate	Actual Monthly Interest Rate
8	July	Year 1	0.0000%	0.0000%
9	August	Year 1	0.0000%	0.0000%
10	September	Year 1	0.0000%	0.0000%
11	October	Year 1	0.0000%	0.0000%
12	November	Year 1	0.0000%	0.0000%
13	December	Year 1	0.0000%	0.0000%
14	January	Year 2	0.0000%	0.0000%
15	February	Year 2	0.0000%	0.0000%
16	March	Year 2	0.0000%	0.0000%
17	April	Year 2	0.0000%	0.0000%
18	May	Year 2	0.0000%	0.0000%
19	June	Year 2	0.0000%	0.0000%
20	July	Year 2	0.0000%	0.0000%
21	August	Year 2	0.0000%	0.0000%
22	September	Year 2	0.0000%	0.0000%
23	October	Year 2	0.0000%	0.0000%
24	November	Year 2	0.0000%	0.0000%
25	December	Year 2	0.0000%	0.0000%
26	January	Year 3	0.0000%	0.0000%
27	February	Year 3	0.0000%	0.0000%
28	March	Year 3	0.0000%	0.0000%
29	April	Year 3	0.0000%	0.0000%
30	May	Year 3	0.0000%	0.0000%
31	June	Year 3	0.0000%	0.0000%
32	Average		0.00000%	0.00000%

**New York State Electric and Gas Corporation**  
**Workpaper 8: Electric and Common Depreciation and Amortization Rates**  
**Actual for the 12 Months Ended 12/31/2021**

<u>FERC Account</u>	<u>Description</u>	<u>Rate (Note 1)</u>
<u>Transmission</u>		
350	Land Rights	NA
352	Structures and Improvements	1.79%
353	Station Equipment	1.69%
354	Towers and Fixtures	1.63%
355	Poles and Fixtures	2.07%
356	Overhead Conductors & Devices	2.21%
357	Underground Conduit	1.54%
358	Underground Conductors & Devices	1.83%
359	Roads and Trails	NA
<u>Electric General and Intangible</u>		
302	Franchises and Consents	NA
303	Intangible Plant	9.14%
390	Structures and Improvements	1.77%
391	Office Furniture and Equipment	5.00%
391.2	Computer Equipment	9.14%
392.1	Transportation Equipment - Auto	9.50%
393	Stores Equipment	2.56%
394	Tools, Shop and Garage Equipment	4.00%
395	Laboratory Equipment	3.66%
396	Power Operated Equipment	8.18%
396.1	Power Operated Equipment - Vehicle	6.67%
397	Communication Equipment	5.75%
397.1	Communication Equipment - Overhead	2.86%
398	Miscellaneous Equipment	2.95%
<u>Common</u>		
302	Franchises and Consents	NA
303	Intangible Plant	11.33%
390	Structures and Improvements	1.64%
391	Office Furniture and Equipment	4.32%
391.2	Computer Equipment	11.33%
391.4	LANs/WANs	14.29%
392	Transportation Equipment - Auto	9.00%
392.1	Transportation Equipment - In Reserve	10.00%
393	Stores Equipment	1.55%
394	Tools, Shop and Garage Equipment	3.09%
395	Laboratory Equipment	5.00%
397	Communication Equipment	6.67%
398	Miscellaneous Equipment	4.91%

Note 1: The above depreciation rates cannot change absent Commission authorization



**New York State Electric and Gas Corporation**  
**Workpaper 9: Prior Period Corrections**  
**Actual for the 12 Months Ended 12/31/2021**

Debit amounts are shown as positive and credit amounts are shown as negative.

			(a)	(b)
			Revenue	Calendar Year
Line			Impact of	
No.	Description	Source	Correction	Revenue Requirement
1	Filing Name and Date			
2	Original Revenue Requirement			0
3	Description of Correction 1			0
4	Description of Correction 2			0
5	Total Corrections	(Line 3 + Line 4)		0
6	Corrected Revenue Requirement	(Line 2 + Line 5)		0
7	Total Corrections	(Line 5)		0
8	Average Monthly FERC Refund Rate	Note A		0.00%
9	Number of Months of Interest	Note B		0
10	Interest on Correction	(Line 7 * Line 8 * Line 9)		0
11	Sum of Corrections Plus Interest	(Line 7 + Line 10)		0

Notes:

- A The interest rate on corrections will be the average monthly FERC interest rate for the period from the beginning of the year being corrected through the end of the rate year where the correction is reflected in rates - the same as how interest on the Annual True-up Adjustment is computed.
- B The number of months in which interest is computed is from the middle of the rate year in which the correction is needed to the middle of the rate year where the correction is reflected in rates - the same as how interest on the Annual True-up Adjustment is computed.