

October 27, 2025

The Honorable Debbie-Anne A. Reese, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

**Re: Niagara Mohawk Power Corporation d/b/a National Grid
Docket No. ER26-____-000**

**Filing to Revise Depreciation Rates Under Attachment H to the NYISO OATT
and Implement New Accounts Established Under Order No. 898**

Dear Secretary Reese:

Pursuant to Section 205 of the Federal Power Act (“FPA”),¹ and Part 35 of the Federal Energy Regulatory Commission’s (“Commission” or “FERC”) regulations,² Niagara Mohawk Power Corporation d/b/a National Grid (“Niagara Mohawk”), is proposing updates to align the depreciation rates set forth in its Transmission Service Charge (“TSC”) formula rate under Attachment H to the New York Independent System Operator, Inc.’s (“NYISO”) Open Access Transmission Tariff (“OATT”) with the depreciation rates approved in its most recent New York State Public Service Commission (“NYPSC”) retail rate case, and to ensure that the rates in its TSC formula continue to accurately reflect actual costs.³

The proposed depreciation rate updates are supported by the testimony of Tiffany M. Escalona and supporting exhibits,⁴ including the testimony of depreciation consultant Ned W. Allis and accompanying depreciation rate study,⁵ and the Joint Proposal by and among Niagara Mohawk and intervening parties in the retail rate case containing the agreed-upon depreciation rates ultimately accepted by the NYPSC.⁶ Additionally, and as supported by the Escalona Testimony, Niagara Mohawk submits this filing to conform references in its TSC formula rate and template to reflect changes to the electric Uniform System of Accounts impacting source information in the FERC Form No. 1 (“FERC Form 1”) and FERC Form No. 3Q (“FERC Form 3Q”) made by the Commission in Order No. 898.⁷ Taken together, the updates proposed in this filing will result in an estimated annual wholesale transmission revenue increase of \$640,675.

¹ 16 U.S.C. § 824d.

² 18 C.F.R. Part 35 (2025).

³ Under the terms of Attachment H to the NYISO OATT, Transmission Owners, including Niagara Mohawk, have rights to amend the components of their respective wholesale TSC rates on their own initiative by making the requisite filings for Commission approval pursuant to Section 205 of the FPA. *See* NYISO OATT, Attachment H, Sections 14.1.2.1.3, 14.1.9.3, 14.1.9.4.3.6. The NYISO is submitting this filing in the Commission’s eTariff system on Niagara Mohawk’s behalf solely in its role as the Tariff Administrator. However, the burden of demonstrating that the proposed tariff revisions are just and reasonable rests on Niagara Mohawk, the sponsoring party. The NYISO takes no position on any substantive aspect of the filing at this time.

⁴ *See* Attachment E (“Escalona Testimony”).

⁵ *See* Escalona Testimony, Exhibit NMPC-101.

⁶ *See id.*, Exhibit NMPC-102.

⁷ *Accounting and Reporting Treatment of Certain Renewable Energy Assets*, Order No. 898, 183 FERC ¶ 61,205 (2023) (“Order No. 898”).

Consistent with the Commission’s approach to similar prior filings,⁸ Niagara Mohawk requests waiver of the full filing requirements under Part 35 of the Commission’s regulations. Niagara Mohawk additionally requests that the Commission allow the proposed tariff revisions to take effect as of May 1, 2025. The requested effective date will align the proposed TSC depreciation rate updates with the effective date of the Niagara Mohawk depreciation rates separately approved by the NYPSC. Granting the requested effective date will additionally allow the proposed depreciation rate updates and Order No. 898 changes to be incorporated into the TSC formula rate and template used for calculating rates to be placed into effect in 2026 as part of Niagara Mohawk’s next annual adjustment and true-up of certain formula rate inputs (“TSC Annual Update”).

I. BACKGROUND

A. Description of Filing Party

Niagara Mohawk is a Commission-regulated public utility company organized and operated under the laws of the State of New York. It provides electric service to approximately 1.7 million customers and natural gas service to over 540,000 customers in upstate New York. Niagara Mohawk owns and operates transmission facilities in New York, all of which are subject to the operational control of the NYISO. Niagara Mohawk recovers a portion of its transmission revenue requirements from wholesale transmission customers pursuant to formula rates under the NYISO OATT.⁹ Niagara Mohawk recovers the balance of its transmission revenue requirements through bundled distribution and transmission retail rates paid by Niagara Mohawk’s end-use retail customers.

The outstanding common shares of Niagara Mohawk are wholly owned by National Grid USA. National Grid USA is an indirect, wholly-owned subsidiary of National Grid plc, a company incorporated in England and Wales. National Grid USA is a public utility holding company.

Direct and indirect subsidiaries of National Grid USA are engaged in: (i) electric transmission under Commission jurisdiction in New York, Massachusetts, Vermont, and New Hampshire;¹⁰ (ii) electric distribution to residential, commercial, and industrial customers in New York and Massachusetts; and (iii) the distribution of natural gas to residential, commercial, and industrial customers in New York and Massachusetts. These various subsidiary companies operate and maintain power lines, substations, and/or natural gas distribution facilities; provide metering, billing, and customer service; design and build electric and/or gas facilities; and provide related products and services, including administering energy efficiency programs for customers. National

⁸ See, e.g., *Tampa Electric Co.*, Docket No. ER25-3328-000 (October 22, 2025) (delegated letter order accepting tariff revisions to reflect updated depreciation rates and implementation of new accounts in compliance with Order No. 898) (“Tampa Electric Acceptance Order”); *Silver Run Electric, LLC*, Docket No. ER25-2061-000 (June 27, 2025) (delegated letter order accepting tariff revisions to reflect updated depreciation rates and implementation of new accounts in compliance with Order No. 898) (“Silver Run Acceptance Order”).

⁹ See NYISO OATT, Attachment H (Sections 14.1.9 and 14.2.1). The provisions of Niagara Mohawk’s TSC formula rate are set forth in Section 14.1.9 to Attachment H of the NYISO OATT, and its TSC formula rate template is set forth in Section 14.2.1.

¹⁰ National Grid’s electric transmission facilities in New York and New England are under the operational control of the NYISO and ISO New England Inc., respectively.

Grid USA is also affiliated with entities that own, operate, or control qualifying facilities, distributed generation, behind-the-meter solar, and other renewable generating capacity.

Niagara Mohawk is the only National Grid USA subsidiary that owns or operates electric transmission and distribution facilities in New York. National Grid USA also indirectly owns four New York generation subsidiaries: (1) National Grid Generation LLC, (2) National Grid Glenwood Energy Center LLC, (3) National Grid Port Jefferson Energy Center LLC, and (4) National Grid Generation Ventures, LLC. The energy and capacity of these public utility subsidiaries on Long Island are wholly committed to the Long Island Power Authority under long-term contracts.

B. Depreciation Rates Under the TSC Formula Rate

Niagara Mohawk provides service to a number of wholesale transmission customers, including municipal electric utilities and customers external to the NYISO, pursuant to the TSC formula rate set forth in Attachment H to the NYISO OATT. Among the inputs to the Annual Transmission Revenue Requirement component of that formula rate is Depreciation Expense for Transmission Plant in Service, which is defined to equal depreciation expenses calculated using fixed annual depreciation rates for various specified Commission and Niagara Mohawk accounts. The definition of Depreciation Expense for Transmission Plant in Service and the stated depreciation rates are listed in Section 14.1.9.1.14 of Attachment H to the NYISO OATT.

Niagara Mohawk last filed revisions to its TSC depreciation rates in 2018, which the Commission accepted for filing as submitted.¹¹ The updated depreciation rates proposed in this filing reflect the agreed-upon rates presented in a Joint Proposal by and among Niagara Mohawk and intervening parties in Niagara Mohawk's most recent retail rate case, with the exception of the updated rate proposed for Account 302, which was not addressed as part of that proceeding. In an order issued in Case Number 24-E-0322 on August 14, 2025, the NYPSC approved the rates submitted in the Joint Proposal to be effective May 1, 2025.¹²

With regard to Account 302, Niagara Mohawk is proposing to decrease the applicable composite depreciation rate. This rate is calculated as a weighted average reflecting the useful life of the current project assets, consistent with the approach accepted by the Commission in the 2018 Niagara Mohawk Acceptance Order.¹³

C. Order No. 898

On June 29, 2023, the Commission, in Order No. 898, revised its electric Uniform System of Accounts for public utilities to effectuate several accounting and financial reporting changes, effective January 1, 2025. First, Order No. 898 created a new functional class for energy storage accounts to simplify and improve recording of energy storage assets and related expenses, certain of

¹¹ See *Niagara Mohawk Power Corp.*, Docket No. ER19-132-000 (Dec. 4, 2018) (delegated letter order accepting tariff revisions to reflect updated depreciation rates previously approved by the New York Public Service Commission to take effect on April 1, 2018, and be reflected in wholesale transmission service rates to be charged as of July 1, 2019) (“2018 Niagara Mohawk Acceptance Order”).

¹² See Case 24-E-0322, *Order Adopting Terms of Joint Proposal and Establishing Rate Plans* (issued Aug. 14, 2025).

¹³ See Escalona Testimony at 6:18-22; see also Exhibit NMPC-104, Worksheet 10.

which are impactful to Niagara Mohawk’s TSC formula rate because their associated Asset Retirement Costs (“ARC”) balances need to be removed from the total plant balance.¹⁴ Second, Order No. 898 created new accounts in the Uniform System of Accounts for all functions, including transmission plant subfunctions, for computer hardware, software, and communication equipment, to eliminate ambiguity and improve consistency in accounting and reporting.¹⁵ Finally, Order No. 898 created a breakout of general plant Account 397—a portion of the balance of which is allocated to transmission—for computer hardware, software, and communications equipment for assets that are not functionalized.¹⁶ Order No. 898 also modified relevant FERC forms, including FERC Form 1 and FERC Form 3Q, to reflect these changes.

Niagara Mohawk is proposing to revise its TSC formula rate and template to reflect the impact of certain of these changes as discussed generally below. Order No. 898 permits “jurisdictional utilities with formula rates to seek to update their formula rates to comply with this rule through either a single-issue filing under FPA section 205 or as part of a utility’s section 205 filing to update formula rates involving other matters.”¹⁷ Order No. 898 also notes that “existing depreciation rates should apply to the newly classified plant going forward, to be revised in a timely manner in the utility’s next relevant depreciation rate case.”¹⁸ To promote administrative efficiency, this filing combines the requested depreciation rate updates resulting from Niagara Mohawk’s most recent relevant rate case and the required changes under Order No. 898 into a single submission.

II. DESCRIPTION OF PROPOSED FORMULA RATE REVISIONS

As noted above, Niagara Mohawk’s proposed revisions fall under two primary categories: (1) proposed revisions to align the depreciation rates set forth and utilized in Niagara Mohawk’s formula rates with those approved in its most recent NYPSC retail rate case; and (2) proposed revisions to update its TSC formula rate and template under Attachment H to the NYISO OATT to implement the new accounts and classifications implemented by the Commission in Order No. 898. The proposed revisions are described in greater detail below. The revisions are also illustrated in the redlined tariff records provided as Attachments B and D.

A. Proposed Depreciation Rate Updates

Niagara Mohawk proposes to revise the depreciation rates listed in Section 14.1.9.1.14 of Attachment H to the NYISO OATT to reflect the agreed-upon rates recently approved by the NYPSC, promote alignment with actual costs, and ensure consistency in accounting and reporting. Specifically, Niagara Mohawk proposes to incorporate the depreciation rate updates shown in the table below.

¹⁴ Order No. 898 at PP 19, 72.

¹⁵ *Id.* at PP 21, 110.

¹⁶ *Id.* at P 100.

¹⁷ *Id.* at P 138.

¹⁸ *Id.* at P 137.

Comparison of Current and Revised Depreciation Rates

Account No.	Account Name	Current Rate	Revised Rate
Transmission Plant			
350	Land and Land Rights	1.32%	1.33%
351.1	Computer Hardware	-	6.67% ¹⁹
351.3	Communication Equipment	-	6.67% ²⁰
352	Structures and Improvements	2.42%	2.33%
353	Station Equipment	2.53%	2.56%
353.55	Station Equipment – EMS	4.20%	5.25%
354	Towers and Fixtures	1.80%	2.13%
355	Poles and Fixtures	2.23%	2.50%
356	Overhead Conductors and Devices	1.69%	2.13%
357	Underground Conduit	1.24%	1.40%
358	Underground Conductors and Devices	1.59%	1.73%
359	Roads and Trails	1.33%	1.33%
Electric General Plant			
389.10	Land Rights- Other Costs	-	1.33%
390	Structures and Improvements	2.51%	2.30%
391	Office Furniture, Equipment- Fixture Electric	-	20.00%
391.10	Office Furniture, Equipment	4.55%	6.67%
391.20	Office Furniture Equipment- Data Processing Equipment	20.00%	20.00%
392	Transportation Equipment- Passenger Car	-	8.33%
392.22	Transportation Equipment- Helicopter	3.33%	10.00%
394	Tools, Shop, Garage Equipment- General Plant Tools	-	3.13%
394.10	Tools, Shop, Garage Equipment	4.55%	4.00%
394.20	Tools, Shop, Garage Equipment- Workshop Equipment	-	4.00%
395	Laboratory Equipment- General Plant	4.55%	3.33%
396	Power Operated Equipment	4.55%	10.00%
397.10	Communication Equipment – Radio	4.55%	6.67%
397.20	Communication Equipment – Telephone	12.50%	6.67%
397.30	Communication Equipment - Radio Site	-	6.67%
397.35	Communication Equipment - Telephone A	-	6.67%
397.50	Communication Equipment - Network NY	4.55%	6.67%
397.60	Communication Equipment - Network Site NY	4.55%	6.67%
397.80	Communication Equipment - AMI Fan	-	6.67%

¹⁹ Because Order No. 898 was issued subsequent to the retail rate case, accounts established to comply with Order No. 898 were not included in the depreciation rate study or the retail rate case. The depreciation rates for the newly created Order No. 898 accounts—i.e., Accounts 351.1 and 351.3—reflect those of the prior accounts from which any relevant assets would be transferred, as revised to align with the updated rates for comparable equipment approved by the NYPSC in its August 14, 2025 order. *See Escalona Testimony at 10:12-11:10.*

²⁰ *See id.*

398	Miscellaneous Equipment- Nine Mile- 2 Nuclear	-	2.86%
398.01	Miscellaneous Equipment	4.55%	2.86%
398.10	Land Rights- Other Costs	-	2.86%
398.55	Miscellaneous Equipment- General RTU	-	2.86%
398.56	Miscellaneous Equipment- EMS Control System	-	2.86%
Common General Plant			
390.01	Structures and Improvements	2.57%	2.30%
391.01	Office Furniture and Equipment	4.55%	6.67%
391.11	Office Furniture and Equipment- Other	-	6.67%
392.21	Transportation Equipment – Aircraft	7.50%	10.00%
393.01	Stores Equipment	4.55%	3.13%
394.01	Tools, Shop, Garage Equipment	4.55%	3.13%
394.11	Tools, Shop and Garage Equipment- Garage and Shop Equipment	-	4.00%
394.31	Tools, Shop and Garage equipment- Communication Tools	-	4.00%
397.21	Communication Equipment - Radio	4.55%	6.67%
397.31	Communication Equipment – Radio Site	-	6.67%
397.51	Communication Equipment - AMO	-	6.67%
397.61	Communication Equipment - Site	-	6.67%
398.01	Miscellaneous Plant Equipment- General Plant	4.55%	2.86%
398.11	Miscellaneous Plant Equipment	4.55%	2.86%
Electric Distribution Plant – Large Meters			
370.30	Large Meters – Bare Costs	5.05%	7.67%
370.35	Large Meters – Installation Costs	5.05%	7.67%
Intangible Plant			
302	Franchises and Consents	2.38%	2.35%
303	Miscellaneous Intangible Plant – Software	14.29%	14.29%

On August 14, 2025, the NYPSC approved the depreciation rates reflected above in a final order issued in Case Number 24-E-0322. The rates were developed based on the Niagara Mohawk-sponsored testimony and depreciation study produced by depreciation consultant Ned W. Allis provided as Exhibit NMPC-101 to the Escalona Testimony, as informed by the testimony and depreciation study subsequently prepared by a New York State Department of Public Service Staff Depreciation Panel (“SDP”) provided as Exhibit NMPC-102. The depreciation rate updates were finalized in the Joint Proposal by and among Niagara Mohawk and intervening parties in the retail rate case included as part of the NYPSC’s August 14, 2025 order approving the same, which is provided as Exhibit NMPC-103 to the Escalona Testimony.

The methodology employed in the depreciation study is explained in detail in the testimony of Mr. Allis, and a detailed comparison of depreciation studies prepared by Mr. Allis and the SDP is included beginning on page 264 of Exhibit NMPC-102 to the Escalona Testimony. The difference in the depreciation rates approved by the NYPSC to be effective May 1, 2025, and the previously-approved rates is primarily attributable to updated net salvage statistics, revised service lives recommended in the depreciation study, and the amortization of reserve deficiencies.

For the reasons explained in this filing, the Commission should approve the proposed revisions to the depreciation rates set forth in Niagara Mohawk’s TSC formula rate under Attachment H to the NYISO OATT to reflect the depreciation rates approved by the NYPSC and ensure the formula rate calculation completed as part of Niagara Mohawk’s next TSC Annual Update process is reflective of actual costs. The Commission has consistently approved public utilities’ requests to update the depreciation rate components of their Commission-jurisdictional rates, especially when such updates reflect depreciation rate decisions by state utility regulators.²¹ It has also previously approved similar proposals by Niagara Mohawk and its affiliate, New England Power Company (“NEP”).²²

B. Proposed Revisions in Compliance with Order No. 898

As noted above, the Commission found that existing depreciation rates should apply to the new accounts established in Order No. 898 going forward, “to be revisited in a timely manner in the utility’s next relevant depreciation rate case.”²³ The instant filing initiates Niagara Mohawk’s next depreciation rate case before this Commission.

To comply with Order No. 898’s substantive requirements, Niagara Mohawk proposes to modify its existing TSC formula rate and template by (i) updating relevant provisions of Niagara Mohawk’s TSC formula rate set forth in Section 14.1.9 of Attachment H to the NYISO OATT; and (ii) revising existing Schedule 5 within its TSC formula rate template set forth in Section 14.2.1 of Attachment H to the NYISO OATT to reflect the removal of ARC balances pursuant to Order No. 898. The proposed tariff revisions are as follows:

- Section 14.1.9.1.14 of Attachment H to the NYISO OATT: Revisions to incorporate Accounts 351.1 (Transmission Plant Computer Hardware) and 351.3 (Transmission Plant Communication Equipment); and
- Section 14.2.1 of Attachment H to the NYISO OATT, Schedule 5: Source reference changes to Line 15 to remove ARC balances associated with new functional and subfunction assets from the Total Electric Plant.

As shown in the clean and redlined tariff records provided as Attachments A through D, Niagara Mohawk will apply the updated depreciation rates proposed in this filing to the newly classified plant accounts, in accordance with the Commission’s directive in Order No. 898 to address such updates in a timely manner.²⁴ Niagara Mohawk additionally commits to updating

²¹ See, e.g., *Sw. Power Pool, Inc.*, Docket Nos. ER24-226-000 and -001 (Mar. 19, 2024) (delegated letter order accepting tariff revisions to reflect updated depreciation rates previously approved by the Missouri Public Service Commission); *S. Cal. Edison Co.*, Docket No. ER13-1253-000 (May 22, 2013) (delegated letter order accepting tariff revisions to reflect updated depreciation rates previously approved by the California Public Utilities Commission) (“SCE Acceptance Order”).

²² See 2018 Niagara Mohawk Acceptance Order; see also *New England Power Co.*, Docket No. ER25-970-000 (Mar. 14, 2025) (delegated letter order accepting tariff revisions to reflect updated depreciation rates previously approved by the Massachusetts Department of Public Utilities to take effect on October 1, 2024, and be reflected in NEP’s annual true-up filing for calendar year 2024) (“NEP Acceptance Order”).

²³ Order No. 898 at P 137.

²⁴ *Id.*

references to page and line numbers in its FERC Form 1 and FERC Form 3Q to reflect the new accounts added by Order No. 898.

III. EFFECT OF PROPOSED TARIFF REVISIONS

A. Effect Of Proposed Depreciation Rate Updates

Based on the adjusted 2024 TSC Annual Update to its wholesale TSC under the NYISO OATT submitted in Docket No. ER08-552-000, Niagara Mohawk estimates that the proposed change in depreciation rates—when considered together with the anticipated rate decrease resulting from its implementation of Order No. 898, discussed below—will result in an annual impact on its transmission revenue requirement of \$8,233,541, as reflected in Exhibit NMPC-104 to the Escalona Testimony. The resulting increase to wholesale TSC customers based on 2024 TSC sales per MWh is \$640,675.²⁵ This incremental TSC revenue constitutes 0.105% of Niagara Mohawk’s adjusted total transmission revenue requirement.²⁶

While use of the updated depreciation rates results in a modest estimated annual increase to customers under Niagara Mohawk’s TSC formula rate of approximately \$640,675, Niagara Mohawk requests that the Commission find that the proposed depreciation rate updates do not affect the total amount of costs recovered over time, only the timing of this recovery.

The Commission has made similar findings in approving the depreciation rate updates previously proposed by other public utilities. For example, in response to a depreciation rate filing by Ameren Illinois Company, the Commission found that Ameren Illinois “seeks to change one component of its rate which only affects the timing of the costs and does not change the overall amount of recovery. The change to the depreciation accrual rates does not change the value of the underlying asset, and would not result in any over- or under-recovery of costs.”²⁷ The Commission should reach a similar conclusion with regard to Niagara Mohawk’s proposed depreciation rate updates.

B. Effect Of Proposed Revisions in Compliance with Order No. 898

Niagara Mohawk’s proposed changes to its TSC formula rate and template in compliance with Order No. 898 are solely intended to reflect the newly created accounts within existing functional categories and associated changes made to FERC Form No. 1 and facilitate the removal of associated ARC balances from Niagara Mohawk’s total plant balance. Niagara Mohawk’s proposed implementation of Order No. 898 results in an estimated rate decrease of \$0.0265/MWh driven by reclasses of certain balances to the new functional accounts established pursuant to the

²⁵ See Escalona Testimony at 13:20-14:8; see also Exhibit NMPC-104, Worksheet 1, Line 57, Column G.

²⁶ See Escalona Testimony at 14:8-11.

²⁷ *Ameren Ill. Co.*, 141 FERC ¶ 61,264, at P 32 (2012) (“*Ameren Illinois*”) (citing *Xcel Energy Services, Inc.*, 121 FERC ¶ 61,284, at P 72 n.81 (2007) (“*Xcel*”); *Mich. Elec. Transmission Co.*, 117 FERC ¶ 61,314, at P 17 (2006), *order on reh’g*, 118 FERC ¶ 61,139 (2007) (“*Michigan Electric*”)) (other citations omitted). In *Ameren Illinois*, the Commission set the issue of the depreciation accrual rates for hearing and settlement judge procedures (see *Ameren Illinois* at P 35), but doing so did not undermine the Commission findings quoted above. See also *PJM Interconnection, L.L.C.*, 158 FERC ¶ 61,089, at P 112 (2017) (rejecting a protest of Transource companies’ proposed depreciation rates because the proposed changes would not result in any over- or under-recovery of costs.).

Order.²⁸ These reclasses, taken alone, result in a \$72,294 decrease to Niagara Mohawk's transmission revenue requirement.²⁹

As of December 31, 2024, Niagara Mohawk does not have any plant in service related to the production assets or transmission-related energy storage assets addressed by Order No. 898, and the associated ARC balances are excluded from Niagara Mohawk's electric total plant balance pursuant to the Order.³⁰ Niagara Mohawk's current TSC formula rate also excludes depreciation expenses associated with these production assets and electric distribution related energy storage.³¹

IV. ADDITIONAL FILING INFORMATION

Section 14.1.9.3 of Attachment H to the NYISO OATT provides that a FPA Section 205 filing to modify the stated depreciation rates under Niagara Mohawk's TSC formula rate "shall not be deemed to open for review other components" of the formula rate. The Commission has found that such limited Section 205 filings are appropriate both to update depreciation rates³² and to implement the changes required pursuant to Order No. 898.³³ The use of a limited Section 205 filing for revisions to depreciation rates is additionally appropriate because such revisions affect the timing of cost recovery, but do not change the overall amount of costs recovered.³⁴ Niagara Mohawk respectfully submits that the instant filing is appropriately limited to the changes necessary to ensure alignment with the updated depreciation rates recently approved by the NYPSC and implement Order No. 898's requirements.

A. Requested Waivers and Effective Date

To the extent necessary, Niagara Mohawk requests waiver of the full requirements of Section 35.13 of the Commission's regulations.³⁵ Good cause exists for granting waiver of the requirement to file the full range of information required by 18 C.F.R. § 35.13. The Commission has consistently accepted filings to update depreciation rates as limited-issue filings under Section 205 of the FPA,³⁶ and Niagara Mohawk has explained the basis for and rate impact of the revisions, as well as that the revisions will not affect the amount of depreciation recovered by Niagara Mohawk, only the timing of that recovery.

Waiver is also appropriate in this instance based on the limited nature of the proposed changes to reflect newly created accounts within existing functional categories and the changes made to FERC Form No. 1 by Order No. 898 which, taken alone, result in a decrease to Niagara Mohawk's transmission revenue requirement. The Commission has granted waiver of the full

²⁸ See Escalona Testimony at 12:8-11; *see also* Exhibit NMPC-105, Worksheet 4.

²⁹ See Escalona Testimony at 12:12-16; *see also* Exhibit NMPC-105, Worksheet 1, column C, lines 47 and 57.

³⁰ See Escalona Testimony at 11:19-12:2, 12:4-5.

³¹ *Id.* at 12:2-4.

³² See, e.g., NEP Acceptance Order; 2018 Niagara Mohawk Acceptance Order; SCE Acceptance Order.

³³ Order No. 898 at P 138.

³⁴ See, e.g., *Ameren Illinois* at P 32 ("We are not persuaded . . . that Ameren Illinois' updated depreciation accrual rates should be rejected as an impermissible single-issue filing. . . . In this circumstance, we find that it is appropriate to consider the change in depreciation alone, consistent with *Xcel* and *Michigan Electric*.").

³⁵ 18 C.F.R. § 35.13.

³⁶ See, e.g., *Ameren Illinois* at P 38; *DATC Midwest Holdings, LLC*, 139 FERC ¶ 61,224, at P 98 (2012); *Midwest Indep. Transmission Sys. Operator, Inc.*, 138 FERC ¶ 61,234, at P 19 (2012).

requirements of Section 35.13 in similar circumstances in other proceedings.³⁷ In addition, the information submitted with this filing substantially complies with the requirements of Part 35 of the Commission's regulations applicable to filings of this type. Niagara Mohawk requests a waiver of any applicable requirement of Part 35 for which a waiver is not specifically requested, if necessary, in order to permit this filing to become effective as proposed.

Pursuant to Section 35.11 of the Commission's regulations,³⁸ Niagara Mohawk also respectfully requests that the Commission grant any waiver of the notice requirements set forth in Section 35.3(a)(1) of its regulations³⁹ to permit the proposed depreciation rate updates to take effect as of May 1, 2025, aligning with the effective date of the depreciation rates separately approved by the NYPSC. Doing so will allow Niagara Mohawk to have a consistent set of depreciation rates on its books and ensure that Niagara Mohawk's actual costs are reflected in its 2026 TSC Annual Update. The requested effective date is additionally appropriate to ensure that Niagara Mohawk's revised TSC formula rate template—which will be employed in the calculation of actual rates and charges in effect as of July 1, 2026, to be calculated based upon inputs from the 2025 FERC Form 1 and FERC Form 3Q—reflects the impacts of Order No. 898.

B. Documents Included with this Filing

In addition to this transmittal letter, this filing includes the following attachments:

Attachments

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|--------------|---------------------------------------------------------------------------------------------------------------------------------------|
| Attachment A | Clean Version of Section 14.1.9 of Attachment H to the NYISO OATT Incorporating the Revisions Contained in This Filing |
| Attachment B | Redlined Version of Section 14.1.9 of Attachment H to the NYISO OATT Showing the Changes as Compared to the Current Effective Version |
| Attachment C | Clean Version of Section 14.2.1 of Attachment H to the NYISO OATT Incorporating the Revisions Contained in This Filing |
| Attachment D | Redlined Version of Section 14.2.1 of Attachment H to the NYISO OATT Showing the Changes as Compared to the Current Effective Version |
| Attachment E | Direct Testimony and Exhibits of Tiffany M. Escalona |

Exhibits to Attachment E

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| Exhibit NMPC-101 | Testimony and Depreciation Rate Study from Depreciation Consultant Ned W. Allis, Sponsored by Niagara Mohawk |
| Exhibit NMPC-102 | Testimony and Depreciation Rate Study Prepared by the New York State Department of Public Service Staff Depreciation Panel |

³⁷ See, e.g., Tampa Electric Acceptance Order; Silver Run Acceptance Order.

³⁸ 18 C.F.R. § 35.11.

³⁹ 18 C.F.R. § 35.3(a)(1).

- Exhibit NMPC-103 NYPSC August 14, 2025 Order in Case Number 24-E-0322 and Joint Proposal Setting Forth the Approved Depreciation and Amortization Rates⁴⁰
- Exhibit NMPC-104 Estimated Cost of Service Impacts for Niagara Mohawk – Comparison of Revenue Requirements and Rates Based on Current and Proposed Depreciation Rates
- Exhibit NMPC-105 Adjusted 2025 TSC Annual Update - Estimated Cost of Service Impacts for Niagara Mohawk Due to Proposed Implementation of Order No. 898

V. COMMUNICATIONS AND SERVICE

Communications regarding this filing should be addressed to the following individuals:

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Niagara Mohawk has served a copy of this filing electronically on the NYPSC and on the NYISO. Niagara Mohawk has confirmed with the NYISO that a complete copy of this filing will be posted on the NYISO’s website at www.nyiso.com. The NYISO has also informed Niagara Mohawk that it will send an electronic link to this filing to the official representative of each of its customers and to each participant on its stakeholder committees.

VI. CONCLUSION

For the reasons stated above, Niagara Mohawk respectfully requests that the Commission accept the revisions to its TSC formula rate and template proposed in this filing, effective May 1, 2025, without suspension, condition, or modification.

⁴⁰ Exhibit NMPC-103 is provided in two parts, labeled as Exhibit NMPC-103a and Exhibit NMPC-103b, respectively, to accommodate eLibrary file size requirements.

The Honorable Debbie-Anne A. Reese

October 27, 2025

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Respectfully submitted,

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Dated: October 27, 2025