Attachment I

14.2 Attachment 1 to Attachment H

14.2.1 Schedules

Table of Contents

Niagara Mohawk Power Corporation **Attachment 1**

Calculation of RR Pursuant to Attachment H, Section 14.1.9.2 Year **Schedule 1**

Calculation of RR

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

Historical Transmission Revenue Requirement (Historical TRR)

Line No.

Line No.					
1		**Historical Transmission Revenue Requirement (Historical TRR)**			
2					
3	14.1.9.2 (a)	Historical TRR shall equal the sum of NMPC's (A) Return and Associated Income Taxes, (B) Transmission Related Depreciation Expense, (C)			
4		Transmission Related Real Estate Tax Expense, (D) Transmission Related Amortization of Investment Tax Credits,			
5		(E) Transmission Operation and Maintenance Expense, (F) Transmission Related Administrative and General Expenses, (G) Transmission			
6		Related Payroll Tax Expense, (H) Billing Adjustments, and (I) Transmission Related Bad Debt Expense less			
7		(J) Revenue Credits, and (K) Transmission Rents, all determined for the most recently ended calendar year as of the beginning of the update year.			
8			Reference		
9			*Section:*	**0**	
10		Return and Associated Income Taxes	(A)	#DIV/0!	Schedule 8, line 64
11		Transmission-Related Depreciation Expense	(B)	#DIV/0!	Schedule 9, Line 6, column 5
12		Transmission-Related Real Estate Taxes	(C)	#DIV/0!	Schedule 9, Line 12, column 5
13		Transmission - Related Investment Tax Credit	(D)	#DIV/0!	Schedule 9, Line 16, column 5 times minus 1
14		Transmission Operation & Maintenance Expense	(E)	$0	Schedule 9, Line 23, column 5
15		Transmission Related Administrative & General Expense	(F)	#DIV/0!	Schedule 9, Line 38, column 5
16		Transmission Related Payroll Tax Expense	(G)	$0	Schedule 9, Line 44, column 5
17		Sub-Total (sum of Lines 10 - Line 16)		#DIV/0!	
18					
19		Billing Adjustments	(H)	$0	Schedule 10, Line 1
20		Bad Debt Expenses	(I)	$0	Schedule 10, Line 4
21		Revenue Credits	(J)	$0	Schedule 10, Line 7
22		Transmission Rents	(K)	$0	Schedule 10, Line 14
23					
24		Total Historical Transmission Revenue Requirement (Sum of Line 17 - Line 22)		#DIV/0!	
25					

Niagara Mohawk Power Corporation **Attachment 1**

Forecasted Transmission Revenue Requirement **Schedule 2**

Attachment H, Section 14.1.9.2

0

Shading denotes an input

Line No.						
1	14.1.9.2 (b)	**FORECASTED TRANSMISSION REVENUE REQUIREMENTS**				
2		Forecasted TRR shall equal (1) the Forecasted Transmission Plant Additions (FTPA) multiplied by the Annual FTRRF, plus (2) the Mid-Year Trend				
3		Adjustment (MYTA), plus (3) the Tax Rate Adjustment (TRA), as shown in the following formula:				
4						
5		Forecasted TRR = (FTPA * FTRRF) + MYTA + TRA				
6						
7			Period	Reference		Source
8						
9						
10	(1)	Forecasted Transmission Plant Additions (FTPA)			$0	Workpaper 8, Section I, Line 16
11		Annual Transmission Revenue Requirement Factor (FTRRF)			#DIV/0!	Line 35
12		Sub-Total (Lines 10*11)			#DIV/0!	
13		Plus Mid-Year Trend Adjustment (2) (MYTA)			$0	Workpaper 9, line 31, variance column
14		Less Impact of Transmission Support Payments on Historical Transmission Revenue Requirement			$0	Worpaper 9A
15		Forecasted Transmission Revenue Requirement (Line 12 + Line 13- Line 14)			**#DIV/0!**	
16	(2)	**MID YEAR TREND ADJUSTMENT (MYTA)**				
17		The Mid-Year Trend Adjustment shall be the difference, whether positive or negative, between				
18						
19		(i) the Historical TRR Component (E) excluding Transmission Support Payments, based on actual data for the first three months of the Forecast Period, and (ii) the Historical TRR Component (E) excluding Transmission Support Payments, based on data for the first three months of the year prior to the Forecast Period.				
20						
21	(3)	**The Tax Rate Adjustment (TRA)**				
22		The Tax Rate Adjustment shall be the amount, if any, required to adjust Historical TRR Component (A) for any change in the Federal Income Tax Rate				
23		and/or the State Income Tax Rate that takes effect during the first five months of the Forecast Period.				
24						
25	14.1.9.2(c)	**ANNUAL FORECAST TRANSMISSION REVENUE REQUIREMENT FACTOR**				
26		The Annual Forecast Transmission Revenue Requirement Factor (Annual FTRRF) shall equal the sum of Historical TRR components (A) through (C),				
27		divided by the year-end balance of Transmission Plant in Service determined in accordance with Section 14.1.9.2 (a), component (A)1(a).				
28						
29						
30		Investment Return and Income Taxes		(A)	#DIV/0!	Schedule 1, Line 10
31		Depreciation Expense		(B)	#DIV/0!	Schedule 1, Line 11
32		Property Tax Expense		(C)	#DIV/0!	Schedule 1, Line 12

33	Total Expenses (Lines 30 thru 32)		#DIV/0!	
34	Transmission Plant	(a)	#DIV/0!	Schedule 6, Page 1, Line 12
35	Annual Forecast Transmission Revenue Requirement Factor (Lines 33/ Line 34)		#DIV/0!	

Niagara Mohawk Power Corporation **Attachment 1**

Annual True-up (ATU) **Schedule 3**

Attachment H Section 14.1.9.2 (c)

Line No.			0 Year	Source:
1				
2	14.1.9.2(d)	The Annual True-Up (ATU) shall equal (1) the difference between the Actual Transmission Revenue Requirement and the Prior Year		
3		Transmission Revenue Requirement, plus (2) the difference between the Actual Scheduling, System Control and Dispatch costs		
4		and Prior Year Scheduling, System Control and Dispatch costs, plus (3) the difference between the Prior Year Billing Units and the Actual Year		
5		Billing Units multiplied by the Prior Year Unit Rate, plus (4) Interest on the net differences.		
6				
7	(1)	Revenue Requirement (RR) of rate effective July 1 of prior year	$0	Schedule 4, Line 1, Col (d)
8		Less: Annual True-up (ATU) from rate effective July 1 of prior year	$0	Schedule 4, Line 1, Col (c)
9		Prior Year Transmission Revenue Requirement	$0	Line 7 - Line 8
10				
11		Actual Transmission Revenue Requirement	#DIV/0!	Schedule 4, Line 2, Col (a)
12		Difference	#DIV/0!	Line 11 - Line 9
13				
14	(2)	Prior Year Scheduling, System Control and Dispatch costs (CCC)	$0	Schedule 4, Line 1, Col (e)
15		Actual Scheduling, System Control and Dispatch costs (CCC)	$0	Schedule 4, Line 2, Col (e)
16		Difference	$0	Line 15 - Line 14
17				
18	(3)	Prior Year Billing Units (MWH)	$0	Schedule 4, Line 1, Col (f)
19		Actual Billing Units	-	Schedule 4, Line 2, Col (f)
20		Difference	-	Line 18 - Line 19
21		Prior Year Indicative Rate	#DIV/0!	Schedule 4, Line 1, Col (g)
22		Billing Unit True-Up	#DIV/0!	Line 20 * Line 21
23				
24		Total Annual True-Up before Interest	#DIV/0!	(Line 12 + Line 16 + Line 22)
25				
26	(4)	Interest	#DIV/0!	Line 57
27				
28		Annual True-up RR Component	#DIV/0!	(Line 24 + Line 26)
29				

Interest Calculation per 18 CFR § 35.19a

30	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
31	Quarters	Annual	Accrued Prin	Monthly	Days			Accrued Prin	Accrued
32		Interest	& Int. @ Beg	(Over)/Under	in	Period		& Int. @ End	Int. @ End
33		Rate (a)	Of Period	Recovery	Period	Days	Multiplier	Of Period	Of Period
34									
35									
36	3rd QTR '07		0		92	92	1.0000	$0	$0
37	July	0.00%		#DIV/0!	31	92	1.0000	#DIV/0!	#DIV/0!
38	August	0.00%		#DIV/0!	31	61	1.0000	#DIV/0!	#DIV/0!
39	September	0.00%		#DIV/0!	30	30	1.0000	#DIV/0!	#DIV/0!
40									

41	4th QTR '07		#DIV/0!		92	92	1.0000	#DIV/0!	#DIV/0!
42	October	0.00%		#DIV/0!	31	92	1.0000	#DIV/0!	#DIV/0!
43	November	0.00%		#DIV/0!	30	61	1.0000	#DIV/0!	#DIV/0!
44	December	0.00%		#DIV/0!	31	31	1.0000	#DIV/0!	#DIV/0!
45									
46	1st QTR '08		#DIV/0!		91	91	1.0000	#DIV/0!	#DIV/0!
47	January	0.00%		#DIV/0!	31	91	1.0000	#DIV/0!	#DIV/0!
48	February	0.00%		#DIV/0!	29	60	1.0000	#DIV/0!	#DIV/0!
49	March	0.00%		#DIV/0!	31	31	1.0000	#DIV/0!	#DIV/0!
50									
51	2nd QTR '08		#DIV/0!		91	91	1.0000	#DIV/0!	#DIV/0!
52	April	0.00%		#DIV/0!	30	91	1.0000	#DIV/0!	#DIV/0!
53	May	0.00%		#DIV/0!	31	61	1.0000	#DIV/0!	#DIV/0!
54	June	0.00%		#DIV/0!	30	30	1.0000	#DIV/0!	#DIV/0!
55									
56									
57	Total (over)/under Recovery			#DIV/0!	(line 24)	#DIV/0!			#DIV/0!

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

Attachment 1
Schedule 4

Niagara Mohawk Power Corporation Wholesale TSC Calculation Information

		(a)	(b)	(c)	(d)	(e)	(f)	(g)
		Historical Transmission Revenue Requirement (Historical TRR)	Forecasted Transmission Revenue Requirement	Annual True Up (**)	Revenue Requirement (RR)	Scheduling System Control and Dispatch Costs (CCC)	Annual Billing Units (BU) MWh	Rate $/MWh (*)
1	Prior Year Rates Effective _____	-	-	-	-	-	-	#DIV/0!
2	Current Year Rates Effective July 1, _____	#DIV/0!	#DIV/0!		#DIV/0!	-	-	#DIV/0!
3	Increase/(Decrease)							#DIV/0!
4	Percentage Increase/(Decrease)							#DIV/0!

1.) Information directly from Niagara Mohawk Prior Year Informational Filing

2.)

(a) Schedule 1, Line 24

(b) Schedule 2, Line 14

(c) Schedule 3, Line 28

(d) Attachment H, Section 14.1.9.2 The RR Component shall equal Col (a) Historical Transmission Revenue Requirement plus Col (b) the Forecasted Transmission Revenue Requirement which shall exclude Transmission Support Payments, plus Col (c) the Annual True-Up plus Col (c) the Annual True-Up

(e) Schedule 11 - Annual Scheduling, System Control and Dispatch Costs. (i.e. the Transmission Component of control center costs) as recorded in FERC Account 561 and its associated sub-accounts from the prior calendar year excluding any NY Independent System Operating (NYISO) system control and load dispatch expenses already recovered under Schedule 1 of the NYISO Tariff.

(f) Schedule 12 - Billing Units shall be the total Niagara Mohawk load as reported to the NYISO for the calendar year prior to the Forecast Period, including the load for customers taking service under Niagara Mohawk's TSC rate. The total Niagara Mohawk load will be adjusted to exclude (i) load associated with wholesale transactions being revenue credited through the WR, CRR, SR, ECR, and Reserved components of Attachment H of the NYISO TSC rate including Niagara Mohawk's external sales, load associated with grandfathered OATT agreements, and any load related to pre-OATT grandfathered agreements; (ii) load associated with transactions being revenue credited under Historical TRR Component J; and (iii) load associated with netted station service.

(g) (Col (d) + Col (e)) / Col (f)

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

(**)

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

Attachment 1
Schedule 5

	0

Shading denotes an input

Line No.				Source	Definition
1	14.1.9.1 1.	**Electric Wages and Salaries Factor**	**83.5000%**		Fixed per settlement
2					
3	14.1.9.1 3.	**Transmission Wages and Salaries Allocation Factor**	**13.0000%**		Fixed per settlement
4					
5					
6					
7					
8	14.1.9.1 2.	**Gross Transmission Plant Allocation Factor**			
9		Transmission Plant in Service	#DIV/0!	Schedule 6, Page 2, Line 3, Col 5	Gross Transmission Plant Allocation Factor shall equal the total investment in
10		Plus: Transmission Related General	$0	Schedule 6, Page 2, Line 5, Col 5	Transmission Plant in Service, Transmission Related Electric General Plant,
11		Plus: Transmission Related Common	$0	Schedule 6, Page 2, Line 10, Col 5	Transmission Related Common Plant and Transmission Related Intangible Plant
12		Plus: Transmission Related Intangible Plant	$0	Schedule 6, Page 2, Line 15, Col 5	divided by Gross Electric Plant.
13		Gross Transmission Investment	#DIV/0!	Sum of Lines 9 - 13	
14					
15		Total Electric Plant		FF1 207.104	
16		Plus: Electric Common	$0	Schedule 6, Page 2, Line 10, Col 3	
17		Gross Electric Plant in Service	$0	Line 15 + Line 16	
18					
19		**Percent Allocation**	**#DIV/0!**	Line 13 / Line 17	
20					
21	14.1.9.1 4.	**Gross Electric Plant Allocation Factor**			
22					
23		Total Electric Plant in Service	$0	Line 15	Gross Electric Plant Allocation Factor shall equal
24		Plus: Electric Common Plant	$0	Schedule 6, Page 2, Line 10, Col 3	Gross Electric Plant divided by the sum of Total Gas Plant,
25		Gross Electric Plant in Service	$0	Line 23 + Line 24	Total Electric Plant, and Total Common Plant
26					
27		Total Gas Plant in Service		FF1 201.8d	
28		Total Electric Plant in Service	$0	Line 15	
29		Total Common Plant in Service	$0	Schedule 6, Page 2, Line 10, Col 1	
30		Gross Plant in Service (Gas & Electric)	-	Sum of Lines 27-Lines 29	
31					
32		**Percent Allocation**	**#DIV/0!**	Line 25 / Line 30	

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

Line No.

14.1.9.2 (a) Transmission Investment Base

A.1. Transmission Investment Base shall be defined as (a) Transmission Plant in Service, plus (b) Transmission Related Electric General Plant, plus (c) Transmission Related Common Plant, plus (d) Transmission Related Intangible Plant, plus (e) Transmission Related Plant Held for Future Use, less (f) Transmission Related Depreciation Reserve, less (g) Transmission Related Accumulated Deferred Taxes, plus (h) Transmission Related Regulatory Assets net of Regulatory Liabilities, plus (i) Transmission Related Prepayments, plus (j) Transmission Related Materials and Supplies, plus (k) Transmission Related Cash Working Capital.

	Reference	**2007**	Reference
	Section:		
Transmission Plant in Service	(a)	#DIV/0!	Schedule 6, page 2, line 3, column 5
General Plant	(b)	$0	Schedule 6, page 2, line 5, column 5
Common Plant	(c)	$0	Schedule 6, page 2, line 10, column 5
Intangible Plant	(d)	$0	Schedule 6, page 2, line 15, column 5
Plant Held For Future Use	(e)	$0	Schedule 6, page 2, line 19, column 5
Total Plant (Sum of Line 12 - Line 16)		#DIV/0!	
Accumulated Depreciation	(f)	#DIV/0!	Schedule 6, page 2, line 29, column 5
Accumulated Deferred Income Taxes	(g)	#DIV/0!	Schedule 7, line 6, column 5
Other Regulatory Assets	(h)	#DIV/0!	Schedule 7, line 11, column 5
Net Investment (Sum of Line 17 -Line 21)		#DIV/0!	
Prepayments	(i)	#DIV/0!	Schedule 7, line 15, column 5
Materials & Supplies	(j)	#DIV/0!	Schedule 7, line 21, column 5
Cash Working Capital	(k)	$0	Schedule 7, line 28, column 5
Total Investment Base (Sum of Line 22 - Line 26)		#DIV/0!	

Attachment H Section 14.1. 9.2 (a) A. 1.

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Shading denotes an input

Line No.		(1) Total	(2) Allocation Factor		(3) = (1)*(2) Electric Allocated	(4) Allocation Factor		(5) = (3)*(4) Transmission Allocated	FERC Form 1/PSC Report Reference for col (1)		Definition
1	Transmission Plant								FF1 207.58g	14.1.9.2(a)A.1.(a)	Transmission Plant in Service shall equal the balance of total investment in Transmission Plant plus Wholesale Metering Investment
2	Wholesale Meter Plant							#DIV/0!	Workpaper 1		
3	Total Transmission Plant in Service (Line 1+ Line 2)							#DIV/0!			
4											
5	General Plant		100.00%		$0	13.00%	(c)	$0	FF1 207.99g	14.1.9.2(a)A.1.(b)	Transmission Related Electric General Plant shall equal the balance of investment in Electric General Plant mulitplied by the Transmission Wages and Salaries Allocation Factor
6											
7											
8											
9											
10	Common Plant		83.50%	(a)	$0	13.00%	(c)	$0	FF1 201. 8h	14.1.9.2(a)A.1.(c)	Transmission Related Common Plant shall equal Common Plant multiplied by the Electric Wages and Salaries Allocation Factor and further multiplied by the Transmission Wages and Salaries Allocation Factor.
11											
12											
13											
14											
15	Intangible Plant		100.00%		-	13.00%	(c)	$0	FF1 205.5g	14.1.9.2(a)A.1.(d)	Transmission Related Intangible Plant shall equal Intangible Electric Plant multiplied by the Transmission Wages and Salaries Allocation Factor.
16											
17											
18											
19	Transmission Plant Held for Future Use	$0						$0	Workpaper	14.1.9.2(a)A.1.(e)	Transmission Related Plant Held

										10	for Future Use shall equal the balance in Plant Held for Future Use associated with property planned to be used for transmission service within five years
20											
21											
22											
23	Transmission Accumulated Depreciation										
24	Transmission Accum. Depreciation							$0	FF1 219.25b	14.1.9.2(a)A.1.(f)	Transmission Related Depreciation Reserve shall equal the balance of: (i) Transmission Depreciation Reserve, plus (ii) the product of Electric General Plant Depreciation Reserve multiplied by the Transmission Wages and Salaries Allocation Factor, plus (iii) the product of Common Plant Depreciation Reserve multiplied by the Electric Wages and Salaries Allocation Factor and further multiplied by the Transmission Wages and Salaries Allocation Factor plus (iv) the product of Intangible Electric Plant Depreciation Reserve multiplied by the Transmission Wages and Salaries Allocation Factor plus (v) depreciation reserve associated with the Wholesale Metering Investment
25	General Plant Accum.Depreciation		100.00%		$0	13.00%	(c)	$0	FF1 219.28b		
26	Common Plant Accum Depreciation		83.50%	(a)	$0	13.00%	(c)	$0	FF1 356.1 end of year balance		
27	Amortization of Other Utility Plant		100.00%		$0	13.00%	(c)	$0	FF1 200.21c		
28	Wholesale Meters	#DIV/0!						#DIV/0!	Workpaper 1		
29	Total Depreciation (Sum of line 24 - Line 28)							#DIV/0!			
30											
31											
32											
33											
34											
35											
36											

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

Transmission Investment Base (Part 2 of 2)

Attachment H Section 14.1.9.2 (a) A. 1.

Shading denotes an input

				0						
Line No.		(1) Total	(2) Allocation Factor	(3) = (1)*(2) Electric Allocated	(4) Allocation Factor		(5) = (3)*(4) Transmission Allocated	FERC Form 1/PSC Report Reference for col (1)		Definition
1	Transmission Accumulated Deferred Taxes									
2	Accumulated Deferred Taxes (281-282)		100.00%	$0	#DIV/0!	(d)	#DIV/0!	FF1 275.2k	14.1.9.2(a)A.1.(g)	Transmission Related Accumulated Deferred Income Taxes
3	Accumulated Deferred Taxes (283)	$0	100.00%	$0	#DIV/0!	(d)	#DIV/0!	Workpaper 2, Line 5		shall equal the electric balance of Total Accumulated Deferred
4	Accumulated Deferred Taxes (190)		100.00%	$0	#DIV/0!	(d)	#DIV/0!	FF1 234.8c		Income Taxes (FERC Accounts 190, 55,281, 282, and 283 net of
5	Accumulated Deferred Inv. Tax Cr (255)		100.00%	$0	#DIV/0!	(d)	#DIV/0!	FF1 267.8h		stranded costs), multiplied by the Gross Transmission Plant
6	Total (Sum of line 2 - Line 5)			$0			#DIV/0!			Allocation Factor.
7										
8	Other Regulatory Assets									
9	FAS 109 (Asset Account 182.3)		100.00%	$0	#DIV/0!	(d)	#DIV/0!	FF1 232 lines 2,4,9,17	14.1.9.2(a)A.1.(h)	Transmission Related Regulatory Assets shall be Regulatory
10	FAS 109 (Liability Account 254)		100.00%	$0	#DIV/0!	(d)	#DIV/0!	FF1 278.1 lines 4&21(f)		Assets net of Regulatory Liabilities multiplied by the Gross
11	Total (line 9 + Line 10)	$0		$0			#DIV/0!			Transmission Plant Allocation Factor.
12										
13	Transmission Prepayments							FF1 111.57c	14.1.9.2(a)A.1.(i)	Transmission Related Prepayments shall be the product of
14	Less: Prepaid State and Federal Income Tax							FF1 263 lines 2 & 9 (h)		Prepayments excluding Federal and State taxes multiplied by
15	Total Prepayments	$0	#DIV/0! (b)	#DIV/0!	#DIV/0!	(d)	#DIV/0!			the Gross Electric Plant Allocation Factor and further
16										multiplied by the Gross Transmission Plant Allocation Factor.
17										
18	Transmission Material and Supplies								14.1.9.2(a)A.1.(j)	Transmission Related Materials and Supplies shall equal: (i)
19	Trans. Specific O&M Materials and Supplies						$0	FF1 227.8		the balance of Materials and Supplies assigned to
20	Construction Materials and Supplies		#DIV/0! (b)	#DIV/0!	#DIV/0!	(d)	#DIV/0!	FF1 227.5		Transmission plus (ii) the product of Material and Supplies
21	Total (Line 19 + Line 20)						#DIV/0!			assigned to Construction multiplied by the Gross Electric
22										Plant Allocation Factor and further multiplied by Gross
23										Transmission Plant Allocation Factor.

24					
25	Cash Working Capital			14.1.9.2(a)A.1.(k)	Transmission Related Cash Working Capital shall be an
26	Operation & Maintenance Expense	$0	Schedule 9, Line 23		allowance equal to the product of: (i) 12.5% (45 days/ 360 days = 12.5%)
27		0.1250	x 45 / 360		multiplied by (ii) Transmission Operation and Maintenance Expense.
28	Total (line 26 * line 27)	$0			
29					
30					

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

Niagara Mohawk Power Corporation **Attachment 1**
Annual Revenue Requirements of Transmission Facilities **Schedule 8**
Cost of Capital Rate

Shading denotes an input **0**

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

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

(i) the long-term debt component, which equals the product of the actual weighted average embedded cost to maturity of NMPC's long-term debt outstanding during the year and the sum of (a) the ratio of actual long-term debt to total capital at year-end; and (b) the extent, if any, by which the ratio of NMPC's actual common equity to total capital at year-end exceeds fifty percent (50%). Long term debt shall be defined as the average of the beginning of the year and end of year balances of the following: long term debt less the unamortized Discounts on Long-Term Debt less the unamortized Loss on Reacquired Debt plus unamortized Gain on Reacquired Debt. Cost to maturity of NMPC's long-term debt shall be defined as the cost of long term debt included in the debt discount expense and any loss or gain on reacquired debt.

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

(iii) the return on equity component shall be the product of the allowed return on equity of 10.3% and the ratio of NMPC's actual common equity to total capital at year-end, provided that such ratio shall not exceed fifty percent (50%).

			CAPITALIZATION	Source:	CAPITALIZATION RATIOS	COST OF CAPITAL	Source:	WEIGHTED COST OF CAPITAL	EQUITY PORTION
(i)	Long-Term Debt	$0	Workpaper. 6, Line 16b	#DIV/0!	#DIV/0!	Workpaper 6, Line 17c	#DIV/0!		
(ii)	Preferred Stock		FF1 112.3c	#DIV/0!	#DIV/0!	Workpaper 6, Line 24d	#DIV/0!	#DIV/0!	
(iii)	Common Equity		FF1 112.16c - FF1 112.3,12,15c	#DIV/0!	10.30%		#DIV/0!	#DIV/0!	
	Total Investment Return	$0		#DIV/0!			#DIV/0!	#DIV/0!	

14.1.9.2.2.(b) Federal Income Tax shall equal = (A. + [B / C] X Federal Income Tax Rate)

(1 - Federal Income Tax Rate)

where A is the sum of the preferred stock component and the return on equity component, each as determined in Sections (a)(ii) and for the ROE set forth in (a)(iii) above, B is the Equity AFUDC component of Depreciation Expense for Transmission Plant in Service as defined at Section 14.1.9.1.16 (FF1 117.38c), and C is the Transmission Investment Base as shown at Schedule 6, Page 1 of 2, Line 28.

= (#DIV/0! +($0) / #DIV/0! X (1 - 0))

= #DIV/0!

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

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

= (#DIV/0 ! +($ 0) / #DIV/ 0! + #DIV/0!) X / (1 - 0)

= #DIV/0!

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

14.1.9.2(a) A. Return and Associated Income Taxes shall equal the product of the Transmission Investment Base and the Cost of Capital Rate

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

Niagara Mohawk Power Corporation **Attachment 1**
Annual Revenue Requirements of Transmission Facilities **Schedule 9**
Transmission Expenses

Attachment H Section 14.1.9.2 **0**

Shading denotes an input

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

									Expense,
29	less: Research and Development Expenses (#930)	$0					Workpaper 12		
30	Less: 50% of NY PSC Regulatory Expense						50% of Workpaper 15		and 50% of the NYPSC Regulatory Expense multiplied by the Transmission Wages and Salaries Allocation Factor,
31	Less: 18a Charges (Temporary Assessment						Workpaper 15		
32	less: Environmental Remediation Expense	$0					Workpaper 11		plus the sum of Electric Property Insurance multiplied by the Gross
33	Subtotal (Line 26-27-28-29-30-31-32)	$0	100.0000 %	$0	13.0000% (c)	$0			Transmission Plant Allocation Factor, plus transmission-specific Electric
34	PLUS Property Insurance alloc. using Plant Allocation	$0	100.0000 %	$0	#DIV/0! (d)	#DIV/0!	Line 27		Research and Development Expense, and transmission-specific
35	PLUS Pensions and Benefits	$88,644,000	100.0000 %	$88,644,000	13.0000% (c)	$11,523,720	Workpaper 3		Electric Environmental Remediation Expense. In addition, Administrative
36	PLUS Transmission-related research and development	$0				$0	Workpaper 12		
37	PLUS Transmission-related Environmental Expense	$0				$0	Workpaper 11		and General Expenses shall exclude the actual Post-Employment Benefits Other than Pensions ("PBOP") included in FERC Account 926,
38	Total A&G (Line 33+34+35+36+37)	$88,644,000		$88,644,000		#DIV/0!			and shall add back in the amounts shown on Workpaper 3, page 1,
39									or other amount subsequently approved by FERC under Section 205 or 206.
40	Payroll Tax Expense							14.1.9.2.G.	Transmission Related Payroll Tax Expense shall equal the product of
41	Federal Unemployment						FF1 263.4i		electric Payroll Taxes multiplied by the Transmission Wages and
42	FICA						FF1 263.3i		Salaries Allocation Factor.
43	State Unemployment						FF1 263.17i		
44	Total (Line 41+42+43)	$0	100.0000 %	$0	13.0000% (b)	$0			

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

Niagara Mohawk Power Corporation **Attachment 1**
Annual Revenue Requirements of Transmission Facilities **Schedule 10**
Billing Adjustments, Revenue Credits, Rental Income

0

Attachment H Section
14.1.9.2 (a)

Shading denotes an input

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

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

(b)	List of Items excluded from the Revenue Requirement	Reason

Niagara Mohawk Power Corporation
System, Control, and Load Dispatch Expenses (CCC)
Attachment H, Section
14.1.9.5

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

1	**Scheduling and Dispatch Expenses**			**0**	**Source**
2					
3	Accounts	561	Load Dispatching		FF1 321.84b
4	Accounts	561.1	Reliability		FF1 321.85b
5	Accounts	561.2	Monitor and Operate Transmission System		FF1 321.86b
6	Accounts	561.3	Transmission Service and Schedule		FF1 321.87b
7	Accounts	561.4	Scheduling System Control and Dispatch		FF1 321.88b
8	Accounts	561.5	Reliability, Planning and Standards Development		FF1 321.89b
9	Accounts	561.6	Transmission Service Studies		FF1 321.90b
10	Accounts	561.7	Generation Interconnection Studies		FF1 321.91b
11	Accounts	561.8	Reliability, Planning and Standards Dev. Services		FF1 321.92b
12					
13			Total Load Dispatch Expenses (sum of Lines 3 - 11)		sum lines 3 - 11
14					
15	Less Account 561 directly recovered under Schedule 1 of the NY ISO Tariff				
16					
17	Accounts	561.4	Scheduling System Control and Dispatch		line 7
18	Accounts	561.8	Reliability, Planning and Standards Dev. Services		line 11
19		Total NYISO Schedule 1			line 17 + line 18
20					
21	Total CCC Component				line 13 - line 19

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

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

Line No.			SOURCE
1	Subzone 1		NIMO TOL (transmission owner load)
2	Subzone 2		NIMO TOL (transmission owner load)
3	Subzone 3		NIMO TOL (transmission owner load)
4	Subzone 4		NIMO TOL (transmission owner load)
5	Subzone 29		NIMO TOL (transmission owner load)
6	Subzone 31		NIMO TOL (transmission owner load)
7	Total NIMO Load report to NYISO	**0.000**	sum lines 1-6
8	LESS: All non-retail transactions		
9	Watertown		FF1 page 329.11.j
10	Disputed Station Service		NIMO TOL (transmission owner load)
11	Other non-retail transactions		All other non-retail transactions (Sum of 300,000 series PTID's from TOL)
12	Total Deductions	**0.000**	sum lines 9 - 11
13	PLUS: TSC Load		
14	NYMPA Muni's, Misc. Villages, Jamestown (X1)		FF1 page 329.19.j
15	NYPA Niagara Muni's (X2)		FF1 page 329.1.j
16	Total additions	**0.000**	sum lines 15 -17
17	Total Billing Units	**0.000**	line 7 - line 12 + line 16

14.2.2 NYPA Transmission Adjustment Charge ("NTAC")

14.2.2.1 Applicability of the NYPA Transmission Adjustment Charge

Each Billing Period, the ISO shall charge, and each Transmission Customer shall pay, the applicable NYPA Transmission Adjustment Charge ("NTAC") calculated in accordance with Section 14.2.2.2.2 of this Attachment for the first two (2) months of LBMP and in accordance with Section 14.2.2.2.1 of this Attachment thereafter. The NTAC shall apply to Transmission Service:

14.2.2.1.1 from one or more Interconnection Points between the NYCA and another Control Area to one or more Interconnection Points between the NYCA and another Control Area ("Wheels Through");[1] or

14.2.2.1.2 from the NYCA to one or more Interconnection Points between the NYCA and another Control Area, including transmission to deliver Energy purchased from the LBMP Market and delivered to such a Control Area Interconnection ("Exports");1 or

14.2.2.1.3 to serve Load within the NYCA.

In summary, the NTAC will be applied to all Energy Transactions, including internal New York State Loads and Wheels Through and Exports out of the NYCA at a uniform, non-discountable rate.

14.2.2.2 NTAC Calculation

14.2.2.2.1 NTAC Formula

Beginning with January 2001, NYPA shall calculate the NTAC applicable to Transmission Service to serve New York State Load, Wheels Through and Exports as follows:

---

[1] The NTAC shall not apply to Wheels Through or Exports scheduled with the ISO to destinations within the New England Control Area provided that the conditions listed in Section 2.7.2.1.4 of this Tariff are satisfied.

$NTAC = \{(ATRR_{NTAC} \div 12) - (EA) - (IR \div 12) - SR - CRN - WR - ECR - NR - NT\}/(BU \div 12)$

Where:

$ATRR_{NTAC}$ = NYPA's Annual Transmission Revenue Requirement for costs not recoverable through project-specific transmission revenue requirements, which includes the Scheduling, System Control and Dispatch Costs of NYPA's control center, all as determined in accordance with the Formula Rate Template provided in Section 14.2.3.1 of this Attachment, and as reflected on SCH - Summary, line 11 of the Formula Rate Template;

EA = Monthly Net Revenues from Modified Wheeling Agreements, Facility Agreements and Third Party TWAs, and Deliveries to directly connected Transmission Customers;

SR = $SR_1 + SR_2$

SR_1 will equal the revenues from the Direct Sale by NYPA of Original Residual TCCs, and Grandfathered TCCs associated with ETAs, the expenses for which are included in NYPA's $ATRR_{NTAC}$ where NYPA is the Primary Owner of said TCCs.

SR_2 will equal NYPA's revenues from the Centralized TCC Auction allocated pursuant to Attachment M; this includes revenues from: (a) TCCs associated with Residual Transmission Capacity that are sold in the Centralized TCC Auction; and (b) the sale of Grandfathered TCCs associated with ETAs, if the expenses for these ETAs are included in NYPA's $ATRR_{NTAC}$.

Revenue from TCCs associated with Residual Transmission Capacity includes payments for Original Residual TCCs that the Transmission Providers sell through the Centralized TCC

Auction and the allocation of revenue for other TCCs sold through the Centralized TCC Auction (per the Facility Flow-Based Methodology described in Attachment N).

SR_1 shall be updated prior to the start of each month based on actual data for the calendar month prior to the month in which the adjustment is made (i.e., January actual data will be used in February to calculate the NTAC effective in March). SR_1 for a month in which a Direct Sale is applicable shall equal the total nominal revenue that NYPA will receive under each applicable TCC sold in a Direct Sale divided by the duration of the TCC (in months).

SR_2 shall equal the Transmission Owner's share of Net Auction Revenue for all rounds of a Centralized TCC Auction, as calculated pursuant to Attachment N, divided equally among the months covered by the Centralized TCC Auction. SR_2 shall be adjusted after each Centralized TCC Auction, and the revised SR_2 shall be effective at the start of each Capability Period;

ECR = NYPA's share of Net Congestion Rents in a month, calculated pursuant to Attachment N. The computation of ECR is exclusive of any Congestion payments or Rents included in the CRN term;

CRN = Monthly Day-Ahead Congestion Rents in excess of those required to offset Congestion paid by NYPA's SENY governmental customers associated with the NYPA OATT Niagara/St. Lawrence Service reservations, net of the Initial Cost.

IR = A. The amount that NYPA will credit to its $ATRR_{NTAC}$ assessed to the SENY Load on account of the foregoing NYPA Niagara/St. Lawrence OATT reservations for SENY governmental customers. Such annual revenues will be computed as the product ("Initial Cost") of NYPA's

current OATT system rate of $2.23 per kilowatt per month and the 600 MW of TCCs (or the amount of TCCs reduced by Paragraph C below). In the event NYPA sells these TCCs (or any part thereof), all revenues from these sales will offset the NTAC and the Initial Cost will be concomitantly reduced to reflect the net amount of Niagara/St. Lawrence OATT Reservations, if any, retained by NYPA for the SENY Load. The parties hereby agree that the revenue offset to NTAC will be the greater of the actual sale price obtained by NYPA for the TCCs sold or that computed at the applicable system rate in accordance with Paragraph B below;

B. The system rate of $2.23 per kilowatt per month will be benchmarked to the $ATRR_{NTAC}$ for NYPA transmission initially accepted by FERC ("Base Period $ATRR_{NTAC}$") for the purposes of computing the Initial Cost. Whenever an amendment to the $ATRR_{NTAC}$ is accepted by FERC or the $ATRR_{NTAC}$ is updated pursuant to the procedures set forth in Section 14.2.3.2 of this Attachment ("Amended $ATRR_{NTAC}$"), the system rate for the purpose of computing the Initial Cost will be increased (or decreased) by the ratio of the Amended $ATRR_{NTAC}$ to the Base Period $ATRR_{NTAC}$ and the effect of Paragraph A on NTAC will be amended accordingly.

C. If prior to the Centralized TCC Auction all Grandfathered Transmission Service including NYPA's 600 MW Niagara/St. Lawrence OATT reservations held on behalf of its SENY governmental customers are found not to be feasible, then such OATT reservations will be reduced

until feasibility is assured. A reduction, subject to a 200 MW cap on the total reduction as described in Attachment M, will be applied to the NYPA Niagara/St. Lawrence OATT reservations held on behalf of its SENY governmental customers.

WR = NYPA's revenues from external sales (Wheels Through and Exports) not associated with Existing Transmission Agreements in Attachment L, Tables 1 and 2 and Wheeling revenues from OATT reservations extending beyond the start-up of the ISO;

NR = NYPA Reserved1 + NYPA Reserved2

NYPA Reserved1 will equal NYPA's Congestion payments for a month received pursuant to Section 20.2.3 of Attachment N of this Tariff for NYPA's RCRR TCCs.

NYPA Reserved2 will equal the value that NYPA receives for the sale of RCRR TCCs in a month, with the value for each RCRR TCC sold divided equally over the months remaining until the expiration of that RCRR TCC.

NT = The amount of actual NYPA transmission revenues minus NYPA's monthly revenue requirement.

BU = Annual Billing Units are New York State Loads and Loads associated with Wheels Through and Exports in megawatt-hours ("MWh").

The $ATRR_{NTAC}$ and SR will not include expenses for NYPA's purchase of TCCs or revenues from the sale of such purchased TCCs or from the collection of Congestion Rents for such TCCs.

The ECR, EA, CRN, WR, NR, and NT shall be updated prior to the start of each month based on actual data for the calendar month prior to the month in which the adjustment is made (i.e., January actual data will be used in February to calculate the NTAC effective in March).

The NTAC shall be calculated as a $/MWh charge and shall be applied to Actual Energy Withdrawals, except for Wheels Through and Exports in which case the NTAC shall be applied to scheduled Energy quantities. The NTAC shall not apply to scheduled quantities that are Curtailed by the ISO.

14.2.2.2.2 Implementation of NTAC

At the start of LBMP implementation certain variables of the NTAC equation will not be available. For the first and second months of LBMP implementation, the only terms in the NTAC equation that will be known by NYPA are its historical Annual Transmission Revenue Requirement ($ATRR_{NTAC}$) and the historical Billing Units (BU), which have been approved by or filed with FERC. For these two months NYPA shall calculate the NTAC using the following equation:

$$NTAC = \{(ATRR_{NTAC} \div 12) - (EA) - (IR \div 12)\}/(BU \div 12)$$

SR_2 shall not be available until after the first Centralized TCC Auction. For the third month of LBMP implementation until the second month of the Capability Period corresponding to the first Centralized TCC Auction, NYPA shall recalculate the NTAC using the following equation:

$$NTAC = \{(ATRR_{NTAC} \div 12) - (EA) - (IR \div 12) - WR - CRN - SR_1 - ECR\}/(BU \div 12)$$

Prior to and during implementation of LBMP those current NYPA transmission customers wishing to terminate their Third Party TWAs shall notify the ISO. The ISO shall duly

inform NYPA of such conversion so that NYPA can calculate revenues (EA) to be derived from Existing Transmission Wheeling Agreements.

14.2.2.2.3

NYPA's recovery of capital expenditure pursuant to NTAC is subject to the limitations set forth in Section 14.2.3.2.7 of this Attachment H. NYPA may also invest in transmission facilities outside the NTAC recovery mechanism. In that case, NYPA cannot recover any expenses or return associated with such additions under NTAC and any TCC or other revenues associated with such additions will not be considered NYPA transmission revenue for purposes of developing the NTAC nor be used as a credit in the allocation of NTAC to transmission system users.

14.2.2.3 Filing and Posting of NTAC

NYPA shall coordinate with the ISO to update certain components of the NTAC formula on a monthly or Capability Period basis. NYPA may update the NTAC calculation to change the $ATRR_{NTAC}$, initially approved by FERC, and such updates shall be submitted to FERC each year as part of NYPA's informational filing pursuant to Section 14.2.3.2.6 of this Attachment. An integral part of the agreement between the other Member Systems and NYPA is NYPA's consent to the submission of its $ATRR_{NTAC}$ for FERC review and approval on the same basis and subject to the same standards as the Revenue Requirements of the Investor-Owned Transmission Owners. Each January, beginning with January 2001, the ISO shall inform NYPA of the prior year's actual New York internal Load requirements and the actual Wheels Through and Exports and shall post this information on the OASIS. NYPA shall change the BU component of the NTAC formula to reflect the prior calendar year's information, with such change to take effect beginning with the March NTAC of the current year. NYPA will calculate the monthly NTAC

and provide this information to the ISO by no later than the fourteenth day of each month, for posting on the OASIS to become effective on the first day of the next calendar month. Beginning with LBMP implementation, the monthly NTAC shall be posted on the OASIS by the ISO no later than the fifteenth day of each month or as soon thereafter as is reasonably possible but in no event later than the 20th of the month to become effective on the first day of the next calendar month.

14.2.2.4 NTAC Calculation Information

NYPA's $ATRR_{NTAC}$ for facilities owned as of January 31, 1997, and Annual Billing Units (BU) of the NTAC are:

$ATRR_{NTAC}$ = $165,449,297

BU = 133,386,541MWh

NYPA's $ATRR_{NTAC}$ is subject to FERC review because it is collected through the ISO's jurisdictional rates, and will be filed, together with any project-specific revenue requirements, with the Commission each year for informational purposes pursuant to Section 14.2.3.2.6 of this Attachment.

14.2.2.5 Billing

The New York State Loads, Wheels Through, and Exports will be billed based on the product of: (i) the NTAC; and (ii) the Customer's billing units for the Billing Period. The billing units will be based on the metered energy for all Transactions to supply Load in the NYCA during the Billing Period, and hourly Energy schedules for the Billing Period for all Wheels Through and Exports.

14.2.3 NYPA Formula Rate

14.2.3.1 Formula Rate Template

Exhibit No. PA-102, INDEX

INDEX
NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT

Exhibit No. PA-102, SCH - Summary

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

TRANSMISSION REVENUE REQUIREMENT SUMMARY

Line No.	**A. OPERATING EXPENSES**	**TOTAL $** (1)	**SOURCE/COMMENTS** (2)
1	Operation & Maintenance Expense	-	Schedule A1, Col 5, Ln 17
2	Administration & General Expenses	-	Schedule A2, Col 5, Ln 22
3	Depreciation & Amortization Expense	-	Schedule B1, Col 6, Ln 26
4	**TOTAL OPERATING EXPENSE**	**-**	Sum lines 1, 2, & 3
5	**B. RATE BASE**	**-**	Schedule C1, Col 5, Ln 10
6	Return on Rate Base	**-**	Schedule C1, Col 7, Ln 10
6a	Total Project Specific Return Adustment	**-**	Schedule D2, Col 3, Ln A
7	**TOTAL REVENUE REQUIREMENT**	**-**	Line 4 + Line 6 + Line 6a
8	Incentive Return	-	Schedule F1, page 2, line 2, col. 13
9	True-up Adjustment	-	Schedule F3, page 1, line 3, col. 10
10	**NET ADJUSTED REVENUE REQUIREMENT**	**-**	Line 7 + line 8 + line 9
	Breakout by Project		
11	NTAC Facilities	-	Schedule F1, page 2, line 1a, col. 16
11a	Project 1 - Marcy South Series Compensation	-	Schedule F1, page 2, line 1b, col. 16
11b	Project 2	-	Schedule F1, page 2, line 1c, col. 16
11c	-	-	-
...	-	-	
12	Total Break out	**-**	Sum lines 11

Note 1 The revenue requirements shown on lines 11 and 11a et seq. and annual revenue requirements. If the first year is a partial year, 1/12 of the amounts should be recovered for every month of the Rate Year.

Exhibit No. PA-102, SCH-A1

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

SCHEDULE A1
OPERATION & MAINTENANCE EXPENSE SUMMARY ($)

Line No.	FERC Account (1)	FERC Account Description (2)	Source (3)	Total (4)	Grand Total (5)	NYPA Form 1 Equivalent (6)
	Transmission:					
		OPERATION:				
1	560	Supervision & Engineering	WP-AA, Col (5)	-		Page 321 line 83
2	561	Load Dispatching	WP-AA, Col (5)	-		Page 321 lines 85-92
3	562	Station Expenses	WP-AA, Col (5)	-		Page 321 line 93
4	566	Misc. Trans. Expenses	WP-AA, Col (5)	-		Page 321 line 97
5		**Total Operation**	(sum lines 1-4)	**-**		
		MAINTENANCE:				
6	568	Supervision & Engineering	WP-AA, Col (5)	-		Page 321 line 101
7	569	Structures	WP-AA, Col (5)	-		Page 321 line 102-106
8	570	Station Equipment	WP-AA, Col (5)	-		Page 321 line 107
9	571	Overhead Lines	WP-AA, Col (5)	-		Page 321 line 108
10	572	Underground Lines	WP-AA, Col (5)	-		Page 321 line 109
11	573	Misc. Transm. Plant	WP-AA, Col (5)	-		Page 321 line 110
12		**Total Maintenance**	(sum lines 6-11)	**-**		
13		**TOTAL O&M TRANSMISSION**	(sum lines 5 & 12)		**-**	
		Adjustments (Note 2)				
14		Step-up Transformers	WP-AC, Col (1) line 5		-	
15		FACTS (Note 1)	WP-AD,Col (1) line 5		-	
16		Microwave Tower Rental Income	WP-AE, Col (3) line 2		-	
17		**TOTAL ADJUSTED O&M TRANSMISSION**	(sum lines 13-16)		**-**	

Note 1 Flexible Alternating Current Transmission System device
Note 2 Revenues that are credited in the NTAC are not revenue credited here.

Exhibit No. PA-102, SCH-A2

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

SCHEDULE A2
ADMINISTRATIVE AND GENERAL EXPENSES

Line No.	FERC Account (1)	FERC Account Description (2)	Source	Unallocated A&G ($) (3)	Transmission Labor Ratio (4)	Allocated to Transmission ($) (5)	Source/Comments (6)	NYPA Form 1 Equivalent (7)
		Administrative & General Expenses						
1	920	A&G Salaries	WP-AA, Col (5)	-				Page 323 line 181
2	921	Office Supplies & Expenses	WP-AA, Col (5)	-				Page 323 line 182
3	922	Admin. Exp. Transferred-Cr	WP-AA, Col (5)	-				Page 323 line 183
4	923	Outside Services Employed	WP-AA, Col (5)	-				Page 323 line 184
5	924	Property Insurance	WP-AA, Col (5)	-		-	See WP-AG; Col (3) ,Ln 4	Page 323 line 185
6	925	Injuries & Damages Insurance	WP-AA, Col (5)	-		-	See WP-AH; Col (3) ,Ln 4	Page 323 line 186
7	926	Employee Pensions & Benefits	WP-AA, Col (5)	-				Page 323 line 187
8	928	Reg. Commission Expenses	WP-AA, Col (5)	-		-	See WP-AA; Col (3), Ln 2x	Page 323 line 189
9	930	Obsolete/Excess Inv	WP-AA, Col (5)	-				Page 323 line 190.5
10	930.1	General Advertising Expense	WP-AA, Col (5)	-				Page 323 line 191
11	930.2	Misc. General Expenses	WP-AA, Col (5)	-				Page 323 line 192
12	930.5	Research & Development	2/	-		-	2/	Page 323 line 192.5
13	931	Rents	WP-AA, Col (5)	-				Page 323 line 193
14	935	Maint of General Plant A/C 932	WP-AA, Col (5)	-				Page 323 line 196
15		**TOTAL**	(sum lines 1-14)	**-**				
16		Less A/C 924	Less line 5	-				Page 323 line 185
17		Less A/C 925	Less line 6	-				Page 323 line 186
18		Less EPRI Dues	1/	-				
19		Less A/C 928	Less line 8	-				Page 323 line 189
20		Less A/C 930.5	Less line 12	-			3/	
21		PBOP Adjustment	WP-AF	-				
22		**TOTAL A&G Expense**	(sum lines 16 to 21)	**-**	**-**	**-**	- Allocated based on transmission labor	
23		**NET A&G TRANSMISSION EXPENSE**	(sum lines 1 to 22)			**-**	allocator (Schedule E1)	

1/ NYPA does not pay EPRI dues

2/ Column 5 is populated as 0 (zero) for data pertaining to calendar years ____ and 2015. It is populated as a sum of Transmission R&D Expense [Workpaper WP-AA Col (3) ln(2ab)] plus the portion of Admin & General allocated to transmission [Workpaper WP-AA Col (4) ln (2ab) multiplied by Workpaper E1-Labor Ratio Col (3) ln (2)] for data pertaining to calendar years 2016 and later.

3/ Populated as 0 (zero) for data pertaining to calendar years ____ and 2015. Populated as WP-AA Col (3) for data pertaining to calendar years 2016 and later.

Exhibit No. PA-102, SCH-B1

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

SCHEDULE B1
ANNUAL DEPRECIATION AND AMORTIZATION EXPENSES ($)

Line No.	FERC Account	FERC Account Description	Source (1)	Transmission (2)	General Plant (3)	Transmission Labor Ratio (%) (4)	General Plant Allocated to Transm. Col (3)*(4) (5)	Total Annual Depreciation Col (2)+(5) (6)
1	352	Structures & Improvements	WP-BA, Col (4)	-				
2	353	Station Equipment	WP-BA, Col (4)	-				
3	354	Towers & Fixtures	WP-BA, Col (4)	-				
4	355	Poles & Fixtures	WP-BA, Col (4)	-				
5	356	Overhead Conductors & Devices	WP-BA, Col (4)	-				
6	357	Underground Conduit	WP-BA, Col (4)	-				
7	358	Underground Conductors & Devices	WP-BA, Col (4)	-				
8	359	Roads & Trails	WP-BA, Col (4)	-				
9		**Unadjusted Depreciation**		**-**				
10	390	Structures & Improvements	WP-BA, Col (4)		-			
11	391	Office Furniture & Equipment	WP-BA, Col (4)		-			
12	392	Transportation Equipment	WP-BA, Col (4)		-			
13	393	Stores Equipment	WP-BA, Col (4)		-			
14	394	Tools, Shop & Garage Equipment	WP-BA, Col (4)		-			
15	395	Laboratory Equipment	WP-BA, Col (4)		-			
16	396	Power Operated Equipment	WP-BA, Col (4)		-			
17	397	Communication Equipment	WP-BA, Col (4)		-			
18	398	Miscellaneous Equipment	WP-BA, Col (4)		-			
19	399	Other Tangible Property	WP-BA, Col (4)		-			
20		**Unadjusted General Plant Depreciation**			**-**			
		Adjustments						
21		Capitalized Lease Amortization	Schedule B2, Col 4, line 14	-				
22		FACTS	Schedule B2, Col 4, line 13	-				
23		Windfarm	Schedule B2, Col 4, line 11	-				
24		Step-up Transformers	Schedule B2, Col 4, line 12	-				
25		Relicensing Reclassification	WP-BG, Col 4		-			
26		**TOTAL**	(Sum lines 1-25)	**-**	**-**	**-**	**1/**	**-**	**-**

1/ See Schedule-E1, Col (3), Ln 2

Exhibit No. PA-102, SCH- B2

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

SCHEDULE B2
ADJUSTED PLANT IN SERVICE

Line No.			NYPA Form 1 Equivalent		___				___				___ - ___ Average		
					Plant in Service ($)	Accumulated Depreciation ($)	Plant in Service - Net ($)	Depreciation Expense ($)	Plant in Service ($)	Accumulated Depreciation ($)	Plant in Service - Net ($)	Depreciation Expense ($)	Plant in Service ($)	Accumulated Depreciation ($)	Net Plant in Service ($)
					(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	PRODUCTION	**Source**	**Plant in Service (p. 204-207 column (g))**	**Depreciation (p.219)**											
1	Production - Land	WP-BC	ln. 8 + ln. 27 + ln. 37		-	-	-	-	-	-	-	-	-	-	-
2	Production - Hydro	WP-BC	ln. 35 - ln. 27	ln. 22 - Cost of Removal 5/	-	-	-	-	-	-	-	-	-	-	-
3	Production - Gas Turbine / Combined Cycl	WP-BC	ln. 16 + ln. 45 + ln. 100.5 - ln. 8 - ln. 37	ln. 20 + ln. 23	-	-	-	-	-	-	-	-	-	-	-
4					-	-	-	-	-	-	-	-	-	-	-
	TRANSMISSION														
5	Transmission - Land	WP-BC	ln. 48		-	-	-	-	-	-	-	-	-	-	-
6	Transmission	WP-BC	ln. 58 + ln. 100.6 - ln. 48	ln. 24 - Cost of Removal 5/	-	-	-	-	-	-	-	-	-	-	-
7					-	-	-	-	-	-	-	-	-	-	-
8	Transmission - Cost of Removal 1/	WP-BC			-	-	-	-	-	-	-	-	-	-	-
9	Excluded Transmission 2/	WP-BB			-	-	-	-	-	-	-	-	-	-	-
	Adjustments to Rate Base														
10	Transmission - Asset Impairment	WP-BC			-	-	-	-	-	-	-	-	-	-	-
11	Windfarm	WP-BC			-	-	-	-	-	-	-	-	-	-	-
12	Generator Step-ups	WP-BF			-	-	-	-	-	-	-	-	-	-	-
13	FACTS	WP-BE			-	-	-	-	-	-	-	-	-	-	-
14	Marcy South Capitalized Lease 3/							-				-			
15	Total Adjustments				-	-	-	-	-	-	-	-	-	-	-
16															
17	**Net Adjusted Transmission**				-	-	-	-	-	-	-	-	-	-	-
								-							
	GENERAL														
18	General - Land	WP-BC	ln. 86		-	-	-	-	-	-	-	-	-	-	-
19	General	WP-BC	ln. 99 - ln. 86	ln. 27 - Cost of Removal 5/	-	-	-	-	-	-	-	-	-	-	-
20			ln. 99		-	-	-	-	-	-	-	-	-	-	-
	Adjustments to Rate Base														
21	General - Asset Impairment				-	-	-	-	-	-	-	-	-	-	-
22	General - Cost of Removal	WP-BC			-	-	-	-	-	-	-	-	-	-	-
23	Relicensing	WP-BG			-	-	-	-	-	-	-	-	-	-	-
24	Excluded General 4/	WP-BC			-	-	-	-	-	-	-	-	-	-	-
24	Total Adjustments				-	-	-	-	-	-	-	-	-	-	-
25	**Net Adjusted General Plant**				-	-	-	-	-	-	-	-	-	-	-

Notes

1/ Cost of Removal: Bringing back to accumulated depreciation cost of removal which was reclassified to regulatory liabilities in annual report.

2/ Excluded Transmission: Assets not recoverable under ATRR, FERC Accounts 350 and 352-359 for 500 MW, AEII, Poletti, SCPPs, Small Hydro, and Flynn.

3/ Marcy South Capitalized Lease amount is added separately to the Rate Base.

4/ Excluded General: Assets not recoverable under ATRR, FERC Accounts 389-399 for 500 MW, AEII, Poletti, SCPPs, Small Hydro, and Flynn.
SCPPs include Brentwood, Gowanus, Harlem River, Hell Gate, Kent, Pouch and Vernon. Small Hydro includes Ashokan, Crescent, Jarvis and Vischer Ferry.

5/ The difference between the Accumulated Depreciation contained in the NYPA Form 1 Equivalent and the amount contained here is equal to the Cost of Removal.

Exhibit No. PA-102, SCH-B3

Schedule B3 - Depreciation and Amortization Rates
NEW YORK POWER AUTHORITY
YEAR ENDING DECEMBER 31, ____

Line No.	FERC Account	FERC Account Description	Rate (Annual) Percent							
	TRANSMISSION PLANT		St. Lawrence/FDR	Niagara	Blenheim-Gilboa	J. A. FitzPatrick	Massena-Marcy	Marcy-South	Long Island Sound Cable	New Project
1	350	Land Rights								
2	352	Structures and Improvements	1.86%	1.73%	1.66%	4.17%	1.65%		3.33%	2.21%
3	353	Station Equipment	2.35%	2.34%	2.24%	3.87%	2.26%	2.27%	3.33%	2.56%
4	354	Towers and Fixtures	2.31%	2.20%	2.14%	4.67%	2.13%	2.15%		2.60%
5	355	Poles and Fixtures	2.64%	2.59%	2.59%		2.57%	2.62%		2.60%
6	356	Overhead Conductor and Devices	2.23%	2.23%	2.14%	4.02%	2.13%	2.16%		2.49%
7	357	Underground Conduit	1.44%					1.40%	3.33%	1.42%
8	358	Underground Conductor and Devices	2.34%					2.27%	3.33%	2.31%
9	359	Roads and Trails	1.57%	1.19%	1.21%	3.41%	0.98%	0.99%		1.56%
	GENERAL PLANT									
10	390	Structures & Improvements	3.45%	3.45%	3.45%	3.45%	3.45%	3.45%	3.45%	3.45%
11	391	Office Furniture & Equipment	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%
12	392	Transportation Equipment	13.04%	13.04%	13.04%	13.04%	13.04%	13.04%	13.04%	13.04%
13	393	Stores Equipment	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%
14	394	Tools, Shop & Garage Equipment	4.94%	4.94%	4.94%	4.94%	4.94%	4.94%	4.94%	4.94%
15	395	Laboratory Equipment	4.43%	4.43%	4.43%	4.43%	4.43%	4.43%	4.43%	4.43%
16	396	Power Operated Equipment	9.33%	9.33%	9.33%	9.33%	9.33%	9.33%	9.33%	9.33%
17	397	Communication Equipment	6.63%	6.63%	6.63%	6.63%	6.63%	6.63%	6.63%	6.63%
18	398	Miscellaneous Equipment	5.94%	5.94%	5.94%	5.94%	5.94%	5.94%	5.94%	5.94%
19		5 Year Property	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
20		10 Year Property	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
21		20 Year Property	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
	INTANGIBLE PLANT									
22	303	Miscellaneous Intangible Plant								
23		5 Year Property	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
24		7 Year Property	14.29%	14.29%	14.29%	14.29%	14.29%	14.29%	14.29%	14.29%
25		10 Year Property	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
26		Transmission facility Contributions in Aid of Construction Note 1								

Note 1: In the event a Contribution in Aid of Construction (CIAC) is made for a transmission facility, the transmission depreciation rates above will be weighted based on the relative amount of underlying plant booked to the accounts shown in lines 1-9 above and the weighted average depreciation rate will be used to amortize the CIAC. The life of a facility subject to a CIAC will be equivalent to the depreciation rate calculated above, i.e., 100% ÷ deprecation rate = life in years. The estimated life of the facility or rights associated with the facility will not change over the life of a CIAC without prior FERC approval.

These depreciation rates will not change absent the appropriate filing at FERC.

Exhibit No. PA-102, SCH-C1

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

SCHEDULE C1
TRANSMISSION - RATE BASE CALCULATION

	RATE BASE	TRANSMISSION PLANT ($) (1)	TOTAL GENERAL PLANT ($) (2)	TRANSM. LABOR RATIO [Schedule E1] (3)	GENERAL PLANT ALLOCATED TO TRANSMISSION ($) (2) * (3) (4)	TOTAL TRANSMISSION ($) (1) + (4) (5)	RATE OF RETURN [Schedule D1] (6)	RETURN ON RATE BASE (5) * (6) (7)
1	**A) Net Electric Plant in Service**	- 1/	- 2/	-	-	-		
2	**B) Rate Base Adjustments**							
3	*** Cash Working Capital (1/8 O&M)**	- 3/				-		
4	*** Marcy South Capitalized Lease**	- 4/				-		
5	*** Materials & Supplies**	- 5/		-		-		
6	*** Prepayments**	- 6/		-		-		
7	*** CWIP**	- 7/						
8	*** Regulatory Asset**	- 7/						
9	*** Abandoned Plant**	- 7/						
10	**TOTAL (sum lines 1-9)**	-	-	-	-	-	-	-

1/ Schedule B2; Net Electric Plant in Service; Ln 17

2/ Schedule B2; Net Electric Plant in Service; Ln 25

3/ 1/8 of (Schedule A1; Col 5, Ln 17 + Schedule A2; Col 5, Ln 22) [45 days]

4/ WP-BD; Average of Year-end Unamortized Balances, Col 5

5/ Average of year-end inventory Materials & Supplies (WP-CA). NYPA Form 1 Equivalent, page 227, Ln 12, average of columns b and c.

6/ WP-CB; Col 3, Ln 3

7/ CWIP, Regulatory Asset and Abandoned Plant are zero until an amount is authorized by FERC as shown below. CWIP amount is shown in the NYPA Form 1 Equivalent, page 216, line 1

Docket Number	Authorized Amount

Exhibit No. PA-102, SCH-D1

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

SCHEDULE D1
CAPITAL STRUCTURE AND COST OF CAPITAL

Line No.	TITLE	CAPITALIZATION RATIO from WP-DA 1/ (1)	COST RATE from WP-DA 2/ (2)	WEIGHTED AVERAGE (3)	SOURCE/COMMENTS (4)
1	LONG-TERM DEBT	0.00%	-	-	Col (1) * Col (2)
2	COMMON EQUITY	0.00%	9.45%	-	Col (1) * Col (2)
3	TOTAL CAPITALIZATION	0.00%		-	Col (3); Ln (1) + Ln (2)

Notes
1/ The Common Equity share listed in Col (1) is capped at 50%. The cap may only be changed pursuant to an FPA Section 205 or 206 filing to FERC. The Long-Term Debt share is calculated as 1 minus the Common Equity share.
2/ The ROE listed in Col (2) Ln (2) is the base ROE plus 50 basis-point incentive for RTO participation. ROE may only be changed pursuant to an FPA Section 205 or 206 filing to FERC.

Exhibit No. PA-102, SCH-D2

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

SCHEDULE D2
PROJECT SPECIFIC CAPITAL STRUCTURE AND COST OF CAPITAL 3/

Line No.	TITLE	CAPITALIZATION RATIO from WP-DA (1)		COST RATE from WP-DA (2)		WEIGHTED AVERAGE (3)	SOURCE/COMMENTS (4)
Project 1 - Marcy South Series Compensation - Capital Structure							
1	**LONG-TERM DEBT**	-	1/	-		-	Col (1) * Col (2)
2	**COMMON EQUITY**	-	1/	**9.45%**	2/	-	Col (1) * Col (2)
3	**TOTAL CAPITALIZATION**	-				-	Col (3); Ln (1) + Ln (2)
4	**PROJECT NET PLANT**					-	
5	**PROJECT BASE RETURN**					-	Col (3) Ln (4) * WP-DA Col (7) Ln (4)
6	**PROJECT ALLOWED RETURN**					-	Col (3); Ln (3) * Ln (4)
A	**PROJECT SPECIFIC RETURN ADJUSTMENT**					-	Col (3); Ln (6) - Ln (5)
Project X							

Notes

1/ The MSSC Common Equity share listed in Col (1) is capped at 53%. The cap may only be changed pursuant to an FPA Section 205 or 206 filing to FERC. The MSSC Long-Term Debt share is calculated as 1 minus the Common Equity share.
2/ The MSSC ROE listed in Col (2) Ln (2) is the base ROE plus 50 basis-point incentive Congestion Relief Adder. ROE may only be changed pursuant to an FPA Section 205 or 206 filing to FERC.
3/ Additional project-specific capital structures added to this Schedule D2 must be approved by FERC. The cost of long-term debt and common equity for any such project shall reflect the cost rates in Col (2), Lns (1) and (2) unless a different cost rate is approved by FERC.

Exhibit No. PA-102, SCH-E1

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

SCHEDULE E1
LABOR RATIO

Line No.	DESCRIPTION	LABOR AMOUNT ($) From WP-EA (1)	RATIO (2)	ALLOCATED TO TRANSMISSION (3)	SOURCE/ COMMENTS (4)	NYPA Form 1 Equivalent (5)
1	PRODUCTION	-	-			Page 354 lines 17, 20, 24
2	TRANSMISSION	-	-	-	Col (1); Ln (2) / Ln (3)	Page 354 line 21
3	**TOTAL LABOR**	**-**	-			

Exhibit No. PA-102, SCH-F1

Schedule F1
Project Revenue Requirement Worksheet
NEW YORK POWER AUTHORITY
YEAR ENDING DECEMBER 31, ____

Line No.	Item	Page, Line, Col. (1)	Transmission ($) (2)	Allocator (3)
1	Gross Transmission Plant - Total	Schedule B2, line 17, col 9 (Note A)	-	
1a	Transmission Accumulated Depreciation	Schedule B2, line 17, col 10	-	
1b	Transmission CWIP, Regulatory Asset and Abandoned Plant	Schedule C1, lines 7, 8, & 9 (Note B)	-	
2	Net Transmission Plant - Total	Line 1 minus Line 1a plus Line 1b	-	
	O&M TRANSMISSION EXPENSE			
3	Total O&M Allocated to Transmission	Schedule A1, line 17, col 5 and Schedule A2, line 22, Col 5	-	
	GENERAL DEPRECIATION EXPENSE			
5	Total General Depreciation Expense	Schedule B1 line 26, col 5	-	
6	**Annual Allocation Factor for Expenses**	([line 3 + line 5] divided by line 1, col 2)	**-**	**-**
	RETURN			
7	Return on Rate Base	Schedule C1 line 10, col 7	-	
8	**Annual Allocation Factor for Return on Rate Base**	(line 7 divided by line 2 col 2)	**-**	**-**

Exhibit PA-102, SCH-F1

Schedule F1
Project Revenue Requirement Worksheet
NEW YORK POWER AUTHORITY

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(14a)	(15)	(16)	(17)
Line No.	Project Name and #	Type	Project Gross Plant ($)	Project Accumulated Depreciation ($)	Annual Allocation Factor for Expenses	Annual Allocation for Expenses ($)	Project Net Plant ($)	Annual Allocation Factor for Return	Annual Return Charge ($)	Project Depreciation/Amortization Expense ($)	Annual Revenue Requirement ($)	Incentive Return in basis Points	Incentive Return ($)	Discount	PROJECT SPECIFIC CAPITAL STRUCTURE AND COST OF CAPITAL	Total Annual Revenue Requirement ($)	True-Up Adjustment ($)	Net Revenue Requirement ($)
			(Note C)		Page 1 line 6	Col. 3 * Col. 5	(Note D)	(Page 1, line 8)	(Col. 7 * Col. 8)	(Note E)	(Sum Col. 6, 9 & 10)	Per FERC order (Note H)	(Schedule F2, Line 10 * (Col. 12/100)* Col. 7)	(Note I)	Schedule D2	(Sum Col. 11 + 13 + 14 +14a)	(Note F)	Sum Col. 15 + 16
1a	NTAC Facilities		-	-	-	-	-	-	-	-	-	-	-			-	-	-
1b			-	-	-	-	-	-	-		-	-	-			-	-	-
1c			-	-	-	-	-	-	-	-	-	-	-			-	-	-
1d		-	-	-	-	-	-	-	-	-	-	-	-			-	-	-
1e		-	-	-	-	-	-	-	-	-	-	-	-			-	-	-
1f		-	-	-	-	-	-	-	-	-	-	-	-			-	-	-
1g		-	-	-	-	-	-	-	-	-	-	-	-			-	-	-
1h		-	-	-	-	-	-	-	-	-	-	-	-			-	-	-
1i		-	-	-	-	-	-	-	-	-	-	-	-			-	-	-
1j		-	-	-	-	-	-	-	-	-	-	-	-			-	-	-
1k		-	-	-	-	-	-	-	-	-	-	-	-			-	-	-
1l		-	-	-	-	-	-	-	-	-	-	-	-			-	-	-
1m		-	-	-	-	-	-	-	-	-	-	-	-			-	-	-
1n		-	-	-	-	-	-	-	-	-	-	-	-			-	-	-
1o		-	-	-	-	-	-	-	-	-	-	-	-			-	-	-
		-	-	-	-	-	-	-	-	-	-	-	-			-	-	-
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		-	-	-	-	-	-	-	-	-	-	-	-			-	-	-
		-	-	-	-	-	-	-	-	-	-	-	-			-	-	-
																		-
2	Total		-	-		-	-			-	-		-			-	-	-

Note Letter

A Gross Transmission Plant that is included on Schedule B2, Ln 17, Col 5.
B Inclusive of any CWIP, Unamortized Regulatory Asset or Unamortized Abandoned Plant balances included in rate base when authorized by FERC order.
C Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in page 1, line 1 . This value includes subsequent capital investments required to maintain the facilities to their original capabilities. Gross plant does not include CWIP, Unamortized Regulatory Asset or Unamortized Abandoned Plant.
D Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation in page 2, column 4. Net Plant includes any FERC approved CWIP, Unamortized Abandoned Plant and Regulatory Asset.
E Project Depreciation Expense is the amount in Schedule B1, Ln 26, Col. 2 that is associated with the specified project. Project Depreciation Expense includes the amortization of Abandoned Plant and any FERC approved Regulatory Asset. However, if FERC grants accelerated depreciation for a project the depreciation rate authorized by FERC will be used instead of the rates shown on Schedule B3 for all other projects.
F Reserved
G The Total General and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 8.
H Requires approval by FERC of incentive return applicable to the specified project(s). A negative number of basis points may be entered to reduce the ROE applicable to a project if a FERC order specifies a lower return for that project.
I The discount is the reduction in revenue, if any, that NYPA agreed to, for instance, to be selected to build facilities as the result of a competitive process and equals the amount by which the annual revenue requirement is reduced from the ceiling rate

Exhibit No. PA-102, SCH-F2

Schedule F2
Incentives
NEW YORK POWER AUTHORITY
YEAR ENDING DECEMBER 31, ____

Line No.	Item	Reference		%	Cost	$ Weighted Cost	$
1	Rate Base	Schedule C1, line 10, Col. 5					-
2	100 Basis Point Incentive Return						
3	Long Term Debt	(Schedule D1, line 1)		-	-	-	
4	Common Stock	(Schedule D1, line 2)	Cost = Schedule E, line 2, Cost plus .01	-	0.1045	-	
5	Total (sum lines 3-4)					-	
6	100 Basis Point Incentive Return multiplied by Rate Base (line 1 * line 5)						-
7	Return (Schedule C1, line 10, Col. 7)						-
8	Incremental Return for 100 basis point increase in ROE		(Line 6 less line 7)				-
9	Net Transmission Plant		(Schedule C1, line 1, col. (1)				-
10	Incremental Return for 100 basis point increase in ROE divided by Rate Base		(Line 8 / line 9)				-

Notes:

A Line 5 includes a 100 basis point increase in ROE that is used only to determine the increase in return and income taxes associated with a 100 basis point increase in ROE. Any actual incentive is calculated on Schedule F1 and must be approved by FERC. For example, if FERC were to grant a 137 basis point ROE incentive, the increase in return and taxes for a 100 basis point increase in ROE would be multiplied by 137 on Schedule F1, Col. 13.

Exhibit No. PA-102, SCH-F3

Schedule F3
Project True-Up
Incentives
YEAR ENDING DECEMBER 31, ____

($)

(1) Line No.	(2) Project Name	(3) NTAC ATRR or Project Number	(4) Actual Revenues Received (Note 1)	(5) Actual Net Revenue Requirement (Note 2)	(6) True-Up Adjustment Principal Under/(Over)	(7) Prior Period Adjustment	(8) Applicable Interest Rate on Under/(Over)	(9) True-Up Adjustment Interest Under/(Over)	(10) Total True-Up Adjustment
			Amount Actually Received for Transmission Service	Schedule F2 Using Actual Cost Data	Col. (5) - Col. (4)	(Note A) Line 25, Col. (e)	Line 24	(Col. (6) + Col. (7)) x Col. (8) x 24 months	Col. (6) + Col. (7) + Col. (9)
1a	NTAC Facilities	-	-	-	-	-	-	-	-
1b		-	-	-	-	-	-	-	-
1c		-	-	-	-	-	-	-	-
1d	-	-	-	-	-	-	-	-	-
1e	-	-	-	-	-	-	-	-	-
…									
…									
2	Subtotal				-			-	-
3	Under/(Over) Recovery								-

Notes:
1) For all projects and NTAC ATRR, the Actual Revenues Received are the actual revenues NYPA receives from the NYISO in that calendar year. If NYISO does not break out the revenues per project, the Actual Revenues Received will be allocated pro rata to each project based on their Actual Net Revenue Requirement in col (5).
2) Schedule F1, Page 2 of 2, col (16).

Exhibit No. PA-102, SCH-F3

Schedule F3
Project True-Up
Incentives

FERC Refund Interest Rate

		Year	Interest Rates under Section 35.19(a)	
4	Interest Rate (Note A):			
5	January	-	-	
6	February	-	-	
7	March	-	-	
8	April	-	-	
9	May	-	-	
10	June	-	-	
11	July	-	-	
12	August	-	-	
13	September	-	-	
14	October	-	-	
15	November	-	-	
16	December	-	-	
17	January	-	-	
18	February	-	-	
19	March	-	-	
20	April	-	-	
21	May	-	-	
22	June	-	-	
23	July	-	-	
			-	
24	Avg. Monthly FERC Rate		-	-

Prior Period Adjustments

	(a) Project or Schedule 1	(b) Adjustment A Description of the Adjustment	(c) Amount In Dollars	(d) Interest (Note A)	(e) Total Adjustment Col. (c) + Col. (d)
25	-	-	-	-	-
25a	-	-	-	-	-
25b	-	-	-	-	-
25c					-
…					-
..					-
26	Total				-

Notes: A Prior Period Adjustments are when an error is discovered relating to a prior true-up or refunds/surcharges ordered by FERC. The interest on the Prior Period Adjustment excludes interest for the current true up period, because the interest is included in Ln 25 Col (d).

Exhibit No. PA-102, WP-AA

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, _____

WORK PAPER AA
Operation and Maintenance Summary

Line No.	(1) Amount ($)	(2) PRODUCTION	(3) TRANSMISSION	(4) ADMIN & GENERAL	(5) OVERALL RESULT	(6) Major Category
1a	555 - OPSE-Purchased Power	-	-	-	-	-
1b	501 - Steam Product-Fuel	-	-	-	-	-
1c	565 - Trans-Xmsn Elect Oth		-	-	-	-
...	-	-	-	-	-	-
2a	506 - SP-Misc Steam Power	-	-	-	-	
2b	535 - HP-Oper Supvr&Engrg	-	-	-	-	
2c	537 - HP-Hydraulic Expense	-	-	-	-	
2d	538 - HP-Electric Expenses	-	-	-	-	
2e	539 - HP-Misc Hyd Pwr Gen	-	-	-	-	
2f	546 - OP-Oper Supvr&Engrg	-	-	-	-	
2g	548 - OP-Generation Expens	-	-	-	-	
2h	549 - OP-Misc Oth Pwr Gen	-	-	-	-	
2i	560 - Trans-Oper Supvr&Eng	-	-	-	-	
2j	561 - Trans-Load Dispatcng	-	-	-	-	
2k	562 - Trans-Station Expens	-	-	-	-	
2l	566 - Trans-Misc Xmsn Exp	-	-	-	-	
2n	905 - Misc. Customer Accts. Exps	-	-	-	-	
2m	Contribution to New York State			-	-	
2o	916 - Misc. Sales Expense	-	-	-	-	
2p	920 - Misc. Admin & Gen'l Salaries	-	-	-	-	
2q	921 - Misc. Office Supp & Exps	-	-	-	-	
2r	922 - Administrative Expenses Transferred	-	-	-	-	
2s	923 - Outside Services Employed	-	-	-	-	
2t	924 - A&G-Property Insurance	-	-	-	-	
2u	925 - A&G-Injuries & Damages Insurance	-	-	-	-	
2v	926 - A&G-Employee Pension & Benefits	-	-	-	-	
2w	926 - A&G-Employee Pension & Benefits(PBOP)	-	-	-	-	
2x	928 - A&G-Regulatory Commission Expense	-	-	-	-	
2y	930 - Obsolete/Excess Inv	-	-	-	-	
2z	930.1-A&G-General Advertising Expense	-	-	-	-	
2aa	930.2-A&G-Miscellaneous & General Expense	-	-	-	-	
2ab	930.5-R & D Expense	-	-	-	-	
2ac	931 - Rents	-	-	-	-	
2ad	935 - A&G-Maintenance of General Plant	-	-	-	-	Operations
...	-	-	-	-	-	-
3a	545 - HP-Maint Misc Hyd Pl	-	-	-	-	
3b	512 - SP-Maint Boiler Plt	-	-	-	-	
3c	514 - SP-Maint Misc Stm Pl	-	-	-	-	
3d	541 - HP-Maint Supvn&Engrg	-	-	-	-	
3e	542 - HP-Maint of Struct	-	-	-	-	
3f	543 - HP-Maint Res Dam&Wtr	-	-	-	-	
3g	544 - HP-Maint Elect Plant	-	-	-	-	
3h	551 - OP-Maint Supvn & Eng	-	-	-	-	
3i	552 - OP-Maint of Struct	-	-	-	-	
3j	553 - OP-Maint Gen & Elect	-	-	-	-	
3k	554 - OP-Maint Oth Pwr Prd	-	-	-	-	
3l	568 - Trans-Maint Sup & En	-	-	-	-	
3n	569 - Trans-Maint Struct	-	-	-	-	
3m	570 - Trans-Maint St Equip	-	-	-	-	
3o	571 - Trans-Maint Ovhd Lns	-	-	-	-	
3p	572 - Trans-Maint Ungrd Ln	-	-	-	-	
3q	573 - Trans-Maint Misc Xmn	-	-	-	-	Maintenance
...	-	-	-	-	-	-
4a	403 - Depreciation Expense	-	-	-	-	
...	-	-	-	-	-	-
5	TOTALS	-	-	-	-	-

Exhibit No. PA-102, WP-AB

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER AB
Operation and Maintenance Detail

FERC by accounts and profit center

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(12)
			Amount ($)																	
			0100/105	0100/110	0100/115	0100/120	0100/122	0100/125	0100/130	0100/135	0100/140	0100/145	0100/150	0100/155	0100/156	0100/157	0100/158	0100/159	0100/160	0100/161
	FERC G/L Accounts		Blenheim-Gilboa	St. Lawrence	Niagara	Poletti	Astoria Energy II	Flynn	Jarvis	Crescent	Vischer Ferry	Ashokan	Kensico	Hell Gate	Harlem River	Vernon Blvd.	23rd & 3rd (Gowanus)	N 1st &Grand (Kent)	Pouch Terminal	Brentwood
1a		403 - Depreciation Expense																		
1b		501 - Steam Product-Fuel																		
1c		506 - SP-Misc Steam Power																		
1d		512 - SP-Maint Boiler Plt																		
1e		514 - SP-Maint Misc Stm Pl																		
1f		535 - HP-Oper Supvr&Engrg																		
1g		537 - HP-Hydraulic Expense																		
1h		538 - HP-Electric Expenses																		
1i		539 - HP-Misc Hyd Pwr Gen																		
1j		541 - HP-Maint Supvn&Engrg																		
1k		542 - HP-Maint of Struct																		
1l		543 - HP-Maint Res Dam&Wtr																		
1n		544 - HP-Maint Elect Plant																		
1m		545 - HP-Maint Misc Hyd Pl																		
1o		546 - OP-Oper Supvr&Engrg																		
1p		548 - OP-Generation Expens																		
1q		549 - OP-Misc Oth Pwr Gen																		
1r		551 - OP-Maint Supvn & Eng																		
1s		552 - OP-Maint of Struct																		
1t		553 - OP-Maint Gen & Elect																		
1u		554 - OP-Maint Oth Pwr Prd																		
1v		555 - OPSE-Purchased Power																		
1w		560 - Trans-Oper Supvr&Eng																		
1x		561 - Trans-Load Dispatcng																		
1y		562 - Trans-Station Expens																		
1z		565 - Trans-Xmsn Elect Oth																		
1aa		566 - Trans-Misc Xmsn Exp																		
1ab		568 - Trans-Maint Sup & En																		
1ac		569 - Trans-Maint Struct																		
1ad		570 - Trans-Maint St Equip																		
1ae		571 - Trans-Maint Ovhd Lns																		
1af		572 - Trans-Maint Ungrd Ln																		
1ag		573 - Trans-Maint Misc Xmn																		
1ah		905 - Misc. Customer Accts. Exps																		
1ai		916 - Misc. Sales Expense																		
1ak		920 - Misc. Admin & Gen'l Salaries																		
1al		921 - Misc. Office Supp & Exps																		
1am		922 - Administrative Expenses Transferred																		
1an		923 - Outside Services Employed																		
1ao		924 - A&G-Property Insurance																		
1ap		925 - A&G-Injuries & Damages Insurance																		
1aq		926 - A&G-Employee Pension & Benefits(PBOP)																		
1ar		926 - A&G-Employee Pension & Benefits																		
1as		928 - A&G-Regulatory Commission Expense																		
1at		930 - Obsolete/Excess Inv																		
1au		931 - Rents																		
1av		930.5-R & D Expense																		
1aw		930.1-A&G-General Advertising Expense																		
1ax		930.2-A&G-Miscellaneous & General Expense																		
1ay		935 - A&G-Maintenance of General Plant																		
1az																				
...		-																		
2		**Contribution to New York State**																		
3	Overall Result		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

FERC by accounts and profit center

(1)	(2)	(20)
		0100/165
FERC G/L Accounts		500MW Combined Cycle
	403 - Depreciation Expense	
	501 - Steam Product-Fuel	
	506 - SP-Misc Steam Power	
	512 - SP-Maint Boiler Plt	
	514 - SP-Maint Misc Stm Pl	
	535 - HP-Oper Supvr&Engrg	
	537 - HP-Hydraulic Expense	
	538 - HP-Electric Expenses	
	539 - HP-Misc Hyd Pwr Gen	
	541 - HP-Maint Supvn&Engrg	
	542 - HP-Maint of Struct	
	543 - HP-Maint Res Dam&Wtr	
	544 - HP-Maint Elect Plant	
	545 - HP-Maint Misc Hyd Pl	
	546 - OP-Oper Supvr&Engrg	
	548 - OP-Generation Expens	
	549 - OP-Misc Oth Pwr Gen	
	551 - OP-Maint Supvn & Eng	
	552 - OP-Maint of Struct	
	553 - OP-Maint Gen & Elect	
	554 - OP-Maint Oth Pwr Prd	
	555 - OPSE-Purchased Power	
	560 - Trans-Oper Supvr&Eng	
	561 - Trans-Load Dispatcng	
	562 - Trans-Station Expens	
	565 - Trans-Xmsn Elect Oth	
	566 - Trans-Misc Xmsn Exp	
	568 - Trans-Maint Sup & En	
	569 - Trans-Maint Struct	
	570 - Trans-Maint St Equip	
	571 - Trans-Maint Ovhd Lns	
	572 - Trans-Maint Ungrd Ln	
	573 - Trans-Maint Misc Xmn	
	905 - Misc. Customer Accts. Exps	
	916 - Misc. Sales Expense	
	920 - Misc. Admin & Gen'l Salaries	
	921 - Misc. Office Supp & Exps	
	922 - Administrative Expenses Transferred	
	923 - Outside Services Employed	
	924 - A&G-Property Insurance	
	925 - A&G-Injuries & Damages Insurance	
	926 - A&G-Employee Pension & Benefits(PBOP)	
	926 - A&G-Employee Pension & Benefits	
	928 - A&G-Regulatory Commission Expense	
	930 - Obsolete/Excess Inv	
	931 - Rents	
	930.5-R & D Expense	
	930.1-A&G-General Advertising Expense	
	930.2-A&G-Miscellaneous & General Expense	
	935 - A&G-Maintenance of General Plant	
	-	
	Contribution to New York State	
Overall Result		-

FERC by accounts and profit cente

(1)	(2)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)
		0100/205	0100/210	0100/215	0100/220	0100/225	0100/230	0100/235	0100/240	0100/245	0100/255	0100/305	0100/310	0100/320	0100/321	0100/410	0100/600	...	**Overall Result**
FERC G/L Accounts		BG Trans	JAF Trans	IP3/Pol Trans	Marcy/Clark Trans	Marcy South Trans	Niagara Trans	Sound Cable	ST Law Trans	765 KV Trans	HTP Trans	DSM	Headquarters	Power for Jobs	Recharge NY	JAF	SENY	-	
	403 - Depreciation Expense																		-
	501 - Steam Product-Fuel																		-
	506 - SP-Misc Steam Power																		-
	512 - SP-Maint Boiler Plt																		-
	514 - SP-Maint Misc Stm Pl																		-
	535 - HP-Oper Supvr&Engrg																		-
	537 - HP-Hydraulic Expense																		-
	538 - HP-Electric Expenses																		-
	539 - HP-Misc Hyd Pwr Gen																		-
	541 - HP-Maint Supvn&Engrg																		-
	542 - HP-Maint of Struct																		-
	543 - HP-Maint Res Dam&Wtr																		-
	544 - HP-Maint Elect Plant																		-
	545 - HP-Maint Misc Hyd Pl																		-
	546 - OP-Oper Supvr&Engrg																		-
	548 - OP-Generation Expens																		-
	549 - OP-Misc Oth Pwr Gen																		-
	551 - OP-Maint Supvn & Eng																		-
	552 - OP-Maint of Struct																		-
	553 - OP-Maint Gen & Elect																		-
	554 - OP-Maint Oth Pwr Prd																		-
	555 - OPSE-Purchased Power																		-
	560 - Trans-Oper Supvr&Eng																		-
	561 - Trans-Load Dispatcng																		-
	562 - Trans-Station Expens																		-
	565 - Trans-Xmsn Elect Oth																		-
	566 - Trans-Misc Xmsn Exp																		-
	568 - Trans-Maint Sup & En																		-
	569 - Trans-Maint Struct																		-
	570 - Trans-Maint St Equip																		-
	571 - Trans-Maint Ovhd Lns																		-
	572 - Trans-Maint Ungrd Ln																		-
	573 - Trans-Maint Misc Xmn																		-
	905 - Misc. Customer Accts. Exps																		-
	916 - Misc. Sales Expense																		-
	920 - Misc. Admin & Gen'l Salaries																		-
	921 - Misc. Office Supp & Exps																		-
	922 - Administrative Expenses Transferred																		-
	923 - Outside Services Employed																		-
	924 - A&G-Property Insurance																		-
	925 - A&G-Injuries & Damages Insurance																		-
	926 - A&G-Employee Pension & Benefits(PBOP)																		-
	926 - A&G-Employee Pension & Benefits																		-
	928 - A&G-Regulatory Commission Expense																		-
	930 - Obsolete/Excess Inv																		-
	931 - Rents																		-
	930.5-R & D Expense																		-
	930.1-A&G-General Advertising Expense																		-
	930.2-A&G-Miscellaneous & General Expense																		-
	935 - A&G-Maintenance of General Plant																		-
																			-
	-																		
	Contribution to New York State												-						**-**
Overall Result		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Exhibit No. PA-102, WP-AC

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER AC
STEP-UP TRANSFORMERS O&M ALLOCATOR

Line No.		Amount ($) (1)	Ratio (2)	Notes
1	Avg. Transmission Plant in Service	-		Sch B2; Col 9, Sum Ln 5, 6 and 10
2	Generator Step-Up Transformer Plant-in-Service	-		Sch B2, Line 12, Col 9
3	**Ratio**		**-**	Col 1, Ln 2 / Col 1, Ln 1
4	Transmission Maintenance	-		Sch A1; Col 4, Ln 12
5	**Removed Step-up Transmission O&M**	**-**		Col 1, Ln 4 x Col 2, Ln 3

Exhibit No. PA-102, WP-AD

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER AD
FACTS O&M ALLOCATOR

Line No.		Amount ($) (1)	Ratio (2)	Notes
1	Avg. Transmission Plant in Service	-		Sch B2; Col 5, Sum Ln 5, 6 and 10
2	FACTS Plant-in-Service	-		Sch B2, Line 13, Col 9
3	**Ratio**		**-**	Col 1, Ln 2 / Col 1, Ln 1
4	Transmission Maintenance	-		Sch A1: Col 4, Ln 12
5	**Reclassified FACTS Transmission Plant**	**-**		Subtract Col 1, Ln 4 * Col 2, Ln 3

Exhibit No. PA-102, WP-AE

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER AE
MICROWAVE TOWER RENTAL INCOME

Line No.	(1) Posting Date	(2) Account	(3) Income Amount ($)
1a			
1b			
1c			
1d			
1e			
1f			
1g			
1h			
1i			
1j			
1k			
1l			
1n			
…			
2			-

Exhibit No. PA-102, WP-AF

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER AF
POSTRETIREMENT BENEFITS OTHER THAN PENSIONS (PBOP)

Line No.	(1) Item		(2) Amount ($)
1	Total NYPA PBOP		
2	PBOP Capitalized		
3	PBOP contained in Cost of Service	Line 1 less line 2	-
4	Base PBOP Amount		**35,797,785**
5	**PBOP Adjustment**	Line 4 less line 3	-

This work paper includes total NYPA PBOP which is allocated to transmission by labor ratio as shown on Schedule A2.

Exhibit No. PA-102, WP-AG

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER AG
PROPERTY INSURANCE ALLOCATION

Line No.	Site	Amount ($) (1)	Ratio (2)	Allocated Insurance Expense - Transmission ($) (3)	Notes (4)
1a					
1b					
1c					
1d					
…					
2	**Subtotal (Gross Transmission Plant Ratio)**	**-**	-	**-**	Allocated based on transmission gross plant ratio from Work Paper AI
3a					
3b					
…					
4	**Subtotal (Full Transmission)**	**-**	100.00%	**-**	
5	**Grand Total**			**-**	

Exhibit No. PA-102, WP-AH

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER AH
INJURIES & DAMAGES INSURANCE EXPENSE ALLOCATION

Line No.	Site	Amount ($) (1)	Ratio (%) (2)	Allocated Injury/Damage Insurance Expense - Transmission ($) (3)	Notes (4)
1a					
1b					
1c					
1d					
…					
2	**Subtotal**	**-**	-	**-**	Allocated based on transmission labor ratio from Schedule E1
3a					
…					
		-	100.00	**-**	
4	**Grand Total**			**-**	

Exhibit No. PA-102, WP-AI

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER AI
PROPERTY INSURANCE ALLOCATOR

		12/31/____ ($)	12/31/____ ($)	Average	Gross Plant in Service Ratio	Source
		(1)	(2)	(3)	(4)	(5)
1	**PRODUCTION**	-	-	**-**	**-**	WP-BC
2	**TRANSMISSION (353 Station Equip.)**	-	-	**-**	**-**	WP-BC
3	**TOTAL**	**-**	**-**	**-**	**-**	

Exhibit No. PA-102, WP-BA

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER BA
DEPRECIATION AND AMORTIZATION EXPENSES (BY FERC ACCOUNT)

Included General & Transmission Plant - Depreciation ____

		(1)	(2)	(3)	(4)
		Site	FERC Acct #	Item	Depreciation ($)
Line No.	**Source/Comments**	**Included General Plant**			
1a			390		-
1b			390		-
1c			390		-
1d			390		-
1e			390		-
1f			390		-
…			390		-
…			390		-
2			390	**Subtotal General - Structures & Improvements**	**-**
.					
3a			391		-
3b			391		-
3c			391		-
3d			391		-
3e			391		-
…			391		-
…			391		-
4			391	**Subtotal General - Office Furniture & Equipment**	**-**
.					
5a			392		-
5b			392		-
5c			392		-
5d			392		-
5e			392		-
…			392		-
…			392		-
6			392	**Subtotal General - Transportation Equipment**	**-**
.					
7a			393		-
7b			393		-
7c			393		-
7d			393		-
…			393		-
…			393		-
8			393	**Subtotal General - Stores Equipment**	**-**
.					
9a			394		-
9b			394		-
9c			394		-
9d			394		-
9e			394		-
…			394		-
…			394		-
10			394	**Subtotal General - Tools, Shop & Garage Equipment**	**-**
.					
11a			395		-
11b			395		-
11c			395		-
11d			395		-
11e			395		-
…			395		-
…			395		-
12			395	**Subtotal General - Laboratory Equipment**	**-**
.					
13a			396		-
13b			396		-
13c			396		-
13d			396		-
13e			396		-
…			396		-
…			396		-
14			396	**Subtotal General - Power Operated Equipment**	**-**
.					
15a			397		-
15b			397		-
15c			397		-
15d			397		-
15e			397		-
15f			397		-
15g			397		-
.			397		-
.			397		-
16			397	**Subtotal General - Communication Equipment**	**-**
.					
17a			398		-
17b			398		-
17c			398		-
17d			398		-
17e			398		-
…			398		-
…			398		-
18			398	**Subtotal General - Miscellaneous Equipment**	**-**
.					
19a			399		-
19b			399		-
19c			399		-
…			399		-
…			399		-
20			399	**Subtotal General - Other Tangible Property**	**-**
.					
21	**Total Included General Plant**				**-**

Exhibit No. PA-102, WP-BA

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER BA
DEPRECIATION AND AMORTIZATION EXPENSES (BY FERC ACCOUNT)

Included General & Transmission Plant - Depreciation ____

	(1)	(2)	(3)	(4)
	Site	FERC Acct #	Item	Depreciation ($)
.				
.	**Included Transmission Plant**			
22a		352		-
22b		352		-
22c		352		-
22d		352		-
22e		352		-
22f		352		-
22g		352		-
…		352		-
…		352		-
23		352	**Subtotal Transmission - Structures & Improvements**	**-**
.				
24a		353		-
24b		353		-
24c		353		-
24d		353		-
24e		353		-
24f		353		-
24g		353		-
24h		353		-
…		353		-
…		353		-
25		353	**Subtotal Transmission - Station Equipment**	**-**
.				
26a		354		-
26b		354		-
26c		354		-
26d		354		-
26e		354		-
26f		354		-
…		354		-
…		354		-
27		354	**Subtotal Transmission - Towers & Fixtures**	**-**
.				
28a		355		-
28b		355		-
28c		355		-
28d		355		-
28e		355		-
…		355		-
…		355		-
29		355	**Subtotal Transmission - Poles & Fixtures**	**-**
.				
30a		356		-
30b		356		-
30c		356		-
30d		356		-
30e		356		-
30f		356		-
…		356		-
…		356		-
31		356	**Subtotal Transmission - Overhead Conductors & Devices**	**-**
.				
32a		357		-
32b		357		-
32c		357		-
…		357		-
…		357		-
33		357	**Subtotal Transmission - Underground Conduit**	**-**
.				
34a		358		-
34b		358		-
34c		358		-
…		358		-
…		358		-
35		358	**Subtotal Transmission - Underground Conductors & Devices**	**-**
.				
36a		359		-
36b		359		-
36c		359		-
36d		359		-
36e		359		-
36f		359		-
…		359		-
…		359		-
37		359	**Subtotal Transmission - Roads & Trails**	**-**
.				
38	**Total Included Transmission Plant**			**-**

Exhibit No. PA-102, WP-BB

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER BB
____-____ EXCLUDED PLANT IN SERVICE

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
				____				____			
Line No.	Source/Comments	EXCLUDED TRANSMISSION		Electric Plant in Service ($)	Accumulated Depreciation ($)	Electric Plant in Service (Net $)	Depreciation Expense ($)	Electric Plant in Service ($)	Accumulated Depreciation ($)	Electric Plant in Service (Net $)	Depreciation Expense ($)
1											
1a				-	-	-	-	-	-	-	-
...				-	-	-	-	-	-	-	-
2		**SUBTOTAL 500mW C - C at Astoria**		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
3											
3a				-	-	-	-	-	-	-	-
3b				-	-	-	-	-	-	-	-
3c				-	-	-	-	-	-	-	-
3d				-	-	-	-	-	-	-	-
3e				-	-	-	-	-	-	-	-
3f				-	-	-	-	-	-	-	-
3g				-	-	-	-	-	-	-	-
3h				-	-	-	-	-	-	-	-
3i				-	-	-	-	-	-	-	-
...				-	-	-	-	-	-	-	-
4		**SUBTOTAL Astoria 2 (AE-II) Substation**		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
5											
5a				-	-	-	-	-	-	-	-
5b				-	-	-	-	-	-	-	-
5c				-	-	-	-	-	-	-	-
...				-	-	-	-	-	-	-	-
6		**SUBTOTAL Small Hydro**		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
7											
7a				-	-	-	-	-	-	-	-
...				-	-	-	-	-	-	-	-
8		**SUBTOTAL FLYNN (Holtsville)**		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
8a				-	-	-	-	-	-	-	-
8b				-	-	-	-	-	-	-	-
8c				-	-	-	-	-	-	-	-
8d				-	-	-	-	-	-	-	-
8e				-	-	-	-	-	-	-	-
...				-	-	-	-	-	-	-	-
9		**SUBTOTAL Poletti**		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
10											
10a				-	-	-	-	-	-	-	-
10b				-	-	-	-	-	-	-	-
10c				-	-	-	-	-	-	-	-
10d				-	-	-	-	-	-	-	-
10e				-	-	-	-	-	-	-	-
10f				-	-	-	-	-	-	-	-
10g				-	-	-	-	-	-	-	-
...				-	-	-	-	-	-	-	-
11		**SUBTOTAL SCPP**		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
12											
...				-	-	-	-	-	-	-	-
				-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
13		**TOTAL EXCLUDED TRANSMISSION**		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Exhibit No. PA-102, WP-BB

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER BB
____-____ EXCLUDED PLANT IN SERVICE

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
						____				____			
						Electric Plant in Service ($)	Accumulated Depreciation ($)	Electric Plant in Service (Net $)	Depreciation Expense ($)	Electric Plant in Service ($)	Accumulated Depreciation ($)	Electric Plant in Service (Net $)	Depreciation Expense ($)
14			**EXCLUDED GENERAL**										
14a						-	-	-	-	-	-	-	-
14b						-	-	-	-	-	-	-	-
14c						-	-	-	-	-	-	-	-
14d						-	-	-	-	-	-	-	-
14e						-	-	-	-	-	-	-	-
14f						-	-	-	-	-	-	-	-
...						-	-	-	-	-	-	-	-
15			**SUBTOTAL 500Mw CC**			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
16													
16a						-	-	-	-	-	-	-	-
16b						-	-	-	-	-	-	-	-
...						-	-	-	-	-	-	-	-
17			**SUBTOTAL Small Hydro**			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
18													
18a						-	-	-	-	-	-	-	-
18b						-	-	-	-	-	-	-	-
18c						-	-	-	-	-	-	-	-
18d						-	-	-	-	-	-	-	-
18e						-	-	-	-	-	-	-	-
18f						-	-	-	-	-	-	-	-
18g						-	-	-	-	-	-	-	-
18h						-	-	-	-	-	-	-	-
...						-	-	-	-	-	-	-	-
19			**SUBTOTAL Flynn**			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
20													
20a						-	-	-	-	-	-	-	-
20b						-	-	-	-	-	-	-	-
20c						-	-	-	-	-	-	-	-
20d						-	-	-	-	-	-	-	-
20e						-	-	-	-	-	-	-	-
20f						-	-	-	-	-	-	-	-
20g						-	-	-	-	-	-	-	-
20h						-	-	-	-	-	-	-	-
20i						-	-	-	-	-	-	-	-
20j						-	-	-	-	-	-	-	-
20k						-	-	-	-	-	-	-	-
...						-	-	-	-	-	-	-	-
21			**SUBTOTAL Poletti**			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Exhibit No. PA-102, WP-BB

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER BB
____-____ EXCLUDED PLANT IN SERVICE

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
						____				____			
						Electric Plant in Service ($)	Accumulated Depreciation ($)	Electric Plant in Service (Net $)	Depreciation Expense ($)	Electric Plant in Service ($)	Accumulated Depreciation ($)	Electric Plant in Service (Net $)	Depreciation Expense ($)
22													
22a						-	-	-	-	-	-	-	-
22b						-	-	-	-	-	-	-	-
22c						-	-	-	-	-	-	-	-
22d						-	-	-	-	-	-	-	-
22e						-	-	-	-	-	-	-	-
22f						-	-	-	-	-	-	-	-
22g						-	-	-	-	-	-	-	-
22h						-	-	-	-	-	-	-	-
22i						-	-	-	-	-	-	-	-
22j						-	-	-	-	-	-	-	-
22k						-	-	-	-	-	-	-	-
22l						-	-	-	-	-	-	-	-
22n						-	-	-	-	-	-	-	-
...						-	-	-	-	-	-	-	-
23			**SUBTOTAL SCPP**			-	-	-	-	-	-	-	-
24													
...						-	-	-	-	-	-	-	-
						-	-	-	-	-	-	-	-
25			**TOTAL EXCLUDED GENERAL**			-	-	-	-	-	-	-	-

Exhibit No. PA-102, WP-BC

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER BC
PLANT IN SERVICE DETAIL

					___				___				
(1)	(2)	(3)	(4)		(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
P/T/G	**Plant Name**	**A/C**	**Description**		**Electric Plant in Service ($)**	**Accumulated Depreciation ($)**	**Electric Plant in Service (Net $)**	**Depreciation Expense ($)**	**Electric Plant in Service ($)**	**Accumulated Depreciation ($)**	**Electric Plant in Service (Net $)**	**Depreciation Expense ($)**	
		Capital assets, not being depreciated:											
1			**Land**										
1a													
1b													
1c													
1d													
1e													
1f													
1g													
1h													
1i													
1j													
1k													
1l													
1n													
1m													
1o													
1p													
1q													
1r													
1s													
1t													
1u													
1v													
1w													
1x													
1y													
1z													
1aa													
1ab													
1ac													
1ad													
1ae													
1af													
1ag													
1ah													
1ai													
…													
…													
2			**Land Total**		-	-	-	-	-	-	-	-	

Exhibit No. PA-102, WP-BC

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER BC
PLANT IN SERVICE DETAIL

					___				___				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	P/T/G	**Plant Name**	**A/C**	**Description**	**Electric Plant in Service ($)**	**Accumulated Depreciation ($)**	**Electric Plant in Service (Net $)**	**Depreciation Expense ($)**	**Electric Plant in Service ($)**	**Accumulated Depreciation ($)**	**Electric Plant in Service (Net $)**	**Depreciation Expense ($)**
3				**Construction in progress**								
3a		***Adjustments***		**CWIP**								
4				**Construction in progress Total**	-	-	-	-	-	-	-	-
5				**Total capital assets not being depreciated**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
				Capital assets, being depreciated:								
6				**Production - Hydro**								
6a												
6b												
6c												
6d												
6e												
6f												
6g												
6h												
6i												
6j												
6k												
6l												
6n												
6m												
6o												
6p												
6q												
6r												
6s												
6t												
6u												
6v												
6w												
6x												
6y												
6z												
6aa												
6ab												
6ac												

Exhibit No. PA-102, WP-BC

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER BC
PLANT IN SERVICE DETAIL

					___				___				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	P/T/G	Plant Name	A/C	Description	Electric Plant in Service ($)	Accumulated Depreciation ($)	Electric Plant in Service (Net $)	Depreciation Expense ($)	Electric Plant in Service ($)	Accumulated Depreciation ($)	Electric Plant in Service (Net $)	Depreciation Expense ($)
6ad												
6ae												
6af												
6ag												
…												
…												
7				**Production - Hydro Total**	-	-	-	-	-	-	-	-
8				**Production - Gas turbine/combined cycle**								
8a												
8b												
8c												
8d												
8e												
8f												
8g												
8h												
8i												
8j												
8k												
8l												
8n												
8m												
8o												
8p												
8q												
8r												
8s												
8t												
8u												
8v												
8w												
8x												
8y												
8z												
8aa												
8ab												
8ac												
8ad												
8ae												
8af												

Exhibit No. PA-102, WP-BC

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER BC
PLANT IN SERVICE DETAIL

					___				___				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
	P/T/G	**Plant Name**	**A/C**	**Description**	**Electric Plant in Service ($)**	**Accumulated Depreciation ($)**	**Electric Plant in Service (Net $)**	**Depreciation Expense ($)**	**Electric Plant in Service ($)**	**Accumulated Depreciation ($)**	**Electric Plant in Service (Net $)**	**Depreciation Expense ($)**	
8ag													
8ah													
8ai													
8ak													
8al													
8am													
8an													
8ao													
8ap													
8aq													
8ar													
8as													
8at													
8au													
8av													
8aw													
8ax													
8ay													
8az													
8ba													
8bb													
8bc													
8bd													
…													
…													
9				**Production - Gas turbine/combined cycle Total**	-	-	-	-	-	-	-	-	
10				**Transmission**									
10a													
10b													
10c													
10d													
10e													
10f													
10g													
10h													
10i													
10j													
10k													
10l													

Exhibit No. PA-102, WP-BC

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER BC
PLANT IN SERVICE DETAIL

					___				___				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	P/T/G	Plant Name	A/C	Description	Electric Plant in Service ($)	Accumulated Depreciation ($)	Electric Plant in Service (Net $)	Depreciation Expense ($)	Electric Plant in Service ($)	Accumulated Depreciation ($)	Electric Plant in Service (Net $)	Depreciation Expense ($)
10n												
10m												
10o												
10p												
10q												
10r												
10s												
10t												
10u												
10v												
10w												
10y												
10z												
10aa												
10ab												
10ac												
10ad												
10ae												
10af												
10ag												
10ah												
10ai												
10ak												
10al												
10am												
10an												
10ao												
10ap												
10aq												
10ar												
10as												
10at												
10au												
10av												
10aw												
10ax												
10ay												
10az												
10ba												
10bb												
10bc												
10bd												

Exhibit No. PA-102, WP-BC

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER BC
PLANT IN SERVICE DETAIL

					___				___				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
	P/T/G	**Plant Name**	**A/C**	**Description**	**Electric Plant in Service ($)**	**Accumulated Depreciation ($)**	**Electric Plant in Service (Net $)**	**Depreciation Expense ($)**	**Electric Plant in Service ($)**	**Accumulated Depreciation ($)**	**Electric Plant in Service (Net $)**	**Depreciation Expense ($)**	
10be													
10bh													
10bi													
10bk													
10bl													
10bm													
10bn													
10bo													
10bp													
10bq													
10br													
10bs													
10bt													
10bu													
10bv													
10bw													
…													
…													
11				**Transmission Total**	-	-	-	-	-	-	-	-	-
													-
12				**General**									
12a													
12b													
12c													
12d													
12e													
12f													
12g													
12h													
12i													
12j													
12k													
12l													
12n													
12m													
12o													
12p													
12q													
12r													
12s													

Exhibit No. PA-102, WP-BC

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER BC
PLANT IN SERVICE DETAIL

					___				___				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	P/T/G	Plant Name	A/C	Description	Electric Plant in Service ($)	Accumulated Depreciation ($)	Electric Plant in Service (Net $)	Depreciation Expense ($)	Electric Plant in Service ($)	Accumulated Depreciation ($)	Electric Plant in Service (Net $)	Depreciation Expense ($)
12t												
12u												
12v												
12w												
12x												
12y												
12z												
12aa												
12ab												
12ac												
12ad												
12ae												
12af												
12ag												
12ah												
12ai												
12ak												
12al												
12am												
12an												
12ao												
12ap												
12aq												
12ar												
12as												
12at												
12au												
12av												
12aw												
12ax												
12ay												
12az												
12ba												
12bb												
12bc												
12bd												
12be												
12bh												
12bi												
12bk												
12bl												
12bm												

Exhibit No. PA-102, WP-BC

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER BC
PLANT IN SERVICE DETAIL

					___				___				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
	P/T/G	**Plant Name**	**A/C**	**Description**	**Electric Plant in Service ($)**	**Accumulated Depreciation ($)**	**Electric Plant in Service (Net $)**	**Depreciation Expense ($)**	**Electric Plant in Service ($)**	**Accumulated Depreciation ($)**	**Electric Plant in Service (Net $)**	**Depreciation Expense ($)**	
12bn													
12bo													
12bp													
12bq													
12br													
12bs													
12bt													
12bu													
12bv													
12bw													
12bx													
12by													
12bz													
12ca													
12cb													
12cc													
12cd													
12ce													
12cf													
12cg													
12ch													
12ci													
12ck													
12cl													
12cm													
12cn													
12co													
12cp													
…													
…													
13				**General Total**	-	-	-	-	-	-	-	-	
14				**Total capital assets, being depreciated**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
15				**Net value of all capital assets**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	

Exhibit No. PA-102, WP-BD

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER BD
MARCY-SOUTH CAPITALIZED LEASE AMORTIZATION
AND UNAMORTIZED BALANCE

Line No.	Year	Beginning Unamortized Lease Asset/ Obligation ($)	Ending Unamortized Lease/Asset ($)	Capitalized Lease Amortization ($)	Current Year Average Unamortized Balance
	(1)	(2)	(3)	(4)	(5)
1	1988	-	-	-	
2	1989	-	-	-	
3	1990	-	-	-	
4	1991	-	-	-	
5	1992	-	-	-	
6	1993	-	-	-	
7	1994	-	-	-	
8	1995	-	-	-	
9	1996	-	-	-	
10	1997	-	-	-	
11	1998	-	-	-	
12	1999	-	-	-	
13	2000	-	-	-	
14	2001	-	-	-	
15	2002	-	-	-	
16	2003	-	-	-	
17	2004	-	-	-	
18	2005	-	-	-	
19	2006	-	-	-	
20	2007	-	-	-	
21	2008	-	-	-	
22	2009	-	-	-	
23	2010	-	-	-	
24	2011	-	-	-	
25	2012	-	-	-	
26	2013	-	-	-	
27	2014	-	-	-	-
28	2015	-	-	-	
29	2016	-	-	-	
30	2017	-	-	-	
31	2018	-	-	-	
32	2019	-	-	-	
33	2020	-	-	-	
34	2021	-	-	-	
35	2022	-	-	-	
36	2023	-	-	-	
37	2024	-	-	-	
38	2025	-	-	-	
39	2026	-	-	-	
40	2027	-	-	-	
41	2028	-	-	-	
42	2029	-	-	-	
43	2030	-	-	-	
44	2031	-	-	-	
45	2032	-	-	-	
46	2033	-	-	-	
47	2034	-	-	-	
48	2035	-	-	-	
49	2036	-	-	-	
50	2037	-	-	-	
51	**Total**			-	

Exhibit No. PA-102, WP-BE

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER BE
FACTS PROJECT PLANT IN SERVICE, ACCUMULATED DEPRECIATION AND DEPRECIATION EXPENSE

			____				____			
			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
LN	Cap.Date	Asset Description	Electric Plant in Service ($)	Accumulated Depreciation ($)	Electric Plant in Service (Net $)	Depreciation Expense ($)	Electric Plant in Service ($)	Accumulated Depreciation ($)	Electric Plant in Service (Net $)	Depreciation Expense ($)
2		**Total Plant**	-	-	-	-	-	-	-	-
3		**Year-Over-Year Accumulated Depreciation**		-						

Note: The FACTS project data is based on NYPA's financial records with adherence to FERC's Uniform System of Accounts and U.S. generally accepted accounting principles.

Exhibit No. PA-102, WP-BF

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER BF
GENERATOR STEP-UP TRANSFORMERS BREAKOUT

		Asset No.	____				____			
			Electric Plant in Service ($)	Accumulated Depreciation ($)	Electric Plant (Net $)	Depreciation Expense ($)	Electric Plant in Service ($)	Accumulated Depreciation ($)	Electric Plant (Net $)	Depreciation Expense ($)
			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1										
1a										
1b										
1c										
…										
			-	-	-	-	-	-	-	-
2										
2a										
2b										
2c										
2d										
2e										
2f										
2g										
2h										
…										
			-	-	-	-	-	-	-	-
3a										
…										
			-	-	-	-	-	-	-	-
4a										
…										
			-	-	-	-	-	-	-	-
5										
5a										
5b										
5c										
…										
			-	-	-	-	-	-	-	-
6a										
…										
			-	-	-	-	-	-	-	-
7	**Grand Total**		-	-	-	-	-	-	-	-
8	**Adjusted Grand Total (Excludes 500MW C - C at Astoria)**		-	-		-	-	-		-

Exhibit No. PA-102, WP-BG

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER BG
RELICENSING/RECLASSIFICATION EXPENSES

		____				____			
		Plant in Service ($)	Accumulated Depreciation ($)	Plant in Service (Net $)	Depreciation Expense ($)	Plant in Service ($)	Accumulated Depreciation ($)	Plant in Service (Net $)	Depreciation Expense ($)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	NIAGARA								
1a									
1b									
1c									
…									
1		-	-	-	-	-	-	-	-
	ST. LAWRENCE								
2a									
2b									
2c									
2d									
2e									
2f									
2g									
…									
2		-	-	-	-	-	-	-	-
	-								
3a									
…									
…									
…									
3		-	-	-	-	-	-	-	-
4	**Total Expenses**	-	-	-	-	-	-	-	-

Exhibit No. PA-102, WP-BH

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER BH
ASSET IMPAIRMENT

	(1)	(2)	(3)	(4)	(5)
	Posting Date	**Cost Center**	**Account**	**Impairment Amount ($)**	**Facility**
1a					
1b					
1c					
1d					
1e					
1f					
1g					
…					
2				-	
3	Total Impairment - Production			-	
4	Total Impairment - Transmission			-	
5	Total Impairment - General Plant			-	

Exhibit No. PA-102, WP-BI

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER BI
COST OF REMOVAL

Cost of Removal to Regulatory Assets - Depreciation:

	(1)	(2)	(3)
		____	____
		Amount ($)	**Amount ($)**
1	Production		
2	Transmission		
3	General		
4	**Total**	**-**	**-**

Note: The Cost of Removal data is based on NYPA's accounting records under the provisions of FASB Accounting Standards Codification Topic 980.

Exhibit No. PA-102, WP-CA

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER CA
MATERIALS AND SUPPLIES

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	NYPA Acct #	**Facility**	**Total M&S Inventory ($) 12/31/____**	**Total M&S Inventory ($) 12/31/____**	**Avg. M&S Inventory ____-14**	**Transmission Allocator**	**Allocated M&S ($)**
1a	1100	NIA					
1b	1200	STL					
1c	3100	POL					
1d	3200	Flynn					
1e	1300	B/G					
1f	3300	500MW					
1g	2100	CEC					
…	-	-					
2		Facility Subtotal	-	-			
3a	Reserve for Degraded Materials						
3b	Reserve for Excess and Obsolete Inventory						
…	-	-					
4		Reserves Subtotal	-	-			
5		**Total**	**-**	**-**	**-**	**-**	**-**

Exhibit No. PA-102, WP-CB

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, _____

WORK PAPER CB
ESTIMATED PREPAYMENTS AND INSURANCE

	(1)	(2)	(3)
	Date	**Property Insurance ($)**	**Other Prepayments ($)**
1	12/31/____	-	
2	12/31/____	-	
3	**Beginning/End of Year Average**	**-**	**-**

Exhibit No. PA-102, WP-DA

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER DA
WEIGHTED COST OF CAPITAL

	(1) Component	(2) Amount ($)		(3) Actual Share	(4) Equity Cap	(5) Applied Share	(6) Cost Rate		(7) Weighted Cost
1	Long-Term Debt	-	6/	-	50.00%	-	-	2/	-
2	Preferred Stock	-		-	-	-	-	3/	-
3	Common Equity	-	1/	-	50.00%	-	4/ 9.45%	5/	-
4	Total	-		-	100%	-			-

Notes

1/:

5	Total Proprietary Capital	-	Workpaper WP-DB Ln (5), average of Col (2) and (3)
6	less Preferred		
7	less Acct. 216.1		
8	Common Equity	-	

2/:

9	Total Long Term Debt Interest	-		Workpaper WP-DB Col (2) Ln (2)
10	Net Proceeds Long Term Debt	-		Workpaper WP-DB Ln (4), average of Col (2) and (3)
11	LTD Cost Rate	-	7/	

3/:

12	Preferred Dividends	-	
13	Preferred Stock	-	
14	Preferred Cost Rate	-	

15 4/: The capital structure listed in Col (3) is calculated based on the total capitalization amount listed in column (2). The Equity Cap in Col (4) Ln (3) is fixed and cannot be modified or deleted absent an FPA Section 205 or 206 filing to FERC. The Applied Equity Share in Col (5) Ln (3) will be the actual common equity share, not to exceed the Equity Cap in Col (4) Ln (3). The debt share is calculated as 1 minus the equity share.

16 5/: The ROE listed in Col (6), Ln (3) is the base ROE plus 50 basis-point incentive for RTO participation. ROE may only be changed pursuant to an FPA Section 205 or 206 filing to FERC.

17 6/: The Long-Term Debt Amount ($) in Col (2) Ln (1) is the Gross Proceeds Outstanding Long Term Debt, the average of WP-DB Ln (3e), Col (2) and (3).

18 7/: The Long-Term Debt Cost Rate is calculated as the Total Long Term Debt Interest [Workpaper WP-DB Col (2) Ln (2)] divided by the Net Proceeds Long Term Debt [Workpaper WP-DB row (4), average of Col (2) and (3)].

Exhibit No. PA-102, WP-DB

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER DB
CAPITAL STRUCTURE
LONG-TERM DEBT AND RELATED INTEREST

(1)		(2)	(3)	(4)
		____ Amount ($)	____ Amount ($)	NYPA Form 1 Equivalent
1	**Long Term Debt Cost**			
1a	Interest on Long-Term Debt			p. 117 ln. 62 c,d
1b	Amort. of Debt Disc. and Expense			p. 117 ln. 63 c,d
1c	Amortization of Loss on Reacquired Debt			p. 117 ln. 64 c,d
1d	(Less) Amort. of Premium on Debt			p. 117 ln. 65 c,d
1e	(Less) Amortization of Gain on Reacquired Debt			p. 117 ln. 66 c,d
2	**Total Long Term Debt Interest**	-	-	
3	**Long Term Debt**			
3a	Bonds			p. 112 ln. 18 c,d
3b	(Less) Reacquired Bonds			p. 112 ln. 19 c,d
3d	Other Long Term Debt			p. 112 ln. 21 c,d
3e	Gross Proceeds Outstanding LT Debt	-	-	
3f	(Less) Unamortized Discount on Long-Term Debt			p. 112 ln. 23 c,d
3g	(Less) Unamortized Debt Expenses			p. 111 ln. 69 c,d
3h	(Less) Unamortized Loss on Reacquired Debt			p. 111 ln. 81 c,d
3i	Unamortized Premium on Long-Term Debt			p. 112 ln. 22 c,d
3k	Unamortized Gain on Reacquired Debt			p. 113 ln. 61 c,d
4	**Net Proceeds Long Term Debt**	-	-	
5	**Net Position**	-	-	

Exhibit No. PA-102, WP-EA

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER EA
CALCULATION OF LABOR RATIO

	(1)	(2)	(3)	(4)
	Cost Center(s)	**Site**	**Labor Actual Postings $**	**Ratio**
1a	**105**	**Blenheim-Gilboa**		-
1b	**110**	**St. Lawrence**		-
1c	**115**	**Niagara**		-
1d	**120**	**Poletti**		-
1e	**125**	**Flynn**		-
1f				
1g	**122**	**AE II**		-
1h				
1i	**130-150**	**Total Small Hydro**		-
1j				
1k	**155-161**	**Total Small Clean Power Plants**		-
1l				
1n	**165**	**500MW Combined Cycle**		-
1m				
1o	**205-245**	**Total Included Transmission**		-
1p				
1q	**321**	**Recharge New York**		-
1r				
1s	**600**	**SENY**		-
…	**-**	**-**		**-**
		Total - Production + Transmission	**-**	**-**
		Total - Production Only	**-**	-

Exhibit No. PA-102, WP-AR-IS

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER AR- IS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
($ Millions)

	Description	Actual ____	Actual ____
	(1)	(2)	(3)
1	**Operating Revenues**		
1a	Power Sales		
1b	Transmission Charges		
1c	Wheeling Charges		
…	-		
2	**Total Operating Revenues**	-	-
3	**Operating Expenses**		
3a	Purchased Power		
3b	Fuel Oil and Gas		
3c	Wheeling		
3d	Operations		
3e	Maintenance		
3f	Depreciation		
…	-		
4	**Total Operating Expenses**	-	-
5	**Operating Income**	-	-
6	**Nonoperating Revenues**		
6a	Investment Income		
6b	Other		
…	-		
7	**Investments and Other Income**	-	-
8	**Nonoperating Expenses**		
8a	Contribution to New York State		
8b	Interest on Long-Term Debt		
8c	Interest - Other		
8d	Interest Capitalized		
8e	Amortization of Debt Premium		
…	-		
9	**Investments and Other Income**	-	-
10	**Net Income Before Contributed Capital**	-	-
11	Contributed Capital - Wind Farm Transmission Assets		
…	-		
		-	-
13	Change in net position	-	-
14	Net position at January 1		
15	Net position at December 31	-	-

Exhibit No. PA-102, WP-AR-BS

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER AR-BS
STATEMENT OF NET POSITION
($ Millions)

	DESCRIPTION	DECEMBER ____	DECEMBER ____
	(1)	(2)	(3)
1	**Assets and Deferred Outflows**		
1a	Current Assets:		
1b	Cash and cash equivalents		
1c	Investment in securities		
1d	Receivables - customers		
1e	Materials and supplies, at average Cost:		
1f	Plant and general		
1g	Fuel		
1h	Miscellaneous receivables and other		
…	-		
2	Total current assets	-	-
3	Noncurrent Assets:		
3a	Restricted funds:		
3b	Cash and cash equivalents		
3c	Investment in securities		
…	-		
4	Total restricted assets	-	-
5	Capital funds:		
5a	Cash and cash equivalents		
5b	Investment in securities		
…	-		
6	Total capital funds	-	-
7	Capital Assets		
7a	Capital assets not being depreciated		
7b	Capital assets, net of accumulated depreciation		
…	-		
8	Total capital assets	-	-
9	Other noncurrent assets:		
9a	Receivable - New York State		
9b	Notes receivable - nuclear plant sale		
9c	Other long-term assets		
…	-		
10	Total other noncurrent assets	-	-
11	Total noncurrent assets	-	-
12	Total assets	-	-
13	Deferred outflows:		
13a	Accumulated decrease in fair value of hedging derivatives		
…	-		
14	Total Deferred outflows	-	-
15	**Total assets and deferred outflows**	**-**	**-**

Exhibit No. PA-102, WP-AR-BS

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, _____

WORK PAPER AR-BS
STATEMENT OF NET POSITION
($ Millions)

1/ Source: Annual Financial Statements

Exhibit No. PA-102, WP-AR-BS

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER AR-BS
STATEMENT OF NET POSITION
($ Millions)

	DESCRIPTION	DECEMBER ____	DECEMBER ____
16	**Liabilities, Deferred Inflows and Net Position**		
16a	Current Liabilities:		
16b	Accounts payable and accrued liabilities		
16c	Short-term debt		
16d	Long-term debt due within one year		
16e	Capital lease obligation due within one year		
16f	Risk management activities - derivatives		
…	-		
17	Total current liabilities	-	-
18	Noncurrent liabilities:		
18a	Long-term debt:		
18b	Senior:		
18c	Revenue bonds		
18d	Adjustable rate tender notes		
18e	Subordinated:		
18f	Subordinated Notes, Series 2012		
18g	Commercial paper		
…	-		
19	Total long-term debt	-	-
20	Other noncurrent liabilities:		
20a	Capital lease obligation		
20b	Liability to decommission divested nuclear facilities		
20c	Disposal of spent nuclear fuel		
20d	Relicensing		
20e	Risk management activities - derivatives		
20f	Other long-term liabilities		
…	-		
21	Total other noncurrent liabilities	-	-
22	Total noncurrent liabilities	-	-
23	Total liabilities	-	-
24	Deferred inflows:		
24a	Cost of removal obligation		
…	-		
		-	-
25	Net position:		
25a	Net investment in capital assets		
25b	Restricted		
25c	Unrestricted		
…	-		
26	Total net position	-	-
27	**Total liabilities, deferred inflows and net position**	**-**	**-**

1/ Source: Annual Financial Statements

Exhibit No. PA-102, WP-AR-Cap Assets

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER AR-Cap Assets
CAPITAL ASSETS - Note 5 ($ Millions)

New York Power Authority
Capital Assets - Note 5
____ Annual Report

	(1)	12/31/____ Ending balance (2)	Additions (3)	Deletions (4)	12/31/____ Ending balance (5)
1	Capital assets, not being depreciated:				
1a	Land				-
1b	Construction in progress				-
…	-				-
2	Total capital assets not being depreciated	-	-	-	-
3	Capital assets, being depreciated:				
3a	Production – Hydro				-
3b	Production – Gas				
3c	turbine/combined cycle				-
3d	Transmission				-
3e	General				-
…	-				-
4	Total capital assets being depreciated	-	-	-	-
5	Less accumulated depreciation for:				
5a	Production – Hydro				-
5b	Production – Gas				
5c	turbine/combined cycle				-
5d	Transmission				-
5e	General				-
…	-				-
6	Total accumulated depreciation	-	-	-	-
7	Net value of capital assets being depreciated	-	-	-	-
8	Net value of all capital assets	-	-	-	-

Exhibit No. PA-102, WP-Reconciliations

NEW YORK POWER AUTHORITY
TRANSMISSION REVENUE REQUIREMENT
YEAR ENDING DECEMBER 31, ____

WORK PAPER Reconciliations
RECONCILIATIONS BETWEEN ANNUAL REPORT & ATRR

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	**OPERATION & MAINTANANCE EXPENSES**	Operations	Maintenance	Total O&M					
1a	Operations & Maintenance Expenses - as per Annual Report	-	-	-					
1b	Excluded Expenses								
1c	Production	-	-	-					
1d	A&G in FERC Acct 549 - OP-Misc Oth Pwr Gen	-	-	-					
1e	FERC acct 905 (less contribution to New York State)	-	-	-					
1f	FERC acct 916 - Misc Sales Expense	-	-	-					
1g	A&G allocated to Production and General	-	-	-					
1h	Adjustments			-					
1i	Less A/C 924 - Property Insurance	-	-	-					
1j	Less A/C 925 - Injuries & Damages Insurance	-	-	-					
1k	Less EPRI Dues	-	-	-					
1l	Less A/C 928 - Regulatory Commission Expense	-	-	-					
1n	PBOP Adjustment	-	-	-					
1m	924 -Property Insurance as allocated	-	-	-					
1o	925 - Injuries & Damages Insurance as allocated	-	-	-					
1p	Step-up Transformers	-	-	-					
1q	FACTS	-	-	-					
1r	Microwave Tower Rental Income	-	-	-					
1s	Reclassifications (post Annual Report)	-	-	-					
	Operations & Maintenance Expenses - as per ATRR	-	-	-					
	check	-	-	-					

2 ELECTRIC PLANT IN SERVICE & DEPRECIATION

			Electric Plant in Service ($)	Accumulated Depreciation ($)	Electric Plant in Service - Net ($)	Depreciation Expense ($)	Electric Plant in Service ($)	Accumulated Depreciation ($)	Electric Plant in Service - Net ($)	Depreciation Expense ($)
2a	As per Annual Report									
2b		Capital Assets not being depreciated	-	-	-	-	-	-	0	0
2c		Capital Assets being depreciated	-	-	-	-	-	-	0	0
2d		Total Capital Assets	-	-	-	-	-	-	0	0
2e		Less CWIP	-	-	-	-	-	-	0	0
2f		Total Assets in Service	-	-	-	-	-	-	0	0
2g	Adjustments for ATRR									
2h		Cost of Removal (note 1)								
2i		Transmission	-	-	-	-	-	-	0	0
2j		General	-	-	-	-	-	-	0	0
2k		Total	-	-	-	-	-	-	0	0
2l		Excluded (note 2)								
2n		Transmission	-	-	-	-	-	-	0	0
2m		General	-	-	-	-	-	-	0	0
2o		Total	-	-	-	-	-	-	0	0
2p		Adjustments to Rate Base (note 3)								
2q		Transmission	-	-	-	-	-	-	0	0
2r		General	-	-	-	-	-	-	0	0
2s		Total	-	-	-	-	-	-	0	0
2t										
2u	Total Assets in Service - As per ATRR		-	-	-	-	-	-	0	0
2v	Comprising:									
2w		Production	-	-	-	-	-	-	0	0
2x		Transmission	-	-	-	-	-	-	0	0
2y		General	-	-	-	-	-	-	0	0
2z		Total	-	-	-	-	-	-	0	0
2aa	*check*	differences due to rounding	-	-	-	-	-	-	*0*	*0*

Notes

2ab	1	Cost of Removal: Bringing back to accumulated depreciation cost of removal which was reclassified to regulatory liabilities in annual report
2ac	2	Excluded: Assets not recoverable under ATRR
2ad	3	Adjustments to Rate Base: Relicensing, Windfarm, Step-up transformers, FACTS & Asset Impairment

3 MATERIALS & SUPPLIES

3a	As per Annual Report		
3b	Plant and General	-	-
3c	As per ATRR	-	-
3d	*check*	-	-

4 CAPITAL STRUCTURE

		Long -Term Debt	Common Equity	Long -Term Debt	Common Equity
4a	As per Annual Report				
4b	Long-Term	-		-	
4c	Short-Term	-		-	
4d	Total	-	-	-	-
4e	As per ATRR	-	-	-	-
4f	*check*	-	-	-	-

5 INTEREST ON LONG-TERM DEBT

5a	As per Annual Report		
5b	Interest LTD (including Swaps, Deferred Refinancing)	-	-
5c	Debt Discount/Premium	-	-
5d	Total	-	-
5e	As per ATRR		
5f	Interest LTD (including Swaps, Deferred Refinancing)	-	-
5g	Debt Discount/Premium	-	-
5h	Total	-	-
5i	*check*	-	-

6 REVENUE REQUIREMENT

6a	As per Annual Report	-
6b	SENY load (note 4)	
6c	FACTS revenue (note 5)	
6d	Timing differences	
…		
…		
7a	Total (sum lines 64-66)	**-**
7b	**FERC approved ATRR** (line 63 - line 67)	-
7c	*check*	-

Notes

7d	4	Amount that NYPA will credit to its ATRR assessed to the SENY customer load. These revenues are included in the Annual Report within Production Revenues.
7e	5	Compensation for FACTS through the NYISO's issuance of Transmission Congestion Contract ("TCC") payments

8 OTHER POSTEMPLOYMENT BENEFIT PLANS

8a	As per Annual Report	
8b	Annual OPEB Cost	-
8c	As per ATRR	
8d	Total NYPA PBOP	-
8e	*check*	-

14.2.3.2 NYPA Formula Rate Implementation Protocols

14.2.3.2.1 General

(a) NYPA employs the Formula Rate (contained in Section 14.2.3.1 ("Formula Rate Template" or "Formula") of this Attachment) to calculate its Annual Transmission Revenue Requirement ("ATRR") in accordance with the Protocols set forth herein. NYPA employs an Annual Update Process, which refreshes the calculation of the ATRR by populating the Formula in Section 14.2.3.1 of this Attachment with prior-year information from the Financial Report contained in the NYPA annual report and other historical data from NYPA's books and records, which are maintained using the FERC Uniform System of Accounts. The Annual Update Process does not effect any changes to the Formula Rate itself. NYPA will hold an Open Meeting each year to provide an additional opportunity for Interested Parties to obtain information about the Annual Update, and will make the Open Meeting remotely accessible to Interested Parties.

(b) Protocols Definitions:

"Accounting Change" means any change in accounting that affects inputs to the Formula Rate or the resulting charges billed under the Formula Rate, including (A) any change in NYPA's accounting policies, practices and procedures (including changes resulting from revisions to the U.S. generally accepted accounting principles) from those in effect during the Calendar Year upon which the most recent Actual ATRR was based that affects the Formula Rate or calculations under the Formula; (B) any change in NYPA's cost allocation policies from those policies or methodologies in effect for the Initial Rate Year or Calendar Year upon which the immediately preceding True-Up Adjustment was based that affects the Formula Rate or calculations under the Formula; (C) the initial implementation of an accounting standard or policy; (D) the initial implementation of accounting practices for unusual or unconventional items where the Commission has not provided specific accounting direction; (E) the implementation of new estimation methods or policies that change prior estimates; and (F) the correction of errors and prior-period adjustments.

"Actual Annual Transmission Revenue Requirement" ("Actual ATRR") means the actual net annual transmission revenue requirement calculated in accordance with the Formula Rate, using as inputs only those costs and credits properly recorded in NYPA's most recent Financial Report (to the extent the Formula Rate specifies Financial Report data as the input source) or data reconcilable to the Financial Report by the application of clearly identified and supported information that is properly recorded in NYPA's books and records, which books and records are maintained in accordance with (A) the FERC Uniform System of Accounts; (B) NYPA's internal accounting policies and practices; (C) U.S. generally accepted accounting principles; and (D) NYPA's cost allocation policies. Where the reconciliation to the Financial Report is provided through a workpaper, the inputs to the workpaper shall be either taken directly from the Financial Report or reconcilable to the Financial Report by the application of clearly identified and supported information.

"Annual Review Procedures" means the procedures for review of each Annual Update, as described in these Protocols.

"Annual Update" means the calculation and publication of the Actual ATRR for the prior Calendar Year, and the Projected ATRR (including the True-Up Adjustment and any Prior Period Adjustment, if applicable) to be applicable for the upcoming Rate Year.

"Annual Update Process" means the annual process by which NYPA calculates the Annual Update and makes it available to Interested Parties.

"Calendar Year" means January 1st through December 31st of a given year.

"Discovery Period" means the period for serving Information Requests pursuant to Section 14.2.3.2.3 of this Attachment, commencing as of the calendar day immediately following the Publication Date and ending one hundred twenty (120) calendar days after the Publication Date. The Discovery Period may be extended only as provided in Sections 14.2.3.2.3(a)(i) and 14.2.3.2.3(a)(v) of this Attachment.

"Financial Report" means the independently audited financial statements contained in the NYPA annual report which is issued in April of each year for the prior Calendar Year.

"Formal Challenge" means a dispute regarding an aspect of the Annual Update that is raised with FERC by an Interested Party pursuant to these Protocols, and served on NYPA by electronic service on the date of such filing.

"Formula" means the cost-of-service template and associated schedules shown in Section 14.2.3.1 of this Attachment.

"Formula Rate" means the Formula together with the Protocols.

"Information Request" means a request served upon NYPA by an Interested Party within the Discovery Period for information or documents relating to an Annual Update as provided for in these Protocols.

"Initial Rate Year" means the initial period, from the date the rates are first made effective by the Commission through June 30, 2016.

"Interested Party" includes, but is not limited to, customers under the Tariff, state utility regulatory commissions, consumer advocacy agencies, and state attorneys general.

"NYPA Exploder List" means an e-mail list maintained by NYPA that includes all Interested Parties who have notified NYPA of their intent to be included. Interested Parties can subscribe to the NYPA Exploder List on the NYPA website.

NYPA Form 1 Equivalent" means a form developed by the parties to the settlement in Docket No. ER16-835-000 that presents NYPA's financial information in substantially the same format as selected pages of the FERC Form No. 1.

"Open Meeting" means an open meeting and conference call (in webinar format) that shall permit NYPA to explain and clarify, and shall provide Interested Parties an opportunity to seek information and clarification concerning the Annual Update. The Open Meeting shall be held no earlier than twenty (20) calendar days and no later than fourty (40) calendar days after the Publication Date. NYPA shall provide notice of the Open Meeting no less than fifteen (15) calendar days prior to such meeting via the NYPA Exploder List and by posting on the ISO website.

"Other Developers" is defined as that term is defined in Section 31.1.1 of Attachment Y of the ISO OATT.

"Preliminary Challenge" means a written notification by an Interested Party to NYPA, during the Review Period, of any specific challenge to the Annual Update.

"Prior Period Adjustment" means any change to the True-Up Adjustment agreed upon or determined through the review and challenge procedures outlined in these Protocols that is carried forward with interest to the subsequent True-Up Adjustment.

"Projected Annual Transmission Revenue Requirement" ("Projected ATRR") means the Actual ATRR for the prior Calendar Year as adjusted to reflect the True-Up Adjustment and any Prior Period Adjustments.

"Protocols" means the Formula Rate implementation protocols set forth in Section 14.2.3.2 of this Attachment.

"Publication Date" means the date of the posting on the ISO website (in a workable Excel format with cell formulas and links intact) of the Annual Update. The Publication Date shall be no later than July 1st, provided, however, that if July 1st should fall on a weekend or a holiday recognized by FERC, then the posting or filing shall be due no later than the next business day, and the Publication Date shall correspond to the actual posting or filing date.

"Rate Year" means July 1st of a given Calendar Year through June 30th of the succeeding Calendar Year.

"Review Period" means the period during which an Interested Party may review the Annual Update calculations and make a Preliminary Challenge. The Review Period commences as of the calendar day immediately following the Publication Date and ends on the later of (1) January 15 following the Publication Date; (2) sixty (60) calendar days after the close of the Discovery Period; or (3) thirty (30) calendar days after NYPA has responded to all timely submitted information requests.

"True-Up Adjustment" means the amount of under- or over-collection of NYPA's Actual ATRR during the preceding Calendar Year, measured by the difference between the Actual ATRR and the transmission revenues received by NYPA during the preceding Calendar Year, plus interest, as calculated on Schedule F3 of the Formula using the interest rates specified in 18 C.F.R. § 35.19a.

14.2.3.2.2 Annual Update Process

(a) The Projected ATRR derived pursuant to the Formula Rate each year shall be applicable to services during the upcoming Rate Year.

(b) On or before the Publication Date of each year, as part of the Annual Update Process, NYPA shall:

(i) Calculate the Actual ATRR for the preceding Calendar Year;

(ii) Calculate the Projected ATRR, reflecting the True-Up Adjustment and any Prior Period Adjustments, for the upcoming Rate Year;

(iii) Post on the ISO website (and on the NYPA website via a link to the ISO website):

(A) the Annual Update, including a data-populated Formula Rate Template and underlying workpapers in native "workable" Excel file format with all formulas and links intact;

(B) sufficiently detailed supporting documentation, including underlying data and calculations and a populated version of the NYPA Form 1 Equivalent, that explains the source and derivation of any data affecting the Formula that is not drawn directly from NYPA's Financial Report, such that

Interested Parties can replicate the calculation of the Formula results using the Financial Report and can verify that each input is consistent with the requirements of the Formula Rate;

(C) the date, time, location, and call-in information for the Open Meeting;

(c) Within five one (1) business day of the Publication Date, NYPA shall notify Interested Parties via the NYPA Exploder List of the posting of the Annual Update and the date, time, location, and call-in information for the Open Meeting.

(d) The Annual Update for the Rate Year:

(i) Shall identify and provide a narrative explanation of Accounting Changes and their impacts on inputs to the Formula Rate or resulting charges billed under the Formula Rate;

(ii) Shall identify and provide a narrative explanation of any items included in the Formula at an amount other than on a historic cost basis (e.g., fair value adjustments), and their impacts on inputs to the Formula Rate or resulting charges billed under the Formula Rate;

(iii) Shall be based on NYPA's Financial Report;

(iv) Shall provide the Formula Rate calculations and all inputs thereto, as well as supporting documentation and workpapers for data that are used in the Formula Rate that are not otherwise available in the Financial Report;[1]

[1] It is the intent of the Formula Rate, including the supporting explanations and allocations described therein, that each input to the Formula Rate will be either taken directly from NYPA's Financial Report or reconcilable to the Financial Report by the application of clearly identified and supported information.

(v) Shall provide underlying data for Formula Rate inputs that provide greater granularity than is required for the Financial Report;

(vi) Shall be subject to challenge and review in accordance with the procedures set forth in these Protocols;

(vii) Shall not seek to modify the Formula Rate and shall not be subject to challenge by anyone seeking to modify the Formula Rate (i.e., all such modifications/amendments to the Formula Rate shall require, as applicable, a Section 205 or Section 206 filing with FERC);

(viii) Shall identify any changes in the Formula references to NYPA's Financial Report;

(ix) Shall identify all material adjustments made to NYPA's Financial Report data in determining Formula inputs, including relevant footnotes to the Financial Report and any adjustments not shown in the Financial Report; and

(x) Shall reflect any corrections or modifications to NYPA's Financial Report if said corrections or modifications are made prior to the Publication Date and would affect the True-Up Adjustment for a prior Rate Year. The True-Up Adjustment for each Rate Year(s) affected by the corrections or modifications shall be updated to reflect the corrected or modified Financial Report and the Annual Update and shall incorporate the changes in such True-Up Adjustment for the next effective Rate Year(s), with interest. Corrections or modifications to a Financial Report filed after the Publication Date of an Annual Update and not included in a revised Annual Update shall be incorporated in the next True-Up Adjustment or Annual Update, as applicable. NYPA shall report in a timely

manner to the ISO and to Interested Parties, via the NYPA Exploder List, any corrections or modifications to its Financial Report, that affect the past or present implementation of the Formula Rate, whether such corrections or modifications have the effect of increasing or decreasing the resulting transmission rates.

(e) Joint Informational Meeting

NYPA shall endeavor to coordinate with other Transmission Owners and Other Developers using formula rates to recover the costs of transmission projects under the ISO OATT that utilize the same regional cost sharing mechanism and to hold annual joint informational meetings to enable all Interested Parties to understand how those Transmission Owners and Other Developers are implementing their formula rates for recovering the costs of such projects. No less than fifteen (15) calendar days prior to such meeting, NYPA shall provide notice of the joint informational meeting, including the date, time, location, and call-in information, via the NYPA Exploder List and by posting this information on the ISO website (and on the NYPA website via a link to the ISO website). NYPA shall make the joint informational meeting remotely accessible to Interested Parties.

14.2.3.2.3 Annual Review Procedures

Each Annual Update shall be subject to the following Annual Review Procedures:

(a) Discovery Period

(i) Interested Parties shall have up to one hundred twenty (120) calendar days after the Publication Date (unless such period is extended with the written consent of NYPA or by FERC order) to serve Information Requests on NYPA. If the

deadline for Interested Parties should fall on a weekend or a holiday recognized by FERC, then Information Requests shall be due no later than the next business day. Such Information Requests shall be limited to what is or may reasonably be necessary to determine:

(A) The extent or effect of an Accounting Change;

(B) Whether the Annual Update fails to include data properly recorded in accordance with these Protocols;

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

(D) The accuracy of data and consistency with the Formula Rate of the calculations included in the Annual Update (including the Actual ATRR, Projected ATRR, True-Up Adjustment, and any Prior Period Adjustment) under review;

(E) The prudence of the costs and expenditures included in the Annual Update under review, including information on procurement methods and cost control methodologies;

(F) The effect of any change to the underlying Uniform System of Accounts or the Financial Report; and

(G) Any other information that may reasonably have substantive effect on the calculation of the charge pursuant to the Formula Rate or aid in the understanding or derivation of such charge.

The Information Requests shall not otherwise be directed to ascertaining whether the Formula Rate is just and reasonable under the FPA.

(ii) NYPA shall make a good faith effort to respond to Information Requests pertaining to the Annual Update within ten (10) business days of receipt of such requests. NYPA shall respond to all Information Requests submitted during the Discovery Period by no later than November 30 following the Publication Date, or thirty (30) calendar days after the close of the Discovery Period, whichever is later. If the deadline should fall on a weekend or a holiday recognized by FERC, then NYPA's responses to Information Requests shall be due no later than the next business day.

(iii) NYPA shall post all Information Requests, and NYPA's responses to Information Requests, on the ISO website and will distribute a link to the website to Interested Parties via the NYPA Exploder List; except, however, if responses to Information Requests include material deemed by NYPA to be confidential, such information will not be publicly posted, but confidential information will be made available to requesting parties provided that a confidentiality agreement is executed by NYPA and the requesting party.

(iv) NYPA shall be precluded from claiming settlement privilege with respect to responses to Information Requests pursuant to these Protocols in any subsequent FERC proceeding addressing NYPA's Annual Update.

(v) To the extent NYPA and any Interested Party are unable to resolve disputes related to Information Requests submitted in accordance with these Protocols, NYPA 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 Protocols, and, if deemed appropriate, to extend the Discovery Period and Review Period to permit completion of the discovery process.

(vi) All information produced pursuant to these Protocols may be included in any Preliminary or Formal Challenge, in any other proceeding concerning the Formula Rate initiated at FERC pursuant to the FPA, or in any proceeding before the U.S. Court of Appeals to review a FERC decision involving the Formula Rate. NYPA may, however, designate any response to an Information Request as confidential if the information conveyed is not publicly available and if NYPA in good faith believes the information should be treated as confidential. Interested Parties' representatives shall treat such response as confidential in connection with any of the proceedings discussed in this Section 14.2.3.2 of this Attachment; provided, however, that when so used, such response shall initially be filed under seal (unless the claim of confidentiality is waived by NYPA), subject to a later determination by the presiding authority that the material is, in whole or part, not entitled to confidential treatment.

(b) Challenges and Resolution of Challenges

(i) Any Interested Party shall have the duration of the Review Period to review the inputs, supporting explanations, allocations, and calculations, and to submit a Preliminary Challenge. The Review Period ends on the later of (1) January 15 following the Publication Date; (2) sixty (60) calendar days after the close of the Discovery Period; or (3) thirty (30) calendar days after NYPA has responded to all timely submitted information requests. If the deadline for

Interested Parties to submit Preliminary Challenges should fall on a weekend or a holiday recognized by FERC, then Preliminary Challenges shall be due no later than the next business day. An Interested Party submitting a Preliminary Challenge 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.

(ii) NYPA shall promptly post all Preliminary Challenges, and written responses by NYPA to Preliminary Challenges, on the ISO website and will distribute a link to the website to Interested Parties via the NYPA Exploder List; except, however, if Preliminary Challenges or responses to Preliminary Challenges include material deemed by NYPA to be confidential, such information will not be publicly posted, but confidential information will be made available to requesting parties provided that a confidentiality agreement is executed by NYPA and the requesting party.

(iii) NYPA shall make a good faith effort to respond to a Preliminary Challenge within twenty (20) business days, and NYPA and any Interested Party raising a Preliminary Challenge shall attempt in good faith to resolve the Preliminary Challenge in a timely manner. Where applicable, NYPA shall appoint senior representatives to work with Interested Parties to resolve Preliminary Challenges. If NYPA disagrees with such challenge, NYPA will provide the Interested Party(ies) with an explanation supporting the inputs, supporting explanations, allocations, calculations, or other information. NYPA shall respond to all Preliminary Challenges submitted during the Review Period

by no later than February 15 following the Publication Date or thirty (30) calendar days after the close of the Review Period, whichever is later. If the deadline should fall on a weekend or a holiday recognized by FERC, then NYPA's response to Preliminary Challenges shall be due no later than the next business day.

(iv) An Interested Party shall make a good faith effort to raise all issues in a Preliminary Challenge; however, the failure to raise an issue in a Preliminary Challenge shall not act as a bar to raising the issue in a Formal Challenge provided the Interested Party raised one or more other issues in a Preliminary Challenge.

(v) An Interested Party that submitted a Preliminary Challenge shall have until April 15 following the Publication Date or thirty (30) calendar days after NYPA makes its informational filing, whichever is later, to make a Formal Challenge with FERC, which shall be served on NYPA by electronic service on the date of such filing. If the deadline for Interested Parties should fall on a weekend or a holiday recognized by FERC, then Formal Challenges shall be due no later than the next business day. An Interested Party shall file a Formal Challenge in the new docket assigned to NYPA's informational filing. Nothing in this paragraph shall alter the rights of any party to file a complaint under Section 206 of the FPA regarding NYPA's Formula Rate.

(vi) Formal Challenges shall satisfy all of the following requirements[2]:

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2 Requiring interested parties to satisfy filing requirements for formal challenges "does not improperly shift the burden of persuasion to interested parties." *See Midcontinent Indep. Sys. Operator, Inc*., 150 FERC ¶ 61,025 at P 51 (2015) (internal quotations omitted).

(A) Clearly identify the action or inaction which is alleged to violate the Formula Rate or Protocols;

(B) Explain how the action or inaction violates the Formula Rate or Protocols;

(C) Set forth the business, commercial, economic or other issues presented by the action or inaction as such relate to or affect the party filing the Formal Challenge, including:

(1) The extent or effect of an Accounting Change;

(2) Whether the Annual Update fails to include data properly recorded in accordance with these Protocols;

(3) The proper application of the Formula Rate and procedures in these Protocols;

(4) The accuracy of data and consistency with the Formula Rate of the calculations shown in the Annual Update (including the Actual ATRR, Projected ATRR, True-Up Adjustment, and any Prior Period Adjustment) under review;

(5) The prudence of actual costs and expenditures;

(6) The effect of any change to the underlying Uniform System of Accounts or the Financial Report; or

(7) Any other information that may reasonably have substantive effect on the calculation of the charge pursuant to the Formula.

(D) 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;

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

(F) 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

(G) State whether the filing party utilized the Preliminary Challenge procedures described in these Protocols to dispute the action or inaction raised by the Formal Challenge, and, if not, describe why not.

(vii) Any response by NYPA to a Formal Challenge must be submitted to FERC within thirty (30) calendar days following the date of the filing of the Formal Challenge and shall be served by NYPA on the filing party(ies) by electronic service on the date of such filing and shall also be sent to the NYPA Exploder List on the date of such filing. If the deadline should fall on a weekend or a holiday recognized by FERC, then NYPA's response to the Formal Challenge shall be due no later than the next business day.

(viii) Preliminary and Formal Challenges shall be limited to all issues that may be necessary to determine: (1) the extent or effect of an Accounting Change; (2) whether the Annual Update fails to include data properly recorded in accordance with these Protocols; (3) the proper application of the Formula Rate and procedures in these Protocols; (4) the accuracy of data and consistency with the Formula Rate of the calculations shown in the Annual Update (including the

Actual ATRR, Projected ATRR, True-Up Adjustment, and any Prior Period Adjustment) under review; (5) the prudence of actual costs and expenditures; (6) the effect of any change to the underlying Uniform System of Accounts or the Financial Report; or (7) any other information that may reasonably have substantive effect on the calculation of the charge pursuant to the Formula.

(ix) In any proceeding on a Formal Challenge, or proceeding initiated sua sponte by FERC challenging an Annual Update or an Accounting Change, NYPA shall bear the burden of proof, consistent with Section 205 of the FPA, with respect to the correctness of its Annual Update and/or the Accounting Change, and with respect to proving that it has correctly applied the terms of the Formula Rate consistent with these Protocols. Nothing herein is intended to alter the burdens applied by FERC with respect to prudence challenges.[3]

(x) Failure to make a Preliminary Challenge or Formal Challenge as to any Annual Update shall not act as a bar to a Preliminary Challenge or Formal Challenge related to the same issue in any subsequent Annual Update to the extent such issue affects the subsequent Annual Update.

(c) Challenges to Accounting Changes

(i) Preliminary Challenges or Formal Challenges related to Accounting Changes are not intended to serve as a means of pursuing changes to the Formula Rate.

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3 *See Midwest Indep. Transmission Sys. Operator, Inc*., 143 FERC ¶ 61,149 at P 121 (2013) ("[P]arties seeking to challenge the prudence of a transmission owner's expenditures must first create a serious doubt as to the prudence of those expenditures before the burden of proof shifts to the transmission owner.").

(ii) Failure to make a Preliminary Challenge with respect to an Accounting Change to an Annual Update shall not act as a bar with respect to making a Formal Challenge regarding the Accounting Change to that Annual Update, provided the Interested Party submitted a Preliminary Challenge with respect to one or more other issues. Nor shall failure to make a Preliminary Challenge or Formal Challenge with respect to an Accounting Change as to any Annual Update act as a bar to a Preliminary Challenge or Formal Challenge related to that Accounting Change in any subsequent Annual Update to the extent such Accounting Change affects the subsequent Annual Update.

(iii) Preliminary Challenges or Formal Challenges related to Accounting Changes shall be subject to the procedures and limitations in Section 14.2.3.2.3(b) of this Attachment. It is recognized that resolution of Formal Challenges concerning Accounting Changes may necessitate adjustments to the Formula input data for the applicable Annual Update or changes to the Formula to achieve a just and reasonable end result consistent with the intent of the Formula.

14.2.3.2.4 Changes Pursuant to Annual Update Process

Any changes to the data inputs, including but not limited to revisions to NYPA's Financial Report, or as the result of any FERC proceeding to consider the Annual Update, or as a result of the Annual Review Procedures set forth herein, shall be incorporated into the Formula and into the charges produced by the Formula (with interest determined in accordance with 18 C.F.R. § 35.19a) in the Annual Update for the next effective Rate Year as a Prior Period Adjustment. This reconciliation mechanism shall apply in lieu of mid-Rate Year adjustments and any associated refunds or surcharges. However, actual refunds or surcharges (with interest

determined in accordance with 18 C.F.R. § 35.19a) shall be made, as appropriate, in the event that the Formula Rate is replaced by a stated rate for NYPA.

14.2.3.2.5 Changes to the Formula Rate

(a) Any modification to the Formula or to these Protocols requires a filing under FPA Section 205 or Section 206. The following Formula inputs shall be stated values to be used in the Formula until changed pursuant to an FPA Section 205 or Section 206 proceeding: (i) rate of return on common equity; (ii) Post-Retirement Benefits other than Pensions ("PBOPs") expense; (iii) the depreciation and/or amortization rates as set forth in Schedule B3 to the Formula; and (iv) the caps on the equity percentage component of NYPA's capital structure for the Marcy-South Series Compensation Project (53% equity) and the assets recovered through the NTAC (50% equity).

(b) Except as specifically provided herein, nothing in these Protocols shall be deemed to limit in any way (i) the right of NYPA to file unilaterally, pursuant to Section 205 of the FPA and the regulations thereunder, to change the Formula Rate or any of its stated inputs or to replace the Formula Rate with a stated rate, or (ii) the right of any other party to challenge inputs to, or the implementation of, or to request changes to, the Formula Rate pursuant to Section 206, or any other applicable provision, of the FPA and the regulations thereunder.

(c) NYPA may, at its discretion and at a time of its choosing, make a limited filing pursuant to Section 205 to change stated values in the Formula Rate for amortization/depreciation rates and PBOPs expense. The sole issue in any such

limited Section 205 filing shall be whether such proposed changes or recovery are just and reasonable, and shall not include other aspects of the Formula Rate.

14.2.3.2.6 Informational Filing

By March 15 following the Publication Date or by sixty (60) calendar days following the close of the Review Period, whichever is later, NYPA shall submit to FERC an informational filing of its Annual Update for the Rate Year. If the deadline should fall on a weekend or a holiday recognized by FERC, then the informational filing shall be due no later than the next business day. Within one (1) business day of submitting the informational filing, NYPA shall notify Interested Parties via the NYPA Exploder List that it has made its informational filing, and shall post the docket number assigned to the informational filing on the ISO website. This informational filing must include the information that is reasonably necessary to determine: (1) that input data under the Formula Rate are properly recorded in any underlying schedules and workpapers; (2) that NYPA has properly applied the Formula and these Protocols; (3) the accuracy of data and the consistency with the Formula Rate of the Actual ATRR, Projected ATRR (including any True-Up Adjustment and Prior Period Adjustments), and rates under review; (4) the extent and effects of Accounting Changes that affect Formula inputs; and (5) the reasonableness of projected costs. The informational filing must also describe any corrections or adjustments made during the Review Period or as a result of the Preliminary Challenge process, and must describe all aspects of the Annual Update or its inputs that are the subject of an ongoing dispute under the Preliminary Challenge procedures. Any challenges to the implementation of the Formula must be made through the annual review and challenge procedures described in these Protocols or in a separate complaint proceeding, and not in response to the informational filing.

14.2.3.2.7 Bounds on NTAC Recovery of Capital Expenditures

The following terms, for the purposes of this Section 14.2.3.2.7, shall be defined as follows:

"Annual Incremental Capital Expenditures" means incremental capital expenditures incurred during a calendar year irrespective of whether the plant that is the product of these capital expenditures has been placed in service during the calendar year, except that (i) capital expenditures for Repairs or Replacements, (ii) capital expenditures for projects meeting the requirements of Section 14.2.3.2.7(a)(ii)(b), and (iii) capital expenditures for projects meeting the requirements of Section 14.2.3.2.7(a)(iv), shall not be included as "Annual Incremental Capital Expenditures" and shall not be counted against the $40 million annual cap described in Section 14.2.3.2.7(a)(iii).

"Substantive Cost Allocation Order" means an order from which rehearing may be sought on the issue of cost recovery for the purposes of Section 14.2.3.2.7(b)(x) (i.e., an order accepting a cost allocation without setting the matter for hearing, an order approving a settlement agreement stipulating a cost allocation for the contested project, or an order on exceptions to an initial decision following an evidentiary hearing; but not a tolling order or some other procedural order that refers the issue of cost allocation for a hearing or settlement judge procedures).

"Gross ATRR for the Major Y-49 Reconstruction or Replacement" means the ATRR attributable to the Major Y-49 Reconstruction or Replacement, including but not limited to return on rate base, depreciation expense, operation and maintenance expense, and allocated administrative and general costs.

"Major Y-49 Reconstruction or Replacement" means a major reconstruction or replacement of the Y-49 Facility with a projected capital cost of greater than $150 million in 2016 dollars (as adjusted annually by the Consumer Price Index).

"Moses to Adirondack Line" means the Moses-Adirondack 1 and 2 transmission lines that originate at the Moses Switchyard at the St. Lawrence-FDR project in Massena, New York and continue south to the NYPA Adirondack switching station in Croghan, New York for a distance of approximately 85 miles. The lines consist of eight miles of double circuit steel lattice structures and seventy-seven miles of single circuit wooden H-frame structures.

"NYPA Backbone System" means the facilities that are listed and defined in Exhibit C to the settlement approved by the Commission in Docket No. ER16-835-000. This list of facilities that comprise the NYPA Backbone System is not anticipated to be static, and will be updated periodically to include, for example, projects NYPA is required to construct as contemplated by Section 14.2.3.2.7(a)(iv) below.

"NYPA-LIPA Y-49 Contract" means the existing 1987 contract for the sale of transmission service on the Y-49 Facility by NYPA to LIPA.

"Remaining Y-49 ATRR" has the meaning set forth in Section 14.2.3.2.7(a)(ii)(a)(i) of this Attachment.

"Repair or Replacement" means any capitalized repair or replacement of an existing NYPA transmission facility that comprises a part of the NYPA Backbone System provided that the repair or replacement, to the extent it involves installation of new equipment, utilizes items with substantially the same capacity rating as the existing equipment (or that any increase in facility rating is limited to the smallest change possible with commercially available replacements, or is no more costly than the price of a like-for-like replacement plus 10%).

"Voting Member Systems" means: (1) Central Hudson Gas and Electric Corporation; (2) Consolidated Edison Company of New York, Inc. and Orange and Rockland Utilities, Inc. (as a single Voting Member System); (3) Niagara Mohawk Power Corporation d/b/a National Grid; (4) New York State Electric and Gas Corporation and Rochester Gas and Electric Corporation (as a single Voting Member System); and (5) Long Island Power Authority.

"Y-49 Facility" means the Y-49 transmission facility interconnecting Westchester County, New York and Long Island that is included as part of the NYPA Backbone System as reflected in Exhibit C to the settlement approved by the Commission in Docket No. ER16-835-000.

"Y-49 TCC Revenue" means revenue related to Transmission Congestion Contracts ("TCCs") associated with the Y-49 Facility.

(a) Cap on New NTAC Capital Expenditures

(i) As provided in Section 14.2.2.2 of this Attachment, the NTAC allows NYPA to recover the portion of NYPA's ATRR that is not recovered via existing customer transmission service agreements or from other revenue streams identified in the NTAC Formula described in Section 14.2.2.2.1 of this Attachment. The following provisions in this Section 14.2.3.2.7 shall apply only to the NYPA Backbone System. No other NYPA capital expenditures, other than those contemplated by this Section 14.2.3.2.7, may be recovered via the NTAC absent express approval by FERC, subject to Section 14.2.3.2.7(b)(x) below.

(ii) Capitalized expenditures incurred by NYPA that may be recovered through the NTAC without Voting Member System review and approval, as described in Section 14.2.3.2.7(b) below, are:

(a) Any Repair or Replacement provided that the estimated project cost of any such Repair or Replacement is less than $90 million in 2016 dollars (as adjusted annually using the Consumer Price Index), except that the Y-49 Facility and the Moses to Adirondack Line will be treated as follows:

(i) With respect to the Y-49 Facility, after the date that the NYPA-LIPA Y-49 Contract is terminated, the cost of normal repairs and maintenance of the Y-49 Facility will be included in the NTAC, subject to the otherwise applicable provisions of this Section 14.2.3.2.7(a), along with revenue credits related to Y-49 TCC Revenue. However a major reconstruction or replacement shall be treated as follows: whether or not the NYPA-LIPA Y-49 Contract has been terminated, the first year a Major Y-49 Reconstruction or Replacement appears in NYPA's five-year capital expenditure plan (described in Section 14.2.3.2.7(b) below), NYPA will initiate an FPA section 205 proceeding to determine whether the Major Y-49 Reconstruction or Replacement, as proposed or as NYPA may modify it on its own or in response to issues raised by other parties, is a prudent investment and, if so, the appropriate allocation of project costs that are not otherwise recoverable through the NTAC. After the date that the NYPA-LIPA Y-49 Contract is terminated, and if the Major Y-49 Reconstruction or Replacement is found prudent by FERC in that section 205 proceeding, the parties agree that (a) unless reduced by the formula below, $20 million in 2016 dollars (as adjusted annually by the Consumer Price Index) of ATRR attributable to the Major Y-49 Reconstruction or Replacement cost shall be automatically recovered in the NTAC but only after the later of the NYPA-

LIPA Y-49 Contract's expiration or the in-service date of the Major Y-49 Reconstruction or Replacement; and (b) the allocation of the Remaining Y-49 ATRR shall be in accord with the result of the section 205 proceeding. For purposes of this provision, the Remaining Y-49 ATRR shall be calculated annually after the later of the NYPA-LIPA Y-49 Contract's expiration or the in-service date of the Major Y-49 Reconstruction or Replacement as:

Remaining Y-49 ATRR = (Gross ATRR for the Major Y-49 Reconstruction or Replacement) – (Y-49 TCC Revenue) – ($20 million + Consumer Price Index adjustment)

To the extent the Remaining Y-49 ATRR is negative it shall be applied to the NTAC ATRR. For the avoidance of doubt, there shall be no double-crediting of the same Y-49 TCC Revenue between (i) the above "Remaining Y-49 ATRR" formula, and (ii) the first sentence of this Section 14.2.3.2.7(a)(ii)(a)(i), which requires NYPA to include revenue credits related to Y-49 TCC Revenue in the NTAC after the date that the NYPA-LIPA Y-49 Contract is terminated. If the Remaining Y-49 ATRR is positive, it will be recovered pursuant to the project-specific cost allocation determined in the section 205 proceeding described above and included in this Tariff.

(ii) With respect to the Moses to Adirondack Line, reconstruction or complete replacement of that line will be subject to a Voting Member System vote as described in Section 14.2.3.2.7(b). Repairs and maintenance-type replacement of the Moses to Adirondack Line will be subject to the otherwise applicable limitations of this Section 14.2.3.2.7(a).

(b) Emergency projects undertaken in response to damage caused by storms, vandalism, or terrorism, or in response to any force majeure events.

Where appropriate, NYPA will apply for Federal Emergency Management Agency ("FEMA") reimbursement for such projects, and any FEMA or insurance reimbursements shall be applied to the NTAC as a credit against the cost of such projects.

(iii) For capital expenditures related to the NYPA Backbone System that do not meet the requirements of Section 14.2.3.2.7(a)(ii) above or Section 14.2.3.2.7(a)(iv) below, NYPA's Annual Incremental Capital Expenditures that may be recovered through the NTAC, absent Voting Member System review and approval, are capped at $40 million in 2016 dollars (as adjusted annually using the Consumer Price Index).

(iv) Any capital expenditures related to the NYPA Backbone System incurred (i) as a result of directives issued by NERC, FERC, the New York State Reliability Council, or in compliance with the ISO OATT or manuals to build, maintain, or operate required interconnections of a generation or transmission facility, except for the costs that have been otherwise recovered from third parties such as generator or transmission developers or insurance companies or, (ii) as a result of directives issued by some other regulatory agency in the event that, due to changes in the New York Public Authorities Law or other legislative action, such regulatory agency obtains legal authority to order NYPA to undertake capital projects, shall be excluded from Voting Member System review and approval and excluded from the $40 million annual cap described in Section 14.2.3.2.7(a)(iii) above. For the avoidance of doubt, future capital expenditures in such facilities will be subject to this Section 14.2.3.2.7(a).

(b) Voting Member System Review of Expenditures that Exceed Applicable Caps Described in Section 14.2.3.2.7(a)

(i) NYPA will conduct an annual meeting, on no less than three weeks' advance notice to the Voting Member Systems and other Interested Parties that have subscribed to the NYPA Exploder List, at which it will present to the Voting Member Systems and other Interested Parties a five-year capital expenditure plan. This meeting will occur prior to the commencement of the Annual Update Process described in these Protocols. NYPA may conduct additional meetings on no less than three weeks' advance notice to the Voting Member Systems and other Interested Parties that have subscribed to the NYPA Exploder List.

(ii) NYPA's presentation of the capital expenditure plan will identify for each project under construction or anticipated to begin construction within the five-year planning horizon:

(a) Description of the project;

(b) Total project cost;

(c) Anticipated start and end date of construction;

(d) Whether the project is a Repair or Replacement of a NYPA Backbone System facility; and

(e) Whether the project is subject to any of the exclusions identified in Section 14.2.3.2.7(a) above.

(iii) The Voting Member Systems and other Interested Parties may issue data requests concerning NYPA's capital expenditure plan for forty (40) calendar days following the annual capital expenditure plan meeting, and NYPA will make

commercially reasonable efforts to respond within fourteen (14) calendar days of receipt of a data request.

(iv) (a) If the capital expenditure plan as presented by NYPA, or in the opinion of the Voting Member Systems, includes (i) a Repair or Replacement that exceeds $90 million (as adjusted annually using the Consumer Price Index); (ii) a suite of projects subject to Section 14.2.3.2.7(a)(iii) above for which NYPA plans to spend more than $40 million (as adjusted annually using the Consumer Price Index) in a single calendar year; or (iii) a project that NYPA proposes to recover through the NTAC which the Voting Member Systems believe is not related to the NYPA Backbone System, the Voting Member Systems must notify NYPA of their intent to vote on whether to allow NYPA to recover in the NTAC any project or suite of projects meeting the criteria above within sixty (60) calendar days of the publication of the capital expenditure plan that first identifies the project or annual suite of projects, with a vote to occur within thirty (30) calendar days after such notification. The Voting Member Systems must notify NYPA of the outcome of the vote by the end of the next business day after such vote is made.

(b) Subject to Section 14.2.3.2.7(b)(ix) below, and with regard to a project or suite of projects for which the Voting Member Systems have provided timely notice to NYPA under Section 14.2.3.2.7(b)(iv)(a), a 3/5 majority vote in favor is required for NYPA to recover the costs of such project or suite of projects contained in the capital expenditure plan through the NTAC. The five Voting Member Systems shall have one vote each.

(v) If the Voting Member Systems elect not to vote on a Repair or Replacement that exceeds $90 million (as adjusted annually using the Consumer Price Index), or an annual suite of projects under Section 14.2.3.2.7(a)(iii) that exceeds $40 million (as adjusted annually using the Consumer Price Index), or 3/5 of the Voting Member Systems vote to approve the Repair or Replacement or annual suite of projects, then no further voting shall be permitted with respect to such Repair or Replacement or annual suite of projects and NYPA shall recover the cost of such Repair or Replacement or suite of projects through the NTAC subject to the Annual Update Process set forth in these Protocols. This provision shall not apply to Repairs or Replacements or annual suites of projects that are modified in a subsequent five-year capital expenditure plan where such modification would either (i) change the categorization of a project or suite of projects under Section 14.2.3.2.7(a); or (ii) would result in a 10% increase in the original project costs the Voting Member Systems previously had a right to vote on, and either approved or elected not to vote on.

(vi) If 3/5 of the Voting Member Systems vote against allowing NTAC recovery of a NYPA project or suite of projects meeting the criteria set forth in 14.2.3.2.7(b)(iv)(a), the Voting Member Systems that voted against NTAC recovery must provide a written statement explaining their rationale for their negative votes within sixty (60) calendar days of notifying NYPA of the outcome of the vote. Such rationale may include, but is not limited to, whether those Voting Member Systems voting against the project believed the project or suite of projects in question: (i) was segmented; (ii) is inconsistent with good utility

practice; (iii) should be expanded beyond Repair or Replacement and submitted as a project fitting the definition of one of the categories of projects identified in the ISO's Comprehensive System Planning Process; (iv) has costs that have been improperly estimated or are too high; and/or (v) has been inaccurately categorized by NYPA as a Repair or Replacement (for projects subject to the $90 million cap). The Voting Member Systems will not assert that a project is not a Repair or Replacement where the New York Public Service Commission has determined that a project is a Repair or Replacement in response to a petition for a declaratory ruling from NYPA with prior notice to the Voting Member Systems. The explanation of any "no" vote with respect to a suite of projects exceeding the limit prescribed in Section 14.2.3.2.7(a)(iii) could include a description of one or more specific objectionable projects.

(vii) NYPA shall have the opportunity to submit a revised package of capital expenditures in response to a "no" vote by the Voting Member Systems. If a revised package is submitted, the Voting Member System voting process described above shall be repeated starting with Section 14.2.3.2.7(b)(iii) above.

(viii) In the event of a "no" vote, the Voting Member Systems and NYPA agree to convene a meeting that includes senior management within sixty (60) calendar days of the Voting Member Systems providing NYPA with a written explanation of the vote.

(ix) NYPA may make a filing at FERC to include capital expenditures rejected by 3/5 of the Voting Member Systems in the NTAC ATRR. In any such proceeding, NYPA would bear the burden of demonstrating (i) that its proposed

rate treatment and cost allocation is just and reasonable, (ii) that the reasons offered by the Voting Member Systems for voting against the project or suite of projects are arbitrary, unduly discriminatory, or otherwise not supported by substantial evidence, and (iii) that the proposed costs are eligible to be recovered using the NTAC. The settlement in Docket No. ER16-835-000 shall not preclude or inhibit the ability of a party to that settlement to submit comments or protests on any such filing by NYPA.

(x) If NYPA makes a filing as contemplated in Section 14.2.3.2.7(b)(ix) above, NYPA shall not be entitled to recover the costs of any such project or suite of projects through the NTAC until FERC issues a Substantive Cost Allocation Order and subject to any adjustments directed by FERC in such Substantive Cost Allocation Order; provided, however, if a Substantive Cost Allocation Order has not been issued as of a contested project's in-service date, NYPA shall record the expenses and return related to any such project or projects in a regulatory asset, with carrying costs accruing at NYPA's weighted average cost of capital as determined by the Formula Rate Template. Such costs may be amortized and recovered over the useful life of the project once FERC issues a Substantive Cost Allocation Order approving NTAC recovery for the project or directing NYPA to recover the costs of the project according to some other allocation, subject to any adjustments directed by FERC.

14.2.3.2.8 Costs Excluded from Formula Rate

Costs allocated to NYPA as a part of PJM Interconnection, L.L.C.'s Regional Transmission Expansion Plan, and costs and expenses related to the New York State Canal Corporation, shall be excluded from recovery under the Formula Rate.