6.12.5.2.1 Formula Rate Template

Application Attachment 1

Index

Rate Formula Template

Utilizing FERC Form 1 Data

HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

Appendix A Main body of the Formula Rate   
Attachment 1 Detail of the Revenue Credits

Projected Annual Transmission Revenue Requirement   
 For the 12 months ended 5/31/21

Attachment 2 Monthly Plant and Accumulated Depreciation balances

Attachment 3 Cost Support Detail

Attachment 4 Calculations showing the revenue requirement by Investment, including any Incentives,

Attachment 5 Cost of Debt should Construction Financing be Obtained

Attachment 6a and 6b Detail of the Accumulated Deferred Income Tax Balances

Attachment 7 True-Up calculations

Attachment 8 Depreciation Rates

Attachment 9 Workpapers

Application Attachment 1

Appendix A

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Formula Rate - Non-Levelized Rate Formula Template

Utilizing FERC Form 1 Data Projected Annual Transmission Revenue Requirement

For the 12 months ended 5/31/21

HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

(1) (2) (3)

Line Allocated

No. Amount

1 GROSS REVENUE REQUIREMENT (line 74) 12 months

REVENUE CREDITS Total Allocator

2 Total Revenue Credits Attachment 1, line 6 - TP -

3 Net Revenue Requirement (line 1 minus line 2) -

4 True-up Adjustment Attachment 7 - DA -

5 NET ADJUSTED REVENUE REQUIREMENT (line 3 plus line 4) $ -

Appendix A

Page 2 of 5

Formula Rate - Non-Levelized Rate Formula Template

Utilizing FERC Form 1 Data

For the 12 months ended 5/31/21

HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

(1) (2) (3) (4) (5)

Form No. 1 Transmission

Line Page, Line, Col. Company Total Allocator (Col 3 times Col 4)

No. RATE BASE:

GROSS PLANT IN SERVICE (Note M)

6 Production (Attach 2, line 75) - NA - -

7 Transmission (Attach 2, line 15) - TP 1.0000 -

8 Distribution (Attach 2, line 30) - NA - -

9 General & Intangible (Attach 2, lines 45 & 60) - W/S - -

10 TOTAL GROSS PLANT (sum lines 6-9) (GP=1 if plant =0) - GP= - -

11 ACCUMULATED DEPRECIATION & AMORTIZATION (Note M)

12 Production (Attach 2, line 151) - NA - -

13 Transmission (Attach 2, line 91) - NA - -

14 Distribution (Attach 2, line 106) - NA - -

15 General & Intangible (Attach 2, lines 121 & 136 - NA - -

16 TOTAL ACCUM. DEPRECIATION (sum lines 12-15) - -

17 NET PLANT IN SERVICE

18 Production (line 6- line 12) - -

19 Transmission (line 7- line 13) - -

20 Distribution (line 8- line 14) - -

21 General & Intangible (line 9- line 15) - -

22 TOTAL NET PLANT (sum lines 18-21) (NP=1 if plant =0) - NP= - -

23 ADJUSTMENTS TO RATE BASE (Note A)

24 ADIT (Attach 6a, line 9) #DIV/0! DA 1.0000 #DIV/0!

24b Tax Reform (Attach 11a, line 8) #REF! #REF!

25 Account No. 255 (enter negative) (Note F) (Attach 3, line 153) - NP - -

26 CWIP (Attach 10) - DA -

27 Unfunded Reserves (enter negative) (Attach 3, line 170a) - DA 1.0000 -

28 Unamortized Regulatory Assets (Attach 10) (Note L) - DA 1.0000 -

29 Unamortized Abandoned Plant (Attach 10) (Note K) - DA 1.0000 -

30 TOTAL ADJUSTMENTS (sum lines 24-29) #DIV/0! #DIV/0!

31 LAND HELD FOR FUTURE USE Attachment 10 - NA 1.0000 -

32 WORKING CAPITAL (Note C)

33 CWC calculated (1/8 \* Line 45) 9,045,405 #DIV/0!

34 Materials & Supplies (Note B) (Attach 3, line 189) - NA 1.0000 -

35 Prepayments (Account 165 - Note C) (Attach 3, line 170) - GP - -

36 TOTAL WORKING CAPITAL (sum lines 33-35) 9,045,405 #DIV/0!

Application Attachment 1

37 RATE BASE (sum lines 22, 30, 31, & 36) #DIV/0! #DIV/0!

Appendix A

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Formula Rate - Non-Levelized Rate Formula Template

Utilizing FERC Form 1 Data

For the 12 months ended 5/31/21

HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

(1) (2) (3) (4) (5)

Form No. 1 Transmission

Page, Line, Col. Company Total Allocator (Col 3 times Col 4)

38 O&M

39 Transmission 321.116.b 11,753,917 AGP #DIV/0! #DIV/0!

40 Less Accounts 565, 561 and 561.1 to 561.8 321.99.b & 87.b to 94.b 2,321,480 AGP #DIV/0! #DIV/0!

41 A&G 323.205.b 62,930,800 W/S #DIV/0! #DIV/0!

42 Less EPRI & Reg. Comm. Exp. & Other Ad. (Note D & Attach 3, line 171) - W/S #DIV/0! #DIV/0!

43 Plus Transmission Related Reg. Comm. Exp. (Note D & Attach 3, line 172) - AGP #DIV/0! #DIV/0!

44 PBOP expense adjustment (Attach 3, line 243) - AGP #DIV/0! #DIV/0!

44a Less Account 566 321.100.b 1,103,807 W/S #DIV/0! #DIV/0!

44b Amortization of Regulatory Assets (Attach 10, line 2) - W/S #DIV/0! #DIV/0!

44c Account 566 excluding amort. of Reg Assets (line 44a less line 44b) 1,103,807 W/S #DIV/0! #DIV/0!

45 TOTAL O&M (sum lines 39, 41, 43, 44, 44b, 44c less lines 40 & 42, 44a) (Note D) 72,363,237 #DIV/0!

46 DEPRECIATION EXPENSE

47 Transmission 336.7.f - DA 1.0000 -

48 General and Intangible 336.1.f + 336.10.f - W/S 1.0000 -

49 Amortization of Abandoned Plant (Attach 3, line 155) (Note K) - DA 1.0000 -

50 TOTAL DEPRECIATION (Sum lines 47-49) - -

51 TAXES OTHER THAN INCOME TAXES (Note E)

52 LABOR RELATED

53 Payroll 263.3.i +263.4.i + 263.12.i 42,567,300 W/S #DIV/0! #DIV/0!

54 Highway and vehicle 263.\_.i (enter FN1 line #) - W/S #DIV/0! #DIV/0!

55 PLANT RELATED

56 Property 263.24.i +263.25.i 39,087,352 AEP #DIV/0! #DIV/0!

57 Gross Receipts 263.14.i +263.26.i (7,259) NA - -

58 Other 263.15.i 720 AEP #DIV/0! #DIV/0!

59 TOTAL OTHER TAXES (sum lines 53-58) 81,648,113 #DIV/0!

60 INCOME TAXES (Note F)

61 T=1 - {[(1 - SIT) \* (1 - FIT)] / (1 - SIT \* FIT \* p))}\*(1-n) = 0.2614 0.2614

62 CIT=(T/1-T) \* (1-(WCLTD/R)) = #DIV/0! #DIV/0!

63 where WCLTD=(line 95) and R= (line 98)

64 and FIT, SIT, p, & n are as given in footnote F.

65 1 / (1 - T) = (T from line 61) 1.3538 1.354

66 Amortized Investment Tax Credit (Attachment 4, line 14) -

67 Income Tax Calculation = line 62 \* line 71 \* (1-n) #DIV/0! #DIV/0!

68 ITC adjustment (line 65 \* line 66 \* (1- n)) - NP - -

69 Total Income Taxes (line 67 plus line 68) #DIV/0! #DIV/0!

70 RETURN

71 [ Rate Base (line 37) \* Rate of Return (line 98)] #DIV/0! NA #DIV/0!

72 Rev Requirement before Incentive Projects (sum lines 45, 50, 59, 69, 71) #DIV/0! #DIV/0!

73 Incentive Return and Income Tax on Authorized Projects (Attach 4, line 58, col h) #DIV/0! DA 100% #DIV/0!

74 Total Revenue Requirement (sum lines 72 & 73) #DIV/0! #DIV/0!

Appendix A

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Formula Rate - Non-Levelized Rate Formula Template

Utilizing FERC Form 1 Data

For the 12 months ended 5/31/21

HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

SUPPORTING CALCULATIONS AND NOTES

75 TRANSMISSION PLANT INCLUDED IN RTO RATES

76 Total transmission plant (line 7, column 3) -

77 Less transmission plant excluded from RTO rates (Note H) (Attachment 3, line 175) 2,557,690.00

78 Less transmission plant included in OATT Ancillary Services (Note H) (Attachment 3, line 175) -

79 Transmission plant included in RTO rates (line 76 less lines 77 & 78) 2,557,690.00

80 Percentage of transmission plant included in RTO Rates (line 79 divided by line 76) [If line 76 equal zero, enter 1) TP= 1.0000

81 ADJUSTED TRANSMISSION PLANT INCLUDED IN RTO RATES

82 Total transmission plant (line 15, column 3) -

Plus CIAC Reveived (O&M, A&G and Taxes other than income would be on full amount) 17,621,749.00

83 Total Adjusted Transmission Plant 17,621,749.00

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

84 AGP= #DIV/0!

Application Attachment 1

81 ADJUSTED PLANT INCLUDED IN RTO RATES

82 Total transmission plant (line 22, column 3) -

Plus CIAC Reveived (O&M, A&G and Taxes other than income would be on full amount) 17,621,749.00

83 Total Adjusted Transmission Plant 17,621,749.00

Total Gross Plant -

84 AEP= #DIV/0!

= WS

85 WAGES & SALARY ALLOCATOR (W&S) (Note I)

86 Form 1 Reference $ AGP Allocation

87 Production 354.20.b 2,692,974.00 0.00 -

88 Transmission 354.21.b 3,389,676.00 #DIV/0! #DIV/0! Weighted

89 Distribution 354.23.b 25,895,435.00 0.00 - W&S Allocator #DIV/0! =WCLTD

90 Other 354.24,25,26.b 31,336,359.00 0.00 - ($ / Allocation) -

91 Total (sum lines 87-90) [TP equals 1 if there are no wages & salaries] 63,314,444.00 #DIV/0! = #DIV/0! #DIV/0!

#DIV/0! =R

92 RETURN (R) (Note J)

93

94 $ % Cost (c)

95 Long Term Debt (Attach 3, lines 249 & 270 or Attach 5) (Note G) - #DIV/0! #DIV/0! Total

96 Preferred Stock (Attachment 3, lines 251 & 273) 100.00 - - 2,557,690

97 Common Stock (Attachment 3, line 257) (100.00) #DIV/0! 9.40% -

98 Total (sum lines 95-97) - -

-

2,557,690

Development of Base Carrying charge and Summary of Incentive and Non-Incentive Investments (a) (b) #DIV/0!

Non-incentive Incentive

Investments from Investments from

Attachment 4 Attachment 4

Source of Total Column (Note N) (Note N) -

99 Net Transmission Plant in Service (Line 19 and Transmission CIACs) - #DIV/0! #DIV/0!

100 CWIP in Rate Base (Line 26) - -

101 Unamortized Abandoned Plant (Line 29) -

102 Regulatory Assets (Line 28) -

103 Development of Base Carrying charge and Summary of Incentive and Non-Incentive Investments - -

104 Return and Taxes (Lines 69 & 71)

105 Total Revenue Credits

106 Base Carrying Charge (used in Attach 4, Line 65) (Line 100 - Line 101)/ Line 99

Appendix A   
Page 5 of 5

For the 12 months ended 5/31/21

SUPPORTING CALCULATIONS AND NOTES

Formula Rate - Non-Levelized Rate Formula Template

Utilizing FERC Form 1 Data

HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.#)

References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Note

Letter

A The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related

to FASB 106 or 109. The formula uses the stated average of the beginning and end of year balances to prorate ADIT to comply with IRS normalization rules. Balance of Account 255

is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note F. Account 281 is not allocated.

B Identified in Form 1 as being only transmission related.

C Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission

Prepayments are the electric related prepayments booked to Account No. 165 and reported on Pages 110-111 line 57 in the Form 1. D Line 42 removes EPRI Annual Membership Dues listed in Form 1 at 353.\_.f (enter FN1 line #),

any EPRI Lobbying expenses included in line 42 of the template and all Regulatory Commission Expenses itemized at 351.h

Line 42 removes all advertising included in Account 930.1, except safety, education or out-reach related advertising

Line 42 removes all EEI and EPRI research, development and demonstration expenses and NY Transco will not participate in EEI or EPRI.

Line 43 reflects all Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized at 351.h   
 Line 38 or Line 41 and thus Line 45 shall include any NYISO charges other than penalties, including but not limited to administrative costs.   
 E Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year.   
 Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template,   
 since they are recovered elsewhere.

F The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p =

"the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a   
work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that   
elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce   
rate base.

multiplied by (1/1-T) . 0.7250

Inputs Required: FIT = 0.21 0.2750

SIT= 0.0650 (State Income Tax Rate or Composite SIT from Attach 3)

p = - (percent of federal income tax deductible for state purposes)

n= - (not for profit entity ownership percentage)

For each Rate Year (including both Annual Projections and True-Up Adjustments) the statutory income tax rates utilized in the Formula Rate shall reflect the weighted average rates

actually in effect during the Rate Year. For example, if the statutory tax rate is 10% from January 1 through June 30, and 5% from July 1 through December 31, such rates would be weighted 181/365 and 184/365, respectively, for a non-leap year.

G The cost of debt is determined using the internal rate of return methodology shown on Attachment 5 once project financing is obtained. Prior to obtaining project financing,

an interest rate of 3.85% from Table 4 of Attachment 5 will be used and will not be trued up. Attachment 5 contains an estimate of the internal rate of return methodology; the methodology will be applied to actual amounts for use in Appendix A.

After the completion of construction, the cost of debt will be calculated pursuant to Attachment 3

step-up facilities, which are deemed to included in OATT ancillary services. For these purposes, generation step-up

facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.

I Enter dollar amounts

J ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC under FPA Section 205 or 206.

The capital structure will be the actual capital

Application Attachment 1

Attachment 1 - Revenue Credit Workpaper\*

HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

Account 454 - Rent from Electric Property (300.19.b) Notes 1 & 3

1 Rent from FERC Form No. 1 -

Account 456 (including 456.1) (300.21.b and 300.22.b) Notes 1 & 3

2 Other Electric Revenues (Note 2) -

3 Professional Services -

4 Revenues from Directly Assigned Transmission Facility Charges (Note 2) -

5 Rent or Attachment Fees associated with Transmission Facilities -

6 Total Revenue Credits Sum lines 2-5 + line 1 -

Note 1 All revenues booked to Account 454 that are derived from cost items classified as transmission-related will be included as a revenue credit. All revenues booked to Account

456 (includes 456.1) that are derived from cost items classified as transmission-related, and are not derived from rates under this transmission formula rate will be included as a revenue credit. Work papers will be included to properly classify revenues booked to these accounts to the transmission function. A breakdown of all Account 454 revenues by subaccount will be provided below, and will be used to derive the proper calculation of revenue credits. A breakdown of all Account 456 revenues by subaccount and   
customer will be provided and tabulated below, and will be used to develop the proper calculation of revenue credits.

Note 2

If the facilities associated with the revenues are not included in the formula, the revenue is shown below, but not included in the total above and explained in the Attachment 3.

Note 3 All Account 454 and 456 Revenues must be itemized below

Line No.

1 Account 456 TOTAL NY-ISO Other 1 Other 2

1a Transmission Service - -

… - - - -

1x Trans. Fac. Charge - - - -

2 Trans Studies - - - -

3 Total - - - -

4 Less:

5 Revenue for Demands in Divisor - - - -

6 Sub Total Revenue Credit - - - -

7 Prior Period Adjustments - - - -

8 Total - - - -

9 Account 454 $

9a Joint pole attachments - telephone -

9b Joint pole attachments - cable -

9c Underground rentals -

9d Transmission tower wireless rentals -

9e Misc non-transmission rentals -

9f -

9g -

…

9x -

10 Total -

Application Attachment 1

Attachment 2 - Cost Support

HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

Plant in Service Worksheet

1 Calculation of Transmission Plant In Service Source Year Balance

2 March company records 2018

3 April company records 2018

4 May company records 2018

5 June company records 2018

6 July company records 2018

7 August company records 2018

8 September company records 2018

9 October company records 2018

10 November company records 2018

11 December p207.58.g 2018

12 January company records 2019

13 February company records 2019

14 March company records 2019

15 Transmission Plant In Service (sum lines 2-14) /13

16 Calculation of Distribution Plant In Service Source

17 March company records 2018

18 April company records 2018

19 May company records 2018

20 June company records 2018

21 July company records 2018

22 August company records 2018

23 September company records 2018

24 October company records 2018

25 November company records 2018

26 December p207.75.g 2018

27 January company records 2019

28 February company records 2019

Application Attachment 1

29 March company records 2019

30 Distribution Plant In Service (sum lines 17-29) /13

31 Calculation of Intangible Plant In Service Source

32 March company records 2018

33 April company records 2018

34 May company records 2018

35 June company records 2018

36 July company records 2018

37 August company records 2018

38 September company records 2018

39 October company records 2018

40 November company records 2018

41 December p205.5.g 2018

42 January company records 2019

43 February company records 2019

44 March company records 2019

45 Intangible Plant In Service (sum lines 32-44) /13

46 Calculation of General Plant In Service Source

47 March company records 2018

48 April company records 2018

49 May company records 2018

50 June company records 2018

51 July company records 2018

52 August company records 2018

53 September company records 2018

54 October company records 2018

55 November company records 2018

56 December p207.99.g 2018

57 January company records 2019

58 February company records 2019

59 March company records 2019

60 General Plant In Service (sum lines 47-59) /13

Application Attachment 1

61 Calculation of Production Plant In Service Source

62 March company records 2018

63 April company records 2018

64 May company records 2018

65 June company records 2018

66 July company records 2018

67 August company records 2018

68 September company records 2018

69 October company records 2018

70 November company records 2018

71 December p205.46.g 2018

72 January company records 2019

73 February company records 2019

74 March company records 2019

75 Production Plant In Service (sum lines 62-74) /13

76 Total Plant In Service (sum lines 15, 30, 45, 60, & 75) -

Accumulated Depreciation Worksheet

Appendix A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions

77 Calculation of Transmission Accumulated Depreciation Source Year Balance

78 March company records 2018

79 April company records 2018

80 May company records 2018

81 June company records 2018

82 July company records 2018

83 August company records 2018

84 September company records 2018

85 October company records 2018

86 November company records 2018

87 December p219.25.b 2018

88 January company records 2019

89 February company records 2019

Application Attachment 1

90 March company records 2019

91 Transmission Accumulated Depreciation (sum lines 78-90) /13

92 Calculation of Distribution Accumulated Depreciation Source

93 March company records 2018

94 April company records 2018

95 May company records 2018

96 June company records 2018

97 July company records 2018

98 August company records 2018

99 September company records 2018

100 October company records 2018

101 November company records 2018

102 December p219.25.b 2018

103 January company records 2019

104 February company records 2019

105 March company records 2019

106 Distribution Accumulated Depreciation (sum lines 93-105) /13 -

107 Calculation of Intangible Accumulated Amortization Source

108 March company records 2018

109 April company records 2018

110 May company records 2018

111 June company records 2018

112 July company records 2018

113 August company records 2018

114 September company records 2018

115 October company records 2018

116 November company records 2018

117 December p200.21.c 2018

118 January company records 2019

119 February company records 2019

120 March company records 2019

121 Accumulated Intangible Amortization (sum lines 108-120) /13 -

Application Attachment 1

122 Calculation of General Accumulated Depreciation Source

123 March company records 2018

124 April company records 2018

125 May company records 2018

126 June company records 2018

127 July company records 2018

128 August company records 2018

129 September company records 2018

130 October company records 2018

131 November company records 2018

132 December p219.28.b 2018

133 January company records 2019

134 February company records 2019

135 March company records 2019

136 Accumulated General Depreciation (sum lines 123-135) /13 -

137 Calculation of Production Accumulated Depreciation Source

138 March company records 2018

139 April company records 2018

140 May company records 2018

141 June company records 2018

142 July company records 2018

143 August company records 2018

144 September company records 2018

145 October company records 2018

146 November company records 2018

147 December p219.20 thru 219.24.b 2018

148 January company records 2019

149 February company records 2019

150 March company records 2019

151 Production Accumulated Depreciation (sum lines 138-150) /13

152 Total Accumulated Depreciation and Amortization (sum lines 91, 106, 121, 136, & 151) -

Application Attachment 1

Attachment 3 - Cost Support

HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

Details

Numbering continues from Attachment 2 Beginning of Year End of Year Average Balance

153 Account No. 255 (enter negative) 267.8.h - - -

154 Unamortized Abandoned Plant Attachment 10, line 2, col. (v) -

(recovery of abandoned plant requires a FERC order approving the amount and recovery period) Amortization Expense

155 Amortization of Abandoned Plant Attachment 10, line 2, col. (h) -

156 Prepayments (Account 165)

(Prepayments exclude Prepaid Pension Assets) Year Balance

157 March 111.57.c 2018

158 April company records 2018

159 May company records 2018

160 June 111.57.c 2018

161 July company records 2018

162 August company records 2018

163 September 111.57.c 2018

164 October company records 2018

165 November company records 2018

166 December 111.57.c 2018

167 January company records 2019

168 February company records 2019

169 March 111.57.c 2019

170 Prepayments (sum lines 157-169) /13 -

Reserves

170a (b) (c) (d) (e) (f) (g) (h)

Enter 1 if NOT in a Enter 1 if the accrual Enter the percentage

trust or reserved account is included in the paid for by customers, 1

account, enter zero formula rate, enter (0) if less the percent

(0) if included in a O if the accrual account associated with an Amount Allocated,

trust or reserved is NOT included in the offsetting liability on the Allocation (Plant or col. c x col. d x col.

Amount account formula rate balance sheet Labor Allocator) e x col. f x col. g

Injuries & Damages Reserve 112.27.d 1 - - - -

Reserve 2 - - - - - -

Reserve 3 - - - - - -

Reserve 4 - - - - - -

… - - - - - -

… - - - - - -

Total -

All unfunded reserves will be listed above, specifically including (but not limited to) all subaccounts for FERC Account Nos. 228.1 through 228.4. "Unfunded reserve" is defined as an accrued balance (1) created and increased by debiting an expense which is included in this formula rate (column (e), using the same allocator in column (g) as used in the formula to allocate the amounts in the corresponding expense account) (2) in advance of an anticipated expenditure related to that expense (3) that is not deposited in a restricted account (e.g., set aside in an escrow account, see column (d)) with the earnings thereon retained within that account. Where a given reserve is only partially funded through accruals collected from customers, only the balance funded by customer collections shall serve as a rate base credit, see column (f). The source of monthly balance data is company records.

Application Attachment 1

EPRI Dues Cost Support

EPRI & EEI Costs to be Excluded Details

Allocated General & Common Expenses

EPRI Dues

171 EPRI and EEI Dues to be excluded from the formula rate p353.\_.f (enter FN1 line #) -

Regulatory Expense Related to Transmission Cost Support

Transmission

Form 1 Amount Related Other Details\*

Directly Assigned A&G

172 Regulatory Commission Exp Account 928 p323.189.b - -

\* insert case specific detail and associated assignments here

Multi-state Workpaper

New York MTA NYC Weighed Average

Income Tax Rates

Weighting 1 0 0

173 SIT=State Income Tax Rate or Composite 6.50% 0.00% 0.00% 6.50%

Multiple state rates are weighted based on the state apportionment factors on the state income tax returns and the number of days in the year that the rates are effective (see Note F)

Safety Related and Education and Out Reach Cost Support

Safety Related,

Education, Siting &

Form 1 Amount Outreach Related Other Details

Directly Assigned A&G

174 General Advertising Exp Account 930.1 company records -

Safety advertising consists of any advertising whose primary purpose is to educate the recipient as to what is safe or is not safe.

Education advertising consists of any advertising whose primary purpose is to educate the recipient as about transmission related facts or issues Outreach advertising consists of advertising whose primary purpose is to attract the attention of the recipient about a transmission related issue Siting advertising consists of advertising whose primary purpose is to inform the recipient about locating transmission facilities   
Lobbying expenses are not allowed to be included in account 930.1

Excluded Plant Cost Support

Transmission plant

included in OATT

Excluded Ancillary Services

Transmission and not otherwise

Facilities excluded Description of the Facilities

Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities

175 Excluded Transmission Facilities 2,557,690 - All other Transmission Assets besides the Hurley Ave Smart Wires

Add more lines if necessary

Materials & Supplies

Stores Expense Transmission Materials Construction

Note: for the projection, the prior year's actual balances will be used Undistributed & Supplies Materials & Supplies Total

Form No.1 page p227.16 p227.8 p227.5

176 March Company Records - -

177 April Company Records - -

178 May Company Records - -

179 June Company Records - -

Application Attachment 1

180 July Company Records - -

181 August Company Records - -

182 September Company Records - -

183 October Company Records - -

184 November Company Records - -

185 December Column c - -

186 January Company Records - -

187 February Company Records - -

188 March Company Records - -

189 Average -

PBOPs

Details

189 Calculation of PBOP Expenses

190 ConEd

191 Total PBOP expenses

192 Labor dollars

193 Cost per labor dollar

194 labor (labor not capitalized) current year Company Records

195 PBOP Expense for current year

196 PBOP Expense in Account 926 for current year Company Records

197 PBOP Adjustment for Appendix A, Line 44

198 Lines 191-193 cannot change absent approval or acceptance by FERC in a separate proceeding.

198 NiMo

199 Total PBOP expenses

200 Labor dollars

201 Cost per labor dollar

202 labor (labor not capitalized) current year Company Records

203 PBOP Expense for current year

204 PBOP Expense in Account 926 for current year Company Records

205 PBOP Adjustment for Appendix A, Line 44

206 Lines 199-201 cannot change absent approval or acceptance by FERC in a separate proceeding.

207 NYSEG

208 Total PBOP expenses

209 Labor dollars

210 Cost per labor dollar

211 labor (labor not capitalized) current year Company Records

212 PBOP Expense for current year

213 PBOP Expense in Account 926 for current year Company Records

214 PBOP Adjustment for Appendix A, Line 44

215 Lines 208-210 cannot change absent approval or acceptance by FERC in a separate proceeding.

216 RGE

217 Total PBOP expenses

218 Labor dollars

219 Cost per labor dollar

220 labor (labor not capitalized) current year Company Records

Application Attachment 1

221 PBOP Expense for current year

222 PBOP Expense in Account 926 for current year Company Records

223 PBOP Adjustment for Appendix A, Line 44

224 Lines 217-219 cannot change absent approval or acceptance by FERC in a separate proceeding.

225 CHG&E

226 Total PBOP expenses

227 Labor dollars

228 Cost per labor dollar

229 labor (labor not capitalized) current year Company Records

230 PBOP Expense for current year

231 PBOP Expense in Account 926 for current year Company Records

232 PBOP Adjustment for Appendix A, Line 44

233 Lines 226-228 cannot change absent approval or acceptance by FERC in a separate proceeding.

234 HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

235 Total PBOP expenses

236 Labor dollars

237 Cost per labor dollar

238 labor (labor not capitalized) current year Company Records

239 PBOP Expense for current year

240 PBOP Expense in Account 926 for current year Company Records

241 PBOP Adjustment for Appendix A, Line 44

242 Lines 235-237 cannot change absent approval or acceptance by FERC in a separate proceeding.

243 PBOP expense adjustment (sum lines 197, 214, 205, 223, 232, & 241)

Application Attachment 1

Attachment 3 - Cost Support

COST OF CAPITAL HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

Line No. Description Form No.1Reference March April May June July August September October November December January February March 13 Month Avg.

Col. (c) company records company records Col. (c) company records company records Col. (c) company records company records Col. (c) company records company records Col. (c) Col. (n)

244 Long Term Debt:

245 Acct 221 Bonds 112.18.c,d - - - - - - - - - - - - - -

246 Acct 223 Advances from Assoc. Companies 112.20.c,d - - - - - - - - - - - - - -

247 Acct 224 Other Long Term Debt 112.21.c,d

248 Less Acct 222 Reacquired Debt 112.19 c, d enter negative - - - - - - - - - - - - - -

249 Total Long Term Debt Sum Lines 244 - 248 - - - - - - - - - - - - - -

250251 Preferred Stock 112.3.c,d 100 100 100 100 100 100 100 100 100 100 100 100 100 100

252

253 Common Equity- Per Books 112.16.c,d

254 Less Acct 204 Preferred Stock 112.3.c,d 100 100 100 100 100 100 100 100 100 100 100 100 100 100

255 Less Acct 219 Accum Other Compre. Income 112.15.c,d - - - - - - - - -

Less Acct 216.1 Unappropriated Undistributed Subsidiary

256 Earnings 112.12.c,d - - - - - - - - - - - - - -

257258 Adjusted Common Equity Ln 253 - 254 - 255 - 256 (100) (100) (100) (100) (100) (100) (100) (100) (100) (100) (100) (100) (100) (100)

259260 Total (Line 249 plus Line 251 plus Line 257) - - - - - - - - - - - - - -

261 Cost of Debt

262 Acct 427 Interest on Long Term Debt 117.62.c -

263 Acct 428 Amortization of Debt Discount and Expense 117.63.c -

264 Acct 428.1 Amortization of Loss on Reacquired Debt 117.64.c -

Acct 430 Interest on Debt to Assoc. Companies (LTD

265 portion only) (2) 117.67.c - - - - - - - - - - - - - -

266 Less: Acct 429 Amort of Premium on Debt 117.65.c enter negative - - - - - - - - - - - - - -

267 Less: Acct 429.1 Amort of Gain on Reacquired Debt 117.66.c enter negative - - - - - - - - - - - - - -

268269 Total Interest Expense Sum Lines 262 - 267 - - - - - - - - - - - - - -

270271 Average Cost of Debt (Line 268 / Line 249) #DIV/0!

272 Cost of Preferred Stock

273274 Preferred Stock Dividends 118.29.c - - - - - - - - - - - - - -

275 Average Cost of Preferred Stock (Line 273 / Line 251) - - - - - - - - - - - - - -

Note 2. Interest on Debt to Associated Companies (FERC 430) will be populated with interest related to Long-Term Debt only.

Application Attachment 1

Incentive ROE and 60/40 Project Worksheet Rate Formula Template For the 12 months ended 12/31/2019

Attachment 4 Utilizing Appendix A Data

The calculations below calculate that additional revenue requirement for 50 basis points of ROE and 0.5 percent change in the equity component of the capital structure.

These amounts are then used to calculate the actual increase in revenue in the table below (starting on line 66) associated with the actual incentive authorized by the Commission The use of the 50 basis point calculations per settlement discussions.

HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

Base ROE and Income Taxes Carrying Charge

Allocator Result

1 Rate Base #DIV/0!

2 BASE RETURN CALCULATION:

$ % Cost Weighted

3 Long Term Debt (Appendix A, Line 91) - #DIV/0! #DIV/0! #DIV/0!

4 Preferred Stock (Appendix A, Line 92) 100 0% 0.00% 0.00%

5 Common Stock (Appendix A, Line 93) (100) #DIV/0! 9.40% #DIV/0!

6 Total (sum lines 3-5) - #DIV/0!

7 Return multiplied by Rate Base (line 1 \* line 6) #DIV/0!

8 INCOME TAXES

9 T=1 - {[(1 - SIT) \* (1 - FIT)] / (1 - SIT \* FIT \* p)} = (Appendix A, line 61) 0.2614

10 CIT=(T/1-T) \* (1-(WCLTD/R)) = #DIV/0!

11 where WCLTD=(line 3) and R= (line 6)

12 and FIT, SIT & p are as given in footnote F on Appendix A.

13 1 / (1 - T) = (T from line 9) 1.3538

14 Amortized Investment Tax Credit (266.8f) (enter negative) -

15 Income Tax Calculation = line 10 \* line 7 \* (1-n) #DIV/0! #DIV/0!

16 ITC adjustment (line 13 \* line 14) \* (1-n) - NP - -

17 Total Income Taxes (line 15 plus line 16) #DIV/0! #DIV/0!

18 Base Return and Income Taxes Sum lines 7 and 17 #DIV/0!

19 Rate Base Line 1 #DIV/0!

20 Return and Income Taxes at Base ROE Line 18 / line 19 #DIV/0!

100 Basis Point Incentive ROE and Income Taxes Carrying Charge Attachment 4

Result

21 Rate Base #DIV/0!

22 50 Basis Point Incentive Return impact on

$ % Cost Weighted

23 Long Term Debt (line 3) - #DIV/0! #DIV/0! #DIV/0!

24 Preferred Stock (line 4) 100.00 0% 0.00% -

25 Common Stock (line 5 plus 50 basis points) (100.00) #DIV/0! 9.90% #DIV/0!

26 Total (sum lines 24-26) - #DIV/0!

27 50 Basis Point Incentive Return multiplied by Rate Base (line 21 \* line 26) #DIV/0!

28 INCOME TAXES

29 T=1 - {[(1 - SIT) \* (1 - FIT)] / (1 - SIT \* FIT \* p)} = (Appendix A, line 61) 0.2614

30 CIT=(T/1-T) \* (1-(WCLTD/R)) = #DIV/0!

31 where WCLTD=(line 23) and R= (line 26)

32 and FIT, SIT & p are as given in footnote F on Appendix A.

33 1 / (1 - T) = (T from line 29) 1.3538

34 Amortized Investment Tax Credit (line 14) -

35 Income Tax Calculation = line 30 \* line 27 \* (1-n) #DIV/0! #DIV/0!

36 ITC adjustment (line 33 \* line 34) \* (1-n) - NP - -

37 Total Income Taxes (line 35 plus line 36) #DIV/0! #DIV/0!

38 Return and Income Taxes with 100 basis point increase in ROE Sum lines 27 and 37 #DIV/0!

39 Rate Base Line 21 #DIV/0!

40 Return and Income Taxes with 100 basis point increase in ROE Line 38 / line 39 #DIV/0!

41 Difference in Return and Income Taxes between Base ROE and 50 Basis Point Incentive Line 41- Line 20 #DIV/0!

Effect of 1% Increase in the Equity Ratio

Results

42 Rate Base #DIV/0!

43 50 Basis Point Incentive Return

$ % Cost Weighted

44 Long Term Debt (line 3 minus 1% in equity ratio) - #DIV/0! #DIV/0! #DIV/0!

45 Preferred Stock (line 4) - 0% 0.00% 0.00%

46 Common Stock (line 5 plus 1% in equity ratio)) - #DIV/0! 9.40% #DIV/0!

47 Total (sum lines 44-46) - #DIV/0!

48 Line 47 x line 42 #DIV/0!

49 INCOME TAXES

50 T=1 - {[(1 - SIT) \* (1 - FIT)] / (1 - SIT \* FIT \* p)} = (Appendix A, line 61) 0.2614

51 CIT=(T/1-T) \* (1-(WCLTD/R)) = #DIV/0!

Application Attachment 1

52 where WCLTD=(line 44) and R= (line 47)

53 and FIT, SIT & p are as given in footnote F on Appendix A.

54 1 / (1 - T) = (T from line 50) 1.3538

55 Amortized Investment Tax Credit (line 14) -

56 Income Tax Calculation = line 51 \* line 48 \* (1-n) #DIV/0! #DIV/0!

57 ITC adjustment (line 54 \* line 55) \* (1-n) - NP - -

58 Total Income Taxes (line 56 plus line 57) #DIV/0! #DIV/0!

59 Return and Income Taxes with 1% Increase in the Equity Ratio Sum lines 48 and 58 #DIV/0!

60 Rate Base Line 42 #DIV/0!

61 Return and Income Taxes with 1% Increase in the Equity Ratio Line 59 / line 60 #DIV/0!

62 Difference between Base ROE and 1% Increase in the Equity Ratio Line 61 - Line 20 #DIV/0!

Attachment 4

63 Revenue Requirement per project including incentives

64 Expense Allocator [Appendix A, lines 45 and 59, less Appendix A, line 44b / Gross Transmission Plant In Service Column (l)] (Note B) #DIV/0!

65 Base Carrying Charge (used in ALine 102 Appendix A #DIV/0!

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

(a) (b) (c) (d) (e) (f) (g) (h) (i) (j) (k) (l) (m) (n) (o) (p)

ROE Base Equity % in Capital Impact of Equity

ROE Authorized (From Incentive % Structure (% above Component of Capital Gross Plant In Expense O&M, Taxes Other Depreciation/Am Total Revenues

Net Investment by FERC (Note Appendix A, Authorized by Col (e) / .01 x Incentive $ (Col base %, -% below base Structure(Col (b) x (i) Base Return and Tax (Line 65 x Service (Note Allocator than Income ortization (Col. (h) + (j) +

Line Description (Note A) C) line 93) FERC Line 41 Col (f) (b) x Col (g) %)(1 equals 1%) x Line 62 Col (b) B) (line 64) (Col. (l) x Col. (n) Expense (k) +(n) +(o))

66 Up to 228 million #DIV/0! 9.4% 9.40% 0.005 #DIV/0! #DIV/0! #DIV/0! - #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0!

66a Over 228 million - 9.4% 9.40% - #DIV/0! #DIV/0! #DIV/0! - #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0!

66b Regulatory Asset - 9.4% 9.40% - #DIV/0! #DIV/0! #DIV/0! - #DIV/0! #DIV/0! - #DIV/0! #DIV/0! - #DIV/0!

66c - - 0.0% 9.40% - - #DIV/0! #DIV/0! -

… 9.40% #DIV/0! #DIV/0!

… 9.40% #DIV/0! #DIV/0!

… 9.40% #DIV/0! #DIV/0!

… 9.40% #DIV/0! #DIV/0!

… 9.40% #DIV/0! #DIV/0!

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… 9.40% #DIV/0! #DIV/0!

… 9.40% #DIV/0! #DIV/0!

… 9.40% #DIV/0! #DIV/0!

… 9.40% #DIV/0! #DIV/0!

… 9.40% #DIV/0! #DIV/0!

9.40% #DIV/0! #DIV/0!

67 Total #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0!

Check Sum Appendix A Line 3 #DIV/0!

Difference (must be zero) #DIV/0!

Note:

A Column (b), Net Investment includes the Net Plant In Service, unamortized regulatory assets, unamortized abandoned plant and CWIP   
B Column (l), Gross Plant in Service excludes Regulatory Assets, CWIP, and Abandoned Plant.   
C Column (e), for each project with an incentive in column (e), note the docket No. in which FERC granted the incentive>

Project Docket No. Note

TOTs 1 - Ramapo to Rock Tavern ER15-572 Up to $228 million for the 3 TOTS projects in aggregate

TOTs 2 - Staten Island Unbottling Feeder Split ER15-572 Up to $228 million for the 3 TOTS projects in aggregate

TOTs 3 - NYSEG's Marcy South Series Comp Fraser to Coopers Corner ER15-572 Up to $228 million for the 3 TOTS projects in aggregate



Application Attachment 1

Attachment 5 - Financing Costs for Long Term Debt using the Internal Rate of Return Methodology (Note 13)

HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

HYPOTHETICAL EXAMPLE

Assumes financing will be a 5 year loan with Origination Fees of $2.1 million and a Commitments Fee of 0.3% on the undrawn principal.

Consistent with GAAP, the Origination Fees and Commitments Fees will be amortized using the standard Internal Rate of Return formula below.

Each year, the amounts withdrawn, the interest paid in the year, Origination Fees, Commitments Fees, and total loan amount will be updated on this attachment.

Table 1

1 Total Loan Amount $ -

Table 2

2 Internal Rate of Return1 #NUM!

3 Based on following Financial Formula2:

4 NPV = 0 =

Table 3

Origination Fees

5 Underwriting Discount -

6 Arrangement Fee -

7 Upfront Fee -

8 Rating Agency Fee -

9 Legal Fees -

10 Total Issuance Expense -

11 Annual Rating Agency Fee -

12 Annual Bank Agency Fee -

13 Revolving Credit Commitment Fee 0.000%

Table 4

2014 2015 2016 2017 2018 2019 2020

14 LIBOR Rate 0.64% 1.03% 1.60% 2.13% 2.13% 2.13% 2.13%

15 Spread 2.25% 2.25% 2.25% 2.25% 2.25% 2.25% 2.25%

16 Interest Rate 2.89% 3.28% 3.85% 4.38% 4.38% 4.38% 4.38%

Table 5

(A) (B) ( C) (D) (E) (F) (G) (H) (I)

Principal

Capital Drawn In

Expenditures Quarter Principal Drawn Interest & Principal Origination Fees Commitment & Utilization

17 Year ($000's) ($000's) To Date ($000's) ($000's) ($000's) Fee ($000's) Net Cash Flows ($000's)

1/4 \* Interest Rate from

Line 16 x Col. E prior (line 1/1000 less Col. E prior

quarter and Principal quarter)\*line 13/4 +line

Cumulative Col. D repayment Input in first Qtr of Loan 12/4000+line 11/4000 (D-F-G-H)

18

19 3/31/2014 Q3 - - - -

20 6/30/2014 Q4 - - - - - -

21 9/30/2014 Q1 - - - - - -

22 12/31/2014 Q2 - - - - - -

23 3/31/2015 Q3 - - - - - -

24 6/30/2015 Q4 - - - - - -

25 9/30/2015 Q1 - - - - - -

26 12/31/2015 Q2 - - - - - -

27 3/31/2016 Q3 - - - - - -

28 6/30/2016 Q4 - - - - - -

29 9/30/2016 Q1 - - - - - -

30 12/31/2016 Q2 - - - - - -

31 3/31/2017 Q3 - - - - - -

32 6/30/2017 Q4 - - - - - -

33 9/30/2017 Q1 - - - - - -

34 12/31/2017 Q2 - - - - - -

35 3/31/2018 Q3 - - - - -

36   
37   
38   
39   
40   
41   
42

Notes 1 The IRR is the input to Debt Cost shown on Appendix A, Page 4, Line 95 during the construction period, after obtaining project financing, in accordance with Note G of Appendix A.

2. The IRR is a discount rate that makes the net present value of a series of cash flows equal to zero. The IRR equation is shown on line 4.

N is the last quarter the loan would be outstanding

t is each quarter

Ct is the cash flow (Table 5, Col. I in each quarter)

Alternatively the equation can be written as 0 = C0 + C1/(1+IRR) + C2/(1+IRR)2 + C3/(1+IRR)3 + . . . +Cn/(1+IRR)n and solved for IRR

The Excel ™ formula on line 2 is : (round(XIRR(first quarter of loan Col A of Table 5:last quarter of loan Col A of Table 5, first quarter of loan Col I of Table 5: last quarter of loan Col I of Table 5, 8%),4)) The 8% in the above formula is a seed number to ensure the formula produces a positive number.

3. Line 1 reflects the loan amount, the maximum amount that can be drawn on

4. Lines 5 through 13 include the fees associated with the loan. They are estimated based on current bank condition and are updated with the actual fees once the actual fees are known.

5. The estimate of the average 3 month Libor forward rate for the year on line 14 is that published by Bloomberg Finance L.P. during August of the prior year and is trued-up to actual   
 average 3 month Libor rate for the year under the loan.

6. Table 5, Col. C reflect the capital expenditures in each quarter

7. Table 5, Col. D reflect the amount of the loan that is drawn down in the quarter

8. Table 5, Col. E is the amount of principle drawn down

9. Table 5, Col F calculates the interest on the principle drawn down to date based on the applicable interest on line 16

10. Table 5, Col. G is the total origination fees in line 10 and is input in the first quarter that a portion of the loan in drawn

11. Table 5, Col. H is calculated as follows:

(line 1/1000 less Col. E prior quarter)\*line 13/4 +line 12/4000+line 11/4000

Where A = Loan amount in line 1 less the amount drawn down (Table 5, Col. (E)) in the prior quarter

12. The inputs shall be estimated based on the current market conditions and is subject to true up for all inputs , e.g., fees, interest rates, spread, and Table 3 once the   
amounts are known

13. Prior to obtaining long term debt, the cost of debt, will be 3.28%. If NY Transco obtains project financing, the long term debt rate will be determined using the methodology in Attachment 5 and Attachment 5 contains a hypothetical example of the internal rate of return methodology; the methodology will be applied to actual amounts for use in Attachment A. After the first project is placed into service, NY Transco will use the its actual cost of long term debt determined in Attachment 3. The capital structure will be the actual capital structure up to 53% equity.

Application Attachment 1

HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

Attachment 6a - Accumulated Deferred Income Taxes (ADIT) Worksheet (Beginning of Year)   
 Beginning of Year

Transmission Plant Labor Total

Item Related Related Related

1 ADIT-282 - - - From Acct. 282 total, below

2 ADIT-283 - - - From Acct. 283 total, below

3 ADIT-190 - - - From Acct. 190 total, below

4 Subtotal - - -

5 Wages & Salary Allocator #DIV/0!

6 NP -

7 Beginning of Year - - #DIV/0! #DIV/0!

8 End of year from Attachment 6b, line 7 - - #DIV/0! #DIV/0!

9 Average of Beginning of Year and End of Year ((7 +8)/2) - - #DIV/0! #DIV/0! Enter as negative Appendix A, line 24.

In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns B-F and each separate ADIT item will be listed,

dissimilar items with amounts exceeding $100,000 will be listed separately. For ADIT directly related to project depreciation or CWIP, the balance must shown in a separate row for each project.

A B C D E F G

Total Gas, Prod

10 ADIT-190 Or Other Transmission Plant Labor

Related Related Related Related Justification

11a - -

11b - -

11c -

11d -

11e -

12 Subtotal - p234 - - - - -

13 Less FASB 109 Above if not separately removed -

14 Less FASB 106 Above if not separately removed - -

15 Total - - - - -

Instructions for Account 190:

16 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C

17 2. ADIT items related only to Transmission are directly assigned to Column D

18 3. ADIT items related to Plant and not in Columns C & D are included in Column E

19 4. ADIT items related to labor and not in Columns C & D are included in Column F

20 5. If the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded

HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

Attachment 6a - Accumulated Deferred Income Taxes (ADIT) Worksheet (Beginning of Year)

Beginning of Year

A B C D E F G

Total Gas, Prod

21 ADIT- 282 Or Other Transmission Plant Labor

Related Related Related Related Justification

22a MACRS for plant additions - - Timing difference related to depreciation for TOTS Projects placed in service

Application Attachment 1

22b

22c   
…

…   
…   
…   
…   
…

23 Subtotal - p275 - - - - -

24 Less FASB 109 Above if not separately removed -

25 Less FASB 106 Above if not separately removed - -

26 Total - - - - -

Instructions for Account 282:

27 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C

28 2. ADIT items related only to Transmission are directly assigned to Column D

29 3. ADIT items related to Plant and not in Columns C & D are included in Column E

30 4. ADIT items related to labor and not in Columns C & D are included in Column F

31 5. If the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded

HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

Attachment 6a - Accumulated Deferred Income Taxes (ADIT) Worksheet (Beginning of Year)

Beginning of Year

A B C D E F G

Total Gas, Prod

32 ADIT- 283 Or Other Transmission Plant Labor

Related Related Related Related

33a COR - - Cost of removal

33b -

33c -

33d -

33e -

…   
…   
…   
…

…

34 Subtotal - p277 - - - - -

35 Less FASB 109 Above if not separately removed - -

36 Less FASB 106 Above if not separately removed

37 Total - - - - -

Instructions for Account 283:

38 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C

39 2. ADIT items related only to Transmission are directly assigned to Column D

40 3. ADIT items related to Plant and not in Columns C & D are included in Column E

41 4. ADIT items related to labor and not in Columns C & D are included in Column F

42 5. If the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded

Application Attachment 1

HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

Attachment 6b - Accumulated Deferred Income Taxes (ADIT) Worksheet (End of Year)

End of Year

Transmission Plant Labor Total

Line Related Related Related

1 1 ADIT-282 - - From Acct. 282 total, below

2 2 ADIT-283 - - From Acct. 283 total, below

3 3 ADIT-190 - - From Acct. 190 total, below

4 4 Subtotal - -

5 5 Wages & Salary Allocator #DIV/0!

6 6 NP -

7 7 End of Year ADIT - #DIV/0! #DIV/0!

In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns B-F and each separate ADIT item will be listed,

dissimilar items with amounts exceeding $100,000 will be listed separately. For ADIT directly related to project depreciation or CWIP, the balance must be shown in a separate row for each project.

A B C D E F G

Total Gas, Prod

8 ADIT-190 Or Other Transmission Plant Labor

Related Related Related Related Justification

9a -

9b -

9c -

9d -

9e -

…   
…   
…   
…   
…

10 Subtotal - p234 - - - - -

11 Less FASB 109 Above if not separately removed -

12 Less FASB 106 Above if not separately removed - -

13 Total - - - - -

Instructions for Account 190:

14 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C

15 2. ADIT items related only to Transmission are directly assigned to Column D

16 3. ADIT items related to Plant and not in Columns C & D are included in Column E

17 4. ADIT items related to labor and not in Columns C & D are included in Column F

18 5. If the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded

HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

Attachment 6b - Accumulated Deferred Income Taxes (ADIT) Worksheet (End of Year)

End of Year

A B C D E F G

Total Gas, Prod

19 ADIT- 282 Or Other Transmission Plant Labor

Application Attachment 1

Related Related Related Related Justification

20a MACRS for plant additions Timing difference related to depreciation

20b   
20c   
…

…   
…   
…   
…   
…

21 Subtotal - p275 - - - - -

22 Less FASB 109 Above if not separately removed -

23 Less FASB 106 Above if not separately removed - -

24 Total - - - - -

Instructions for Account 282:

25 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C

26 2. ADIT items related only to Transmission are directly assigned to Column D

27 3. ADIT items related to Plant and not in Columns C & D are included in Column E

28 4. ADIT items related to labor and not in Columns C & D are included in Column F

29 5. If the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded

HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

Attachment 6b - Accumulated Deferred Income Taxes (ADIT) Worksheet (End of Year)

End of Year

A B C D E F G

Total Gas, Prod

30 ADIT- 283 Or Other Transmission Plant Labor

Related Related Related Related

31a COR Cost of removal

31b   
31c   
31d   
31e

…

…   
…   
…

…

32 Subtotal - p277 - - - - -

Application Attachment 1

33 Less FASB 109 Above if not separately removed - -

34 Less FASB 106 Above if not separately removed - -

35 Total - - - - -

Instructions for Account 283:

36 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C

37 2. ADIT items related only to Transmission are directly assigned to Column D

38 3. ADIT items related to Plant and not in Columns C & D are included in Column E

39 4. ADIT items related to labor and not in Columns C & D are included in Column F

40 5. If the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded

Application Attachment 1

Attachment 7 - Example of True-Up Calculation (Note 3)

HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

2017 2017

Revenue Requirement Billed Actual Revenue Requirement Over (Under)

(Note 1) (Note 2) Recovery

$2,164,047 Less $2,164,047 Equals $0

Over (Under) Recovery Plus Monthly Interest Rate on Surcharge

Interest Rate on Amount of Refunds or Surcharges Interest Attachment 7a Months Calculated Interest Amortization (Refund) Owed

0.4225%

An over or under collection will be recovered prorata over year collected, held for one year and returned prorata over next year. If the first year is a partial year, the true-up (over or under recovery per month and interest calculation) will reflect only the number of months for which the rate was charged.

Calculation of Interest Monthly

January Year 2017 - 0.4225% 12 - -

February Year 2017 - 0.4225% 11 - -

March Year 2017 - 0.4225% 10 - -

April Year 2017 - 0.4225% 9 - -

May Year 2017 - 0.4225% 8 - -

June Year 2017 - 0.4225% 7 - -

July Year 2017 - 0.4225% 6 - -

August Year 2017 - 0.4225% 5 - -

September Year 2017 - 0.4225% 4 - -

October Year 2017 - 0.4225% 3 - -

November Year 2017 - 0.4225% 2 - -

December Year 2017 - 0.4225% 1 - -

- -

Annual

January through December Year 2018 - 0.4225% 12 - -

Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months Monthly

January Year 2019 - 0.4225% - - -

February Year 2019 - 0.4225% - - -

March Year 2019 - 0.4225% - - -

April Year 2019 - 0.4225% - - -

May Year 2019 - 0.4225% - - -

June Year 2019 - 0.4225% - - -

July Year 2019 - 0.4225% - - -

August Year 2019 - 0.4225% - - -

September Year 2019 - 0.4225% - - -

October Year 2019 - 0.4225% - - -

November Year 2019 - 0.4225% - - -

December Year 2019 - 0.4225% - - -

-

Total Amount of True-Up Adjustment $ -

Less Over (Under) Recovery $ -

Total Interest $ -

Note 1: Revenue requirements billed is input, source data are the invoices from NYISO. The amounts exclude any true ups or prior period adjustments. Note 2: The actual revenue requirement is input from Attachment 4, line 66, column p. The amounts exclude any true-ups or prior period adjustments. Note 3: This "Example" sheet will be populated with actuals and used in each year's annual true-up calculation.

Application Attachment 1

Attachment 7a

True-Up Interest Calculation Page 2

Pursuant to

18 C.F.R. Section

FERC Quarterly Interest Rate 18 35.19 (a)

1 Qtr 3 (Previous Year) 4.69%

2 Qtr 4 (Previous Year) 4.96%

3 Qtr 1 (Current Year) 5.18%

4 Qtr 2 (Current Year) 5.45%

5 Average of the last 4 quarters (Lines 1-4 / 4) 5.07%

6 Interest Rate Used for True-up adjustment (Note B) 0.0507

7 Monthly Interest Rate for Attachment 7 (Line 6 / 12) 0.0042

Application Attachment 1

Attachment 8 - Depreciation and Amortization Rates

HURLEY AVENUE PROJECT - SYSTEM DISTRIBUTION UPGRADE

Rate (Annual)

Account Number FERC Account Percent

TRANSMISSION PLANT

1 350.1 Land Rights

2 352 Structures and Improvements 0.13

3 353 Station Equipment 0.38

4 354 Towers and Fixtures

5 355 Poles and Fixtures 0.91

6 356 Overhead Conductor and Devices 0.50

7 357 Underground Conduit

8 358 Underground Conductor and Devices

9 356.3 Smart Wire Device 2.50

10 PRODUCTION PLANT All Accounts

11 DISTRIBUTION PLANT All Accounts

GENERAL PLANT

12 390 Structures & Improvements

13 391 Office Furniture & Equipment

14 392 Transportation Equipment

15 393 Stores Equipment

16 394 Tools, Shop & Garage Equipment

17 395 Laboratory Equipment

18 396 Power Operated Equipment

19 397 Communication Equipment

20 398 Miscellaneous Equipment

INTANGIBLE PLANT

Application Attachment 1

21303 Miscellaneous Intangible Plant

5 Yr   
7 Yr

10 Year

15 year

Transmission facility Contributions in Aid of Construction Note 1

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

Note 1: The Contribution in Aid of Construction (CIAC) made for this project is assumed to be applied to offset all transmission plant categories with the remaining balance in account 35x for the new Smart Wire Devices for the purposes of calculating rate base and depreciation to be recovered.

Application Attachment 1

Attachment 9 - Workpapers

Regulatory Assets

(a) (b) (c) (d) (e) (f) (g) (h) (i) (j) (k) (l) (m) (n) (o) (p) (q) (r) (s) (t) (u) (v) (w) (x) (y) (z) (aa)

May 31 June 30 July 31 Aug. 31 Sept. 30 Oct. 31 Nov. 30 Dec. 31 Jan 31 Feb 28 Mar 31 Apr 30 May 31

Amort Exp in Avg Unamortized

Recovery Current Amort Formula Balance % Approved Allocated to Rate Base

Amnt Recovery Period Monthly Amort Amort PeriodsExpense (d)% Allocated to Rate\*\* Sum (i) through for Rate Base Formula Rate Balance (v)

No. Project Name Approved \* Months \* Exp (b) / (c) this year x (e) Formula Rate \* (f) x (g) 2020 2020 2020 2020 2020 2020 2020 2020 2021 2021 2021 2021 2021 (u) / 13 \* (from (g)) x (w) x (x) Project Code Docket No

1a 0 - 12 - 1 - 0 0 0 0 0 0 0 0 0 0 0 0 0 - 1 1 -

1b - - - - - -

1c - - - - - -

- - - - - -

… - - - - - -

- - - - - -

1x - - - - - -

- - - - - -

… - - - - - -

- - - - - -

1x - - - - - -

2 Total Regulatory Asset in Rate Base (sum lines 1a-1x): - -

\* Non-zero values in these columns may only be established per FERC order

\*\*All amortizations of the Regulatory Asset are to be booked to Account 566

Abandoned Plant

(a) (b) (c) (d) (e) (f) (g) (h) (i) (j) (k) (l) (m) (n) (o) (p) (q) (r) (s) (t) (u) (v) (w) (x) (y) (z) (aa)

March April May June July August September October November December January February March

Avg Unamortized

Recovery Current Amort Amort Exp in Balance % Approved Allocated to Rate Base

Amnt Recovery Period Monthly Amort Amort PeriodsExpense (d)% Allocated to Formula Rate Sum (i) through for Rate Base Formula Rate Balance (v)

No. Project Name Approved \* Months \* Exp (b) / (c) this year x (e) Formula Rate \* (f) x (g) 2018 2018 2018 2018 2018 2018 2018 2018 2018 2018 2019 2019 2019 (u) / 13 \* (from (g)) x (w) x (x) Project Code Docket No

3a - - - - - -

3b - - - - - -

3c - - - - - -

- - - - - -

… - - - - - -

- - - - - -

- - - - - -

- - - - - -

… - - - - - -

- - - - - -

3x - - - - - -

4 Total Abandoned Plant in Rate Base (sum lines 3a-3x): -

\* Non-zero values in these columns may only be established per FERC order

Land Held for Future Use (LHFU)

(a) (b) (c) (d) (e) (f) (g) (h) (i) (j) (k) (l) (m) (n) (o) (p) (q)

Land Held for March April May June July August September October November December January February March Average of

Future Use and Columns (d)

No. Subaccount No. Item Name Estimated Date 2018 2018 2018 2018 2018 2018 2018 2018 2018 2018 2019 2019 2019 Through (p)

5a -

5b -

5c -

… -

… -

… -

… -

… -

… -

5x -

6 Total LHFU in rate base (sum lines 5a-5x): -

CWIP in Rate Base

(a) (b) (c) (d) (e) (f) (g) (h) (i) (j) (k) (l) (m) (n) (o) (p) (q) (r) (s) (t) (u)

March April May June July August September October November December January February March

Construction Start Estimated in- Approval Doc. Avg (f) through % approved Rate Base

No. Project Name job ID Date service date No. 2018 2018 2018 2018 2018 2018 2018 2018 2018 2018 2019 2019 2019 (r) for recovery Amnt (s) x (t)

7a - 0.0% -

7b - 0.0% -

7c - 0.0% -

- 0.0% -

… - 0.0% -

- 0.0% -

- 0.0% -

- 0.0% -

… - 0.0% -

- 0.0% -

7x - 0.0% -

8 Total (sum lines 7a-7x) Total CWIP in Rate Base -

Change to recovery percent in Column (t) requires FERC order

Actual Additions by FERC Account

The total of these additions should total the additions reported in the FERC Form No.1 on page 206, lines 48 to 56

Application Attachment 1

Project 350 352 352 353 354 355 356 357 358 35x

Structures and Overhead Underground

Structures and Improvements - Station Towers and Poles and Conductor and Underground Conductor and Smart Wire

Land Rights Improvements Equipment Equipment Fixtures Fixtures Devices Conduit Devices Device Total

9a Hurley Avenue SDU - - - - 2,557,690 2,557,690

9b -

9c -

… -

… -

… -

… -

… -

… -

… -

… -

… -

… -

-

-

-

9x -

10 Total (sum lines 9a-9x) 2,557,690

Intangible Plant Detail

The total

Item Description Source Service Life Amount

11a Company Records

11b Company Records

11c Company Records

… Company Records

… Company Records

… Company Records

… Company Records

… Company Records

… Company Records

… Company Records

… Company Records

… Company Records

… Company Records

Company Records

Company Records

Company Records

11x Company Records

12 Total (sum lines 11a-11x) ties to p207.5.g -

Detail of Affiliate Charges Included in NY Transco's Books as Requested by Certain Parties to the Filing

Transactions between NY Transco and any entity that is associated (affiliated) with NY Transco must be reported on page 429 of the Form No. 1. The chart below is to include all charges to the NY Transco by an affiliate, by Affiliate and by FERC account number

Central Consolidated Rochester Orange & Niagara

FERC Account Hudson G&E Edison National Grid NY State E&G G&E Rockland Mohawk Total

13a -

13b -

13c -

13d -

13e -

13f -

13g -

13h -

13i -

13j -

13k -

13l -

13m -

13n -

13o -

13p -

13q -

13r -

13s -

13t -

13u -

-

13x -

14 Total - - - - - - - - (sum lines 13a-13x)