

ATTACHMENT A

Revised Section 14.2.1 of Attachment H of NYISO OATT (Clean)

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

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

Table of Contents

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

Calculation of RR

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

Historical Transmission Revenue Requirement (Historical TRR)

Line No.

1 **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) Amortization of Transmission Regulatory Assets and Liabilities, (I) Billing Adjustments, and (J) Transmission Related Bad Debt Expense
 7 less
 (K) Revenue Credits, (L) Transmission Rents and (M) Project Specific Revenue Requirement Credits, all determined for the most recently ended calendar year as of the beginning of the
 update year.

8

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		<u>Reference</u>		
		<u>Section:</u>	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	Amortization of Transmission Regulatory Assets and Liabilities	(H)	#DIV/0!	Schedule 9, Line 46, column 5
18	Sub-Total (sum of Lines 10 - Line 17)		<u>#DIV/0!</u>	

19

20	Billing Adjustments	(I)	\$0	Schedule 10, Line 1
21	Bad Debt Expenses	(J)	\$0	Schedule 10, Line 4
22	Revenue Credits	(K)	\$0	Schedule 10, Line 7
23	Transmission Rents	(L)	\$0	Schedule 10, Line 15
24	Project Specific Revenue Requirement Credits	(M)	\$0	Schedule 10, Line 18

25

26 Total Historical Transmission Revenue Requirement (Sum of Line 18 through Line 24) #DIV/0!

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

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

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

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

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

Niagara Mohawk Power Corporation

Wholesale TSC Calculation Information

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

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

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

Attachment 1
Schedule 5

Year

Shading denotes an input

Line No.	Description	Amount	Source	Definition
1	14.1.9.1 1. <u>Electric Wages and Salaries Factor</u>	83.5000%		Fixed per settlement Docket ER08-552
2				
3	14.1.9.1 3. <u>Transmission Wages and Salaries Allocation Factor</u>	13.0000%		Fixed per settlement Docket ER08-552
4				
5				
6				
7				
8	14.1.9.1 2. <u>Gross Transmission Plant Allocation Factor</u>			
9	Transmission Plant in Service	#DIV/0!	Schedule 6, Page 2, Line 3, Col 5	Gross Transmission Plant Allocation Factor shall equal the total investment in
10	Plus: Transmission Related General	\$0	Schedule 6, Page 2, Line 5, Col 5	Transmission Plant in Service, Transmission Related Electric General Plant,
11	Plus: Transmission Related Common	\$0	Schedule 6, Page 2, Line 10, Col 5	Transmission Related Common Plant and Transmission
12	Plus: Transmission Related Intangible Plant	\$0	Schedule 6, Page 2, Line 15, Col 5	Related Intangible Plant
13	Gross Transmission Investment	#DIV/0!	Sum of Lines 9 - 13	divided by Gross Electric Plant.
14				
15	Total Electric Plant		FF1 204.104g	
16	Plus: Electric Common	\$0	Schedule 6, Page 2, Line 10, Col 3	
17	Gross Electric Plant in Service	\$0	Line 15 + Line 16	
18				
19	Percent Allocation	#DIV/0!	Line 13 / Line 17	
20				
21	14.1.9.1 4. <u>Gross Electric Plant Allocation Factor</u>			
22				
23	Total Electric Plant in Service	\$0	Line 15	Gross Electric Plant Allocation Factor shall equal
24	Plus: Electric Common Plant	\$0	Schedule 6, Page 2, Line 10, Col 3	Gross Electric Plant divided by the sum of Total Gas Plant,
25	Gross Electric Plant in Service	\$0	Line 23 + Line 24	Total Electric Plant, and Total Common Plant
26				
27	Total Gas Plant in Service		FF1 200.8d	
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	<u>#DIV/0!</u>	Line 25 / Line 30

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

Line No.

1 14.1.9.2 (a) Transmission Investment Base

2

3 A.1. Transmission Investment Base shall be defined as (a) Transmission Plant in Service, plus (b) Transmission Related Electric General Plant, plus
4 (c) Transmission Related Common Plant, plus (d) Transmission Related Intangible Plant, plus (e) Transmission Related Plant Held for Future Use, less
5 (f) Transmission Related Depreciation Reserve, less (g) Transmission Related Accumulated Deferred Taxes, plus (h)
6 Transmission Regulatory Assets and Liabilities, plus (i) Transmission Related Prepayments, plus (j) Transmission Related Materials and Supplies,
7 plus (k) Transmission Related Cash Working Capital.
8
9

Description	Reference	Year	Reference
	<i>Section:</i>		
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
Transmission Regulatory Assets and Liabilities	(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!	

Niagara Mohawk Power Corporation
 Annual Revenue Requirements of Transmission Facilities
 Transmission Investment Base (Part 1 of 2)

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

Year

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	<u>Transmission Plant</u>				#DIV/0!	FF1 204.58g	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)						
4					#DIV/0!		
5	<u>General Plant</u>	100.00%	\$0	13.00%	\$0	FF1 204.99g	14.1.9.2(a)A.1.(b) Transmission Related Electric General Plant shall equal the balance of investment in Electric General Plant multiplied by the Transmission Wages and Salaries Allocation Factor.
6							
7							
8							
9							
10	<u>Common Plant</u>	83.50%	(a) \$0	13.00%	\$0	FF1 200. 8h	14.1.9.2(a)A.1.(c) Transmission Related Common Plant shall equal Common Plant multiplied by the Electric Wages and Salaries Allocation Factor and further multiplied by the Transmission Wages and Salaries Allocation Factor.
11							
12							
13							
14							
15	<u>Intangible Plant</u>	100.00%	-	13.00%	\$0	FF1 204.5g	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							

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<u>Transmission Plant Held for Future Use</u>	\$0					<u>\$0</u>	Workpaper 10	14.1.9.2(a)A.1.(e)	Transmission Related Plant Held 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.
<u>Transmission Accumulated Depreciation</u>									
Transmission Accum. Depreciation						\$0	FF1 219.25b	14.1.9.2(a)A.1.(f)	Transmission Related Depreciation Reserve shall equal the
General Plant Accum. Depreciation		100.00%	\$0	13.00%	(c)	\$0	FF1 219.28b		balance of: (i) Transmission Depreciation Reserve, plus (ii)
Common Plant Accum Depreciation		83.50%	(a) \$0	13.00%	(c)	\$0	FF1 356.1	end of year balance	the product of Electric General Plant Depreciation Reserve multiplied by the Transmission Wages and Salaries
Amortization of Other Utility Plant		100.00%	\$0	13.00%	(c)	\$0	FF1 200.21c		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
Wholesale Meters	#DIV/0!					<u>#DIV/0!</u>	Workpaper 1		(iv) the product of Intangible Electric Plant Depreciation Reserve multiplied by the Transmission Wages and Salaries Allocation Factor plus (v)
Total Depreciation (Sum of Line 24 - Line 28)						<u>#DIV/0!</u>			depreciation reserve associated with the Wholesale Metering Investment.

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

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

Attachment 1
Schedule 7

Attachment H Section 14.1.9.2 (a) A. 1.

Shading denotes an input

Year

Line No.	(1) Total	(2) Allocation Factor	(3) = (1)*(2)		(4) Allocation Factor	(5) = (3)*(4)		FERC Form 1/PSC Report Reference for col (1)	Definition
			Electric Allocated			Transmission Allocated			
1	<u>Transmission Accumulated Deferred Taxes</u>								
2		100.00%	\$0	#DIV/0!	(d)	#DIV/0!	FF1 274 _k	14.1.9.2(a)A.1.(g)	Transmission Related Accumulated Deferred Income Taxes shall equal the electric balance of Total Accumulated Deferred Income Taxes (FERC Accounts 190, 55,281, 282, and 283 net of stranded costs), multiplied by the Gross Transmission Plant Allocation Factor.
3	\$0	100.00%	\$0	#DIV/0!	(d)	#DIV/0!	Workpaper 2, Line 5		
4		100.00%	\$0	#DIV/0!	(d)	#DIV/0!	FF1 234.8c		
5		100.00%	\$0	#DIV/0!	(d)	#DIV/0!	FF1 266.8h		
6	Total (Sum of Line 2 - Line 5)		\$0			#DIV/0!			
7	<u>Transmission Regulatory Assets and Liabilities</u>								
8		100.00%	\$0	#DIV/0!	(d)	#DIV/0!	FF1 232 lines _	14.1.9.2(a)A.1.(h)	Transmission Related Regulatory Assets and Liabilities shall equal: (i) the balance of Regulatory Assets net of Regulatory Liabilities assigned to Transmission plus (ii) the electric balance of Regulatory Assets net of Regulatory Liabilities multiplied by the Gross Transmission Plant Allocation Factor.
9	\$0	100.00%	\$0	#DIV/0!	(d)	#DIV/0!	Schedule 14, line 3c, column Q		
10	\$0	100.00%	\$0	100.00%		\$0	Schedule 14, line 2, column Q		
11	Total (Line 8 + Line 9 + Line 10)		\$0			#DIV/0!			
12	<u>Transmission Prepayments</u>								
13							FF1 110.57c	14.1.9.2(a)A.1.(i)	Transmission Related Prepayments shall be the product of Prepayments excluding Federal and State taxes multiplied by the Gross Electric Plant Allocation Factor and further multiplied by the Gross Transmission Plant Allocation Factor.
14							FF1 262 lines _k		
15	Total Prepayments (Line 13 + Line 14)		\$0	#DIV/0!	(b)	#DIV/0!	#DIV/0!	(d)	
16	<u>Transmission Material and Supplies</u>								
17									
18						\$0	FF1 227.8c	14.1.9.2(a)A.1.(j)	Transmission Related Materials and Supplies shall equal: (i) the balance of Materials and Supplies assigned to Transmission plus (ii) the product of Material and Supplies assigned to Construction multiplied by the Gross Electric Plant Allocation Factor and further multiplied by Gross Transmission Plant Allocation Factor.
19							FF1 227.5c		
20		#DIV/0!	(b)	#DIV/0!	#DIV/0!	(d)	#DIV/0!		
21	Total (Line 19 + Line 20)					#DIV/0!			
22	<u>Cash Working Capital</u>								
23									
24									
25						\$0	Schedule 9, Line 23	14.1.9.2(a)A.1.(k)	Transmission Related Cash Working Capital shall be an allowance equal to the product of: (i) 12.5% (45 days/ 360 days = 12.5%) multiplied by (ii) Transmission Operation and Maintenance Expense.
26						0.1250	x 45 / 360		
27	Total (Line 26 * Line 27)					\$0			

Allocation Factor Reference

(a) Schedule 5, line 1 - not used on this Schedule

(b) Schedule 5, line 32

(c) Schedule 5, line 3 - not used on this Schedule

(d) Schedule 5, line 19

Shading denotes an input

Year

Line No. 1 **The Cost of Capital Rate shall equal the proposed Weighted Costs of Capital plus Federal Income Taxes and State Income Taxes.**
 2 The Weighted Costs of Capital will be calculated for the Transmission Investment Base using NMPC's actual capital structure and will equal the sum of (i), (ii), and (iii) below:
 3
 4 (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
 5 (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
 6 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
 7 any loss or gain on reacquired debt.
 8 (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;
 9
 10 (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
 11 shall not exceed fifty percent (50%).

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

26 Federal Income
 14.1.9.2.2.(b) Tax shall equal = ($\frac{A + [B / C] X}{1 - \frac{\text{Federal Income Tax Rate}}{\text{Federal Income Tax Rate}}}$)
 27
 28

29 where A is the sum of the preferred stock component and the return on equity component, each as determined in Sections (a)(ii) and for the ROE set forth in (a)(iii)
 30 above, B is the Equity AFUDC component of Depreciation Expense for
 31 Transmission Plant in Service as defined at Section 14.1.9.1.16 (FF1 114.38g), and C is the Transmission Investment Base as shown at Schedule 6, Page 1 of 2, Line
 28.

32 =
 33 ($\frac{\#DIV/0! + (\$0)}{1} / \frac{\#DIV/0!}{-0} X$)
 34
 35 = #DIV/0!
 36
 37

38 State Income
 14.1.9.2.2.(c) Tax shall equal = ($\frac{A + [B / C] + \frac{\text{Federal Income Tax Rate}}{\text{State Income Tax Rate}}}{1 - \frac{\text{Federal Income Tax Rate}}{\text{State Income Tax Rate}}}$) X
 39
 40

41 where A is the sum of the preferred stock component and the return on equity component as determined in (a)(ii) and (a)(iii) above , B is the Equity AFUDC
 42 component of Depreciation Expense for Transmission Plant in
 43 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.
 44
 45

46 = $\frac{\#DIV/0! + (\$0)}{1} / \frac{\#DIV/0!}{-0} + \frac{\#DIV/0!}{0} X$
 47 ($\frac{\#DIV/0! + (\$0)}{1} / \frac{\#DIV/0!}{-0} + \frac{\#DIV/0!}{0} X$)
 48
 49 = #DIV/0!
 50
 51
 52

53 (a)+(b)+(c) Cost of
 Capital Rate = #DIV/0!
 54
 55

56 **14.1.9.2(a) A. Return and Associated Income Taxes shall equal the product of the**
 57 **Transmission Investment Base and the Cost of Capital Rate**

58

59

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
Annual Revenue Requirements of Transmission Facilities

Attachment 1
Schedule 9

Transmission Expenses

Attachment H Section 14.1.9.2

Year

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
<u>Depreciation Expense</u>							
1					\$0	FF1 336.7f	14.1.9.2.B. Transmission Related Depreciation Expense shall equal the sum of: (i) Depreciation Expense for Transmission Plant in Service, plus (ii) the product of Electric General Plant Depreciation Expense multiplied by the Transmission Wages and Salaries Allocation Factor plus (iii) Common Plant Depreciation Expense multiplied by the Electric Wages and Salaries Allocation Factor, further multiplied by the Transmission Wages and Salaries Allocation Factor plus (iv) Intangible Electric Plant Depreciation Expense multiplied by the Transmission Wages and Salaries Factor plus (v) depreciation expense associated with the Wholesale Metering Investment.
2		100.0000%	\$0	13.0000% (c)	\$0	FF1 336.10f	
3		83.5000% (a)	\$0	13.0000% (c)	\$0	FF1 356	
4		100.0000%	\$0	13.0000% (c)	\$0	FF1 336.1f	
5					#DIV/0!	Workpaper 1	
6					#DIV/0!		
7							
8							
9							
10							
11							
12		100.0000%	\$0	#DIV/0! (d)	#DIV/0!	FF1 262.1	14.1.9.2.C. Transmission Related Real Estate Tax Expense shall equal the electric Real Estate Tax Expenses multiplied by the Gross Transmission Plant Allocation Factor.
13							
14							
15							
16		#DIV/0! (b)	#DIV/0!	#DIV/0! (d)	#DIV/0!	FF1 114.58c	14.1.9.2.D. Transmission Related Amortization of Investment Tax Credits shall equal the product of Amortization of Investment Tax Credits multiplied by the Gross Electric Plant Allocation Factor and further multiplied by the Gross Transmission Plant Allocation Factor.
17							
18							
19							
20							
21					\$0	FF1 320.112b	14.1.9.2.E. Transmission Operation and Maintenance Expense shall equal
22					\$0	FF1 320.85-92b	the sum of electric expenses as recorded in
23					\$0		FERC Account Nos. 560, 562-574.
24							
25							
26						FF1 320.197b	14.1.9.2.F. Transmission Related Administrative and General Expenses shall equal the product of electric Administrative and General Expenses, excluding the sum of Electric Property Insurance, Electric Research and Development Expense and Electric Environmental Remediation Expense, and 50% of the NYPSC Regulatory Expense multiplied by the Transmission Wages and Salaries Allocation Factor,
27						FF1 320.185b	
28						FF1 320.187b	
29					\$0	Workpaper 12	
30						50% of Workpaper 15	
31						Workpaper 15	

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

Attachment 1
Schedule 10

Year

Attachment H Section 14.1.9.2 (a)

Shading denotes an input

Line No.	Description	(1) Total	Source	Definition
1	Billing Adjustments		Workpaper 16	14.1.9.2.I. Billing Adjustments shall be any adjustments made in accordance with Section 14.1.9.4.4 below. () indicates a refund or a reduction to the revenue requirement on Schedule 1.
2				
3				
4	Bad Debt Expense	\$0	Workpaper 4	14.1.9.2. J. Transmission Related Bad Debt Expense shall equal Bad Debt Expense as reported in Account 904 related to NMPC's wholesale transmission billing.
5				
6				
7	Revenue Credits	\$0	Workpaper 5	14.1.9.2.K. Revenue Credits shall equal all Transmission revenue recorded in FERC account 456 excluding (a) any NMPC revenues already reflected in the WR, CRR, SR, ECR and Reserved components in Attachment H of the NYISO TSC rate; (b) any revenues associated with expenses that have been excluded from NMPC's revenue requirement; (c) any revenues associated with transmission service provided under this TSC rate, for which the load is reflected in the calculation of BU, and (d) any revenues associated with transmission projects not charged under this TSC rate and identified in Schedule 15.
8				
9				
10				
11				
12				
13				
14				
15	Transmission Rents	\$0	Workpaper 7	14.1.9.2.L. Transmission Rents shall equal all Transmission-related rental income recorded in FERC account 454.615
16				
17				
18	Project Specific Revenue Requirement Credit	#DIV/0!	Schedule 15 Line 2(a)	14.1.9.2.M. Project Specific Revenue Requirement Credit shall equal the Base Revenue Requirement associated with transmission projects not charged under this TSC rate and identified on Schedule 15.
19				
20				14.1.9.4(d)
21				1 Any changes to the Data Inputs for an Annual Update, including but not limited to revisions resulting from any FERC proceeding to consider the Annual Update, or as a result of the procedures set forth herein, shall take effect as of the beginning of the Update Year and the impact of such changes shall be incorporated 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. This mechanism shall apply in lieu of mid-Update Year adjustments and any refunds or surcharges, except that, if an error in a Data Input is discovered and agreed upon within the Review Period, the impact of such change shall be incorporated prospectively into the charges produced by the Formula Rate during the remainder of the year preceding the next effective Update Year, in which case the impact reflected in subsequent charges shall be reduced accordingly.
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				2 The impact of an error affecting a Data Input on charges collected during the

34
35
36
37
38
39

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

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

Attachment H, Section
14.1.9.5

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

Line
No.

Line No.	<u>Scheduling and Dispatch Expenses</u>			<u>Year</u>	<u>Source</u>
1	<u>Scheduling and Dispatch Expenses</u>				
2					
3					
4	Accounts	561.1	Reliability		FF1 320.85b
5	Accounts	561.2	Monitor and Operate Transmission System		FF1 320.86b
6	Accounts	561.3	Transmission Service and Schedule		FF1 320.87b
7	Accounts	561.4	Scheduling System Control and Dispatch		FF1 320.88b
8	Accounts	561.5	Reliability, Planning and Standards Development		FF1 320.89b
9	Accounts	561.6	Transmission Service Studies		FF1 320.90b
10	Accounts	561.7	Generation Interconnection Studies		FF1 320.91b
11	Accounts	561.8	Reliability, Planning and Standards Dev. Services		FF1 320.92b
12					
13		Total Load Dispatch Expenses (sum of Lines 3 - 11)			Sum of Lines 3 - 11
14					
15	Less Account 561 directly recovered under Schedule 1 of the NYISO Tariff				
16					
17	Accounts	561.4	Scheduling System Control and Dispatch		Line 7
18	Accounts	561.8	Reliability, Planning and Standards Dev. Services		Line 11
19		Total NYISO Schedule 1			Line 17 + Line 18
20					
21	Total CCC Component				Line 13 - Line 19

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

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

Line No.			<u>SOURCE</u>
1	Subzone 1		NIMO TOL (transmission owner load)
2	Subzone 2		NIMO TOL (transmission owner load)
3	Subzone 3		NIMO TOL (transmission owner load)
4	Subzone 4		NIMO TOL (transmission owner load)
5	Subzone 29		NIMO TOL (transmission owner load)
6	Subzone 31		NIMO TOL (transmission owner load)
7	Total NIMO Load report to NYISO	0.000	Sum of Lines 1-6
8	LESS: All non-retail transactions		
9	Watertown		FF1 page 328._j
10	Disputed Station Service		NIMO TOL (transmission owner load)
11	Other non-retail transactions		All other non-retail transactions (Sum of 300,000 series PTID's from TOL)
12	Total Deductions	0.000	Sum of Lines 9 - 11
13	PLUS: TSC Load		
14	NYMPA Muni's, Misc. Villages, Jamestown (X1)		FF1 page328._j
15	NYPA Niagara Muni's (X2)		FF1 page 328._j
16	Total additions	0.000	Sum of Lines 14 -15
17	Total Billing Units	0.000	Line 7 - Line 12 + Line 16

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

Shading denotes an input

Line No.	Description	Amount	
1	Transmission Related ADIT Balance at year-end		Schedule 7, Line 6, Column L
2	Less: Accumulated Deferred Inv. Tax Cr (255)		Schedule 7, Line 5, Column L
3	Net Transmission ADIT Balance at year-end (a)		Line 1 - Line 2
4			
5	Forecasted Transmission Related ADIT balance		Internal Records
6			
7	Change in ADIT		Line 5 - Line 3
8			
9	Monthly Change in ADIT		Line 7 / 12 Months
10			

	(A) Month	(B) Remaining Days	(C) = (B) / Line 17 (B) IRS Proration %	(D) = Line 9 * (C) Prorated ADIT
11				
12	Month 1		100.00%	-
13	Month 2		100.00%	-
14	Month 3		100.00%	-
15	Month 4		100.00%	-
16	Month 5		100.00%	-
17	Month 6		100.00%	-
18	Month 7		#DIV/0! %	-
19	Month 8		#DIV/0! %	-
20	Month 9		#DIV/0! %	-
21	Month 10		#DIV/0! %	-
22	Month 11		#DIV/0! %	-
23	Month 12		#DIV/0! %	-
24	Total Prorated ADIT Change (Sum of 12 through 23)		\$ -	-
	(a) The balance in Line 1, Total Transmission ADIT Balance at year-end, shall equal such ADIT that is subject to the normalization rules prescribed by the IRS and the net of the amounts recorded in FERC Account Nos. 281-283 and 190.			

to Schedule 2, Line 22

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

Input Cells are Shaded Yellow

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

Notes:

- (a) The affected ADIT accounts were remeasured by comparing ADIT on cumulative temporary differences for each item in accounts 190, 282, and 283 at the current Federal, State & Local Income Tax rate to ADIT balances at historical Federal, State & Local Income Tax rates. The difference between the two represents the excess or deficient ADIT. Refer to Schedule 14(a).
- (b) Relates to the Federal Income Tax Rate change associated with the 2017 Tax Cuts and Jobs Act.
- (c) Niagara Mohawk Power Corporation may add or remove sublines and notes explaining them without a FPA Section 205 filing.

- (d) Total equals the sum of sublines a through [], where [] is the last subline denoted by a letter.
- (e) Enter credit balances as negatives.
- (f) Deficient/(excess) ADIT balances will be amortized as follows: "Protected property-related" = ARAM, "unprotected property-related" = 31 yrs, all other unprotected deficient/(excess) ADIT balances = 10 yrs.
- (g) Deficient ADIT is amortized to Account 410.1; Excess ADIT is amortized to Account 411.1.
- (h) Other changes to (excess)/deficient ADIT due to the conclusion of IRS audits during applicable periods affected by a change in federal, state or local tax rates, the establishment of new (excess)/deficient ADIT due to future tax rate changes and classification changes between protected and unprotected categories due to the passage of time.

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



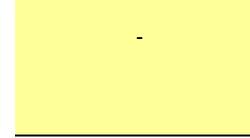
6

7

8

FF1 Page 232 f

FF1 Page 278 f



Niagara Mohawk Power Corporation
Annual Revenue Requirements of Transmission Facilities
(Excess)/Deficient ADIT Worksheet
Schedule 14(a) - Remeasurement Support - _____
For Costs in the Year of 20__

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

Notes:

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

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

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

 Shading denotes an input

Line No.	Project/Docket	(a) Base Revenue Requirement	(b) Differential Revenue Requirement	(c) Annual True-up including interest	(d) Total Revenue Requirement	Source
1a	/	-	-	-	-	Schedule 15a
1 []						
2	Total	-	-	-	-	Sum Lines1a through 1 []

Shading denotes an input

Line No.	Description	Amount	Source	Definitions
1	Project Gross Plant In-Service	-	Workpaper _	Project Gross Plant In-Service will be the total capital investment for the project included in Transmission Plant In Service plus an allocation of Transmission allocated General, Common and Intangible Plant based on the ratio of project specific transmission plant to Transmission Plant.
2	CWIP	-	Workpaper _	Authorized by FERC Order _____
3	Project - Related Depreciation and Amortization Reserves (Enter Credit)	-	Workpaper _	Project-related depreciation and amortization reserve shall equal the accumulated credit of Project - Related Depreciation Expense net of any applicable retirements, cost of removal or salvage adjustments associated with the project.
4	Project - Related Accumulated Deferred Income Taxes (Enter Credit)	-	Workpaper _	Project - Related Accumulated Deferred Income Taxes shall equal ADIT calculated based on cost, accumulated book depreciation and accumulated tax depreciation.
5	Project - Related Regulatory Asset (Liability)	-	Workpaper _	Authorized by FERC Order _____
6	Project - Related (Excess) Deficient ADIT	-	Schedule 15c _ Line 2Q	Project - Related (Excess) Deficient ADIT shall be the unamortized excess or deficient ADIT balance related specifically to the project as per Schedule 15c.
7	Project - Related Prepayments	-	(Line 1/ Schedule 5 Line 13) * Schedule 7 Line 15 Column (5)	Project - Related Prepayments shall equal the ratio of Project Gross Plant In-Service to Gross Transmission Investments times Transmission Related Prepayments
8	Project - Related Materials & Supplies	-	(Line 1/ Schedule 5 Line 13) * Schedule 7 Line 21 Column (5)	Project - Related Materials & Supplies shall equal the ratio of Project Gross Plant In-Service to Gross Transmission Investments times Transmission Related Materials & Supplies
9	Project - Related Cash Working Capital	-	(Line 1/ Schedule 5 Line 13) * Schedule 7 Line 28 Column (5)	Project - Related Cash Working Capital shall equal the ratio of Project Gross Plant In-Service to Gross Transmission Investments times Transmission Related Cash Working Capital
10	Net Investment Base	-	Sum lines 1 through 9	
11	Base Return and Associated Income Taxes	-	Schedule 15b Line 38	
12	Project - Related Depreciation Expense	-	Workpaper _	Project-related depreciation expense will be determined based on application of the current FERC approved depreciation accrual rates per Section 14.1.9.1.14 of Attachment H of the NYISO OATT on a utility account basis to the Project Gross Plant In-service.
13	Project - Related Amortization of Regulatory Asset (Liability)	-	Workpaper _	Authorized by FERC Order _____
14	Project - Related Amortization of (Excess) Deficient ADIT	-	Schedule 15c _ Line 2J	Project - Related Amortization of (Excess) Deficient ADIT shall be the annual amortized excess or deficient ADIT balance related specifically to the project as identified in Schedule 15c Project Specific (Excess) Deficient ADIT.

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

(a) Niagara Mohawk will include a separate Schedule 15a, Schedule 15b, Schedule 15c and Schedule 15d to calculate the revenue requirement for each applicable FERC approved transmission project not charged under the TSC rate without filing a FPA 205 filing for approval.

65

66 Total (over)/under Recovery

#DIV/0!

#DIV/0!

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

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

Project Specific Return and Associated Income Taxes (a)

Transmission Project/Docket:

_____ / _____
-

FERC Approved ROE:

FERC Approved Capital Structure:

Shading denotes an input

Base (b)

Base Cost of Capital rate will equal the cost of capital rate calculated using the Weighted Costs of Capital as defined in Section 14.1.9.2.2 (i), (ii) and (iii) of Attachment 1 to Attachment H of the OATT.

Line		(a) CAPITALIZATION	(b) CAPITALIZATION RATIOS	(c) COST OF CAPITAL	(d) WEIGHTED COST OF CAPITAL	(e) EQUITY PORTION	Source
1							
2	LONG-TERM DEBT	-	#DIV/0!	#DIV/0!	#DIV/0!		Schedule 8 Line 17
3	PREFERRED STOCK	-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	Schedule 8 Line 17
4	COMMON EQUITY	-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	Schedule 8 Line 19
5							
6	TOTAL INVESTMENT RETURN	<u>-</u>	#DIV/0!		<u>#DIV/0!</u>	#DIV/0!	Line 2 + Line 3 + Line 4
7							
8							
9	Federal Income Tax						
10	Equity WACC	#DIV/0!	Line 6 (e)				
11	Federal Income Tax Rate	#DIV/0!	Schedule 8 Line 32				
12	Federal Income Tax	<u>#DIV/0!</u>	(Line 10*Line 11)/(1-Line 11)				
13							
14	State Income Tax						
15	State Income Tax Rate	#DIV/0!	Schedule 8 Line 46				
16	State Income Tax	<u>#DIV/0!</u>	(Line 10 + Line 12)*Line 15/(1- Line 15)				
17							
18	Base Cost of Capital Rate	<u>#DIV/0!</u>	Line 6 (d) + Line 12+ Line 16				

Allowed (c)

Allowed Cost of Capital rate will be calculated based on the FERC approved ROE and capital structure on the specific project.

19	LONG-TERM DEBT	-	#DIV/0!	#DIV/0!	#DIV/0!
20	PREFERRED STOCK	-	#DIV/0!	#DIV/0!	#DIV/0! #DIV/0!
21	COMMON EQUITY	-	#DIV/0!		#DIV/0! #DIV/0!
22					
23	TOTAL INVESTMENT RETURN	-	#DIV/0!		#DIV/0! #DIV/0!
24					
25	Federal Income Tax				
	Equity WACC	#DIV/0!			
26			Line 23 (e)		
27	Federal Income Tax Rate	#DIV/0!	Line 11		
28	Federal Income Tax	#DIV/0!	(Line 26*Line 27)/(1-Line 27)		
29					
30	State Income Tax				
31	State Income Tax Rate	#DIV/0!	Line 15		
32	State Income Tax	#DIV/0!	(Line 26 + Line 28)*Line 31/(1- Line 31)		
33		#DIV/0!			
34	Allowed Cost of Capital Rate	#DIV/0!	Line 23 (d) + Line 28 + Line 32		
35	Project Specific Investment Base excl CWIP	#DIV/0!	Schedule 15a Line 10 - Line 2		
36	Project Specific Investment Base CWIP	#DIV/0!	Schedule 15a Line 2		
37	Total Investment Base	#DIV/0!			
38	Base Return and Associated Income Taxes	#DIV/0!	Line 35 * Line 18		
39					
40	Allowed Return and Associated Taxes				
41	Project Specific Investment Base_CWIP @ Allowed Return and Asso.Taxes	#DIV/0!	Line 36 * Line 34		

42	Project Specific Investment Base excl CWIP @ Allowed Return and Asso.Taxes	#DIV/0!	Line 35 * Line 34
43			
44	Total Allowed Return and Associated Income Taxes	#DIV/0!	Sum Line 41 + 42

Notes:

- (a) Niagara Mohawk will include a separate Schedule 15a, Schedule 15b, Schedule 15c and Schedule 15d to calculate the revenue requirement for each applicable FERC approved transmission project not charged under the TSC rate without filing a FPA 205 filing for approval.

- (b) The Federal/State Income Tax Rate shall equal the most recently approved income tax rate by the federal or respective state government agency.

Niagara Mohawk Power Corporation Annual Revenue Requirements of Transmission Facilities

Project Specific (Excess)Deficient ADIT Worksheet:_
For costs in 20_

Input cells are Shaded Yellow

(N) = (A) - (G) - (K) (O) = (B) - (H) - (L) (P)=(C)-(I)-(M) (Q)= (N) + (O) + (P) (R)

Line No.	Other Adjustments (d) (g)			20__ Year End Unamortized (Excess)/Deficient ADIT (d)				Reference
	Protected	Unprotected	Gross-Up (j)	Protected	Unprotected	Gross-Up (h)	12/31/20__ Balance Account 182/Account 254	
1a			-	-	-	-	-	
1 []			-	-	-	-	-	
2								

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

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

Notes:

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

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

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