ATTACHMENT B

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

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

Niagara Mohawk Power Corporation **Attachment 1**

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

Calculation of RR

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

Historical Transmission Revenue Requirement (Historical TRR)

Line No.

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 Related Payroll Tax Expense, (H) Amortization of Transmission Regulatory Assets and Liabilities, (I) Billing Adjustments, and (J) Transmission Related Bad Debt Expense
6 less
(K) Revenue Credits, ~~and~~ (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
7 update year.

		Reference		
8				
9		*Section:*	**0**	
10	Return and Associated Income Taxes	(A)	#DIV/0!	Schedule 8, Line 64
11	Transmission-Related Depreciation Expense	(B)	#DIV/0!	Schedule 9, Line 6, column 5
12	Transmission-Related Real Estate Taxes	(C)	#DIV/0!	Schedule 9, Line 12, column 5
13	Transmission - Related Investment Tax Credit	(D)	#DIV/0!	Schedule 9, Line 16, column 5 times minus 1
14	Transmission Operation & Maintenance Expense	(E)	$0	Schedule 9, Line 23, column 5
15	Transmission Related Administrative & General Expense	(F)	#DIV/0!	Schedule 9, Line 38, column 5
16	Transmission Related Payroll Tax Expense	(G)	$0	Schedule 9, Line 44, column 5
17	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)		#DIV/0!	
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 ~~14~~15
24	Project Specific Revenue Requirement Credits	(M)	$0	Schedule 10, Line 18
25~~24~~				
26~~25~~	Total Historical Transmission Revenue Requirement (Sum of Line 18 ~~-~~ through Line ~~23~~24)		#DIV/0!	

Niagara Mohawk Power Corporation **Attachment 1**
Forecasted Transmission Revenue Requirement **Schedule 2**
Attachment H, Section 14.1.9.2

				Year		
	Shading denotes an input					
Line No.						
1	14.1.9.2 (b)	**FORECASTED TRANSMISSION REVENUE REQUIREMENTS**				
2		Forecasted TRR shall equal (1) the Forecasted Transmission Plant Additions (FTPA) multiplied by the Adjusted Annual (AFTRRF), plus (2) Forecasted ADIT Adjustment (FADITA), plus (3) the Mid-Year Trend				
3		Adjustment (MYTA), less (4) Transmission Support Payments (TSP), plus (5) the Tax Rate Adjustment (TRA), less (6) Other Billing Adjustments (OBA) as shown in the following formula:				
4						
5		Forecasted TRR = (FTPA * AFTRRF) + FADITA + MYTA - TSP + TRA - OBA				
6						
7				Period	Reference	Source
8						
9						
10	(1)	FORECASTED TRANSMISSION PLANT ADDITIONS (FTPA)			$0	Workpaper 8, Section I, Line 16
11		Adjusted Annual Transmission Revenue Requirement Factor (AFTRRF)			#DIV/0!	Line 78
12		Sub-Total (Lines 10*11)			#DIV/0!	
13						
14	(2)	FORECASTED ADIT ADJUSTMENT (FADITA)				
15		The Forecasted ADIT Adjustment (FADITA) shall equal the Forecasted ADIT (FADIT)				
16		multiplied by the Cost of Capital Rate, where:				
17						
18		Forecasted ADIT(FADIT) shall equal the projected change in Accumulated Deferred Income Taxes from the most recently				
19		concluded calendar year related to accelerated depreciation and associated with Transmission Plant for the				
20		Forecasted Period calculated in accordance with Treasury regulation Section 1.167(1)-1(h)(6).				
21						
22		Forecasted ADIT (FADIT)			#DIV/0!	Schedule 13, Line 24
23		Cost of Capital Rate			#DIV/0!	Schedule 8, Line 62
24		Forecasted ADIT Adjustment (FADITA)			#DIV/0!	Line 22 * Line 23
25						
26	(3)	MID YEAR TREND ADJUSTMENT (MYTA)				
27		The Mid-Year Trend Adjustment shall be the difference, whether positive or negative, between				
28		(i) the Historical TRR Component (E) excluding Transmission Support Payments, based on actual data for the first three months of the Forecast Period,				

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)	**ANNUAL FORECAST TRANSMISSION REVENUE REQUIREMENT FACTOR**		
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

Niagara Mohawk Power Corporation **Attachment 1**
Annual True-up (ATU) **Schedule 3**
Attachment H Section 14.1.9.2 (c)

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

30 Interest Calculation per 18 CFR § 35.19a

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

41	4th QTR		#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

Attachment 1
Schedule 4

Niagara Mohawk Power Corporation

Wholesale TSC Calculation Information

Line No.		(a) Historical Transmission Revenue Requirement (Historical TRR)	(b) Forecasted Transmission Revenue Requirement	(c) Annual True Up	(d) Revenue Requirement (RR)	(e) Scheduling System Control and Dispatch Costs (CCC)	(f) Annual Billing Units (BU) MWh	(g) Rate $/MWh (*)
1	Prior Year Rates Effective _____	-	-	-	-	-	-	#DIV/0!
2	Current Year Rates Effective July 1, _____	#DIV/0!	#DIV/0!		#DIV/0!	-	-	#DIV/0!
3	Increase/(Decrease)							#DIV/0!
4	Percentage Increase/(Decrease)							#DIV/0!

1.) Information directly from Niagara Mohawk Prior Year Informational Filing
2.)
(a) Schedule 1, Line ~~24~~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.	**Electric Wages and Salaries Factor**	**83.5000%**		Fixed per settlement Docket ER08-552
2					
3	14.1.9.1 3.	**Transmission Wages and Salaries Allocation Factor**	**13.0000%**		Fixed per settlement Docket ER08-552
4					
5					
6					
7					
8	14.1.9.1 2.	**Gross Transmission Plant Allocation Factor**			
9		Transmission Plant in Service	#DIV/0!	Schedule 6, Page 2, Line 3, Col 5	Gross Transmission Plant Allocation Factor shall equal the total investment in
10		Plus: Transmission Related General	$0	Schedule 6, Page 2, Line 5, Col 5	Transmission Plant in Service, Transmission Related Electric General Plant,
11		Plus: Transmission Related Common	$0	Schedule 6, Page 2, Line 10, Col 5	Transmission Related Common Plant and Transmission Related Intangible Plant
12		Plus: Transmission Related Intangible Plant	$0	Schedule 6, Page 2, Line 15, Col 5	divided by Gross Electric Plant.
13		Gross Transmission Investment	#DIV/0!	Sum of Lines 9 - 13	
14					
15		Total Electric Plant		FF1 ~~207~~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.	**Gross Electric Plant Allocation Factor**			
22					
23		Total Electric Plant in Service	$0	Line 15	Gross Electric Plant Allocation Factor shall equal
24		Plus: Electric Common Plant	$0	Schedule 6, Page 2, Line 10, Col 3	Gross Electric Plant divided by the sum of Total Gas Plant,
25		Gross Electric Plant in Service	$0	Line 23 + Line 24	Total Electric Plant, and Total Common Plant
26					
27		Total Gas Plant in Service		FF1 ~~201~~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**	**#DIV/0!**	Line 25 / Line 30

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

Line No.

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
10				
11		*Section:*		
12	Transmission Plant in Service	(a)	#DIV/0!	Schedule 6, page 2, line 3, column 5
13	General Plant	(b)	$0	Schedule 6, page 2, line 5, column 5
14	Common Plant	(c)	$0	Schedule 6, page 2, line 10, column 5
15	Intangible Plant	(d)	$0	Schedule 6, page 2, line 15, column 5
16	Plant Held For Future Use	(e)	$0	Schedule 6, page 2, line 19, column 5
17	Total Plant (Sum of Line 12 - Line 16)		#DIV/0!	
18				
19	Accumulated Depreciation	(f)	#DIV/0!	Schedule 6, page 2, line 29, column 5
20	Accumulated Deferred Income Taxes	(g)	#DIV/0!	Schedule 7, line 6, column 5
21	Transmission Regulatory Assets and Liabilities	(h)	#DIV/0!	Schedule 7, line 11, column 5
22	Net Investment (Sum of Line 17 -Line 21)		#DIV/0!	
23				
24	Prepayments	(i)	#DIV/0!	Schedule 7, line 15, column 5
25	Materials & Supplies	(j)	#DIV/0!	Schedule 7, line 21, column 5
26	Cash Working Capital	(k)	$0	Schedule 7, line 28, column 5
27				
28	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	Transmission Plant								FF1 ~~207~~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)							#DIV/0!			
4											
5	General Plant		100.00%		$0	13.00%	(c)	$0	FF1 ~~207~~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 mulitplied by the Transmission Wages and Salaries Allocation Factor.
6											
7											
8											
9											
10	Common Plant		83.50%	(a)	$0	13.00%	(c)	$0	FF1 ~~201~~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	Intangible Plant		100.00%		-	13.00%	(c)	$0	FF1 ~~205~~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											

18											
19	Transmission Plant Held for Future Use	$0						$0	Workpaper 10	14.1.9.2(a)A.1.(e)	Transmission Related Plant Held for Future Use shall equal
20											the balance in Plant Held for Future Use associated with property planned to be used for transmission service within
21											
22											five years.
	Transmission Accumulated										
23	Depreciation										
24	Transmission Accum. Depreciation							$0	FF1 219.25b	14.1.9.2(a)A.1.(f)	Transmission Related Depreciation Reserve shall equal the
25	General Plant Accum.Depreciation		100.00%		$0	13.00%	(c)	$0	FF1 219.28b		balance of: (i) Transmission Depreciation Reserve, plus (ii)
26	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
27	Amortization of Other Utility Plant		100.00%		$0	13.00%	(c)	$0	FF1 200.21c		multiplied by the Transmission Wages and Salaries
28	Wholesale Meters	#DIV/0!						#DIV/0!	Workpaper 1		Allocation Factor, plus (iii) the product of Common Plant
29	Total Depreciation (Sum of Line 24 - Line 28)							#DIV/0!			Depreciation Reserve multiplied by the Electric Wages and
30											Salaries Allocation Factor and further multiplied by the Transmission Wages and Salaries Allocation Factor plus
31											(iv)
32											the product of Intangible Electric Plant Depreciation Reserve
33											multiplied by the Transmission Wages and Salaries Allocation Factor plus (v)
34											depreciation reserve associated with
35											the Wholesale Metering Investment.
36											

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

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) Electric Allocated	(4) Allocation Factor		(5) = (3)*(4) Transmission Allocated	FERC Form 1/PSC Report Reference for col (1)		Definition
1	Transmission Accumulated Deferred Taxes									
2	Accumulated Deferred Taxes (281-282)		100.00%	$0	#DIV/0!	(d)	#DIV/0!	~~FF1 275.2k~~FF1 274 k	14.1.9.2(a)A.1.(g)	Transmission Related Accumulated Deferred Income Taxes
3	Accumulated Deferred Taxes (283)	$0	100.00%	$0	#DIV/0!	(d)	#DIV/0!	Workpaper 2, Line 5		shall equal the electric balance of Total Accumulated Deferred
4	Accumulated Deferred Taxes (190)		100.00%	$0	#DIV/0!	(d)	#DIV/0!	FF1 234.8c		Income Taxes (FERC Accounts 190, 55,281, 282, and 283 net of
5	Accumulated Deferred Inv. Tax Cr (255)		100.00%	$0	#DIV/0!	(d)	#DIV/0!	~~FF1 267.8h~~FF1 266.8h		stranded costs), multiplied by the Gross Transmission Plant
6	Total (Sum of Line 2 - Line 5)			$0			#DIV/0!			Allocation Factor.
7	Transmission Regulatory Assets and Liabilities									
8	Excess AFUDC		100.00%	$0	#DIV/0!	(d)	#DIV/0!	FF1 232 lines _~~20,25~~	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	FAS 109	$0	100.00%	$0	#DIV/0!	(d)	#DIV/0!	Schedule 14, line 3c, column Q		
10	Excess (Deficient) ADIT – Tax Rate Changes	$0	100.00%	$0	100.00%		$0	Schedule 14, line 2, column Q		
11	Total (Line 8 + Line 9 + Line 10)	$0		$0			#DIV/0!			
12										
13	Transmission Prepayments							FF1 ~~111~~110.57c	14.1.9.2(a)A.1.(i)	Transmission Related Prepayments shall be the product of
14	Less: Prepaid State and Federal Income Tax							FF1 ~~263~~262 lines _k~~2 &7 (h)~~		Prepayments excluding Federal and State taxes multiplied by
15	Total Prepayments (Line 13 + Line 14)	$0	#DIV/0! (b)	#DIV/0!	#DIV/0!	(d)	#DIV/0!			the Gross Electric Plant Allocation Factor and further
16										multiplied by the Gross Transmission Plant Allocation Factor.
17										
18	Transmission Material and Supplies								14.1.9.2(a)A.1.(j)	Transmission Related Materials and Supplies shall equal: (i)
19	Trans. Specific O&M Materials and Supplies						$0	FF1 227.8c		the balance of Materials and Supplies assigned to
20	Construction Materials and Supplies		#DIV/0! (b)	#DIV/0!	#DIV/0!	(d)	#DIV/0!	FF1 227.5c		Transmission plus (ii) the product of Material and Supplies
21	Total (Line 19 + Line 20)						#DIV/0!			assigned to Construction multiplied by the Gross Electric
22										Plant Allocation Factor and further multiplied by Gross
23										Transmission Plant Allocation Factor.
24										
25	Cash Working Capital								14.1.9.2(a)A.1.(k)	Transmission Related Cash Working Capital shall be an
26	Operation & Maintenance Expense						$0	Schedule 9, Line 23		allowance equal to the product of: (i) 12.5% (45 days/ 360 days = 12.5%)
27							0.1250	x 45 / 360		multiplied by (ii) Transmission Operation and Maintenance Expense.
28	Total (Line 26 * Line 27)						$0			

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

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

Shading denotes an input **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%).

12

Line No.			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!

22
23
24
25

14.1.9.2.2.(b) Federal Income Tax shall equal

$$= \left(\frac{A + [B / C] \times \text{Federal Income Tax Rate}}{(1 - \text{Federal Income Tax Rate})} \right)$$

where A is the sum of the preferred stock component and the return on equity component, each as determined in Sections (a)(ii) and for the ROE set forth in (a)(iii) above, B is the Equity AFUDC component of Depreciation Expense for Transmission Plant in Service as defined at Section 14.1.9.1.16 (FF1 ~~117~~114.38~~eg~~), and C is the Transmission Investment Base as shown at Schedule 6, Page 1 of 2, Line 28.

$$= \left(\frac{\text{\#DIV/0!} + (\$0) / \text{\#DIV/0!} \times}{(1 - 0)} \right)$$

$$= \underline{\underline{\text{\#DIV/0!}}}$$

14.1.9.2.2.(c) State Income Tax shall equal

$$= \left(\frac{A + [B / C] + \text{Federal Income Tax Rate}}{(1 - \text{State Income Tax Rate})} \right) \times \text{State Income Tax Rate}$$

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

$$= \left(\frac{\text{\#DIV/0!} + (\$0) / \text{\#DIV/0!} + \text{\#DIV/0!}}{(1 - 0)} \right) \times$$

$$= \underline{\underline{\text{\#DIV/0!}}}$$

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

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

58			
59			
60	Transmission Investment Base	#DIV/0!	Schedule 6, page 1 of 2, Line 28
61			
62	Cost of Capital Rate	#DIV/0!	Line 53
63			
64	= Investment Return and Income Taxes	#DIV/0!	Line 60 X Line 62

Niagara Mohawk Power Corporation
Annual Revenue Requirements of Transmission Facilities
Transmission Expenses

Attachment 1
Schedule 9

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
	Depreciation Expense								
1	Transmission Depreciation					$0	FF1 336.7f	14.1.9.2.B.	Transmission Related Depreciation Expense shall equal the sum of:
2	General Depreciation		100.0000%	$0	13.0000% (c)	$0	FF1 336.10f		(i) Depreciation Expense for Transmission Plant in Service, plus (ii)
3	Common Depreciation		83.5000% (a)	$0	13.0000% (c)	$0	FF1 ~~356.1~~356		the product of Electric General Plant Depreciation Expense multiplied
4	Intangible Depreciation		100.0000%	$0	13.0000% (c)	$0	FF1 336.1f		by the Transmission Wages and Salaries Allocation Factor plus (iii)
5	Wholesale Meters					#DIV/0!	Workpaper 1		Common Plant Depreciation Expense multiplied by the Electric
6	Total (Line 1+2+3+4+5)					#DIV/0!			Wages and Salaries Allocation Factor, further multiplied by the
7									Transmission Wages and Salaries Allocation Factor plus (iv)
8									Intangible Electric Plant Depreciation Expense multiplied by the
9									Transmission Wages and Salaries Factor plus (v) depreciation
10									expense associated with the Wholesale Metering Investment.
11									
12	Real Estate Taxes		100.0000%	$0	#DIV/0! (d)	#DIV/0!	FF1 ~~263.25i~~262. l	14.1.9.2.C.	Transmission Related Real Estate Tax Expense shall equal the
13									electric Real Estate Tax Expenses multiplied by the Gross
14									Transmission Plant Allocation Factor.
15									
16	Amortization of Investment Tax Credits		#DIV/0! (b)	#DIV/0!	#DIV/0! (d)	#DIV/0!	FF1 ~~117~~114.58c	14.1.9.2.D.	Transmission Related Amortization of Investment Tax Credits shall
17									equal the product of Amortization of Investment Tax Credits multiplied
18									by the Gross Electric Plant Allocation Factor and further multiplied by
19									the Gross Transmission Plant Allocation Factor.
20	Transmission Operation and Maintenance								
21	Operation and Maintenance					$0	FF1 ~~321~~320.112b	14.1.9.2.E.	Transmission Operation and Maintenance Expense shall equal
22	less Load Dispatching - #561					$0	FF1 ~~321~~320.~~84~~85-92b		the sum of electric expenses as recorded in
23	O&M (Line 21 - Line 22)	$0				$0			FERC Account Nos. 560, 562-574.
24									
25	Transmission Administrative and General							14.1.9.2.F.	Transmission Related Administrative and General Expenses shall
26	Total Administrative and General						FF1 ~~323~~320.197b		equal the product of electric Administrative and General Expenses,
27	less Property Insurance (#924)						FF1 ~~323~~320.185b		excluding the sum of Electric Property Insurance, Electric Research and
28	less Pensions and Benefits (#926)						FF1 ~~323~~320.187b		Development Expense and Electric Environmental Remediation Expense,
29	less: Research and Development Expenses (#930)	$0					Workpaper 12		and 50% of the NYPSC Regulatory Expense
30	Less: 50% of NY PSC Regulatory Expense						50% of Workpaper 15		multiplied by the Transmission Wages and Salaries Allocation Factor,
31	Less: 18a Charges (Temporary Assessment						Workpaper 15		

32	less: Environmental Remediation Expense	$0					Workpaper 11		plus the sum of Electric Property Insurance multiplied by the Gross
33	Subtotal (Line 26-27-28-29-30-31-32)	$0	100.0000%	$0	13.0000% (c)	$0			Transmission Plant Allocation Factor, plus transmission-specific Electric
34	PLUS Property Insurance alloc. using Plant Allocation	$0	100.0000%	$0	#DIV/0! (d)	#DIV/0!	Line 27		Research and Development Expense, and transmission-specific
35	PLUS Pensions and Benefits	$88,644,000	100.0000%	$88,644,000	13.0000% (c)	$11,523,720	Workpaper 3		Electric Environmental Remediation Expense. In addition, Administrative
36	PLUS Transmission-related research and development	$0				$0	Workpaper 12		and General Expenses shall exclude the actual Post-Employment
37	PLUS Transmission-related Environmental Expense	$0				$0	Workpaper 11		Benefits Other than Pensions ("PBOP") included in FERC Account 926,
38	Total A&G (Line 33+34+35+36+37)	$88,644,000		$88,644,000		#DIV/0!			and shall add back in the amounts shown on Workpaper 3, page 1,
39									or other amount subsequently approved by FERC under Section 205 or 206.
40	Payroll Tax Expense							14.1.9.2.G.	Transmission Related Payroll Tax Expense shall equal the product of
41	Federal Unemployment						FF1 ~~263.4i~~262. l		electric Payroll Taxes multiplied by the Transmission Wages and
42	FICA						FF1 ~~263.3i~~262. l		Salaries Allocation Factor.
43	State Unemployment						FF1 ~~263.9i~~262. l		
44	Total (Line 41+42+43)	$0	100.0000%	$0	13.0000% (b)	$0			
45									
46	Amortization of (Excess)/ Deficient ADIT	$0	100.0000%	$0	#DIV/0! (d)	#DIV/0!	-Schedule 14, line 2, column J	14.1.9.2.H	Transmission related Amortization of Regulatory Assets and Liabilities shall equal the transmission-specific Amortization of Regulatory Assets and Liabilities

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

Niagara Mohawk Power Corporation
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
			Workpaper 16		
1	Billing Adjustments			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; ~~and~~ (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					
~~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
~~15~~16					
~~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					
~~17~~20				14.1.9.4(d)	
~~18~~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.
~~19~~22					
~~20~~23					
~~21~~24					
~~22~~25					
~~23~~26					
~~24~~27					
~~25~~28					
~~26~~29					
~~27~~30					
~~28~~31					
~~29~~32					
~~30~~33				2	The impact of an error affecting a Data Input on charges collected during the

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.	**Scheduling and Dispatch Expenses**			**Year**	**Source**
1					
2					
3	~~Accounts~~	~~561~~	~~Load Dispatching~~		~~FF1 321.84b~~
4	Accounts	561.1	Reliability		FF1 ~~321~~320.85b
5	Accounts	561.2	Monitor and Operate Transmission System		FF1 ~~321~~320.86b
6	Accounts	561.3	Transmission Service and Schedule		FF1 ~~321~~320.87b
7	Accounts	561.4	Scheduling System Control and Dispatch		FF1 ~~321~~320.88b
8	Accounts	561.5	Reliability, Planning and Standards Development		FF1 ~~321~~320.89b
9	Accounts	561.6	Transmission Service Studies		FF1 ~~321~~320.90b
10	Accounts	561.7	Generation Interconnection Studies		FF1 ~~321~~320.91b
11	Accounts	561.8	Reliability, Planning and Standards Dev. Services		FF1 ~~321~~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.			**SOURCE**
1	Subzone 1		NIMO TOL (transmission owner load)
2	Subzone 2		NIMO TOL (transmission owner load)
3	Subzone 3		NIMO TOL (transmission owner load)
4	Subzone 4		NIMO TOL (transmission owner load)
5	Subzone 29		NIMO TOL (transmission owner load)
6	Subzone 31		NIMO TOL (transmission owner load)
7	Total NIMO Load report to NYISO	**0.000**	Sum of Lines 1-6
8	LESS: All non-retail transactions		
9	Watertown		FF1 page ~~329.10.j~~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 page ~~329.17.j~~328. .j
15	NYPA Niagara Muni's (X2)		FF1 page ~~329.1.j~~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			

11	(A) Month	(B) Remaining Days	(C) = (B)/ Line 17 (B) IRS Proration %	(D) = Line 9 *(C) Prorated ADIT	
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)			$ -	to Schedule 2, Line 22
				-	

(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.

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

Attachment 1

Schedule 14

Input Cells are Shaded Yellow

Line No.	Description	FERC Account No. (a)	Ref	(A) Protected	(B) Unprotected	(C) Gross-Up (j)	(D) = (A) + (B) + (C) 12/31/20_ _ Balance	(E) Protected	(F) Unprotected	(G) Protected	(H) Unprotected	(I) Gross-Up (j)	(J) Total Amortization
				20__ Year End Unamortized (Excess)/Deficient ADIT (e)				**Amortization Periods (f)**		**Amortization Expense (e) (g)**			
Transmission (EXCESS)/DEFICIENT ADIT - TAX RATE CHANGES													
1a			(b)			-	-					-	-
1 []			(c)			-	-					-	-
2	Total (Sum Lines1a 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) []

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.	(K) Other Adjustments (e) (h) Protected	(L) Other Adjustments (e) (h) Unprotected	(M) Other Adjustments (e) (h) Gross-Up(j)	(N) = (A) – (G) – (K) 20__ Year End Unamortized (Excess)/Deficient ADIT (e) Protected	(O) = (B) – (H) – (L) 20__ Year End Unamortized (Excess)/Deficient ADIT (e) Unprotected	(P)=(C)-(I)-(M) 20__ Year End Unamortized (Excess)/Deficient ADIT (e) Gross-Up (j)	(Q)= (N) + (O) + (P) 20__ Year End Unamortized (Excess)/Deficient ADIT (e) 12/31/20__ Balance	(R) Reference
1a			-	-	-	-	-	
1 []			-	-	-	-	-	
2	-	-	-	-	-	-	-	
3a								
3b								
3c			-		-	-	-	
3d								
3 []			-		-	-	-	
4	-	-	-	-	-	-	-	
5	-	-	-	-	-	-	-	

6	FF1 Page 232 f	-
7	FF1 Page 278 f	
8		-

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) Gross Temporary Difference Fiscal Year Ended March 31, 20__ (a) (d)	(B) = (A)* ___% ADIT @ __%	(C) = (A)* ___% ADIT @ __%	(D) = (B) - (C) (Excess)/ Deficient ADIT due to Rate Change	(E) Gross Temporary Difference Fiscal Year Ended March 31, 20__ (a) (d)	(F) = (E)* _____% ADIT @ _____% (c)	(G) = (E)*____% ADIT @ ____%	(H) = (F) - (G) (Excess)/ Deficient ADIT due to Rate Change	(I) = (D) + (H) Total (Excess)/ Deficient ADIT due to Rate Change	(J) Adjustments Post Remeasurement (d)	(K) = (I) - (J) 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.

Niagara Mohawk Power Corporation

Project Specific Revenue Requirement Summary

Shading denotes an input

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

Niagara Mohawk Power Corporation
Project Specific Revenue Requirement Calculation (a)
Transmission Project/Docket: _____/_____

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.

Annual True-up and Interest Calculation

28	ISO Revenues Received	-	WP5 Line
29	Less: Prior Year True-up incl Interest	-	Workpaper
30	Adjusted ISO Revenues	-	Sum Lines 28 and 29
31			
32	Actual Revenue Requirement	-	Line 19 + 23
33	Over (Under) recovery	-	Line 30 - Line 32
34			
35	Interest	-	Line 66, Column (9)
36			
37	Annual True-up including interest	-	Line 33 + Line 35
38			
39	Interest Calculation per 18 CFR Section 35.19a		

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
40									
41	Quarters	Annual	Accrued Prin	Monthly	Days			Accrued Prin	Accrued
42		Interest	& Int. @ Beg	(Over)/Under	in	Period		& Int. @ End	Int. @ End
43		Rate (b)	Of Period	Recovery	Period (b)	Days	Multiplier	Of Period	Of Period
44									
45	3rd QTR ‘_		0		92	92	1.0000	$0	$0
46	July	0.00%		#DIV/0!	31	92	1.0000	#DIV/0!	#DIV/0!
47	August	0.00%		#DIV/0!	31	61	1.0000	#DIV/0!	#DIV/0!
48	September	0.00%		#DIV/0!	30	30	1.0000	#DIV/0!	#DIV/0!
49									
50	4th QTR ‘_		#DIV/0!		92	92	1.0000	#DIV/0!	#DIV/0!
51	October	0.00%		#DIV/0!	31	92	1.0000	#DIV/0!	#DIV/0!
52	November	0.00%		#DIV/0!	30	61	1.0000	#DIV/0!	#DIV/0!
53	December	0.00%		#DIV/0!	31	31	1.0000	#DIV/0!	#DIV/0!
54									
55	1st QTR ‘_		#DIV/0!		91	91	1.0000	#DIV/0!	#DIV/0!
56	January	0.00%		#DIV/0!	31	91	1.0000	#DIV/0!	#DIV/0!
57	February	0.00%		#DIV/0!	28	60	1.0000	#DIV/0!	#DIV/0!
58	March	0.00%		#DIV/0!	31	31	1.0000	#DIV/0!	#DIV/0!
59									
60	2nd QTR ‘_		#DIV/0!		91	91	1.0000	#DIV/0!	#DIV/0!
61	April	0.00%		#DIV/0!	30	91	1.0000	#DIV/0!	#DIV/0!
62	May	0.00%		#DIV/0!	31	61	1.0000	#DIV/0!	#DIV/0!
63	June	0.00%		#DIV/0!	30	30	1.0000	#DIV/0!	#DIV/0!
64									

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

Niagara Mohawk Power Corporation

Project Specific Return and Associated Income Taxes (a)

Transmission Project/Docket: /

FERC Approved ROE:

FERC Approved Capital Structure:

Attachment 1
Schedule 15b
Part 1 of 1

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	-	#DIV/0!		#DIV/0!	#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	#DIV/0!	(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	#DIV/0!	(Line 10 + Line 12)*Line 15/(1- Line 15)				
17							
18	Base Cost of Capital Rate	#DIV/0!	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

Line No.	Description	FERC Account No. (a)	(A) Protected	(B) Unprotected	(C) Gross-Up (j)	(D) = (A) + (B) + (C) 12/31/20__ Balance Account 182/Account 254	(E) Protected	(F) Unprotected	(G) Protected	(H) Unprotected	(I) Gross-Up (h)	(J) Total Amortization
			20__ Year End Unamortized (Excess)/Deficient ADIT (d)				Amortization Periods (e)		Amortization Expense (d) (f)			
Project -related (Excess)/Deficient ADIT - Tax Rate Changes												
1a					-	-					-	-
1 [ ]		(b)			-	-					-	-
2	Total (Sum Lines1a thru 1 [ ]) (c)		-	-	-	-			-	-	-	-

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 15d.
(b) Niagara Mohawk Power Corporation may add or remove sublines and notes explaining them without a FPA Section 205 filing.
(c) Total equals the sum of sublines a through [ ], where [ ] is the last subline denoted by a letter.
(d) Enter credit balances as negatives.
(e) 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.
(f) Deficient ADIT is amortized to Account 410.1; Excess ADIT is amortized to Account 411.1.
(g) 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.

(h) Tax gross up calculated using the Composite Tax Rate / (1 - Composite Tax Rate) in effect for the applicable period.
(i) Niagara Mohawk Power Company will add footnotes below to identify excess or deficient ADIT from future Federal, State and Local income tax rate changes.

(j) [ ]

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

	(K)	(L)	(M)		(N) = (A) – (G) – (K)	(O) = (B) – (H) – (L)	(P)=(C)-(I)-(M)	(Q)= (N) + (O) + (P)	(R)
	Other Adjustments (d) (g)				**20 Year End Unamortized (Excess)/Deficient ADIT (d)**				
Line No.	**Protected**	**Unprotected**	**Gross-Up (j)**		**Protected**	**Unprotected**	**Gross-Up (h)**	**12/31/20 Balance Account 182/Account 254**	**Reference**
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) Gross Temporary Difference Fiscal Year Ended March 31, 20__ (a) (d)	(B) = (A)* ___ % ADIT @ ___ %	(C) = (A)* ___ % ADIT @ ___ %	(D) = (B) - (C) (Excess)/ Deficient ADIT due to Rate Change	(E) Gross Temporary Difference Fiscal Year Ended March 31, 20__ (a) (d)	(F) = (E)* ___ % ADIT @ ___ % (c)	(G) = (E)* ___ % ADIT @ ___ %	(H) = (F) - (G) (Excess)/ Deficient ADIT due to Rate Change	(I) = (D) + (H) Total (Excess)/ Deficient ADIT due to Rate Change	(J) Adjustments Post Remeasurement (d)	(K) = (I) - (J) 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.