

**ATTACHMENT B**

**Redlined version of the proposed revisions to Attachment H to the NYISO OATT**

**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
<u>Actual Accumulated Deferred Income Taxes (AADIT)</u>	<u>Schedule 13(a)</u>
(Excess)/Deficient ADIT Worksheet	Schedule 14
<u>(Excess)/Deficient ADIT Remeasurement Support</u>	<u>Schedule 14(a)</u>

	Year
--	------

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	<b><u>Historical Transmission Revenue Requirement (Historical TRR)</u></b>			
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		
8		(K) Revenue Credits, and (L) Transmission Rents, all determined for the most recently ended calendar year as of the beginning of the update year.		
9		Reference		
		Section:	0	
10		(A)	#DIV/0!	Schedule 8, Line 64
11		(B)	#DIV/0!	Schedule 9, Line 6, column 5
12		(C)	#DIV/0!	Schedule 9, Line 12, column 5
13		(D)	#DIV/0!	Schedule 9, Line 16, column 5 times minus 1
14		(E)	\$0	Schedule 9, Line 23, column 5
15		(F)	#DIV/0!	Schedule 9, Line 38, column 5
16		(G)	\$0	Schedule 9, Line 44, column 5
17		(H)	#DIV/0!	Schedule 9, Line 46, column 5
18			#DIV/0!	
19				
20		(I)	\$0	Schedule 10, Line 1
21		(J)	\$0	Schedule 10, Line 4
22		(K)	\$0	Schedule 10, Line 7
23		(L)	\$0	Schedule 10, Line 14
24				
25		Total Historical Transmission Revenue Requirement (Sum of Line 18 - Line 23)		#DIV/0!

Shading denotes an input

		Year
Line No.		
1	14.1.9.2 (b) <b>FORECASTED TRANSMISSION REVENUE REQUIREMENTS</b>	
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		<u>Period</u>
8		<u>Reference</u>
9		<u>Source</u>
10	(1) FORECASTED TRANSMISSION PLANT ADDITIONS (FTPA)	\$0
11	Adjusted Annual Transmission Revenue Requirement Factor (AFTRRF)	#DIV/0!
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!
23	Cost of Capital Rate	#DIV/0!
24	Forecasted ADIT Adjustment (FADITA)	#DIV/0!
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		Workpaper 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) <b><u>ANNUAL FORECAST TRANSMISSION REVENUE REQUIREMENT FACTOR</u></b>			
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	<del>Derivation</del> Derivation 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 <del>26, Column L</del>
<del>71</del>	<del>Less: Accumulated Deferred Inv. Tax Cr (255)</del>		<del>#DIV/0!</del>	<del>Schedule 7, Line 5, Column L</del>
<del>72</del>	<del>Net Transmission ADIT Balance at year-end</del>		<del>#DIV/0!</del>	<del>Line 70 — Line 71</del>
<del>73</del> <u>71</u>	Cost of Capital Rate		#DIV/0!	Schedule 8, Line 62
<del>74</del> <u>72</u>	Total Return and Income Taxes Associated with ADIT Balance at year-end		#DIV/0!	Line <del>70-72</del> * Line <del>71-73</del>
<del>75</del> <u>73</u>				
<del>76</del> <u>74</u>	Annual Forecast Transmission Revenue Requirement Factor (FTRRF)		#DIV/0!	Line 67
<del>77</del> <u>75</u>	Less: Incremental Annual Forecast Transmission Revenue Requirement Factor Adjustment for ADIT		#DIV/0!	Line <del>74-72</del> / Line 66
<del>78</del> <u>76</u>	Adjusted Annual Forecast Transmission Revenue Requirement Factor (AFTRRF)		#DIV/0!	Line <del>76-74</del> - Line <del>77-75</del>

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)
32	Quarters	Annual	Accrued Prin	Monthly
33		Interest	& Int. @ Beg	(Over)/Under
34		Rate (a)	Of Period	Recovery
35				
36	3rd QTR		0	92
37	July	0.00%	#DIV/0!	31
38	August	0.00%	#DIV/0!	31
39	September	0.00%	#DIV/0!	30
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



Niagara Mohawk Power Corporation

Wholesale TSC Calculation Information

		(a)	(b)	(c)	(d)	(e)	(f)	(g)
Line No.		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!
	Current Year Rates Effective July 1,							
2	_____	#DIV/0!	#DIV/0!		#DIV/0!	-	-	#DIV/0!
3	Increase/(Decrease)							#DIV/0!
4	Percentage Increase/(Decrease)							#DIV/0!
1.)	Information directly from Niagara Mohawk Prior Year Informational Filing							
2.)								
(a)	Schedule 1, Line 24							
(b)	Schedule 2, Line 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.

		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 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 204-207.104g	
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 200-201.8d, minus 4d	
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><u>#DIV/0!</u></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) <u>Transmission Investment Base</u>			
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				
10	Description	Reference	Year	Reference
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!	

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>						FF1 <u>204-</u> 207.58g	14.1.9.2(a)A.1.(a) Transmission Plant in Service shall equal the balance of total investment in Transmission Plant plus Wholesale Metering Investment.
2	Wholesale Meter Plant				#DIV/0!		Workpaper 1	
3	Total Transmission Plant in Service (Line 1+ Line 2)				#DIV/0!			
4								
5	<u>General Plant</u>	100.00%	\$0	13.00%	(c)	\$0	FF1 <u>204-</u> 207.99g	14.1.9.2(a)A.1.(b) Transmission Related Electric General Plant shall equal the balance of investment in Electric General Plant multiplied by the Transmission Wages and Salaries Allocation Factor.
6								
7								
8								
9								
10	<u>Common Plant</u>	83.50%	(a) \$0	13.00%	(c)	\$0	FF1 <u>200-</u> 201. 8h	14.1.9.2(a)A.1.(c) Transmission Related Common Plant shall equal Common Plant multiplied by the Electric Wages and Salaries Allocation Factor and further multiplied by the Transmission Wages and Salaries Allocation Factor.
11								
12								
13								
14								
15	<u>Intangible Plant</u>	100.00%	-	13.00%	(c)	\$0	FF1 <u>204-</u> <del>205</del> 207.5g	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								



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
<del>1</del>	<u>Transmission Accumulated Deferred Taxes</u>							
<del>2</del>	<del>Accumulated Deferred Taxes (281-282)</del>		100.00%	\$0	#DIV/0! (d)	#DIV/0!	<del>FF1 275.2k</del>	
<del>1</del>	<del>Accumulated Deferred Taxes (281)</del>		100.00%	\$0	#DIV/0! (d)	#DIV/0!	<del>FF1 272-273 Line 2k</del>	14.1.9.2(a)A.1.(g) Transmission Related Accumulated Deferred Income Taxes
<del>2</del>	<del>Accumulated Deferred Taxes (282)</del>		100.00%	\$0	#DIV/0! (d)	#DIV/0!	<del>Schedule 13(a) AADIT, Line 3</del>	
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 <del>266</del> -267.8h	stranded costs), multiplied by the Gross Transmission Plant
6	Total (Sum of Line 2 - Line 5)			\$0		#DIV/0!		Allocation Factor.
7	<u>Transmission Regulatory Assets and Liabilities</u>							
8	Excess AFUDC		100.00%	\$0	#DIV/0! (d)	#DIV/0!	FF1 232 lines <del>_f 206, 25f</del>	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.
<del>9</del>	FAS 109	\$0	100.00%	\$0	#DIV/0! (d)	#DIV/0!	Schedule 14, line 3a, column Q	
10	Excess (Deficient) ADIT – Tax Rate Changes	\$0	100.00%	\$0	100.00%	\$0	Schedule 14, line 2, column Q	
11	Total ( <del>Line 8 +</del> Line 9 + Line 10)	\$0		\$0		#DIV/0!		
12								
13	<u>Transmission Prepayments</u>						FF1 <del>110</del> -111.57c	14.1.9.2(a)A.1.(i) Transmission Related Prepayments shall be the product of
14	Less: Prepaid State and Federal Income Tax						FF1 <del>262-263</del> <del>_k .2 and 5k lines</del> <del>2 &amp; 7 (h)</del>	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	<u>Transmission Material and Supplies</u>							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	<u>Cash Working Capital</u>							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)	<u>\$0</u>		

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**  
**Annual Revenue Requirements of Transmission Facilities**  
**Cost of Capital Rate**

**Attachment 1**  
**Schedule 8**

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:

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

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;

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  
11 capital at year-end, provided that such ratio  
shall not exceed fifty percent (50%).

13							WEIGHTED	
14							COST OF	
15		CAPITALIZATION	Source:	CAPITALIZATION	COST OF	Source:	EQUITY	
16				RATIOS	CAPITAL		PORTION	
			Workpaper 6, Line			Workpaper 6,		
17	(i)	Long-Term Debt	\$0	16b	#DIV/0!	Line 17c	#DIV/0!	
18	(ii)	Preferred Stock		FF1 112- <u>113</u> .3c	#DIV/0!	Workpaper 6,	#DIV/0!	
				FF1 112- <u>113</u> .16c - FF1	#DIV/0!	Line 24d	#DIV/0!	
19	(iii)	Common Equity		112- <u>113</u> .3,12,15c	#DIV/0!		#DIV/0!	
20		Total Investment						
21		Return	\$0		#DIV/0!		#DIV/0!	

22  
23  
24  
25

26 Federal Income Federal Income  
14.1.9.2.2.(b) Tax shall equal = ( A + [ B / C] X Tax Rate )  
27 Federal Income  
( 1 - Tax Rate )  
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)  
above, B is the Equity AFUDC component of Depreciation Expense for  
30 Transmission Plant in Service as defined at Section 14.1.9.1.16 (FF1 117.38c), and C is the Transmission Investment Base as shown at Schedule 6, Page 1 of 2, Line  
28.

31  
32 =  
33 ( #DIV/0! +( \$0 ) / #DIV/0! X )  
34 ( 1 - 0 )  
35 = #DIV/0!  
36  
37

38 State Income State  
Tax shall = Federal Income Income Tax  
14.1.9.2.2.(c) equal ( A + [ B / C] + Tax Rate ) X Rate  
39 State Income  
( 1 - Tax Rate )  
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 = #DIV/0 + \$ #DIV/  
47 ( ! ( 0 ) / 0! + #DIV/0! ) X  
48 ( 1 - 0 )  
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  
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) <u>Electric</u> <u>Allocated</u>	(4) Allocation Factor	(5) = (3)*(4) Transmission <u>Allocated</u>	FERC Form 1/ PSC Report <u>Reference for col (1)</u>	<u>Definition</u>
<u>Depreciation Expense</u>							
1					\$0	FF1 336- <del>337</del> .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- <del>337</del> .10f	
3		83.5000% (a)	\$0	13.0000% (c)	\$0	FF1 356- <del>4</del>	
4		100.0000%	\$0	13.0000% (c)	\$0	FF1 336- <del>337</del> .1f	
5					#DIV/0!	Workpaper 1	
6					#DIV/0!		
7							
8							
9							
10							
11							
12	<u>Real Estate Taxes</u>	100.0000%	\$0	#DIV/0! (d)	#DIV/0!	FF1 <del>262</del> -263 <del>1-25</del> <del>111</del>	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	<u>Amortization of Investment Tax Credits</u>	#DIV/0! (b)	#DIV/0!	#DIV/0! (d)	#DIV/0!	FF1 <del>114</del> -117.58c	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	<u>Transmission Operation and Maintenance</u>						
21	Operation and Maintenance				\$0	FF1 <del>320-321</del> <del>323</del> .112b	14.1.9.2.E. Transmission Operation and Maintenance Expense shall equal the sum of electric expenses as recorded in FERC Account Nos. 560, 562-574.
22	less Load Dispatching - #561				\$0	FF1 <del>320-323</del> <del>321.84</del> <del>85</del> -92b	
23	O&M (Line 21 - Line 22)				\$0		
24							
25	<u>Transmission Administrative and General</u>						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
26	Total Administrative and General					FF1 <del>320</del> -323.197b	Development Expense and Electric Environmental Remediation Expense, and 50% of the NYPSC Regulatory Expense multiplied by the Transmission Wages and Salaries Allocation Factor,
27	less Property Insurance (#924)					FF1 <del>320</del> -323.185b	
28	less Pensions and Benefits (#926)					FF1 <del>320</del> -323.187b	
29	less: Research and Development Expenses (#930)	\$0				Workpaper 12	
30	Less: 50% of NY PSC Regulatory Expense					50% of Workpaper 15	
	Less: 18a Charges (Temporary Assessment						

31							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	
35	PLUS Pensions and Benefits	\$88,644,000	100.0000%	\$88,644,000	13.0000% (c)	\$11,523,720	Workpaper 3	Research and Development Expense, and transmission-specific
36	PLUS Transmission-related research and development	\$0				\$0	Workpaper 12	Electric Environmental Remediation Expense. In addition, Administrative
37	PLUS Transmission-related Environmental Expense	\$0				\$0	Workpaper 11	and General Expenses shall exclude the actual Post-Employment
38	Total A&G (Line 33+34+35+36+37)	<u>\$88,644,000</u>		<u>\$88,644,000</u>		<u>#DIV/0!</u>		Benefits Other than Pensions ("PBOP") included in FERC Account 926,
39								and shall add back in the amounts shown on Workpaper 3, page 1,
40	<u>Payroll Tax Expense</u>							or other amount subsequently approved by FERC under Section 205 or 206.
41	Federal Unemployment						FF1 <u>262-263.4</u> <u>121</u>	14.1.9.2.G. Transmission Related Payroll Tax Expense shall equal the product of
42	FICA						FF1 <u>262-263.3</u> <u>171</u>	electric Payroll Taxes multiplied by the Transmission Wages and
43	State Unemployment						FF1 <u>262-263.9</u> <u>131</u>	Salaries Allocation Factor.
44	Total (Line 41+42+43)	<u>\$0</u>	100.0000%	\$0	13.0000% (b)	<u>\$0</u>		
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							

Year

Attachment H Section 14.1.9.2 (a)

Shading denotes an input

Line No.	Description	(1) Total	Source	Definition
1	Billing Adjustments		<a href="#">Workpaper 16</a>	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.
8				
9				
10				
11				
12				
13				
14	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				
17				14.1.9.4(d)
18				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				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				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
31				
32				
33				
34				
35				

(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.	<u>Scheduling and Dispatch Expenses</u>			<u>Year</u>	<u>Source</u>
1					
2					
3	<del>Accounts</del>	<del>561</del>	<del>Load Dispatching</del>		<del>FF1 321320-323.84b</del>
4	Accounts	561.1	Reliability		FF1 <del>321320-323.85b</del>
5	Accounts	561.2	Monitor and Operate Transmission System		FF1 <del>321320-323.86b</del>
6	Accounts	561.3	Transmission Service and Schedule		FF1 <del>321320-323.87b</del>
7	Accounts	561.4	Scheduling System Control and Dispatch		FF1 <del>321320-323.88b</del>
8	Accounts	561.5	Reliability, Planning and Standards Development		FF1 <del>321320-323.89b</del>
9	Accounts	561.6	Transmission Service Studies		FF1 <del>321320-323.90b</del>
10	Accounts	561.7	Generation Interconnection Studies		FF1 <del>321320-323.91b</del>
11	Accounts	561.8	Reliability, Planning and Standards Dev. Services		FF1 <del>321320-323.92b</del>
12					
13	Total Load Dispatch Expenses (sum of Lines <del>43</del> - 11)				Sum of Lines <del>43</del> - 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 <a href="#">329328-330.10_.j</a>
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 <a href="#">329328-330.17_.j</a>
15	NYPA Niagara Muni's (X2)		FF1 page <a href="#">329328-330.1_.j</a>
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	<del>Transmission Related</del> Electric ADIT Balance at year-end	
2	<del>Less: Accumulated Deferred Inv. Tax Cr</del> (255)Transmission Plant (PL) Allocator	
3	<del>Net Transmission ADIT Balance at year-end</del> (a)Transmission Related ADIT Balance at year-end	
4		
5	Forecasted Transmission Related ADIT balance	
6		
7	Change in ADIT	
8		
9	Monthly Change in ADIT	
10		
11	(A) Month	(B) Remaining Days
12	Month 1	(C) = (B)/ Line 17 (B) IRS Proration %
13	Month 2	
14	Month 3	
15	Month 4	
16	Month 5	
17	Month 6	
18	Month 7	
19	Month 8	
20	Month 9	
21	Month 10	
22	Month 11	
23	Month 12	
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 190282.	

Schedule 7, Line 6, Column LFF1 Page 274-275.2k

Schedule 75, Line 519, Column L

Line 1 -xLine 2

Internal Records

Line 5 - Line 3

Line 7 / 12 Months

to Schedule 2, Line 22

Shading denotes an input

No.	Line	Description	(A) Amount	(B) Reference
1		Total ADIT Balance at prior year-end (Enter Credit) (b)		(c) FF1 Page 274-275.2b
2		Prorated Actual ADIT Activity		Line 16(G)
3		Total Prorated ADIT Balance at year-end (Line 1 + Line 2)		

(C) (D) (E) (F) = (E) / Line 17(E) (G) = (D) x (F)

	Month	Actual Monthly Change in ADIT	Remaining Days	IRS Proration %	Prorated ADIT
4	Month 1	\$	335	91.7808% \$	Internal Records
5	Month 2	\$	307	84.1096% \$	Internal Records
6	Month 3	\$	276	75.6164% \$	Internal Records
7	Month 4	\$	246	67.3973% \$	Internal Records
8	Month 5	\$	215	58.9041% \$	Internal Records
9	Month 6	\$	185	50.6849% \$	Internal Records
10	Month 7	\$	154	42.1918% \$	Internal Records
11	Month 8	\$	123	33.6986% \$	Internal Records
12	Month 9	\$	93	25.4795% \$	Internal Records
13	Month 10	\$	62	16.9863% \$	Internal Records
14	Month 11	\$	32	8.7671% \$	Internal Records
15	Month 12	\$	1	0.2740% \$	Internal Records
16	Total Prorated Actual ADIT Activity (Sum Lines 6 thru 17)			\$	
17	Number of Days in the Year		365		

**Notes:**

- (a) Enter credit balances as negatives.
- (b) The balance in Line 1, Total ADIT Balance at year-end, shall equal such ADIT that is subject to the normalization rules prescribed by the IRS.

Input Cells are Shaded Yellow

(A) (B) (C) (D) = (A) + (B) + (C) (E) (F) (G) (H) (I) (J)

		20__ Year End Unamortized (Excess)/Deficient ADIT (e)						Amortization Periods (f)		Amortization Expense (e ) (g)				
Line No.	Description	FERC Account No. (a)	Ref	Protected	Unprotected	Gross-Up (i)	12/31/20__ Balance	Protected	Unprotected	FERC Account No. (g)	Protected	Unprotected	Gross-Up (i)	Total Amortization
Transmission (EXCESS)/DEFICIENT ADIT - TAX RATE CHANGES														
1a			(b)											
1 []			(c)			-	-						-	-
2	Total (Sum Lines1a thru 1[]) (d)					-	-						-	-
Electric FAS 109/(Excess) Deficient ADIT														
3a	FAS 109 - Electric		(j)											
3[]														
4	Total (Sum Lines 3a thru 3[]) (d)													
5	TOTAL Electric 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) Tax gross up calculated using the Composite Tax Rate / (1 - Composite Tax Rate) in effect for the applicable period.
- (j) Other Electric Transmission and Distribution FAS 109 balances
- (k) Niagara Mohawk Power Company will add footnotes below to identify excess or deficient ADIT from future Federal, State and Local income tax rate changes.
- (l) ☐



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 (e) (h)			20__ Year End Unamortized (Excess)/Deficient ADIT (e)				Reference
	Protected	Unprotected	Gross-Up(i)	Protected	Unprotected	Gross-Up (i)	12/31/20__ Balance	
1a			-	-	-	-	-	
1 []			-	-	-	-	-	
2	-	-	-	-	-	-	-	
3a								
3b								
3c			-		-	-	-	
3d								
3 []			-		-	-	-	
4	-	-	-	-	-	-	-	
5	-	-	-	-	-	-	-	



6

7

8

FF1 Page 232

FF1 Page 278

-
-

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.