

Attachment 1

Attachment 1
Summary List of Formula Rate Template Changes

Items to Change	Applicants' Response
1. Regulatory Expenses – Order at P 44-45.	Added footnote to line 45 (revised template) to state expressly that any regulatory transmission expenses allocated to Schedule 19 projects will occur only after deducting any directly assigned regulatory expenses.
2. Remove placeholder line items for the proposed regulatory asset for cost of removal to completely effectuate withdrawal of this item – Order at P 46	Removed cost of removal regulatory asset from Appendix A and Workpaper 1-RB Items.
3. As to Workpaper 1 - Rate Base (RB) Items, Line 12, Column m, the formula is improper as it divided a five-quarter sum by 13 instead of five to determine the annual average – Order at P 48.	Updated the formula to correct this error (NYSEG only). Also corrected reference in Excel “cell K36” of Workpaper 1-RB Items.
4. Workpaper 4 - IT Permanent Differences – Order at P 48.	Corrected references for columns b, c and d to change “income tax factor” to “composite income tax rate.” Also corrected link to Appendix A for columns c and d.
5. CWIP and Abandoned Plant – Order at P 58	Removed CWIP and Abandoned Plant placeholders from Appendix A, Workpaper 1-RB Items and Workpaper 5-Project Return.
6. Workpaper 6 - Project Cost of Capital contains several incorrect references – Order at P 48 and additional.	Corrected these references. Also corrected column lettering and several reference items on Workpaper 5 - Project Return.
7. Workpaper 7 - True-Up Adjustment lacks clarity as it does not provide enough information as to the purpose of having both estimated and actual interest calculations – Order at P 48.	NYSEG and RG&E intend that this Workpaper be used initially to estimate the interest amount related to the Annual True-up (“ATU”) Adjustment and then true-up the estimated interest amount to actual once the actual interest rates are known. Made related clarifications to this Workpaper.
8. Workpaper 8 - Depreciation	RG&E only: corrected account on line 11, Land Rights, to be 350.4 and corrected depreciation rate on line 45, Account 392.34 to be 8.18%. These changes are consistent with the depreciation information provided by RG&E in its July 26, 2023 response to FERC's June 28, 2023 Letter.

9. **Workpaper 9 - Corrections is incomplete and should provide the underlying, corrected formula rate template – Order at P 48.**

Included a footnote stating that NYSEG or RG&E will provide the underlying, corrected formula rates to support any corrections.

10. **Other – Order at P 48 and additional.**

Used the term “Workpaper” consistently throughout the formula rate templates and changed NA to DA on Lines 74 and 75 of Appendix A. There was no need to correct the spelling of “Abandoned Plant” in the template as the Abandoned Plant placeholder has been removed (see Item 5). Added reference to FERC Form 1 on Appendix A, Line 50 (revised template), Col. b (2). Corrected other references on Appendix A and deleted an improper note reference with Line 58. Eliminated column “h” heading (cell J6) and duplicative column G heading (cell I23) on NYSEG Workpaper 2b - ADIT Prior Year. Corrected link in RG&E Appendix A, Line 79, Col. 5. Changed column (f) formula on Workpaper 3 - EDIT to be Column d + Column e (some cells incorrectly had Column d – Column e). Also highlighted formulas in col. (c) on Workpaper 3 - EDIT to provide for use of formula using "cell j76" factor or input from company records. Changed reference in “cell H9” on Workpaper 5-Project Return to Col. (b) + Col. (d) to recognize that accumulated depreciation on Workpaper 1-RB Items is a credit. Additionally did general clean-up to make NYSEG and RG&E templates the same.