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June 30, 2020

VIA ELECTRONIC FILING

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

Re: ***New York Transco LLC***
Informational Filing – Annual Update to Formula Rate (Rate Year 2019)
Docket No. ER15-572-000

Dear Secretary Bose:

New York Transco LLC (“NY Transco”) hereby submits for filing for informational purposes the Annual Update and True-Up Adjustment to NY Transco’s formula rate and a construction work in progress (“CWIP”) report for Rate Year 2019, in accordance with Sections 2, 3, and 7 of the Formula Rate Implementation Protocols (“Protocols”) set forth in Section 36.3.1.2 (Attachment DD) of the New York Independent System Operator, Inc.’s (“NYISO”) Open Access Transmission Tariff. The Annual Update reflects NY Transco’s 2019 actual Net Adjusted Revenue Requirement based on its actual costs as reported to the Federal Energy Regulatory Commission in NY Transco’s FERC Form No. 1 filing. The CWIP Report corresponds to the CWIP incentive rate treatment approved by the Commission for NY Transco’s development of the Segment B Facilities and Segment B Additions of the AC Transmission Projects. The NYISO selected NY Transco as the developer of these facilities in April 2019.

Contemporaneous with this informational filing, NY Transco submitted a filing in compliance with Order No. 864 issued in Docket No. RM19-5-000 (“Order No. 864”),¹ with revisions to NY Transco’s transmission formula rate that fully satisfies the directives of the Commission in Order No. 864 to address various income tax-related items relating to the effects of the Tax Cuts and Jobs Act of 2017 (“TCJA”).² As part of that filing, NY Transco proposes a new Attachment 11 to the Formula Rate – the ADIT Worksheet – that is consistent with the

¹ *Public Utility Transmission Rate Changes to Address Accumulated Deferred Income Taxes*, 169 FERC ¶ 61,139, Order No. 864 (2019); *order on reh’g*, Order No. 864-A, 171 FERC ¶ 61,033 (2020).

² *Act to Provide for Reconciliation Pursuant to Titles II and V of the Concurrent Resolution on the Budget for Fiscal Year 2018*, H.R. 1, 115th Cong. (2017).

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directives of Order No. 864 and describes how any ADIT accounts are to be re-measured and the accounting for the excess and deficient amounts in Accounts 182.3 and 254. The worksheet also identifies each specific source of any excess or deficient ADIT, classifies the excess or deficient ADIT as protected or unprotected, and lists the proposed amortization period and accounts associated with each classification or source. The permanent worksheet provides the detail needed to verify excess and deficient ADIT resulting from the TCJA and any future tax rate changes, and thus it is consistent with the requirements of Order No. 864.

To avoid confusion, NY Transco includes two versions of the 2019 True-Up Adjustment, both reflecting identical actual cost information: 1) a version reflecting actual numbers utilizing the version that was in place in September 2018 to develop the 2019 Annual Projection, including the attachment NY Transco developed to maintain rate base neutrality consistent with the Commission's approval of a limited, one-time waiver request in Docket No. ER18-1817-000;³ and, 2) a version reflecting actual numbers utilizing the version recently filed in compliance with Order No. 864 with the new ADIT Worksheet in Attachment 11. NY Transco includes both versions to facilitate the cross-over to utilization of the new Attachment 11 during this transition period and will be prepared to discuss the versions during the August 6, 2020 customer meeting announced below.

The following documents are submitted with this Annual Update:

1. Transmittal letter and meeting notice;
2. Attachment A – NY Transco 2019 True-Up Adjustment (using 2019 Rate Projection template);
3. Attachment B – NY Transco 2019 True-Up Adjustment (using recently filed Formula Rate with Order No. 864 compliant Attachment 11);
4. Attachment C – Variance Analysis reflecting Attachment A figures; and
5. Attachment D – CWIP Report.

The Annual Update attached hereto has been submitted to the NYISO for posting and is available on its website:

http://www.nyiso.com/public/markets_operations/documents/legal_regulatory/index.jsp

Because of the current COVID-19 pandemic social gathering restrictions, NY Transco will host a webinar and teleconference presentation on Tuesday, August 6, 2020, from 10:00

³ On June 22, 2018, NY Transco requested a limited one-time waiver of applicable provisions of its formula rate to allow NY Transco to maintain rate base neutrality in its annual True-up Adjustment calculations for 2017 and 2018 and in its projected Net Adjusted Revenue Requirement for 2019 related to excess ADIT that, as of the end of 2017, were recorded in accounts not included in rate base in NY Transco's formula rate template.³ In its waiver request, NY Transco explained that its Formula Rate Template did not include the necessary input line items to make the necessary adjustment in rate base for the average balance in NY Transco's excess ADIT placed in FERC Account 254. The Commission approved NY Transco's waiver request and NY Transco has been maintaining rate base neutrality.

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a.m. to 12:00 p.m. Eastern Daylight Time to afford interested parties an opportunity to discuss the Annual Update. The teleconference and webinar access information will be provided prior to the meeting date. NY Transco requests that those interested in attending through the webinar or teleconference please contact Sophia Browning at sbrowning@daypitney.com by July 30, 2020.

In accordance with NY Transco's Protocols, this Annual Update is submitted for informational purposes only and is not a filing under Section 205 of the Federal Power Act. NY Transco requests that the Commission avoid acting on or issuing public notice of this informational filing because the Implementation Protocols include specific procedures for notice, review, and challenges to the Annual Update.

Please contact the undersigned if you have any questions regarding this matter.

Respectfully submitted,

/s/ Evan C. Reese, III

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Enclosures

Counsel to New York Transco LLC

CERTIFICATE OF SERVICE

I hereby certify that I have on this day caused to be served the foregoing document upon each of the parties listed on the official service list compiled by the Secretary of the Commission in this proceeding.

Dated at Washington, D.C., this 30th day of June, 2020.

/s/ Sophia Browning

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