

**New York Transco LLC**  
**True-Up Variance Schedule for Calendar Year 2021**

Line No.		<u>2021 Actual</u>	<u>2021 Projected</u>	<u>Variance</u>
<b>NET ADJUSTED REVENUE REQUIREMENT</b>				
1	GROSS REVENUE REQUIREMENT	\$ 52,405,185	\$ 52,126,497	\$ 278,688
REVENUE CREDITS				
2	Total Revenue Credits	-	-	-
3	Net Revenue Requirement	52,405,185	52,126,497	278,688
4	True-up Adjustment	<u>(1,437,538)</u>	<u>(1,437,538)</u>	-
5	<b>NET ADJUSTED REVENUE REQUIREMENT</b>	<u><u>\$ 50,967,647</u></u>	<u><u>\$ 50,688,959</u></u>	<u><u>\$ 278,688</u></u>

**The primary variances between the 2021 Projection and the 2021 True-Up revenue requirement are as follows:**

- Decrease in O&M (\$606k) and other taxes (\$114k), partially offset by an increase in depreciation (\$392k)
- Increase in revenues for income taxes (\$302k) and return on rate base (\$251k) and incentives (\$54k)
- See pages 2 and 3 for additional variance information

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<b>RATE BASE</b>				
	GROSS PLANT IN SERVICE			
1	Production	-	-	-
2	Transmission	109,226,850	73,771,991	35,454,859
3	Distribution	-	-	-
4	General & Intangible	140,684,610	140,666,166	18,444
5	TOTAL GROSS PLANT (sum lines 1-4)	<u>249,911,460</u>	<u>214,438,157</u>	<u>35,473,303</u>
6	ACCUMULATED DEPRECIATION & AMORTIZATION			
7	Production	-	-	-
8	Transmission	8,151,425	8,072,465	78,960
9	Distribution	-	-	-
10	General & Intangible	16,060,125	16,014,801	45,324
11	TOTAL ACCUM. DEPRECIATION (sum lines 7-10)	<u>24,211,550</u>	<u>24,087,266</u>	<u>124,284</u>
12	NET PLANT IN SERVICE			
13	Production	-	-	-
14	Transmission	101,075,425	65,699,526	35,375,899
15	Distribution	-	-	-
16	General & Intangible	124,624,485	124,651,365	(26,880)
17	TOTAL NET PLANT (sum lines 13-16)	<u>225,699,910</u>	<u>190,350,891</u>	<u>35,349,019</u>
18	ADJUSTMENTS TO RATE BASE			
19	ADIT	(20,394,412)	(19,517,706)	(876,706)
19b	Tax Reform	(6,591,939)	(6,591,939)	-
20	Account No. 255 (enter negative)	-	-	-
21	CWIP	122,618,133	148,418,342	(25,800,209)
22	Unfunded Reserves (enter negative)	-	-	-
23	Unamortized Regulatory Assets	111,896	111,896	-
24	Unamortized Abandoned Plant	-	-	-
25	TOTAL ADJUSTMENTS (sum lines 19-24)	<u>95,743,678</u>	<u>122,420,593</u>	<u>(26,676,915)</u>
26	LAND HELD FOR FUTURE USE	-	-	-
27	WORKING CAPITAL			
28	CWC	832,641	908,335	(75,694)
29	Materials & Supplies	-	-	-
30	Prepayments	371,197	366,588	4,609
31	TOTAL WORKING CAPITAL (sum lines 28-30)	<u>1,203,838</u>	<u>1,274,923</u>	<u>(71,085)</u>
32	RATE BASE (sum lines 17, 25, 26, & 31)	<u><u>322,647,426</u></u>	<u><u>314,046,407</u></u>	<u><u>8,601,019</u></u>

**Note 1**

- Increase relates to portions of the Segment B Facilities being placed in service during 2021, which was earlier than planned due to changes in the constructions schedule

**Note 2**

- Increase is primarily due to the increase in plant placed in service

**Note 3**

- Variance primarily due to an increase in the deferred tax liability related to depreciation for the increase in plant placed in service and an increase in deferred taxes related to the increase in preliminary survey and investigation costs

**Note 4**

- Variance due to costs transferred to plant in service for the NYES Project

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		<u>2021 Actual</u>	<u>2021 Projected</u>	<u>Variance</u>
<b>Operating and Maintenance Expenses</b>				
1	Transmission	1,146,115	1,581,482	(435,367)
2	Less Accounts 565, 561 and 561.1 to 561.8	-	-	-
3	A&G	5,534,295	5,685,200	(150,905)
4	Less EPRI & Reg. Comm. Exp. & Other Ad.	-	-	-
5	Plus Transmission Related Reg. Comm. Exp.	-	-	-
6	PBOP expense adjustment	(19,285)	-	(19,285)
6a	Less Account 566	529,479	484,882	44,597
6b	Amortization of Regulatory Assets	484,882	484,882	-
6c	Account 566 excluding amort. of Reg Assets	44,597	-	44,597
7	<b>TOTAL O&amp;M (sum lines 1, 3, 5, 6, 6b, 6c less lines 2 &amp; 4, 6a)</b>	<b>6,661,125</b>	<b>7,266,682</b>	<b>(605,557)</b>
<b>DEPRECIATION EXPENSE</b>				
8	Transmission	1,982,416	1,591,620	390,796
9	General and Intangible	3,222,100	3,221,237	863
10	Amortization of Abandoned Plant	-	-	-
11	<b>TOTAL DEPRECIATION (Sum lines 8-10)</b>	<b>5,204,516</b>	<b>4,812,857</b>	<b>391,659</b>
<b>TAXES OTHER THAN INCOME TAXES</b>				
12	TAXES OTHER THAN INCOME TAXES			
13	LABOR RELATED			
14	Payroll	1,766	-	1,766
15	Highway and vehicle	-	-	-
16	PLANT RELATED			
17	Property	4,174,962	4,291,200	(116,238)
18	Gross Receipts	-	-	-
19	Other	-	-	-
20	<b>TOTAL OTHER TAXES (sum lines 14-19)</b>	<b>4,176,728</b>	<b>4,291,200</b>	<b>(114,472)</b>
<b>INCOME TAXES</b>				
21	INCOME TAXES			
22	$T=1 - \{[(1 - \text{SIT}) * (1 - \text{FIT})] / (1 - \text{SIT} * \text{FIT} * p)\} * (1-n) =$			
23	$\text{CIT}=(T/1-T) * (1-(\text{WCLTD}/R)) =$			
24	where WCLTD=(line 52) and R= (line 55)			
25	and FIT, SIT, p, & n.			
26	$1 / (1 - T) = (T \text{ from line 22})$			
27	Amortized Investment Tax Credit (Attachment 4, line 14)			
28	Income Tax Calculation = line 23 * line 32 * (1-n)	6,675,905	6,374,097	301,808
29	ITC adjustment (line 26 * line 27 * (1- n))	-	-	-
30	(Excess)/Deficient Deferred Income Tax Adjustment	8,268,659	8,268,659	-
31	<b>Total Income Taxes</b>	<b>14,944,564</b>	<b>14,642,756</b>	<b>301,808</b>
32	RETURN			
33	Rate Base (line 32) * Rate of Return	19,392,898	19,142,015	250,883
34	Rev Requirement before Incentive Projects (sum lines 7, 11, 20, 30, 33)	50,379,831	50,155,510	224,321
35	Incentive Return and Income Tax on Authorized Projects	2,025,354	1,970,987	54,367
36	Total Revenue Requirement (sum lines 34 & 35)	<u>\$ 52,405,185</u>	<u>\$ 52,126,497</u>	<u>\$ 278,688</u>

**Note 1**

- Lower than expected O&M on the TOTS Projects

**Note 2**

- Primarily due to lower than expected outside services

**Note 3**

- Primarily due to the increase in plant placed in service during 2021

**Note 4**

- Actual property tax increase lower than estimated

**Note 5**

- Due to the increase in return and slightly higher state and local tax rate

**Note 6**

- Primarily due to the increase in rate base as noted above