



October 20, 2022

Via Email: [GBissell@nyiso.com](mailto:GBissell@nyiso.com)

Garrett E. Bissell  
Senior Attorney  
New York Independent System  
Operator, Inc.  
10 Key Boulevard  
Rensselaer, NY 12144

Dear Mr. Bissell:

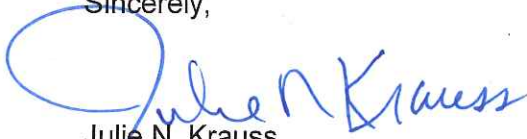
Jeffrey Cebrik, Business Development and Regulatory Strategy, Avangrid, along with his colleagues has submitted several questions to be addressed by NextEra Energy Transmission New York, Inc. ("NEET NY"). During the course of the stakeholder meeting held today, it was requested that the attached questions be posted to the public website for the benefit of all of the stakeholders.

Please cause the same to be posted on a publicly accessible location on the ISO website.

At such time as NEET NY completes the responses to the questions, we will also provide for posting.

Please let me know if you have any issues with the posting of the attached or need anything additional.

Sincerely,

  
Julie N. Krauss  
Principal Business Analyst

c: Jeff Cebrik, via email: [Jeffrey.Cebrik@Avangrid.com](mailto:Jeffrey.Cebrik@Avangrid.com)

**NextEra Energy Transmission New York, Inc.-Request for Information -  
September 30, 2022 Posting**

- 1) Please provide any errors identified or corrections made by NEET NY since its 2023 Projected Net Revenue Requirement was posted on or before September 30, 2022 or any errors identified in its most recent FERC Form 1. In addition, please provide this information on a continuing basis.
- 2) Please provide a detailed breakdown on a line item basis, grouped by category, with a description of the cost, and FERC Account of project costs that NEET NY categorized as an “unforeseeable” cost resulting in \$80,521,741 of unforeseeable costs excluded from the project cost containment mechanism. As an example, a category could include all costs related to a certain body of work, like undergrounding New York Thruway crossing, control center, or environmental, visual, and sound mitigation. Please indicate how each explanation for unforeseeable classification was validated.
- 3) For each category identified in question 2, please describe the changes that caused the project cost and therefore unforeseeable cost overruns and how the costs do not represent foreseeable obligations in the License application process. Please identify which cost overruns are due to modifications to the routing or scope of work, changes in laws and regulations or are the result of a court order or government action as described in the May 25, 2018 Settlement, including but not limited to Article 3.3(b).
- 4) Please illustrate the mathematical determination of the \$80,521,741 of unforeseeable costs excluded from the project cost containment mechanism that validates that unforeseeable costs in an amount of 5% of the project costs are part of the contingency and subject to the Cost Containment Mechanism described in Article III of the Settlement Agreement.
- 5) Please provide a detailed breakdown of Foreseeable Costs by line item, with a description of each cost, date cost was incurred and FERC Account number.
- 6) Please describe the procurement and cost control methodologies utilized and to what extent they mitigated the unforeseeable costs and project cost overruns.
- 7) Please provide a detailed breakdown of the overheads (both corporate and project) that have been applied to the project along with a description of the accounting methodology that supports the allocation of overheads.
- 8) Please illustrate the calculation of Allowance for Funds Used During Construction (AFUDC) illustrating the equity and interest proportions and rates applied to capital expenditure balances used to determine the amounts capitalized into the Gross Plant in Service balance of \$264,012,169 in the 2023 annual projection.
- 9) Please illustrate the calculation resulting in the Tax adjustment AFUDC Equity and Meals and Entertainment of \$160,104 in the 2023 annual projection.
- 10) Explain what measures have been applied to the formula rate to mitigate the rate impact of the \$85,772,541 project cost overrun.
- 11) Please describe what, if any, expenditures for NextEra Energy Transmission New York, Inc. have been excluded from recovery in the formula rate filing.