



**June 30, 2023**

**New York Power Authority**

**Addendum to Annual Update Provided in Accordance with Section 14.2.3.2.2 (d)  
of NYPA's Formula Rate Protocols**

This addendum provides additional information with respect to certain Schedules and Work Papers within the Formula Rate Template. All capitalized terms not defined herein have the same meanings as set forth in NYPA's Formula Rate Protocols contained in the NYISO tariff.

1. Y-49 Facility Repair Costs in Operating Expenses

This Annual Update includes O&M expense pertaining to a cable failure repair to the Y-49 Facility, the costs for which were accrued in the 2022 Calendar Year, totaling \$1,798,679. The entirety of this amount will be paid by the Long Island Power Authority ("LIPA") via monthly payments credited to the monthly NTAC rate during the 2023 Rate Year through the "EA" component of the NTAC Formula. The NYPA-LIPA Y-49 Contract sets forth LIPA's reimbursement for NYPA's response and repair costs related to the Y-49 Facility. Inclusion of these costs is consistent with Section 14.2.3.2.2 (d)(iii) of NYPA's Protocols requiring the Annual Update to be based on NYPA's Financial Report.

2. Schedule F3 on True-Up Adjustments

The Note 2 column reference on page 1 of Schedule F3 now correctly refers to "Schedule F1, Page 2 of 2, col (15)". This is the result of NYPA's miscellaneous tariff corrections accepted by the FERC in Docket No. ER23-491-000.

3. Supplemental Work Paper WP-Reconciliations and WP-AR-Cap Assets

The Formula Rate Template includes formatting corrections to allow the insertion of new line items as result of NYPA's filing in ER23-491-000. The supplemental Work Paper WP-Reconciliations will no longer be needed starting in 2024. It's been included this year due to the revision made to WP-AR-Cap Assets, which is also attached. This added information does not factor into the ATRR development and is purely informational.

#### 4. Supplemental Work Paper for Marcy South Series Compensation (MSSC)

This supplemental Work Paper to illustrate the two-year average plant balances for the MSSC project is no longer needed as the added WP-BJ is now part of the Template. This is the result of NYPA's incentive rates and cost containment filing for the Smart Path Connect project as accepted by FERC in Docket No. ER22-1014-000.

#### 5. Prior Period Adjustment due to WP-BG Relicensing Asset Update

During the Annual Update Process for the 2023 Rate Year, NYPA discovered that the relicensing asset information for Blenheim Gilboa Project on WP-BG were not accounted for properly in developing the Projected Annual Transmission Revenue Requirement for the 2022 Rate Year. This resulted in an overstatement of \$60,337.39 which will be returned to ratepayers, with interest, as a Prior Period Adjustment in the 2023 Annual Update.

Attachments (2)