



**NY Power
Authority**

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Governor

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President and Chief Executive Officer

SUBMITTED VIA ELECTRONIC FILING

March 13, 2024

Debbie-Anne Reese, Acting Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

RE: Informational Filing - Transmission Formula Rate
New York Power Authority
Docket No. ER17-1288-000

Dear Acting Secretary Reese:

The New York Power Authority (“NYPA”) hereby submits to the Federal Energy Regulatory Commission (“FERC”) this informational filing of its 2023 Annual Update to its Formula Rate (“Informational Filing”) used to determine NYPA’s Annual Transmission Revenue Requirement (“ATRR”).¹ This Informational Filing is made pursuant to Section 14.2.3.2.6 of Attachment H of the New York Independent System Operator, Inc. (“NYISO”) Open Access Transmission Tariff (“OATT”). NYPA, a transmission owner in New York State whose Formula Rate is administered in accordance with the Formula Rate Template and the Protocols set forth in Attachment H of the NYISO OATT, has an obligation under the Protocols to make this Informational Filing by the later of March 15 or sixty calendar days following the close of the Review Period of the Annual Update Process for the current Rate Year.

NYPA includes with this Informational Filing its Formula Rate Template populated with 2022 Calendar Year data, consistent with NYPA’s requirements under the Annual Update Process. NYPA provides this material in the attached files in both native “workable” Excel file format and in PDF format. Second, NYPA includes its NYPA Form 1 Equivalent for the 2022 Calendar Year in PDF format that contains supporting financial information required under the Annual Update Process. Last, NYPA provides the following link to NYPA’s Financial Report for the 2022 Calendar Year: [2022 Financial Report \(nypa.gov\)](https://www.nypa.gov/2022-Financial-Report). Under the Protocols, NYPA’s Financial Report serves as the basis for the inputs to the Annual Update.

¹ Capitalized terms used in this transmittal letter and not otherwise defined herein shall have the meanings set forth in the Formula Rate Implementation Protocols (“Protocols”) which appear in Section 14.2.3.2 of NYISO OATT Attachment H.

This Informational Filing provides the information required under the Protocols to reasonably determine that the input data under the Formula Rate were properly recorded and that NYPA has properly applied the Formula and Protocols.² NYPA posted its updated Formula Rate Template on the NYISO's internet website on June 30, 2023, which became effective July 1, 2023. NYPA provided the required notice of the NYISO's website posting of the Annual Update and of an upcoming Open Meeting to all Interested Parties. NYPA held its Open Meeting on August 2, 2023 to provide an opportunity for Interested Parties to obtain information about the Annual Update.

During the Annual Update Process, NYPA received no Information Requests or Preliminary Challenges from any Interested Party.

Separate from the Annual Update Process, developments during the 2023 Rate Year will have rate impacts on Formula Rate customers in the 2024 Rate Year. NYPA's November 2022 application in Docket No. ER23-491 to adopt a three-factor allocation methodology for Administrative & General ("A&G") costs (replacing the labor-only allocator) was conditionally accepted by FERC on January 23, 2023 and made effective, subject to refund, on January 24, 2023.³ The proceeding was also set for settlement procedures before a FERC administrative law judge which continued into December 2023. The NYPA Allocator Order authorized NYPA to adopt, subject to refund, the as-filed three-factor allocation methodology for setting the ATRR effective July 1, 2023.

Based on the uncontested settlement agreement in Docket No. ER23-491, which NYPA filed on December 6, 2023, the A&G cost allocations in the Formula Rate would be slightly reduced. Assuming that settlement is ultimately approved by FERC,⁴ when NYPA determines the ATRR for the 2024 Annual Update, Formula Rate customers will receive a credit based on the difference between the as-filed A&G cost allocation percentages in that proceeding, and the final, approved settlement A&G cost allocations percentages. NYPA anticipates the size of this credit to be approximately \$3,411,904, plus associated interest.

Copies of correspondence regarding this Informational Filing should be served to the following persons:

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² See NYISO OATT, Attachment H, Section 14.2.3.2.6 ("Informational Filing").

³ *New York Indep. Sys. Operator, Inc., N.Y. Power Auth.*, 182 FERC ¶ 61,028 (2023) ("NYPA Allocator Order").

⁴ On January 19, 2024, the Settlement Judge certified the settlement agreement to FERC with the recommendation that it be approved without modification. See *New York Indep. Sys. Operator, Inc., N.Y. Power Auth.*, 186 FERC ¶ 63,005 at P 32 (2024).

Please do not hesitate to contact me if you have any questions regarding this Informational Filing.

Respectfully submitted,

/s/ Gary D. Levenson

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Attachments:

Formula Rate Template in Excel and PDF formats

NYPA Form 1 Equivalent in PDF format