

**New York Transco LLC**  
**True-Up Variance Schedule for Calendar Year 2022**

<u>Line No.</u>		<u>2022 Actual</u>	<u>2022 Projected</u>	<u>Variance</u>
<b>NET ADJUSTED REVENUE REQUIREMENT</b>				
1	GROSS REVENUE REQUIREMENT	\$ 69,022,195	\$ 69,094,781	\$ (72,586)
REVENUE CREDITS				
2	Total Revenue Credits	<u>-</u>	<u>-</u>	<u>-</u>
3	Net Revenue Requirement	69,022,195	69,094,781	(72,586)
4	True-up Adjustment	<u>(200,421)</u>	<u>(200,421)</u>	<u>-</u>
5	<b>NET ADJUSTED REVENUE REQUIREMENT</b>	<b><u>\$ 68,821,774</u></b>	<b><u>\$ 68,894,360</u></b>	<b><u>\$ (72,586)</u></b>

**The primary variances between the 2022 Projection and the 2022 True-Up revenue requirement are as follows:**

- \$3.0 million decrease in all expenses, with O&M having the largest decrease at \$2.0 million
- \$2.9 million increase in revenues for return requirements
- See pages 2 and 3 for additional variance information

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Line No.		<u>2022 Actual</u>	<u>2022 Projected</u>	<u>Variance</u>
<b>RATE BASE</b>				
	GROSS PLANT IN SERVICE			
1	Production	-	-	-
2	Transmission	212,065,040	213,549,812	(1,484,772)
3	Distribution	-	-	-
4	General & Intangible	143,882,969	146,822,791	(2,939,822)
5	TOTAL GROSS PLANT (sum lines 1-4)	<u>355,948,009</u>	<u>360,372,603</u>	<u>(4,424,594)</u>
6	ACCUMULATED DEPRECIATION & AMORTIZATION			
7	Production	-	-	-
8	Transmission	10,594,963	11,178,553	(583,590)
9	Distribution	-	-	-
10	General & Intangible	19,671,669	19,214,885	456,784
11	TOTAL ACCUM. DEPRECIATION (sum lines 7-10)	<u>30,266,632</u>	<u>30,393,438</u>	<u>(126,806)</u>
12	NET PLANT IN SERVICE			
13	Production	-	-	-
14	Transmission	201,470,077	202,371,259	(901,182)
15	Distribution	-	-	-
16	General & Intangible	124,211,301	127,607,906	(3,396,606)
17	TOTAL NET PLANT (sum lines 13-16)	<u>325,681,378</u>	<u>329,979,165</u>	<u>(4,297,788)</u>
18	ADJUSTMENTS TO RATE BASE			
19	ADIT	(26,380,649)	(26,642,161)	261,512
19b	Tax Reform	(10,202,767)	(10,202,767)	-
20	Account No. 255 (enter negative)	-	-	-
21	CWIP	238,171,495	228,078,486	10,093,009
22	Unfunded Reserves (enter negative)	-	-	-
23	Unamortized Regulatory Assets	-	-	-
24	Unamortized Abandoned Plant	-	-	-
25	TOTAL ADJUSTMENTS (sum lines 19-24)	<u>201,588,080</u>	<u>191,233,558</u>	<u>10,354,522</u>
26	LAND HELD FOR FUTURE USE	-	-	-
27	WORKING CAPITAL			
28	CWC	1,015,642	1,271,488	(255,846)
29	Materials & Supplies	53,050	-	53,050
30	Prepayments	463,456	410,106	53,350
31	TOTAL WORKING CAPITAL (sum lines 28-30)	<u>1,532,148</u>	<u>1,681,594</u>	<u>(149,446)</u>
32	RATE BASE (sum lines 17, 25, 26, & 31)	<u><u>528,801,605</u></u>	<u><u>522,894,317</u></u>	<u><u>5,907,288</u></u>

**Note 1**

- Decrease primarily relates to portions of the Segment B Facilities being placed in service later in 2022 than forecasted

**Note 2**

- Total decrease due to actual average gross plant in service being lower than the projection and a slight difference between the projection and actual for the allocation between depreciation and amortization

**Note 3**

- Variance primarily due to the timing of work as a result of the Segment B Facilities and Segment B Additions being ahead of schedule

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		<b>2022</b>	<b>2022</b>	
		<b>Actual</b>	<b>Projected</b>	<b>Variance</b>
<b>Operating and Maintenance Expenses</b>				
1	Transmission	1,590,082	3,037,000	(1,446,918)
2	Less Accounts 565, 561 and 561.1 to 561.8	-	-	-
3	A&G	6,550,885	7,134,900	(584,015)
4	Less EPRI & Reg. Comm. Exp. & Other Ad.	-	-	-
5	Plus Transmission Related Reg. Comm. Exp.	-	-	-
6	PBOP expense adjustment	(15,834)	-	(15,834)
6a	Less Account 566	29,991	-	29,991
6b	Amortization of Regulatory Assets	-	-	-
6c	Account 566 excluding amort. of Reg Assets	29,991	-	29,991
7	<b>TOTAL O&amp;M (sum lines 1, 3, 5, 6, 6b, 6c less lines 2 &amp; 4, 6a)</b>	<b>8,125,133</b>	<b>10,171,900</b>	<b>(2,046,767)</b>
<b>DEPRECIATION EXPENSE</b>				
8	Transmission	4,089,640	4,362,297	(272,657)
9	General and Intangible	3,154,733	3,206,650	(51,917)
10	Amortization of Abandoned Plant	-	-	-
11	<b>TOTAL DEPRECIATION (Sum lines 8-10)</b>	<b>7,244,373</b>	<b>7,568,947</b>	<b>(324,574)</b>
<b>TAXES OTHER THAN INCOME TAXES</b>				
12	TAXES OTHER THAN INCOME TAXES			
13	LABOR RELATED			
14	Payroll	1,965	-	1,965
15	Highway and vehicle	-	-	-
16	PLANT RELATED			
17	Property	4,179,607	4,334,400	(154,793)
18	Gross Receipts	-	-	-
19	Other	-	-	-
20	<b>TOTAL OTHER TAXES (sum lines 14-19)</b>	<b>4,181,572</b>	<b>4,334,400</b>	<b>(152,828)</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	$\text{CIT}=(T/1-T) * (1-(\text{WCLTD}/\text{R})) =$			
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)	10,279,379	10,734,263	(454,884)
29	ITC adjustment (line 26 * line 27 * (1- n))	-	-	-
30	(Excess)/Deficient Deferred Income Tax Adjustment	1,859,475	1,859,475	-
31	<b>Total Income Taxes</b>	<b>12,138,854</b>	<b>12,593,738</b>	<b>(454,884)</b>
32	RETURN			
33	Rate Base (line 32) * Rate of Return	33,578,137	30,654,870	2,923,267
34	Rev Requirement before Incentive Projects (sum lines 7, 11, 20, 30, 33)	65,268,069	65,323,855	(55,786)
35	Incentive Return and Income Tax on Authorized Projects	3,754,125	3,770,927	(16,802)
36	Total Revenue Requirement (sum lines 34 & 35)	<u>\$ 69,022,195</u>	<u>\$ 69,094,782</u>	<u>\$ (72,587)</u>

**Note 1**

- Lower than expected O&M on the Segment B Facilities that were placed in service in 2021 and 2022

**Note 2**

- Primarily due to lower than expected outside services

**Note 3**

- Primarily due to the decrease in plant placed in service during 2022

**Note 4**

- Actual property tax increase lower than estimated

**Note 5**

- Due to the decrease in state and local tax rate, which was partially offset by the increase in return

**Note 6**

- Primarily due to the increase in the weighted cost of capital, primarily driven by the increase in interest rates