

Niagara Mohawk Power Corporation  
d/b/a National Grid  
Calculation of Pole Attachment Fee Pursuant to FCC Formula  
Based Upon Year Ended December 31, 2018 Financial Information

<u>Net Investment per Pole</u>	Actual FERC	Source
(1) Total Gross Investment in Pole Plant	\$1,191,822,882	Page 3, Line (1)
(2) Accumulated Depreciation (Pole)	\$405,755,036	Page 2, Line (9)
(3) Accumulated Deferred Taxes (Poles)	<u>\$209,669,318</u>	Page 2, Line (11)
(4) Net Investment in Pole Plant	\$576,398,528	Line (1) - Line (2) - Line (3)
(5) Net Investment in Appurtenance	<u>\$86,459,779</u>	Line (4) x 15% (FCC presumption)
(6) Net Investment in Bare Pole	\$489,938,749	Line (4) - Line (5)
(7) Number of Pole Equivalents	979,498	Page 4, Line (7)
(8) Net Investment per Bare Pole	\$500.19	Line (6) ÷ Line (7), rounded to 2 decimal places
 <u>Carrying Charges</u>		
<u>Administrative</u>		
(9) Administrative Expense	\$327,801,568	Page 3, Line (8)
(10) Electric Plant in Service	\$9,806,610,376	Page 3, Line (18)
(11) Depreciation Reserve for Electric Plant in Service	\$2,980,582,307	Page 3, Line (19)
(12) Accumulated Deferred Income Taxes	\$1,696,525,123	Page 3, Sum of Lines (27) thru (29)
(13) Net Electric Plant in Service	\$5,129,502,946	Line (10) - Line (11) - Line (12)
(14) Administrative Carrying Charge	6.39%	Line (9) ÷ Line (13)
 <u>Tax</u>		
(15) Normalized Tax Expense	\$352,732,957	Page 3, Sum of Lines (10) thru (15)
(16) Total Plant in Service	\$12,564,596,482	Page 3, Line (16)
(17) Depreciation Reserve for Total Plant in Service	\$3,964,093,617	Page 3, Line (17)
(18) Accumulated Deferred Income Taxes	\$2,634,478,211	Page 3, Sum of Lines (24) thru (26)
(19) Net Plant in Service	\$5,966,024,654	Line (16) - Line (17) - Line (18)
(20) Tax Carrying Charge	5.91%	Line (15) ÷ Line (19)
 <u>Maintenance</u>		
(21) Maintenance of Overhead Lines Expense	\$186,380,412	Page 3, Line (9)
(22) Net Investment in Overhead Structures	\$1,463,929,864	Page 2, Line (6)
(23) Maintenance Carrying Charge	12.73%	Line (21) ÷ Line (22)
 <u>Depreciation</u>		
(24) Annual Depreciation for Poles	1.85%	Page 3, Line (6)
(25) Gross Investment in Pole Plant	\$1,191,822,882	Line (1)
(26) Net Investment in Pole Plant	\$576,398,528	Page 2, Line (12)
(27) Gross / Net Adjustment	206.77%	Line (25) ÷ Line (26)
(28) Depreciation Carrying Charge	3.83%	Line (24) x Line (27)
 <u>Return</u>		
(29) Rate of Return	11.25%	Page 3, Line (7)
(30) Total Carrying Charge	40.11%	Line (14) + Line (20) + Line (23) + Line (28) + Line (29)
 <u>Allocation of Usable Space</u>		
(31) Assumed Cable Attachment Space (in feet)	1	47 CFR Ch. I, Subpart J, §1.1418
(32) Usable Space (in feet)	13.5	47 CFR Ch. I, Subpart J, §1.1404(g)(1)(xi) & §1.1418
(33) Usage Factor	7.41%	Line (31) ÷ Line (32)
 <u>Pole Attachment Rate</u>		
(34) Net Investment per Bare Pole	\$500.19	Line (8)
(35) Total Carrying Charge	40.11%	Line (30)
(36) Usage Factor	7.41%	Line (33)
(37) Pole Attachment Fee for Cable Attachments	<b>\$14.86</b>	Line (34) x Line (35) x Line (36), truncated after 2 decimal places

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**Net Investment in Overhead Structures**

(1) Gross Investment in FERC Accounts 364, 365, 369 Page 3, Line (4) \$3,026,977,038

**Depreciation Reserve Associated with Overhead Structures:**

Percent of Distribution Plant Associated with Overhead Structures:

(2) 
$$\frac{\text{FERC Accounts 364, 365, 369}}{\text{Total Electric Distribution Plant (Excl Land \& Land Rights)}} = \frac{\text{Page 3, Line (4)}}{\text{Page 3, Lines (21) - (22)}} = \frac{\$3,026,977,038}{\$6,262,043,884} = 48.34\%$$

Amount of Accumulated Depreciation Associated with Overhead Structures:

(3) Percent of Distribution Plant Assoc with Overhead Structures  $\times$  Depreciation Reserve - Distribution  $=$  48.34%  $\times$  \$2,131,907,250  $=$  \$1,030,531,630  
Line (2) Page 3, Line (20)

**Accumulated Deferred Income Taxes Associated with Overhead Structures:**

Percent of Electric Plant Associated with Overhead Structures:

(4) 
$$\frac{\text{FERC Accounts 364, 365, 369}}{\text{Total Electric Plant (Excl Land \& Land Rights)}} = \frac{\text{Page 3, Line (4)}}{\text{Page 3, Lines (18) - (22) - (23)}} = \frac{\$3,026,977,038}{\$9,643,554,352} = 31.39\%$$

Amount of Accumulated Deferred Income Taxes Associated with Overhead Structures:

(5) Percent of Electric Plant Assoc with Overhead Structures  $\times$  Accumulated Deferred Income Taxes (excl FAS 109)  $=$  31.39%  $\times$  \$1,696,525,123  $=$  \$532,515,544  
Line (4) Page 3, Sum of Lines (27) thru (29)

(6) Net Investment in Overhead Structures Line (1) - Line (3) - Line (5) \$1,463,929,864

**Net Investment in Pole Plant:**

(7) Gross Investment in FERC Account 364 Page 3, Line (1) \$1,191,822,882

**Depreciation Reserve Associated with Pole Plant:**

Percent of Distribution Plant Associated with Pole Plant:

(8) 
$$\frac{\text{FERC Account 364}}{\text{Total Distribution Plant (Excl Land \& Land Rights)}} = \frac{\text{Page 3, Line (1)}}{\text{Page 3, Lines (21) - (22)}} = \frac{\$1,191,822,882}{\$6,262,043,884} = 19.03\%$$

**Amount of Accumulated Depreciation Associated with Pole Plant:**

(9) Percent of Distribution Plant Assoc with Poles  $\times$  Depreciation Reserve - Distribution  $=$  19.03%  $\times$  \$2,131,907,250  $=$  \$405,755,036  
Line (8) Page 3, Line (20)

**Accumulated Deferred Income Taxes Associated with Pole Plant:**

Percent of Overhead Structures Associated with Pole Plant:

(10) 
$$\frac{\text{FERC Account 364}}{\text{FERC Accounts 364, 365, 369}} = \frac{\text{Page 3, Line (1)}}{\text{Page 3, Line (4)}} = \frac{\$1,191,822,882}{\$3,026,977,038} = 39.37\%$$

**Amount of Overhead Structures Deferred Income Taxes Associated with Pole Plant:**

(11) Percent of Overhead Structures Assoc with Pole Plant  $\times$  Accumulated Deferred Income Taxes (excl FAS 109) Allocated to Overhead Structures  $=$  39.37%  $\times$  \$532,515,544  $=$  \$209,669,318  
Line (10) Line (5)

(12) Net Investment in Pole Plant Line (7) - Line (9) - Line (11) \$576,398,528

Niagara Mohawk Power Corporation  
d/b/a National Grid  
Calculation of Pole Attachment Fee Pursuant to FCC Formula  
2018 Data

<u>Components of Overhead Structures</u>			<u>Source</u>
(1)	Account 364 - Poles Towers and Fixtures	\$1,191,822,882	Form 1, Page 207, Line 66, Column (g)
(2)	Account 365 - Overhead Conductors and Devices	\$1,326,285,067	Form 1, Page 207, Line 67, Column (g)
(3)	Account 369 - Services	<u>\$508,869,089</u>	Form 1, Page 207, Line 71, Column (g)
(4)	Sum	\$3,026,977,038	
(5)	Number of Poles	979,498	Page 4, Line (7)
(6)	Depreciation Rate (Acct. 364)	1.85%	Case 17-E-0238 -Depreciation Rate effective 4/1/2018
(7)	Rate of Return	8.02%	Case 17-E-0238: 2017 NMPC Rate Case Pre-Tax WAC
(8)	Total Administrative & General Expense	\$327,801,568	Form 1, Page 323, Line 205, Column (b)
(9)	Account 593 - Maintenance of OH Lines	\$186,380,412	Form 1, Page 322, Line 156, Column (b)
(10)	Account 408.1 - Taxes other than income taxes, utility operating income	\$286,281,176	Form 1, Page 114, Line 14, Column (c)
(11)	Account 409.1 - Federal	\$42,480,745	Form 1, Page 114, Line 15, Column (c)
(12)	Account 409.1 - Other	\$12,105,885	Form 1, Page 114, Line 16, Column (c)
(13)	Account 410.1 - Provisions for deferred income taxes, utility opating income	\$11,865,151	Form 1, Page 114, Line 17, Column (c)
(14)	Account 411.1 - Provision for deferred income taxes - Credit, utility operating income	\$0	Form 1, Page 114, Line 18, Column (c)
(15)	Account 411.4 - Investment tax credit adjustments, utility operations	\$0	Form 1, Page 114, Line 19, Column (c)
(16)	Gross Utility Plant	\$12,564,596,482	Form 1, Page 200, Line 8, Column (b)
(17)	Depreciation Reserve	(\$3,964,093,617)	Form 1, Page 200, Line 33, Column (b)
(18)	Gross Electric Plant	\$9,806,610,376	Form 1, Page 200, Line 8, Column (c)
(19)	Depreciation Reserve for Electric Plant	(\$2,980,582,307)	Form 1, Page 200, Line 33, Column (c)
(20)	Depreciation Reserve - Distribution	(\$2,131,907,250)	Form 1, Page 219, Line 26, Column (c)
(21)	Total Distribution Plant	\$6,317,063,612	Form 1, Page 207, Line 77, Column (g)
(22)	Distribution Land & Land Rights	\$55,019,728	Form 1, Page 207, Line 62, Column (g)
(23)	Transmission Land & Land Rights	\$108,036,296	Form 1, Page 207, Line 49, Column (g)
(24)	Accum Deferred Income Taxes - 190	\$736,311,601	Form 1, Page 111, Line 72, Column (d)
(25)	Accum Deferred Income Taxes - 281/282/283	(\$2,550,275,069)	Form 1, Page 113, Lines 62, Column (d), less Page 275, Line 9, Column (k), plus Page 277, Line 19, Column (k)
(26)	FAS 109	(\$820,514,743)	Form 1, Page 278, Line 1, Column (f) plus Page 278-A, Line 4 Column (f)
(27)	Accum Deferred Income Taxes - 190 E	\$600,616,002	Form 1, Page 234, Line 9, Column (c)
(28)	Accum Deferred Income Taxes - 281/282/283 E	(\$1,476,626,382)	Form 1, Page 275, Line 2, Column (k) plus Page 277, Lines 3 through 7
(29)	FAS 109 E	(\$820,514,743)	Form 1, Page 278, Line 1, Column (f) plus Page 278-A, Line 4 Column (f)

Niagara Mohawk  
2019 Pole Counts (Poles)

	<u>Description</u>	<u>Jointly Owned</u> (a)	<u>Solely Owned</u> (b)	<u>Total NMPC Number</u> (c)
(1)	Up to 30 ft.	47,957	64,615	112,572
(2)	31-40 ft.	542,496	373,566	916,061
(3)	41-50 ft.	168,139	97,001	265,140
(4)	51-60 ft.	3,351	4,953	8,304
(5)	Above 60 ft.	372	8,656	9,028
(6)	Total	762,315	548,790	1,311,105
(7)	Equivalent Number of Poles			<b>979,498</b>

**Notes:**

- (7) Column (a), Line (6) x 56.5% pole ownership + Column (b), Line (6)  
56.5% from July 10, 1975 General Joint Use Pole Agreement between  
NMPC and NY Telephone Company

Source: Plant Accounting

Wireless Attachment to Distribution Pole  
Calculation of Wireless Attachment Fee consistent with PSC Order issued March 14, 2019 CASE 16-M-0330  
Based Upon Year Ended December 31, 2018 Financial Information

(A) - Licensor annual carrying charge rate ( <b>Wireless</b> )	36.88%	Page 1, (Line (14) + Line(20) + Line(23) + Line (28) + Page 3, Line (7))
(B) - Licensor net pole investment	\$576,398,528	Page 1, Line (4)
(C) - Licensor total number of equivalent poles	979,498	Page 4, Line (7)
(D) - Licensor net cost of bare pole [D = B/C]	\$588.46	
(E) - Licensor net cost of bare pole adjusted for appurtenances not usable [E = (.85)D]	\$500.19	Page 1, Line (8)
(F) - Pole Attachment Fee for Wireless Attachments, per foot	\$13.66	(E) * (A) * Page 1, Line 36