Nov 14 2018

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. M-100, SUB 148 DOCKET NO. E-22, SUB 560

BEFORE THE NORTH CAROLINA UTILITIES	COMMISSION
DOCKET NO. M-100, SUB 148)
In the Matter of The Federal Tax Cuts and Jobs Act)))
DOCKET NO. E-22, SUB 560	 PUBLIC STAFF'S MOTION FOR EXTENSION OF TIME
In the Matter of Compliance Filing in Response to October 5, 2018 <i>Order Addressing the</i>)))

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Impacts of the Federal Tax Cuts and Jobs Act

on Public Utilities

NOW COMES THE PUBLIC STAFF – North Carolina Utilities Commission, by and through its Executive Director, Christopher J. Ayers, and pursuant to the Commission's <u>Order Establishing Docket to Consider Impacts of 2017 Federal Tax</u> <u>Cuts and Jobs Act on Contribution in Aid of Construction and Requesting Initial</u> <u>and Reply Comments</u> issued October 5, 2018 ("Order"), respectfully requests the Commission to extend the time for filing its recommendation in the abovecaptioned dockets to and including November 20, 2018. In support of this motion, the Public Staff shows as follows:

1. In the Order, the Commission addressed the impacts of the Federal Tax Cuts and Jobs Act (the Act).

2. In Ordering Paragraph 4 of the Order, the Commission directed Virginia Electric and Power Company d/b/a Dominion Energy North Carolina

Nov 14 2018

(DENC) and the other utilities subject to the Order to file proposals in companyspecific dockets to adjust their rates to reflect the reduction in the federal corporate income tax rate for taxable years beginning after December 31, 2017, as outlined in the Act.

3. In Ordering Paragraph 5 of the Order, the Commission directed DENC and the other utilities subject to the Order to continue to hold the difference between revenues billed at the 35% and 21% federal corporate income tax rates in deferred regulatory liability accounts. This 2018 Provisional Rate Regulatory Liability (2018 PRRL) will be addressed either in the utilities' next rate case or three-years, whichever occurs first.

4. In Ordering Paragraph 11 of the Order, the Commission directed the Public Staff to work with DENC to determine the impact, if any, to DENC's State Tax Rider EDIT due to the Act, and to file a recommendation on how the Commission should address the decrease in the federal corporate income tax rate on DENC's State Tax Rider EDIT by no later than Friday, November 2, 2018.

5. On October 26, 2018, DENC filed a compliance filing to comply with Ordering Paragraph 4 of the Order. In that filing, DENC also included a proposal to credit to customers the 2018 PRRL, and its proposal to address the Company's State Rider EDIT.

6. On November 2, 2018, the Public Staff requested an extension to file its recommendation on DENC's proposal to address DENC's State Tax Rider EDIT. The Commission granted the Public Staff's request on that same day.

2

7. On November 6, 2018, Carolina Industrial Group for Fair Utility Rates I ("CIGFUR I") filed a motion to intervene in docket No. E-22, Sub 560. The Commission granted its motion on that same day.

8. The Public Staff and DENC have continued to discuss all of the components of DENC's proposal. However, additional time is needed to resolve a few outstanding questions the Public Staff has concerning DENC's combined proposal.

9. Because of the ongoing discussions with DENC, the Public Staff requests an extension, to November 20, 2018, for the Public Staff and other parties to the docket to file comments on DENC's combined proposal.

10. DENC and CIGFUR I have no objection to this request for extension of time.

THEREFORE, the Public Staff moves:

That the Commission grant the Public Staff an extension of time until November 20, 2018, in which to file its recommendations in these dockets.

Respectfully submitted this the 14th of November, 2018.

PUBLIC STAFF Christopher J. Ayers Executive Director

David T. Drooz Chief Counsel

<u>Electronically submitted</u> /s/ Heather D. Fennell Staff Attorney

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Nov 14 2018

CERTIFICATE OF SERVICE

I certify that I have served a copy of the foregoing MOTION on all parties of record in accordance with Commission Rule R1-39, by United States mail, postage prepaid, first class; by hand delivery; or by means of facsimile or electronic delivery upon agreement of the receiving party.

This the 14th day of November, 2018.

Electronically submitted /s/ Heather D. Fennell