



**NORTH CAROLINA  
PUBLIC STAFF  
UTILITIES COMMISSION**

March 28, 2018

M. Lynn Jarvis, Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4300

Re: Docket Nos. G-5, Sub 565 and M-100, Sub 138

Dear Ms. Jarvis:

On February 1, 2018, PSNC filed an Application to Refund Overcollection to reflect a correction to its revenue requirement decrease associated with the reduction in the state corporate income tax rate from 4% to 3% effective for the taxable year beginning January 1, 2016. The Company determined the amount to be refunded through December 31, 2017, excluding interest is \$479,271.52.

The Public Staff has reviewed this filing and agrees with the calculation of the over collected amount. The Public Staff also agrees with the Company's proposal to transfer this over collected amount, plus interest calculated through the date the balance is transferred, to the All Customer's Deferred Account.

The Public Staff recommends that the Company file to reduce its margin rates to reflect this additional reduction in its revenue requirement.

The Public Staff further recommends that PSNC refund the correction in the revenue requirement decrease currently being collected in rates from January 1, 2018, through the date of the rate change recommended by the Public Staff, with interest, once the Commission issues an order on the treatment of the provisional amounts being collected as a result of the Federal corporate income tax rate reduction from 35% to 21% in Docket No. M-100, Sub 148.

Sincerely,

Electronically submitted  
/s/ Heather D. Fennell  
Staff Attorney  
[heather.fennell@psncuc.nc.gov](mailto:heather.fennell@psncuc.nc.gov)

c: Parties of Record

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|--------------------------------------|-------------------------------------|-------------------------------------|-------------------------------|----------------------------------|
| Executive Director<br>(919) 733-2435 | Communications<br>(919) 733-2810    | Economic Research<br>(919) 733-2902 | Legal<br>(919) 733-6110       | Transportation<br>(919) 733-7766 |
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