

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. M-100, SUB 148

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

IN THE MATTER OF)	
)	
THE FEDERAL TAX CUTS AND)	REPLY COMMENTS OF
JOBS ACT)	NUCOR STEEL-HERTFORD

Nucor Steel-Hertford, a division of Nucor Corporation (“Nucor”), by counsel, hereby submits its reply comments pursuant to the North Carolina Utilities Commission’s (“Commission”) *Order Ruling that Certain Components of Certain Public Utility Rates Are Provisional as of January 1, 2018, Initiating a Generic Proceeding, and Requesting Comment* (“Order”), issued in this docket on January 3, 2018.

1. On January 3, 2018, the Commission issued an Order that among other things initiated this generic proceeding and solicited comments regarding how the Commission should proceed in response to the enactment of the Federal Tax Cuts and Jobs Act (“FTCJA”). The Chairman requested that comments address all aspects of the FTCJA that are relevant to the particular company and/or interested party submitting comments.

2. Initial comments were filed in this proceeding by various Utilities, Intervenors, and the Public Staff on or before February 1, 2018.

3. Nucor owns and operates a steel recycling facility located in Hertford County, North Carolina, which produces steel plate. Virginia Electric and Power Company does business in North Carolina as Dominion Energy North Carolina (hereinafter "DENC"). Nucor is a customer of DENC and takes service pursuant to a special contract for electric service, as amended, subject to the jurisdiction of the Commission. Nucor therefore reviewed DENC's initial comments in this proceeding and has concerns regarding DENC's planned ratemaking in response to the FTCJA.

4. DENC indicates that it will "comprehensively address all impacts from the Federal Tax Cuts and Jobs Act as part of its updated cost of service filed in the Company's next general rate case." DENC Initial Comments at 5. DENC's proposed approach is inadequate and objectionable.

5. First, DENC makes no commitment as to when it will file its next general rate case application. Second, DENC initiated its last general rate case, Docket No. E-22, Sub 532 on March 31, 2016. That proceeding was not resolved until issuance of the Commission's Order on December 22, 2016. The inherent delay in flowing through the federal tax reductions to DENC's customers via a speculative and lengthy general rate case proceeding is unwarranted and would be unfair to DENC's customers.

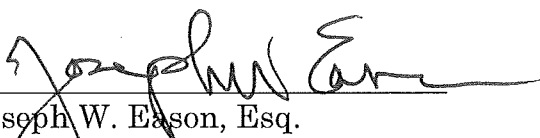
6. As the Attorney General correctly observes, this is not the first time the Commission has dealt with this very issue. *See* Initial Comments of the Attorney General's Office, ¶ 6 (citing *State ex rel. Utilities Comm'n v.*

Nantahala Power & Light Co., 326 N.C. 190, 388 S.E.2nd 118 (1990)). In sum, the Commission has the authority to address the tax reduction resulting from the FTCJA outside of a general rate case and should do so with respect to DENC. This Commission should require that DENC pass through the benefits of the federal tax changes to DENC's ratepayers in a timely manner.

WHEREFORE, Nucor respectfully requests that the Commission consider the foregoing comments in determining how to proceed in response to the enactment of the FTCJA.

This 20th day of February, 2018.

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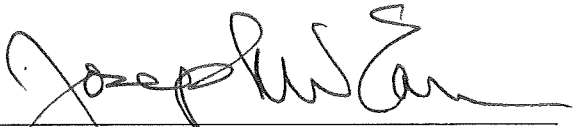
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CERTIFICATE OF SERVICE

The undersigned attorney for Nucor Steel-Hertford hereby certifies that he served the foregoing Reply Comments upon the parties of record in this proceeding by electronic mail and/or depositing copies in the U.S. Mail, first-class, postage prepaid.

This 20th day of February 2018.



Joseph W. Eason, Esq.