

January 24, 2018

Ms. M. Lynn Jarvis
Chief Clerk
North Carolina Utilities Commission
Fifth Floor, Room 5063
430 N. Salisbury Street
Raleigh, NC 27699-4325

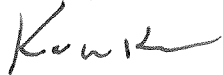
Re: *The Federal tax Cuts and Jobs Act*
NCUC Docket No. M-100, Sub 148

Dear Ms. Jarvis:

Please find attached the Initial Comments of Toccoa Natural Gas for filing in the above-captioned matter.

If you have any questions or comments regarding this filing, please do not hesitate to call me. Thank you in advance for your assistance in this matter.

Sincerely,



Karen M. Kemerait

Enclosures

Copy to: Parties of Record

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

Docket No. M-100, SUB 148

In the Matter of:

The Federal Tax Cuts and Jobs Act

**INITIAL COMMENTS BY
TOCCOA NATURAL GAS
COMPANY**

Toccoa Natural Gas (“Toccoa”), by and through the undersigned counsel, respectfully submits these comments in response to the Order Ruling that Certain Components of Certain Public Utility Rates are Provisional as of January 1, 2018, Initiating a Generic Proceeding, and Requesting Comments (“Order”), issued by the North Carolina Utilities Commission (“Commission”) in the above-referenced docket.

1. The Order directs a number of public utilities, including Toccoa, to file initial comments in response to the matters discussed in the Order on or before February 1, 2018.

2. Toccoa is a municipally-owned natural gas system, and is therefore not a Sub C business corporation. Because Toccoa is a municipally-owned natural gas system, Toccoa is not subject to income or other tax obligations. As a result, based on information and belief, no tax allowances were included in any determination of Toccoa’s revenue requirements when the Commission established its rates.

3. Therefore, since Toccoa is not subject to income tax, there will be no changes to the levels of income tax expenses due to the enactment of Federal Tax Cuts and Jobs Act. Also, no adjustment to Toccoa’s existing rates would be necessary or appropriate as a result of the passage of the Federal Tax Cuts and jobs Act.

Respectfully submitted, this the 24th day of January, 2018.

SMITH MOORE LEATHERWOOD LLP

By:/s/ Karen M. Kemerait
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Raleigh, NC 27601
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CERTIFICATE OF SERVICE

I certify that I have served a copy of the foregoing **INITIAL COMMENTS** upon the parties of record in this proceeding, or their attorneys, by hand delivery, electronic mail, facsimile, or by depositing a copy of the same in the United States Mail, postage prepaid and properly addressed as follows:

Respectfully submitted this the 24th day of January, 2018.

SMITH MOORE LEATHERWOOD LLP

BY: /s/ Karen M. Kemerait