COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|---|---|---|
| ELECTRONIC INVESTIGATION OF THE IMPACT OF THE TAX CUTS AND JOB ACT ON THE RATES OF DELTA NATURAL GAS COMPANY, INC. | ) ) ) | CASE NO. 2018-00040 |

ORDER

This proceeding arises from a Commission-initiated investigation of the effect of the Tax Cuts and Jobs Act (TCJA) on the rates of Delta Natural Gas Company, Inc. (Delta). The Attorney General of the Commonwealth of Kentucky by and through the Office of Rate Intervention (Attorney General) requested and was granted intervention. The Commission established a procedural schedule that provided for two rounds of discovery, followed by an opportunity to request either a hearing or that this case be submitted for a decision based on the record. Delta and the Attorney General have requested that this case be submitted on the record.

On January 26, 2018, Delta filed[1] the Direct Testimony of Matthew D. Wesolosky (Wesolosky Testimony), which included a proposed surcredit that reflects the reduction of Delta's tax expense due to the lowering of the corporate federal income tax (FIT) rate from 35 percent to 21 percent under the TCJA. Delta proposes that this rate reduction be adjusted once its 2017 FIT return is filled and the actual amortization of excess

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[1] Delta filed the testimony in Case No. 2017-00481, *Electronic Investigation of the Impact of the Tax Cuts and Job Act on the Rates of Atmos Energy Corporation, Delta Natural Gas Company, Inc., Columbia Gas of Kentucky, Inc., Kentucky-American Water Company, and Water Service Corporation of Kentucky* (filed Jan. 26, 2018). Case No. 2017-00481 was subsequently separated into this and other utility-specific investigations. That Order also made Delta and the Attorney General parties to this investigation and incorporated by reference the record of Case No. 2017-00481.

Accumulated Deferred Income Tax (ADIT) is known.[2] Because Delta's annual net income is less than $10 million, its current rates were based on the then applicable FIT rate of 34 percent. Delta proposes to use the twelve months ended September 30, 2017, as the historic test year to calculate the effects the TCJA would have on its revenue requirement as this was the most current historical test year at the time Delta filed its testimony. The actual net income before taxes for the twelve months ended September 30, 2017, was adjusted for recurring historical rate case test year adjustments resulting in a regulatory net income before taxes of $8,815,886.[3]

FIT Reduction

Using the statutory tax rates and its regulatory net income before taxes, Delta calculated a difference in its FIT of $1,077,301. Applying the gross revenue conversion factor (GRCF) for the 21 percent FIT, Delta determined that the TCJA resulted in a revenue requirement reduction of $1,450,715.[4]

The Commission has investigated and analyzed the methodology proposed by Delta to reduce its rates to reflect the impact of the TCJA. Based on its review of the case record, including the testimony and data request responses, the Commission finds that, with the modifications discussed below, Delta's proposed methodology is reasonable and in the public interest.

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[2] Wesolosky Testimony at 11.

[3] All merger related costs incurred during the test period were removed. Wesolosky Testimony at 6 and Schedule MDW-2.

[4] Case No. 2017-00481, Wesolosky Testimony, Schedule MCW-2, Tax Expense Impact.

Using Delta's updated statutory tax rates[5] and GRCF,[6] and the filed regulatory net income before taxes as of September 30, 2017,[7] the Commission has determined that Delta's TCJA revenue requirement reduction is $1,528,244, as shown in the table below. Due to Delta's inclusion of the April 2018 reduction of the Kentucky State Income Tax Rate from 6 percent to 5 percent,[8] the FIT reduction as calculated below is $77,529 greater than the reduction originally proposed by Delta of $1,450,715.

| | 34% FIT | 21% FIT |
|---|---|---|
| Regulatory Net Income Before Taxes | $ 8,815,886 | $ 8,815,886 |
| Multiplied By: Composite tax Rates | 37.8148% | 24.85454% |
| FIT and SIT Expense | $ 3,333,707 | $ 2,191,148 |
| Income Tax Expense - 34% FIT | | $ 3,333,707 |
| Income Tax Expense - 21% FIT | | 2,191,148 |
| Reduction to Income Tax Expense | | 1,142,559 |
| Multiplied by: Gross-up Factor 21% FIT | | 1.33756 |
| Revenue Requirement Reduction | | $ 1,528,244 |

ADIT Reduction

Lowering the corporate statutory FIT rate on regulated utilities to 21 percent results in excess ADIT balances that should be returned to the ratepayers in accordance with current TCJA normalization rules. The TCJA separates the excess ADIT into two categories, protected and unprotected. The normalization rules apply to protected ADIT

[5] Supplemental Responses to Staff's First Request, Item 5. a. - Gross Revenue Conversion Factor (34% Federal Income Tax Rate, 5% Kentucky Income Tax Rate) and Item 5. b. - Gross Revenue Conversion Factor (21% Federal Income Tax Rate, 5% KY Income Tax Rate).

[6] *Id., Item 5. b. - Gross Revenue Conversion Factor (21% Federal Income Tax Rate, 5% KY Income Tax Rate).*

[7] Wesolosky Testimony, Schedule MDW-2, Tax Expense Impact.

[8] In accordance with the February 26, 2018 Order and the data request, Delta revised its responses to Commission Staff's First Request for Information to reflect the impact of the reduction in the state corporate income tax rate from 6 percent to 5 percent. Delta reduced the current state income tax expense and also reflected this reduction on the amortization of state excess Accumulated Deferred Income Taxes.

which is attributed to public utility property subject to accelerated depreciation under Internal Revenue Code Sections 167 and 168. For the unprotected ADIT, the TCJA does not mandate normalization rules for flow back of the excess to the ratepayers.[9]

The TCJA normalization rules require that utilities use the Average Rate Assumption Method (ARAM) to amortize the excess ADIT over the remaining regulatory lives of the property at a rate that follows the reversal of the deferred taxes. If a utility does not have sufficient financial records to comply with the requirements of ARAM, the TCJA requires the use of a simplified alternative method, the Reverse South Georgia Method (RSGM). The RSGM amortizes the protected excess ADIT over the remaining regulatory life of the utility property using the weighted average life or composite rate that is being used for regulatory book depreciation.[10]

Delta retained tax consultants to review its book and tax depreciation records to develop an amortization schedule for its excess ADIT.[11] After reviewing Delta's depreciation records, the tax consultants concluded that the records lacked the sufficient level of detail to calculate the amortization of the protected excess ADIT under ARAM.[12] Thus, Delta is required to use RSGM. Using the utility plant balances as of September 30, 2017, Delta determined that its RSGM amortization period to be 21 years.[13]

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[9] Tax News Update, *Power and Utility concerns under the TCJA*, January 25, 2018, 2018-0186 https://taxnews.ey.com/news/2018-0186-power-and-utility-concerns-under-the-tcja

[10] *Id., see also* Tax Cuts and Jobs Act, Pub. L. No. 115-97, § 13001, 131 Stat 2054, 2099 (2017) (containing note to 26 USCA § 168 discussing when ARAM and RSGM should be used),

[11] Wesolosky Testimony at 10.

[12] *Id.*

[13] *Id.*

Delta originally proposed to amortize both its protected and unprotected excess ADIT over 21 years, resulting in a FIT reduction of $679,606,[14] claiming that amortizing both over the same period is consistent with past practice.[15] Delta contended this was appropriate because it amortized its total excess ADIT over 21 years and 5 months when Delta adopted the Financial Accounting Standards 109 – Accounting for Income Taxes in 1993.[16] However, Delta provided an update to its calculation of the amortization of excess ADIT using a 21-year amortization period for the protected excess ADIT and a 15-year period for the unprotected excess ADIT. According to Delta, unprotected excess ADIT should be amortized over 15 years since the single largest unprotected difference relates to deferred taxes on Deltas pension plan.[17] Delta states that deferred taxes on the pension plan are not expected to fully reverse until the last participant retires, which Delta projects will occur in 36 years or in the year 2054.[18]

Delta's proposal to use RSGM to calculate the amortization of its protected excess ADIT complies with the TCJA's normalization requirements. The Commission, therefore, finds that the use of RSGM for the excess protected ADIT is reasonable and should be accepted. The Commission further finds that the amortization of its unprotected excess ADIT over 15 years is reasonable.

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[14] *Id.*, Schedule MDW-4, Measurement of Excess Deferred Income Taxes – 2018 Income Tax Rate Changes.

[15] Responses to Staff's First Request, Item 8.b.

[16] *Id.*

[17] Responses to Commission Staff's Second Request for Information, Item 1.a.

[18] *Id.*

Using Delta's updated statutory tax rates,[19] a 15-year amortization period for the unprotected excess ADIT, and Delta's updated GRCF,[20] the Commission has determined that the amortization of the excess ADIT results in a reduction to income tax expense of $673,579 for the protected and $60,567 for the unprotected for a total of $734,146.[21]

Delta explains that its proposed amortization of protected excess ADIT is based upon estimates and that the actual ADIT amounts will not be known until its tax returns are completed in October 2018.[22] Delta further claims that its estimated protected ADIT amortization is subject to change depending on future guidance issued by the Internal Revenue Service (IRS) related to the TCJA.[23] Because the penalties for a normalization violation could result in Delta's loss of accelerated depreciation for FIT purposes, Delta states that it continues to consult with its tax advisors and software consultants to confirm Delta's assessment that the RSGM is appropriate.[24] However, Delta requests that any orders issued in this case which precede additional IRS guidance should be subject to adjustment if effects of the order would cause a normalization violation if not remediated.[25]

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[19] Supplemental Responses to Staff's First Request, Item 5.a. - Gross Revenue Conversion Factor (34% Federal Income Tax Rate, 5% Kentucky Income Tax Rate) and Item 5. b. - Gross Revenue Conversion Factor (21% Federal Income Tax Rate, 5% KY Income Tax Rate).

[20] *Id., Item 5. b. - Gross Revenue Conversion Factor (21% Federal Income Tax Rate, 5% KY Income Tax Rate).*

[21] See Appendix A.

[22] Responses to Commission Staff's Request for Information, Item 1.c.

[23] *Id.*

[24] *Id.*

[25] *Id.*

Within thirty days of finalizing the actual ADIT amounts, Delta proposes to revise its rates by filing updated tariff sheets through the Commission's electronic Tariff Filing System with the following revised supporting schedules:

(1) An update to the response to Item 8 of Staff's First Request, Schedule I – Calculation of Excess Deferred Income Taxes;

(2) An update to the response to Item 9 of Staff's First Request, Schedule I – Revenue Impact – Rate Base and 15-year Amortization of Unprotected; and,

(3) An update to the response to item 11 of Staff's Frist Request – Impact on Customer Rates.

The Commission agrees with Delta that a violation of the TCJA normalization rules would be detrimental to both Delta and its ratepayers. If it is determined that application of the normalization requirements herein are inconsistent with the requirements of the TCJA, based on an interpretation that is different than anticipated, the amortization of the "protected" excess ADIT and Delta's rates should be modified to ensure that IRS penalties are not incurred.

In recognition that Delta may need to revise its rates to avoid a violation of the TCJA normalization rules, this proceeding will remain open. In the event that Delta determines that its rates need to be revised, Delta should file the tariffs and supporting schedules in this case. Within 30 days of filing its 2017 federal tax return with the IRS, Delta should file with the Commission, in the form of a data response, the following information: the actual excess ADIT; whether RSGM or ARAM is being used for the protected ADIT; the actual amortization period that will be used for the protected ADIT; the revenue requirement impact of the amortization of the excess protected ADIT; and, proposed revised rates, if needed. If there is a normalization violation, Delta should also propose an adjustment to its rates to correct the violation.

## Rate Design

The overall reduction to Delta's income tax expense is $1,876,705 and the overall annual reduction to revenue requirement is $2,510,210, as shown in the table below.

| | |
|---|---|
| Current FIT and SIT Reduction | $ (1,142,559) |
| Amortization Excess ADIT - Protected | (673,579) |
| Amortization Excess ADIT - Unprotected | (60,567) |
| Income Tax Expense Reduction | (1,876,705) |
| Multiplied by: GRCF | 1.33756 |
| Revenue Requirement Reduction | $ (2,510,210) |

Delta proposes a separate line item surcredit on the monthly bills for each rate class.[26] This refund will be included on the bills until either Delta's next general rate case or until further changes in the federal or Kentucky corporate tax rates necessitate a change, whichever comes first. The actual rate itself may be adjusted in the interim to reflect actual amounts after the excess ADIT amounts are known and measurable.

The revenue reduction is allocated based upon the class revenues as approved in Delta's last rate case, Case No. 2010-00116.[27] This is the same allocation currently used for the allocation of the rates under Delta's annual Pipe Replacement Program (PRP). Once the class allocation is made, the monthly rate is divided by the number of customers

[26] See Appendix B for the class rate calculations.

[27] Case No. 2010-00116, *Application of Delta Natural Gas Company, INC. for an Adjustment of Rates (*Ky. PSC Oct. 21, 2010).

as of September 30, 2017. This allocation methodology results in every customer in a rate class receiving the same surcredit each month.

The annual revenue reduction will be flowed through by an equal monthly surcredit of $209,184. Due to the revenue reduction being an annual calculation, the period between January 1, 2018, and September 30, 2018, (stub period) has been recorded as a deferred liability and needs to be returned to the customers. Therefore, the amount related to this stub period, or $1,882,658, will be returned to customers over the six-month period of October 2018 through March 2019, in addition to the monthly refund of $209,184. The return of the stub period and the monthly refund of $209,184 over this six-month period results in a total refund of $3,137,763.[28] For the remaining months of 2019, the balance of the annual return, or $1,882,658, will be returned.[29] Beginning January 2, 2020, the annual revenue reduction, or $2,510,210 will be returned. For each rate period, the surcredit allocation mythology will be the same. These rates will be effective until new base rates are established in Delta's next general rate case or until the Commission approves revised rates after the excess ADIT amounts are known and measurable.

For the residential customer class using an average of 5,000 cubic feet per month, the following table illustrates the monthly bill decrease as compared to the current rates, excluding the cost of the gas:

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[28]

| | | |
|---|---|---|
| (1) Total Annual Refund: | $2,510,210 | |
| (2) Monthly Refund: | $ 209,184 | (line 1 ÷ 12) |
| (3) Stub Period Refund: | $1,882,658 | (line 2 * 9) |
| (4) Oct18 – Mar19 Refund | $1,255,105 | (line 2 * 6) |
| (5) Total Refund for Oct18 – Mar19 | $3,137,763 | (line 3 + line 4) |

[29]

| | | |
|---|---|---|
| (1) Total Annual Refund: | $2,510,210 | |
| (2) Monthly Refund: | $ 209,184 | (line 1 ÷ 12) |
| (3) Apr19 – Dec19 Refund | $1,882,658 | (line 2 * 9) |

| | Current | Oct18 – Mar19 | Apr19 |
|---|---|---|---|
| Customer Charge | $20.70 | $20.70 | $20.70 |
| Delivery | $21.60 | $21.60 | $21.60 |
| PRP | $ 2.70 | $ 2.70 | $ 2.70 |
| TCJA Surcredit | | $( 9.59) | $( 3.84) |
| Total | $45.00 | $35.41 | $41.16 |
| Difference | | $( 9.59) | $( 3.84) |
| % Difference | | (21.31)% | (8.53)% |

## Summary

The Commission has investigated and analyzed the methodology proposed by Delta to reduce its rates to reflect the tax expense impact of the TCJA. Based on its review of the case record, including the testimony and data responses, the Commission finds that Delta's proposed methodologies to reflect the FIT expense reduction and the estimated excess ADIT impacts are reasonable and in the public interest. Further, the Commission finds that the rates and charges which are set forth in Appendix C to this Order are reasonable and should be approved. This investigation is ongoing and the record needs to be further developed before a determination can be made as to the actual reduction in the rates necessary to accurately reflect the impact of the TCJA on Delta's excess ADIT. Once Delta files its 2017 Federal Income Tax return, it should file in this case a revision to its estimates and how those amounts will flow back to customers.

IT IS THEREFORE ORDERED that:

1. The rates and charges in Appendix C, attached hereto, are fair, just, and reasonable for Delta to charge on an interim basis, subject to future change, for service rendered on and after the date of this Order.

2. No later than 30 days after Delta files its 2017 Federal Income Tax return, Delta shall file with the Commission revisions to the estimated impacts of the TCJA on excess ADIT and a proposal to reflect the revisions in rates.

3. Within 20 days of the date of this Order, Delta shall file with the Commission, using the Commission's electronic Tariff Filing System, its revised tariffs as set forth in this Order reflecting that they were approved on an interim basis, subject to future change, pursuant to this Order.

4. This case shall remain open on the Commission's docket.

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By the Commission

ENTERED

SEP 21 2018

KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:

Gwen R. Pinson

Executive Director

# APPENDIX A

## APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2018-00040 DATED SEP 21 2018

| | Estimated Accumulated ADIT | Deferred Rate | ADIT 9/30/2017 Balance | New Statutory Rate | Remeasured ADIT at New Rate | Estimated Excess ADIT' | |
|---|---|---|---|---|---|---|---|
| Protected | | | | | | | |
| 1.282.01 DEF INC TAX ACCEL DEPR - FEDERAL | (106,326,946) | 34.00% | (36,151,162) | 21.00% | (22,328,659) | (13,822,503) | |
| 1.282.01 DEF INC TAX ACCEL DEPR - STATE | (89,585,696) | 3.96% | (3,547,594) | 3.95% | (3,538,635) | (8,959) | |
| 1.282.18 DEF INC TAX COST OF REMOVAL | (2,334,280) | 37.96% | (886,093) | 24.95% | (582,403) | (303,690) | |
| 1.282.14 DEF INC TAX ASSET RETIREMENT OBLIGATION | 3,493,275 | 37.96% | 1,326,047 | 24.95% | 871,572 | 454,475 | |
| 1.283.06 DEF INC TAX ARO REG ASSET | (2,973,010) | 37.96% | (1,128,555) | 24.95% | (741,766) | (386,789) | |
| 1.283.07 DEF INC TAX ARC DEPRECIATION | (597,211) | 37.96% | (226,701) | 24.95% | (149,004) | (77,697) | |
| 1.283.10 DEF INC TAX - 2005 KY RATE CHANGE | | {2} | 114,428 | 24.95% | 114,428 | - | |
| 1.283.20 DEF INC TAX - 2018 FED RATE CHANGE | | {3} | 5,007,046 | | 4,951,542 | - | |
| Totals | | | (35,492,584) | | (21,402,925) | (14,145,163) | |
| Divided by RSGM Life (21 Years) | | | | | | 21 | |
| Annual Amortization ADIT - Protected | | | | | | | (673,579) |
| Unprotected | | | | | | | |
| 1.242.13 DEF INC TAX DEFERRED GAS COST | (2,778,483) | 37.96% | (1,054,712) | 24.95% | (693,232) | (361,480) | |
| 1.242.14 DEF INC TAX BAD DEBT RESERVE | 156,133 | 37.96% | 59,268 | 24.95% | 38,955 | 20,313 | |
| 1.242.16 DEF INC TAX PREPAID INS | (974,787) | 37.96% | (370,029) | 24.95% | (243,209) | (126,820) | |
| 1.2421.18 DEF INC TAX MEDICAL RESERVE | 70,857 | 37.96% | 26,897 | 24.95% | 17,679 | 9,218 | |
| 1.242.19 DEF INC TAX PROFESSIONAL FEES | 188,400 | 37.96% | 71,517 | 24.95% | 47,006 | 24,511 | |
| 1242.22 DEF INC TAX ACCRUED VACATION | 29,943 | 37.96% | 11,366 | 24.95% | 7,471 | 3,895 | |
| 1.282.02 DEF INC TAX PENSION PLAN | (3,334,906) | 37.96% | (1,265,930) | 24.95% | (832,059) | (433,871) | |
| 1.282.06 DEF INC TAX ANNUAL LEAVE PLAN | 668,961 | 37.96% | 253,938 | 24.95% | 166,906 | 87,032 | |
| 1.282.07 DEF INC TAX CONSTRUCTION CONTRIBUTIONS | 44,364 | 37.96% | 16,841 | 24.95% | 11,069 | 5,772 | |
| 1.282.10 DEF INC TAX DEBT EXPENSE | (2,414,057) | 37.96% | (916,376) | 24.95% | (602,307) | (314,069) | |
| 1.282.12 DEF INC TAX STORAGE GAS | 102,814 | 37.96% | 39,028 | 24.95% | 25,652 | 13,376 | |
| 1.283.00 DEF INC TAX UNRECOVERED PENSION EXPENSE | | 37.96% | - | 24.95% | - | - | |
| 1.283.03 DEF INC TAX SUPPLEMENTAL RETIREMENT PLAN | 1,257,584 | 37.96% | 477,379 | 24.95% | 313,767 | 163,612 | |
| Totals | | | (2,650,813) | | (1,742,302) | (908,511) | |
| Divided by Amortization Life (15 Years) | | | | | | 15 | |
| Annual Amortization ADIT - Unprotected | | | | | | | (60,567) |
| Total AmortizationADIT | | | | | | | (734,146) |

{2} see Item 8, Schedule II for calculation of deferred tax balance

{3} Deferred taxes on 2018 regulatory liability = 24.95% * ( $15,061,276 / (1 - 24.95%))

# APPENDIX B

## APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2018-00040 DATED SEP 2 1 2018

**Oct 2018 - Mar 2019**

| | Calculated Net Revenue @ Approved Rates per Case No. 2010-00116 | Class Allocation | Allocated Tax Adjustment | # of Customers for the 12 months ended September 30, 2017 | Monthly Customers | Monthly per Customer Tax Reduction Rate (Adjustment/(monhtly customers*6) |
|---|---|---|---|---|---|---|
| Residential | $ 14,846,218 | 54.3% | $ 1,704,513 | 355,300 | 29,608 | $ 9.59 |
| Small Non-Residential | 3,991,286 | 14.6% | $ 458,245 | 50,181 | 4,182 | $ 18.26 |
| Large Non-Residential | 7,008,122 | 25.6% | $ 804,611 | 11,763 | 980 | $ 136.80 |
| Interruptible | 1,484,119 | 5.4% | $ 170,394 | 367 | 31 | $ 928.58 |
| | $ 27,329,745 | 100.0% | $ 3,137,763 | 417,611 | 34,801 | |

**Apr 2019 - Dec 2019**

| | Calculated Net Revenue @ Approved Rates per Case No. 2010-00116 | Class Allocation | Allocated Tax Adjustment | # of Customers for the 12 months ended September 30, 2017 | Monthly Customers | Monthly per Customer Tax Reduction Rate (Adjustment/(monhtly customers*9) |
|---|---|---|---|---|---|---|
| Residential | $ 14,846,218 | 54.3% | $ 1,022,708 | 355,300 | 29,608 | $ 3.84 |
| Small Non-Residential | 3,991,286 | 14.6% | $ 274,947 | 50,181 | 4,182 | $ 7.31 |
| Large Non-Residential | 7,008,122 | 25.6% | $ 482,767 | 11,763 | 980 | $ 54.72 |
| Interruptible | 1,484,119 | 5.4% | $ 102,236 | 367 | 31 | $ 371.43 |
| | $ 27,329,745 | 100.0% | $ 1,882,658 | 417,611 | 34,801 | |

**Jan 2020 and on**

| | Calculated Net Revenue @ Approved Rates per Case No. 2010-00116 | Class Allocation | Allocated Tax Adjustment | # of Customers for the 12 months ended September 30, 2017 | Monthly Customers | Monthly per Customer Tax Reduction Rate (Adjustment/(monhtly customers*12) |
|---|---|---|---|---|---|---|
| Residential | $ 14,846,218 | 54.3% | $ 1,363,610 | 355,300 | 29,608 | $ 3.84 |
| Small Non-Residential | 3,991,286 | 14.6% | $ 366,596 | 50,181 | 4,182 | $ 7.31 |
| Large Non-Residential | 7,008,122 | 25.6% | $ 643,689 | 11,763 | 980 | $ 54.72 |
| Interruptible | 1,484,119 | 5.4% | $ 136,315 | 367 | 31 | $ 371.43 |
| | $ 27,329,745 | 100.0% | $ 2,510,210 | 417,611 | 34,801 | |

APPENDIX C

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2018-00040 DATED SEP 2 1 2018

The following rates and charges are prescribed for the customers in the area served by Delta Natural Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of this Commission prior to the effective date of this Order.

TCJA Surcredit

As of October 1, 2018 – March 31, 2019

| | |
|---|---|
| Residential Rate per Customer | \$(9.59) per month |
| Small Non-Residential Rate per Customer | \$(18.26) per month |
| Large Non-Residential Rate per Customer | \$(136.80) per month |
| Interruptible Rate per Customer | \$(928.58) per month |

As of April 1, 2019

| | |
|---|---|
| Residential Rate per Customer | \$(3.84) per month |
| Small Non-Residential Rate per Customer | \$(7.31) per month |
| Large Non-Residential Rate per Customer | \$(54.72) per month |
| Interruptible Rate per Customer | \$(371.43) per month |

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