



*Case No: GNR-U-18-01*

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## **Regulators ask utilities to report impact of federal tax changes**

**BOISE (Jan. 18, 2018)** – The Idaho Public Utilities Commission has opened an investigation to determine whether regulated utilities’ rates and charges should be adjusted to reflect the impact of the federal tax law passed in late 2017.

The Tax Cuts and Jobs Act of 2017 reduced the federal corporate tax rate from 35 percent to 21 percent, a significant reduction that will reduce the tax bill for many utilities.

Since tax expenses are a factor in determining rates and charges, the Commission wants to protect Idahoans from paying rates calculated on an inflated tax rate.

The first step in the investigation is to require regulated utilities to report the financial benefits gained from the tax rate reduction by March 30. Each report must include proposed tariff schedules to account for the changes in federal tax law.

Once a report is filed, Commission staff will audit the utility and report the results to the Commission within 60 days.

If Commission staff disagrees with a utility’s proposed tariffs of rates and charges, and recommends changes, the Commission would issue an order directing the utility to demonstrate why the recommendations should not be heeded.

The Commission’s order applies to all regulated utilities in Idaho except water companies with fewer than 200 customers and the small electric utility Atlanta Power.

The Commission adopted a similar approach decades ago to determine the effects of the federal Tax Reform Act of 1986.

For more information about this case, visit the Commission’s web site, [www.puc.idaho.gov](http://www.puc.idaho.gov). Click on the “Multi-Utility” heading under “Open Cases” and scroll down to case number GNR-U-18-01.