

Office of the Governor  
State of Louisiana

JOHN BEL EDWARDS  
GOVERNOR



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GOV.LA.GOV

January 3, 2018

Louisiana Public Service Commission  
Post Office Box 91154  
Baton Rouge, LA 70821-9154

Dear Public Service Commission:

Pursuant to Louisiana Revised Statute 45:1163(A)(1), the Louisiana Public Service Commission ("PSC") is charged with exercising all necessary power and authority over public utilities for the purpose of fixing and regulating the rates charged or to be charged by and service furnished by such public utilities. Currently, the public utilities regulated by the PSC have rates in place that are based on numerous factors and considerations allowed by statute and regulation. One such consideration in setting rates is income taxes, specifically federal income taxes. It is my understanding that adjustments to income and current income tax rates are incorporated in the calculation of all rate plans.

With the signing into law of H.R. 1, "An Act to Provide for Reconciliation Pursuant to Titles II and V of the Concurrent Resolution on the Budget for Fiscal Year 2018," commonly known as the Tax Cuts and Jobs Act, I am officially requesting that the PSC undertake a review of all current rate plans for the public utilities doing business in Louisiana and make the necessary adjustments to reflect the reduction in corporate income tax rates from 35% to 21%. I want to ensure the benefit of this federal tax savings is passed on to the ratepayers in this state.

Just today, Dominion Energy announced that it plans an average rate reduction of five percent for customers in South Carolina thanks in part to lower corporate taxes under the new federal tax law. We hope to hear similar news from Louisiana companies as they carefully review the impact of the federal tax legislation on their bottom lines. In addition to the reduction in rates, to the extent the PSC approved rate plans include federal tax treatment of net operating losses or depreciation of property, changes to those areas of the federal tax code by H.R. 1 should also be considered in your review.

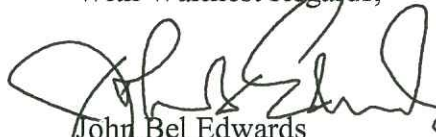
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Should you require any assistance with analyzing the provisions of the Tax Cuts and Jobs Act, please contact Secretary Kimberly Robinson at the Louisiana Department of Revenue, (225) 219-2717 or [kimberly.robinson@la.gov](mailto:kimberly.robinson@la.gov).

With Warmest Regards,

A handwritten signature in black ink, appearing to read "John Bel Edwards", written over a printed name.

John Bel Edwards  
Governor

cc: The Honorable Eric Skrmetta, District 1  
The Honorable Craig Greene, District 2  
The Honorable Lambert C. Boissiere, III, District 3  
The Honorable Mike Francis, District 4  
The Honorable Foster L. Campbell, District 5