



**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

December 21, 2016

Ms. Martha Lynn Jarvis, Chief Clerk
North Carolina Utilities Commission
Mail Service Center 4325
Raleigh, North Carolina 27699-4325

Re: Docket No. M-100, Sub 138; Docket No. G-5, Subs 525 and 565
Public Service Company of North Carolina, Inc. ("PSNC")

Dear Ms. Jarvis:

In accordance with the Commission's September 19, 2016 Order Requiring Revised Tariff Filings, Proposed Customer Notices, and Requesting Review by the Public Staff in Docket No. M-100, Sub 138, on December 15, 2016, PSNC filed revised tariffs to reflect the decrease in the State corporate income tax rate from 4% to 3% effective January 1, 2017. The proposed tariffs also include the effect of the removal of the tax credit decrement applicable to Rate Schedule 135 effective January 1, 2017 as authorized by the Commission's order dated March 1, 2016, in Docket G-5, Sub 525. PSNC filed revisions to the tariffs to correct certain errors on December 20, 2016. The Public Staff has reviewed these filings and believes they comply with the Commission's orders in the described dockets, and recommends approval.

Sincerely,

/s/ Dianna W. Downey
Staff Attorney
dianna.downey@psncuc.nc.gov

cc: Parties of Record

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