

Governor Carney to FERC: Utility Customers Should Receive Benefit of Tax Savings

Governor petitions FERC to require that utilities pass along savings of tax cuts to Delaware residents, businesses

WILMINGTON, Del. – Governor John Carney sent a letter to the Federal Energy Regulatory Commission, urging FERC Commissioners to require utilities to pass along savings of recent federal income tax reductions to their customers – the residents and businesses paying electric bills. The following are excerpts from the letter:

“Since the last major tax bill in 1986, public utilities’ rates have included a federal income tax allowance of 35 percent, and they have accrued deferred income tax at that 35 percent rate, among other tax incentives. Unless rates are reduced to reflect the new lower income tax rates, transmission and natural gas utilities and their shareholders will reap the entirety of this benefit, resulting in unjust and unreasonable rates for their customers, our Delaware residents.”

“As you know, transmission and natural gas pipeline projects are expensive for Delawareans. To the extent that savings are available, they should be provided directly to consumers to reduce the costs of these projects. I ask that you open a proceeding to investigate whether the corporate tax rate reduction has resulted in unjust and unreasonable rates for the wholesale natural gas and electric transmission providers

that serve the State of Delaware.”

Read the full letter [here](#).

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