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BOARD OF PUBLIC UTILITIES
TRENTON, NJ

State of New Jersey
DIVISION OF RATE COUNSEL
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MAY 14 2018

PHIL MURPHY
Governor

SHEILA OLIVER
Lt. Governor

STEFANIE A. BRAND
Director

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

May 11, 2018

Via Email & First Class Mail

Ira G. Megdal, Esq.
Cozen O'Connor
457 Haddonfield Road - Suite 300
Cherry Hill, New Jersey 08002

Re: I/M/O the New Jersey Board of Public Utilities' Consideration of the Tax Cuts and Jobs Act of 2017 - BPU Docket No. AX18010001 Atlantic City Sewerage Company's Petition with Calculation of Rates under the Tax Cuts and Jobs Act of 2017 BPU Docket No. WR18030234

Dear Mr. Megdal:

Enclosed please find the Division of Rate Counsel's discovery requests **RCR-ACSC-A-13 through RCR-ACSC-A-14** in connection with the above referenced matter.

Pursuant to N.J.A.C. 1:1-10.4, please respond to the discovery requests and submit copies of the documents requested herein within fifteen (15) days or submit a schedule of reasonable compliance within fifteen (15) days from receipt of this letter.

Please note that all discovery requests are of a continuing nature and should be updated or corrected, if necessary, over the course of the proceeding as soon as the information becomes available. Also, provide a designation on each response identifying the witness sponsoring the answer. Please provide the responses on three-hole punched paper.

Thank you for your attention to this matter.

Very truly yours,

Stefanie A. Brand, Esq.
Director, Division of Rate Counsel

By: _____
Susan E. McClure, Esq.
Assistant Deputy Rate Counsel

SEM/kah
cc: Service list ✓

AMS
S. Peterson

I/M/O the New Jersey Board of Public
Utilities' Consideration of the Tax Cuts and
Jobs Act of 2017 –
BPU Docket No. AX18010001
Atlantic City Sewerage Company's Petition
with Calculation Of Rates under the Tax
Cuts and Jobs Act of 2017
BPU Docket No. WR18030234

*Receives all correspondence
except discovery.

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**I/M/O the New Jersey Board of Public Utilities'
Consideration of the Tax Cuts and Jobs Act of 2017
BPU Docket No. AX18010001
Atlantic City Sewerage Company's Petition with Calculation
Of Rates under the Tax Cuts and Jobs Act of 2017
BPU Docket No. WR18030234**

Follow Up Data Requests - NJ Division of Rate Counsel Discovery Requests

RCR-ACSC-A-13. Refer to the response to RCR-ACSC-A-1 (Atlantic City Sewerage Company's base rate case in Docket No. WR16121186 dated March 24, 2017.

- a) Please provide the Company's 12+0 Updates which shows the Company's Operating Income Statement at Present Rate Revenues prior to any increase awarded by the Board. (Period Ending December 31, 2016).
- b) Add in the Board's authorized revenue requirement increase of \$1,950,000, making adjustments needed to produce the rate of return that was authorized in the settlement agreement (Rate Base of \$41,919,582 times 6.90% ROR = \$2,892,451).
- c) Calculate the Federal Income Tax Expense.

RCR-ACSC-A-14. Refer to Company Exhibit TSK-2. Please provide any updated information with respect to the Company's impact of its Tax Decrease of \$319,945 (Gross up decrease of \$472,838), and its Stub Period refund of \$119,096. (TSK-1).