



State of New Jersey
BOARD OF PUBLIC UTILITIES
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November 1, 2013

To: Attached Service List

Re: In the Matter of the Board's Review of the Applicability and Calculation of a Consolidated Tax Adjustment; Docket No. EO12121072

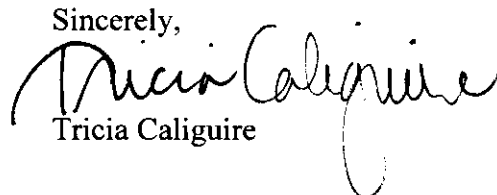
Dear Sir/Madam:

Following review of the materials submitted in this matter, the Board of Public Utilities ("BPU") staff has additional questions regarding the potential impact of a Consolidated Tax Adjustment on the revenue requirements of your utility; accordingly, I am attaching two informal data requests. The first data request is generally self-explanatory, seeking the same information and in the same format as Staff has requested in previous base rate cases. The second data request applies only to utilities with transmission facilities subject to Federal Energy Regulatory Commission rate jurisdiction.

Your company may have provided some of this data, or possibly all of it in another form, in responses to the BPU's July 25, 2013 Notice of Opportunity to Provide Additional Information. Nevertheless, Staff requests this information in the format set forth in the attached data requests.

Finally, Staff requests an explanation of the impact on your company, if any, of the decision of the United States Court of Appeals for the Federal Circuit in Consol. Edison Co. of N.Y. v. United States, 703 F.3d 1367 (Fed. Cir. 2013), affirming the IRS position as to the tax treatment of cross-border leases.

Please respond to these data requests within two (2) weeks, on or before November 15, 2013. Any information submitted in response to this request which is claimed to be confidential shall be provided in the form and manner prescribed by the Board's regulations at N.J.A.C. 14:1-12 et seq., unless such information is to be kept confidential pursuant to court or administrative order.

Sincerely,

Tricia Caliguire

TC:mg

*I/M/O the Board's review of the applicability and calculation of a consolidated tax adjustment – Generic
Proceeding
BPU Docket No. EO12121072*

S-CTS- 1 Consolidated Tax Savings – All Utilities

Please provide the below listed information in an Excel spreadsheet. In order to get the information in a standard format, we ask that you use the following format for this spreadsheet. Please type your utility company name at the top of the spreadsheet with the heading, "Schedule of Taxable Income / (Loss)" below it. Below the heading, please list each year from 1991 through 2012 across the top of the spreadsheet with a "Total" column on the right side. Please list the name of each affiliate down the left side of the spreadsheet and then the following row headings below the affiliate names: "Total Consolidated Taxable Income", "Alternative Minimum Tax (AMT)" "Tax Rate", and "Federal Tax Liability". Please use formulas for all calculations.

- a) For each of the years 1991 through 2012 separately and in total, please provide the taxable income / (loss) for the utility and each its affiliates included in the consolidated tax return (broken down by company), the total consolidated taxable income, any alternative minimum tax payments, the federal income tax rate, and the federal tax liability. Also, please indicate which of these companies are regulated by placing an "R" in the column to the left of the affiliate names.
- b) If actual data is not available for the current year, please provide estimated data for the current year in the same format and provide actual data as soon as it becomes available.

S-CTS- 2 Consolidated Tax Savings – Electric and Electric & Gas Combination Utilities Only

a) Please provide the below listed information in an Excel spreadsheet. In order to get the information in a standard format, we ask that you use the following format for this spreadsheet. Please type your utility company name at the top of the spreadsheet with the heading, "Schedule of Distribution Taxable Income / (Loss)" below it. Please list the years, 1991 through 2012 along the left hand side along with a "Total" row below the years. Please provide the below listed information using the following column headings. Electric only (non-gas) companies may leave column B blank. If your company separately accounts for the operations of the generation business, please use actual, rather than calculated data where actual data is available and indicate this in your response. Please use formulas for all calculations.

- (A) Total Taxable Income [B+C]
- (B) Gas Operations Taxable Income
- (C) Electric Operations Taxable Income
- (D) Electric Distribution Share of Taxable Income [C*L]
- (E) Generation Share of Taxable Income [C*M]
- (F) Transmission Share of Taxable Income [C*N]
- (G) Combined Gas & Electric Distribution Taxable Income [B+D]
- (H) Electric Distribution Net Plant
- (I) Generation Net Plant
- (J) Transmission Net Plant
- (K) Total Electric Net Plant [H+I+J]
- (L) Distribution Plant % [H/K]
- (M) Generation Plant % [I/K]
- (N) Transmission Plant % [J/K]

- b) If actual data is not available for the current year, please provide estimated data for the current year in the same format and provide actual data as soon as it becomes available.

**In the Matter of the Board's Review of the Applicability and Calculation
of a Consolidated Tax Adjustment
Docket No. EO12121072**

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