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For Immediate Release

**Maryland Public Service Commission Orders Utilities
to Account for Federal Tax Reform Savings
*Commission Wants to Ensure that Customers Benefit from Lower Tax Rates***

(BALTIMORE, MD-January 12, 2018) – The Maryland Public Service Commission has launched a proceeding to explore how electric, gas, telecommunications and water utility customers can benefit from the federal Tax Cuts and Jobs Act of 2017 (TCJA), which went into effect on January 1, 2018. The lowering of the corporate tax rate from 35% to 21% could result in savings to utility companies that can be passed on to utility customers in the form of lower rates.

In order to examine the impacts of the TCJA on the rates and charges of Maryland utilities, the Commission has directed all Maryland gas, electric, incumbent local exchange telephone companies and water companies whose rates are explicitly grossed up for taxes, to track the impacts beginning January 1, 2018. The companies must file with the Commission by **February 15, 2018**, an explanation of the expected effects of the impacts of the TCJA on their expenses and revenues, and explain when and how they expect to pass through those effects to their customers.

“The Commission’s goal is to ensure that, in light of the tax reform measure, the rates that utility customers are paying are, in fact, just and reasonable, as required by Maryland law--and to pass on savings to customers as soon as possible,” said Commission Chairman W. Kevin Hughes.

The Commission acknowledged that Baltimore Gas and Electric Company, Washington Gas Light Company, Potomac Electric Power Company, and Delmarva Power and Light Company have made filings, or indicated they will soon make filings, to promptly pass through the expected savings from the TCJA to their customers.

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[About the Public Service Commission:](#)

The Maryland Public Service Commission regulates electric and gas utilities, telephone companies (land lines), certain water and sewer companies, passenger motor vehicle carriers for hire (sedans, limousines, buses, Uber, Lyft), taxicab companies (in Baltimore City and County, Cumberland and Hagerstown) and bay pilot rates.

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