



STATE OF ARKANSAS
ASA HUTCHINSON
GOVERNOR

January 11, 2018

Ted Thomas
Chairman
Arkansas Public Service Commission
P.O. Box 400
Little Rock, AR 72203-0400

Dear Chairman Thomas:

As you know, investor-owned utilities have a monopoly, regulated by the Public Service Commission, on providing electricity and natural gas services to Arkansas's families and businesses. Arkansas law allows utility providers to charge rates that recover the cost of providing utility service plus a rate of return on investment. Federal income taxes paid by the utility are one such cost.

The Tax Cut and Jobs Act recently passed by Congress and signed into law by President Trump will cut corporate taxes for utilities, thereby cutting a cost that is charged to Arkansas ratepayers. The purpose of this letter is to request that the Arkansas Public Service Commission, as expeditiously as possible, take whatever steps are necessary to pass the benefit of the corporate tax cut to Arkansas families and businesses in the form of lower utility rates.

Thank you for your attention with respect to this matter.

Sincerely,


Asa Hutchinson