

**SUNDSTROM
& MINDLIN, LLP**

Attorneys | Counselors



May 2, 2018

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Carlotta Stauffer, Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Ni Florida, LLC
Application for approval of tariff for the gross up of CIAC
Docket No. 20180100-WS

Dear Ms. Stauffer,

Upon review of the tariff as filed in the above docket, we have determined that there was a typographical error under the formula for land and cash contributions in aid of construction. We have discussed this error with members of the technical staff and they agree that the formula was in error and that it needs to be corrected.

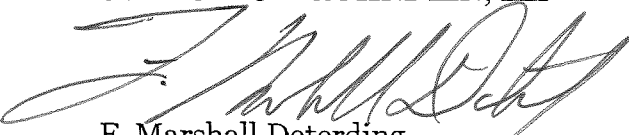
I have attached revised tariff sheets to replace those that were recently filed in order to correct this error. Please have these revised tariffs approved and returned to me as soon as is possible.

The recently issued staff recommendation in this docket will also need to be revised to correct this typographical error.

If you or any members of the staff have any questions in this regard, please let me know.

Sincerely,

SUNDSTROM & MINDLIN, LLP



F. Marshall Deterding
Of Counsel

FMD/brf
Enclosure

cc: Mark Cicchetti
Shannon Hudson
Terence Bethea
Jennifer Crawford, Esq.

Income Taxes Related to Cash and Property Contributions In Aid of Construction

The utility may gross-up cash service availability charges and property contributions in aid of construction in order to recover the federal and state corporate income taxes associated with these contributions. The formula to be used to gross-up cash service availability charges and contributed property are as follows:

TAX IMPACT= Full Gross Up:

Depreciable Plant:

For utilities using straight-line depreciation for tax purposes, the gross-up formula shall be:

$$(CP - (CP * (1/TL) * .5)) * (CTR / (1-CTR))$$

For utilities using an accelerated rate of depreciation for tax purposes, the gross-up formula shall be: $(CP - ((CP * AR) * .5)) * (CTR / (1-CTR))$

Land (and Cash): $CL * (CTR / (1-CTR))$

Where:

CP = Contributed Plant

TL = Tax Life of Contributed Plant

AR = First Year Accelerated Depreciation Rate for Tax Purposes

CTR = Combined Federal (FT) and State (ST) Income Tax Rate. $ST+FT (1-ST)$

CL = Contributed Land (and Contributed Cash)

EFFECTIVE DATE:

Michael J. Ashford
ISSUING OFFICER

TYPE OF FILING: Tariff Filing

Regulatory Director
TITLE

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