

**ELECTRIC DIVISION
DEPARTMENT OF PUBLIC UTILITIES
WALLINGFORD, CONNECTICUT**

**GROSS EARNINGS TAX ADJUSTMENT
RATE NO. 16**

BACKGROUND

Changes in how the Gross Earnings Tax is to be calculated and paid by the Electric Division were enacted by the State of Connecticut through Public Act 186, Sections 68 through 73. The net effect of this change is that the 5% monthly credit for Gross Earnings Tax currently applied to certain Electric Division charges to manufacturing customers should be modified.

APPLICABILITY

All eligible Electric Division manufacturing customers will have all applicable charges adjusted by the appropriate percentage in order to receive the proper benefit of reduced Gross Earnings Tax. Eligibility will be determined by application from the customer confirmed by standards set by the State of Connecticut in accordance with Standard Industrial Classification Manual, U. S. Office of Management and Budget, 1987 Edition, classification 2000 to 3999 inclusive.

MONTHLY CREDIT

A credit shall be applied to eligible customers by reducing all applicable charges by the appropriate percentage listed below.

January 1, 2008 through October 31, 2008	4.0%
November 1, 2008 through October 31, 2009	3.0%
November 1, 2009 until further modified	2.0%