

## ScottMadden Report Reviews Making the Most of the Bonus Depreciation Extension

**ATLANTA, GA – (May 19, 2016)** – ScottMadden, Inc., one of North America’s leading energy consulting firms, has released a new white paper reviewing the concept of [bonus depreciation](#). This report provides an overview of the issue, illustrating potential impacts (economic and financial) and implications that utilities may want to consider as they determine ways to take advantage of the recent extension of benefits.

Bonus depreciation is not new. However, the extension of bonus depreciation provisions as part of the \$1.1 trillion tax extender bill passed by Congress last December was unexpected by some. Electric and gas utilities have been contemplating how to make the most of this development given their unique financial situations and short decision timelines, with potential impacts on cash flow, rate base, and earnings for the industry in the billions of dollars.

“While bonus depreciation has been on the radar of utility financial executives, Wall Street analysts, and other industry observers for years, it is now a particularly hot topic as the utility industry is considering options for making the most of the somewhat unexpected extension of these provisions at the end of 2015,” said [Rick Starkweather](#), partner and regulatory practice leader at ScottMadden. “Special provisions for renewables make this topic especially interesting for both utilities and developers.”

The unique financial and regulatory circumstances of each utility defy “one-size-fits-all” prescriptive solutions. The objective of this paper is to provide an overview of the key issues and to outline potential impacts for utilities as they determine how to optimize financial outcomes in light of the extension of bonus depreciation.

For more information about the Modified Accelerated Cost Recovery System, bonus depreciation, or considerations for utilities, please [contact us](#).

### About ScottMadden’s Energy Practice

We know energy from the ground up. Since 1983, we have been energy consultants. We have served more than 300 clients, including 20 of the top 20 energy utilities. We have performed more than 2,400 projects across every energy utility business unit and every function. We have helped our clients develop strategies, improve operations, reorganize companies, and implement initiatives. Our broad and deep energy utility expertise is not theoretical—it is experience based.

### About ScottMadden, Inc.

ScottMadden is the management consulting firm that does what it takes to get it done right. Our practice areas include Energy, Clean Tech & Sustainability, Corporate & Shared Services, and Grid Transformation. We deliver a broad array of consulting services ranging from strategic planning through implementation across many industries, business units, and functions. To learn more, visit [www.scottmadden.com](http://www.scottmadden.com) | [Twitter](#) | [Facebook](#) | [LinkedIn](#)

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