

**BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY

Respondent.

DOCKET NOS. UE-190529 and UG-190530 (*Consolidated*)

J. RANDALL WOOLRIDGE ON BEHALF OF PUBLIC COUNSEL UNIT

EXHIBIT JRW-5

Capital Structure Ratios and Debt Cost Rate

November 22, 2019

Exhibit JRW-5

Puget Sound Energy
Capital Structure Ratios and Debt Cost Rates

Panel A - Puget Sound Energy Proposed Capital Structure and Debt Cost Rate

Capital Source	Capitalization Ratios	Cost Rate	Weighted Cost Rate*
Short-Term Debt	2.30%	4.18%	0.13%
Long-Term Debt	49.20%	5.51%	2.74%
Common Equity	<u>48.50%</u>		
Total Capital	100.00%		

* Weighted short-term debt cost rate includes .03% of commttment and amortization fees
 Weighted long-term debt cost rate includes .03% of amortization fees

Panel B - PC's Proposed Capital Structure Ratios and Debt Cost Rate

Capital Source	Capitalization Ratios	Cost Rate	Weighted Cost Rate*
Short-Term Debt	2.30%	2.38%	0.08%
Long-Term Debt	49.20%	5.51%	2.74%
Common Equity	<u>48.50%</u>		
Total Capital	100.00%		

* Weighted short-term debt cost rate includes .03% of commttment and amortization fees
 Weighted long-term debt cost rate includes .03% of amortization fees

Puget Sound Energy
Short Term Debt Interest and Fees Details
For The 12 Months Ended March 31, 2021

	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Avg of Mo Avg
STD Average Balance (in 000's)	\$185,103	\$185,103	\$185,103	\$185,103	\$185,103	\$185,103	\$185,103	\$185,103	\$185,103	\$185,103	\$185,103	\$185,103	\$185,103	\$185,103
Borrowings (000's):														
Commercial Paper (CP)	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551
Credit Facilities	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551
Total Short-term Debt	\$185,103	\$185,103	\$185,103	\$185,103	\$185,103	\$185,103	\$185,103	\$185,103	\$185,103	\$185,103	\$185,103	\$185,103	\$185,103	\$185,103
Interest Rate Components:														
Projected LIBO Rates (1 mo)	1.67%	1.64%	1.60%	1.56%	1.54%	1.54%	1.53%	1.53%	1.53%	1.52%	1.52%	1.51%	1.50%	
Est'd CP Spread	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	
Credit Facilities Margin	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
Annual Interest Rates:														
CP	2.02%	1.99%	1.95%	1.91%	1.89%	1.89%	1.88%	1.88%	1.88%	1.87%	1.87%	1.86%	1.85%	
Credit Facilities	2.92%	2.89%	2.85%	2.81%	2.79%	2.79%	2.78%	2.78%	2.78%	2.77%	2.77%	2.76%	2.75%	
Number of Days in Month		30	31	30	31	31	30	31	30	31	31	28	31	
Interest Expense (i):														
CP Interest		\$153,743	\$155,395	\$147,688	\$150,925	\$150,295	\$145,350	\$149,946	\$144,801	\$149,352	\$148,763	\$133,900	\$147,810	\$1,777,967
Credit Facilities Interest		\$223,156	\$227,122	\$217,102	\$222,653	\$222,022	\$214,763	\$221,673	\$214,214	\$221,080	\$220,491	\$198,686	\$219,537	\$2,622,499
Total Interest		\$376,899	\$382,517	\$364,790	\$373,578	\$372,317	\$360,113	\$371,619	\$359,015	\$370,432	\$369,254	\$332,585	\$367,348	\$4,400,466
Avg Monthly Borrowing Rate														
		2.44%	2.40%	2.36%	2.34%	2.34%	2.33%	2.33%	2.33%	2.32%	2.32%	2.31%	2.30%	2.38%
Loan Commitments (000's):														
Credit Facility Commitments	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	
Loan & LOC Utilization	\$92,551.39	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	\$92,551	
Unutilized Portion	\$707,449	\$707,449	\$707,449	\$707,449	\$707,449	\$707,449	\$707,449	\$707,449	\$707,449	\$707,449	\$707,449	\$707,449	\$707,449	
Commitment Fees:														
Rate	0.175%													
Commitment Fees (Unutilized p	\$103,170	\$106,609	\$103,170	\$106,609	\$106,609	\$103,170	\$106,609	\$103,170	\$106,609	\$103,170	\$106,609	\$96,292	\$106,609	\$1,255,230
Total Commitment Fees	\$103,170	\$106,609	\$103,170	\$106,609	\$106,609	\$103,170	\$106,609	\$103,170	\$106,609	\$103,170	\$106,609	\$96,292	\$106,609	\$1,255,230
Letters of Credit:														
Rate	1.000%													
LC Outstanding under Cr Agrmt (000's)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LC Outstanding with Wells (000's)	\$2,814	\$2,814	\$2,814	\$2,655	\$2,655	\$2,655	\$2,655	\$2,655	\$2,655	\$2,655	\$2,655	\$2,655	\$2,655	\$2,655
Total LC Fees (\$ not in 000's)	\$2,345	\$2,423	\$2,345	\$2,286	\$2,286	\$2,212	\$2,286	\$2,212	\$2,286	\$2,286	\$2,286	\$2,065	\$2,286	\$27,319
														Commitment \$1,282,549
														Implied Rat \$7,978,568,524
														Weight Cos 0.02%
Short Term Debt Issue Cost Amortization:														
\$400mm Operating Capital Facility (1810108)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$400mm Capital Expenditure Facility (18900)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$650mm Liquidity Fac (18100673)	\$10,211	\$10,211	\$10,211	\$10,211	\$10,211	\$10,211	\$10,211	\$10,211	\$10,211	\$10,211	\$10,211	\$10,211	\$10,211	\$122,537
\$650mm Liquidity Refinance (18900443)	\$2,285	\$2,285	\$2,285	\$2,285	\$2,285	\$2,285	\$2,285	\$2,285	\$2,285	\$2,285	\$2,285	\$2,285	\$2,285	\$27,421
\$800mm Liquidity Fac (18100683)	\$46,205	\$46,205	\$46,205	\$46,205	\$46,205	\$46,205	\$46,205	\$46,205	\$46,205	\$46,205	\$46,205	\$46,205	\$46,205	\$554,456
\$650mm Liquidity Refinance (18900473)	\$1,580	\$1,580	\$1,580	\$1,580	\$1,580	\$1,580	\$1,580	\$1,580	\$1,580	\$1,580	\$1,580	\$1,580	\$1,580	\$18,961
Total Amortization	\$60,281	\$60,281	\$60,281	\$60,281	\$60,281	\$60,281	\$60,281	\$60,281	\$60,281	\$60,281	\$60,281	\$60,281	\$60,281	\$723,375
														Implied Rat \$7,978,568,524
														Weight Cos 0.01%

Source - NEW-PSE-Exh-MDM-05-6-20-19. Projected LIBOR Rates - page 3 of Exhibit JRW-3.

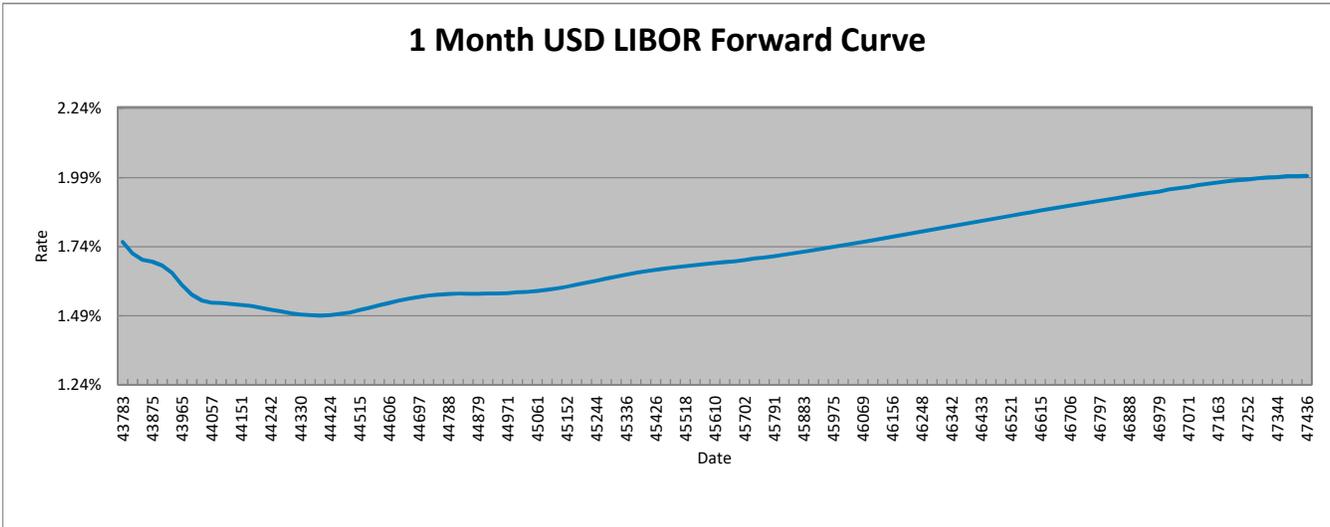


1 Month USD LIBOR Forward Curve

11/8/2019

LIBOR is a registered trademark of the ICE Benchmark Administration (IBA).

Warning: Neither ICE, IntercontinentalExchange Group, Inc. and ICE LIBOR can be held liable for any irregularity.



Source: <https://rates.chathamfinancial.com/us-market/forward-curve>

<https://rates.chathamfinancial.com/us-market/forward-curve>

Date	1 Month USD LIBOR Forward Curve
11/14/2019	1.76%
12/16/2019	1.71%
1/14/2020	1.69%
2/14/2020	1.68%
3/16/2020	1.67%
4/14/2020	1.64%
5/14/2020	1.60%
6/15/2020	1.56%
7/14/2020	1.54%
8/14/2020	1.54%
9/14/2020	1.53%
10/14/2020	1.53%
11/16/2020	1.53%
12/14/2020	1.52%
1/14/2021	1.52%
2/15/2021	1.51%
3/15/2021	1.50%
4/14/2021	1.50%
5/14/2021	1.49%
6/14/2021	1.49%
7/14/2021	1.49%
8/16/2021	1.49%
9/14/2021	1.49%
10/14/2021	1.50%
11/15/2021	1.51%
12/14/2021	1.52%