

WUTC DOCKET: UE-230172 & UE-210852

EXHIBIT: NLK-4

ADMIT W/D REJECT

Exh. NLK-4

Docket UE-230172

Witness: Nikki L. Koblaha

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PACIFICORP dba
PACIFIC POWER & LIGHT COMPANY

Respondent.

Docket UE-230172

PACIFICORP

EXHIBIT OF NIKKI L. KOBLIHA

Impact of a Lower Credit Rating on Cost of Long-Term Debt

March 2023 (REFILED April 19, 2023)

**PacifiCorp
2023 WA GRC**

LTD Exhib. Ln	Post Acquisition FMB Issuances	Principal	50E Ave Outstanding	Settlement Date	Maturity Date	Term	Treasury Strike	Treasury Spread	Re-offer Yield	Coupon Rate	Yield Discount	Issuance Costs	Refunding Costs	Cost of Debt	Annual Debt Service Cost	uw fee
1	12 6.10% Series due 2036	\$350,000,000	\$350,000,000	08/10/06	08/01/36	30	5.064%	1.060%	6.12%	6.100%	\$1,141,000	\$2,907,881	\$0	6.185%	\$21,647,500	0.700%
2	13 5.75% Series due 2037	\$600,000,000	\$600,000,000	03/14/07	04/01/37	30	4.850%	1.000%	5.750%	5.750%	\$24,000	\$89,216	\$0	5.757%	\$34,542,000	0.000%
3	14 6.25% Series due 2037	\$600,000,000	\$600,000,000	10/03/07	10/15/37	30	4.850%	1.000%	6.250%	6.250%	\$750,000	\$5,127,281	\$0	6.323%	\$37,938,000	0.775%
4	15 6.35% Series due 2038	\$300,000,000	\$300,000,000	07/17/08	07/15/38	30	4.472%	1.920%	6.392%	6.350%	\$1,671,000	\$2,290,333	\$0	6.450%	\$19,350,000	0.700%
5	16 6.00% Series due 2039	\$650,000,000	\$650,000,000	01/08/09	01/15/39	30	2.969%	3.100%	6.069%	6.000%	\$6,175,000	\$6,134,687	\$0	6.139%	\$39,903,500	0.875%
6	17 4.10% Series due 2042	\$300,000,000	\$300,000,000	01/06/12	02/01/42	30	2.969%	3.100%	4.119%	4.100%	\$987,000	\$2,737,911	\$0	4.173%	\$12,519,000	0.800%
7	3 3.60% Series due 2024	\$425,000,000	\$170,000,000	03/13/14	04/01/24	10	2.777%	0.830%	3.607%	3.600%	\$0	\$1,338,066	\$777,230	3.757%	\$6,386,900	0.620%
8	4 3.35% Series due 2025	\$250,000,000	\$250,000,000	06/19/15	07/01/25	10	2.315%	1.050%	3.365%	3.350%	\$320,000	\$2,121,421	\$0	3.466%	\$8,665,000	0.650%
9	18 4.125% Series due 2049	\$600,000,000	\$600,000,000	07/13/19	07/15/49	31	2.968%	1.170%	4.138%	4.125%	\$1,344,000	\$5,640,085	\$0	4.193%	\$23,158,000	0.800%
10	5 3.50% Series due 2029	\$400,000,000	\$400,000,000	03/01/19	06/15/29	10	2.672%	0.830%	3.522%	3.500%	\$740,000	\$2,134,051	\$0	3.584%	\$14,336,000	0.425%
11	19 4.15% Series due 2050	\$600,000,000	\$600,000,000	03/01/19	02/15/50	31	3.027%	1.150%	4.177%	4.150%	\$2,790,000	\$5,146,791	\$0	4.227%	\$25,362,000	0.750%
12	6 2.70% Series due 2030	\$400,000,000	\$400,000,000	04/08/20	09/15/30	10	0.670%	2.050%	2.700%	2.700%	\$0	\$0	\$0	2.780%	\$11,120,000	0.425%
13	20 3.30% Series due 2031	\$600,000,000	\$600,000,000	04/08/20	03/15/31	31	1.993%	2.050%	3.343%	3.300%	\$4,944,000	\$5,183,937	\$0	3.388%	\$20,328,000	0.750%
14	21 2.90% Series due 2052	\$1,000,000,000	\$1,000,000,000	07/09/21	06/15/52	31	1.958%	0.980%	2.938%	2.900%	\$7,670,000	\$8,927,874	\$0	2.982%	\$29,820,000	0.750%
15	22 5.35% Series due 2053	\$1,100,000,000	\$1,100,000,000	12/01/22	12/01/53	31	3.840%	1.530%	5.370%	5.350%	\$3,300,000	\$9,965,000	\$0	5.431%	\$59,741,000	0.750%
16	8 Proforma Series#1	\$600,000,000	\$600,000,000	06/15/23	06/15/33	10	3.328%	1.050%	4.378%	4.378%	\$0	\$4,162,800	\$0	4.464%	\$26,784,000	0.600%
17	23 Proforma Series#2	\$600,000,000	\$600,000,000	06/15/23	06/15/33	30	3.465%	1.300%	4.765%	4.765%	\$0	\$5,362,800	\$0	4.822%	\$28,932,000	0.800%
18	9 Proforma Series#3	\$500,000,000	\$400,000,000	01/15/24	01/15/34	10	3.297%	1.050%	4.347%	4.347%	\$0	\$2,795,200	\$0	4.434%	\$17,736,000	0.600%
19	24 Proforma Series#4	\$500,000,000	\$400,000,000	01/15/24	01/15/34	30	3.438%	1.300%	4.738%	4.738%	\$0	\$3,595,200	\$0	4.795%	\$19,180,000	0.800%
20	25 Proforma Series#5	\$700,000,000	\$280,000,000	07/15/24	07/15/54	30	3.430%	1.300%	4.730%	4.730%	\$0	\$2,552,640	\$0	4.788%	\$13,406,400	0.800%
		\$11,075,000,000	\$10,200,000,000							4.556%	\$32,678,000	\$80,871,944	\$777,230	3.011%	\$472,855,300	

LTD Exhib. Ln	Post Acquisition FMB Issuances	Principal	50E Ave Outstanding	Settlement Date	Maturity Date	Term	Treasury Strike	Treasury Spread	Re-offer Yield	Coupon Rate	Yield Discount	Issuance Costs	Refunding Costs	Cost of Debt	Annual Debt Service Cost	standard uw fee
1	12 Series due 2036	\$350,000,000	\$350,000,000	08/10/06	08/01/36	30	5.064%	1.750% a	6.814%	6.814%	\$0	\$3,520,381	\$0	6.894%	\$24,129,000	0.875%
2	13 Series due 2037	\$600,000,000	\$600,000,000	03/14/07	04/01/37	30	4.750%	1.220% b	5.970%	5.970%	\$0	\$5,839,216	\$0	6.040%	\$36,240,000	0.875%
3	14 Series due 2037 (II)	\$600,000,000	\$600,000,000	10/03/07	10/15/37	30	4.859%	1.700% c	6.559%	6.559%	\$0	\$5,727,281	\$0	6.632%	\$39,792,000	0.875%
4	15 Series due 2038	\$300,000,000	\$300,000,000	07/17/08	07/15/38	30	4.472%	2.800% d	7.272%	7.272%	\$0	\$2,815,333	\$0	7.350%	\$22,050,000	0.875%
5	16 Series due 2039	\$650,000,000	\$650,000,000	01/08/09	01/15/39	30	2.969%	4.630% e	7.599%	7.599%	\$0	\$6,134,687	\$0	7.680%	\$49,920,000	0.875%
6	17 Series due 2042	\$300,000,000	\$600,000,000	01/06/12	02/01/42	30	2.969%	1.530% f	4.519%	4.519%	\$0	\$2,962,911	\$777,230	4.580%	\$13,740,000	0.875%
7	3 Series due 2024	\$425,000,000	\$170,000,000	03/13/14	04/01/24	10	2.777%	1.050% g	3.827%	3.827%	\$0	\$1,465,566	\$0	3.891%	\$6,614,700	0.650%
8	4 Series due 2025	\$250,000,000	\$250,000,000	06/19/15	07/01/25	10	2.315%	1.150% h	3.465%	3.465%	\$0	\$2,121,421	\$0	3.566%	\$8,915,000	0.650%
9	18 Series due 2049	\$600,000,000	\$600,000,000	07/13/18	01/15/49	31	2.968%	1.230% i	4.218%	4.218%	\$0	\$6,090,085	\$0	4.278%	\$25,668,000	0.875%
10	5 Series due 2029	\$400,000,000	\$400,000,000	03/01/19	06/15/29	10	2.672%	1.230% j	3.902%	3.902%	\$0	\$3,034,051	\$0	3.992%	\$15,968,000	0.650%
11	19 Series due 2050	\$600,000,000	\$600,000,000	03/01/19	02/15/50	31	3.027%	1.580% k	4.607%	4.607%	\$0	\$5,898,771	\$0	4.667%	\$28,002,000	0.875%
12	6 Series due 2030	\$400,000,000	\$400,000,000	04/08/20	09/15/30	10	0.670%	3.500% l	4.170%	4.170%	\$0	\$3,056,791	\$0	4.261%	\$17,044,000	0.650%
13	20 Series due 2051	\$600,000,000	\$600,000,000	06/08/20	03/15/51	31	1.293%	2.900% m	4.193%	4.193%	\$0	\$3,933,937	\$0	4.251%	\$25,506,000	0.875%
14	21 Series due 2052	\$1,000,000,000	\$1,000,000,000	07/09/21	06/15/52	31	1.958%	1.050% n	3.008%	3.008%	\$0	\$10,177,874	\$0	3.059%	\$30,590,000	0.875%
15	22 Series due 2053	\$1,100,000,000	\$1,100,000,000	12/01/22	12/01/53	31	3.840%	1.760% o	5.600%	5.600%	\$0	\$11,340,000	\$0	5.671%	\$62,381,000	0.875%
16	8 Proforma Series#1	\$600,000,000	\$600,000,000	06/15/23	06/15/33	10	3.328%	1.230% p	4.578%	4.578%	\$0	\$4,462,800	\$0	4.671%	\$28,026,000	0.650%
17	23 Proforma Series#2	\$600,000,000	\$600,000,000	06/15/23	06/15/33	30	3.465%	1.500% p	4.965%	4.965%	\$0	\$5,812,800	\$0	5.028%	\$30,168,000	0.875%
18	9 Proforma Series#3	\$500,000,000	\$400,000,000	01/15/24	01/15/34	10	3.297%	1.250% p	4.547%	4.547%	\$0	\$3,045,200	\$0	4.624%	\$18,496,000	0.650%
19	24 Proforma Series#4	\$500,000,000	\$400,000,000	01/15/24	01/15/34	30	3.438%	1.500% p	4.938%	4.938%	\$0	\$3,970,200	\$0	4.989%	\$19,956,000	0.875%
20	25 Proforma Series#5	\$700,000,000	\$280,000,000	07/15/24	07/15/54	30	3.430%	1.500% p	4.950%	4.950%	\$0	\$3,077,640	\$0	4.958%	\$13,882,400	0.875%
		\$11,075,000,000	\$10,200,000,000							5.000%	\$0	\$96,486,944	\$777,230	5.069%	\$517,088,100	

*proxy was used as there was no comparable triple B Utility OpCo new issuance from this time period

- (a) APS
- (b) PG&E
- (c) Appalachian Power
- (d) El Paso Power
- (e) Potomac Electric Power
- (f) APS
- (g) Pacific Gas & Electric Cc
- (h) Pacific Gas & Electric Cc
- (i) Tampa Electric Cc
- (j) Dominion Energy, Inc
- (k) Dominion Energy, Inc
- (l) IPALCO Enterprises Inc
- (m) NiSource Inc
- (n) Mississippi Power Cc
- (o) AVE trading yield for 30-Year BBB utility OpCo Issuers at 12/1/22
- (p) Current bank indicative