

Exhibit No. ____ (DCP-3)
Dockets UE-140762, et al.
Witness: David C. Parcell

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

**PACIFIC POWER & LIGHT
COMPANY,**

Respondent.

In the Matter of the Petition of

**PACIFIC POWER & LIGHT
COMPANY,**

**For an Order Approving Deferral of
Costs Related to Colstrip Outage.**

In the Matter of the Petition of

**PACIFIC POWER & LIGHT
COMPANY,**

**For an Order Approving Deferral of
Costs Related to Declining Hydro
Generation.**

**UE-140762 and UE-140617
(consolidated)**

DOCKET UE-131384 (consolidated)

DOCKET UE-140094 (consolidated)

EXHIBIT TO TESTIMONY OF

David C. Parcell

**ON BEHALF OF THE STAFF OF THE WASHINGTON UTILITIES
AND TRANSPORTATION COMMISSION**

PacifiCorp – Total Cost of Capital

October 10, 2014

PACIFICORP
TOTAL COST OF CAPITAL

Item	Percent 1/	Cost		Weighted Cost	
Long-Term Debt	50.62%	5.19%	2/	2.63%	
Preferred Stock	0.28%	6.75%	2/	0.02%	
Common Equity	49.10%	9.00%	9.50%	4.42%	4.66%
Total	100.00%			7.07%	7.31%

1/ Capital structure ratios approved by Commission in Docket Nos. UE-100749, UE-111190 and UE-130043.

2/ Costs of long-term debt and preferred stock, as proposed by PacifiCorp witness Bruce N. Williams.