

Exh. DCP-8

Dockets UE-230172 and UE-210852

Witness: David C. Parcell

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

**PACIFICORP d/b/a PACIFIC POWER
AND LIGHT COMPANY,**

Respondent.

**DOCKETS UE-230172 and
UE-210852 (Consolidated)**

In the Matter of

**ALLIANCE OF WESTERN ENERGY
CONSUMERS'**

**Petition for Order Approving Deferral of
Increased Fly Ash Revenues**

EXHIBIT TO TESTIMONY OF

DAVID C. PARCELL

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

Proxy Companies - Basis for Selection

September 14, 2023

**PROXY COMPANIES
BASIS FOR SELECTION**

Company	Market Capitalization (\$ millions) 2023	Common Equity Ratio 2022	Value Line Safety	S&P Bond Rating	Moody's Bond Rating
PacifiCorp	No market Cap 1/	52%		BBB+	A3
Parcell Proxy Group	\$1 billion - \$30 Billion	40% - 60%	1 or 2	A or BBB	A or Baa
ALLETE	\$3,500,000	59.6%	2	BBB	Baa1
Alliant Energy Corp	\$12,800,000	45.0%	2	A-	Baa2
Ameren Corp	\$21,200,000	44.0%	1	BBB+	Baa1
Avista Corp	\$2,800,000	49.6%	2	BBB	Baa2
Black Hills Corp	\$3,800,000	45.4%	2	BBB+	Baa2
Evergy, Inc.	\$13,200,000	48.0%	2	A-	Baa2
Eversource Energy	\$25,200,000	43.3%	2	A-	Baa1
Fortis, Inc.	\$27,800,000	41.5%	2	A-	Baa3
IDACORP	\$5,200,000	56.1%	1	BBB	Baa2
Northwestern Corp	\$3,400,000	51.8%	2	BBB	Baa2
OGE Energy	\$7,000,000	52.4%	2	BBB+	Baa1
Otter Tail Corp	\$3,100,000	58.5%	2	BBB	Baa2
Pinnacle West Capital Corp	\$9,200,000	43.9%	2	BBB+	Baa1
Portland General Electric	\$4,500,000	43.0%	2	BBB+	A3
WEC Energy Group	\$27,400,000	44.4%	1	A-	Baa1

Bulkley Proxy Group

ALLETE, Inc.	\$3,500,000	59.6%	2	BBB	Baa1
Alliant Energy Corp	\$12,800,000	45.0%	2	A-	Baa2
Ameren Corp	\$21,200,000	44.0%	1	BBB+	Baa1
American Electric Power Corp	\$42,300,000	42.0%	1	A-	Baa2
Avista Corp	\$2,800,000	49.6%	2	BBB	Baa2
CMS Energy	\$16,700,000	33.6%	2	BBB+	Baa2
Duke Energy Corp.	\$72,100,000	42.0%	2	BBB+	Baa2
Entergy Corp.	\$20,500,000	35.2%	2	BBB+	Baa2
Evergy, Inc.	\$13,200,000	48.0%	2	A-	Baa2
IDACORP, Inc.	\$5,200,000	56.1%	1	BBB	Baa2
NextEra Energy, Inc.	\$148,000,000	41.5%	1	A-	Baa1
Northwestern Corp.	\$3,400,000	51.8%	2	BBB	Baa2
OGE Energy Corp.	\$7,000,000	52.4%	2	BBB+	Baa1
Otter Tail Corp.	\$3,100,000	58.5%	2	BBB	Baa2
Portland General Electric Co.	\$4,500,000	43.0%	2	BBB+	A3
Southern Co.	\$78,900,000	36.5%	2	BBB+	Baa2
Xcel Energy, Inc.	\$34,500,000	42.2%	1	A-	Baa1

1/ Since PacifiCorp is not publicly-traded, it has no "market cap." The 2022 "Book Value" of PacifiCorp is about \$10.7 billion (see Exh. DCP-6, page 1). Since most electric utilities have a market-to-book ratio of about 160 percent (see Exh. DCP-12, page 2 for year 2022), an implied market value for PacifiCorp is about \$17 billion (i.e., market value is 1.7 times book value). A market cap range of \$1 billion to \$30 billion is used as the "screen" for size in selecting the proxy group.

Sources: Value Line Investment Survey; Moody's and Standard & Poor's websites (assessed August 10, 2023).