

Exhibit No. ____ (DCP-15)
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 – Rating Agency Ratios

October 10, 2014

PACIFICORP RATING AGENCY RATIOS

ITEM	PERCENT	COST RATE	WEIGHTED COST	PRE-TAX COST
Long-Term Debt	50.62%	5.19%	2.63%	2.63%
Preferred Stock	0.28%	6.75%	0.02%	0.02%
Common Equity	<u>49.10%</u>	9.00%	<u>4.42%</u>	<u>6.80%</u> (1)
TOTAL CAPITAL	100.00%		7.07%	9.44%

(1) Post-tax weighted cost divided by .65 (composite tax factor)

Pre-tax coverage = $9.44\% / 2.63\%$
3.59 X

Standard & Poor's Utility Benchmark Ratios:

	<u>A</u>	<u>BBB</u>
Pre-tax coverage (X)		
Business Position:		
4	3.3 - 4.0 x	2.2 - 3.3 x
Total Debt to Total Capital (%)		
Business Position		
4	45 - 52%	52 - 62 %

Note: Standard & Poor's no longer employs the pre-tax coverage ratios as one of its qualitative ratings criteria. The above-cited S&P benchmark ratios reflect the 1999 criteria reported by S&P.