

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)	
TRANSPORTATION COMMISSION,)	
)	
Complainant,)	
)	
v.)	DOCKET NOS. UE-140762 and
)	UE-140617 (<i>consolidated</i>)
PACIFICORP D/B/A PACIFIC POWER &)	
LIGHT COMPANY,)	
)	
Respondent.)	
_____)	
)	
In the Matter of the Petition of)	
)	
PACIFIC POWER & LIGHT)	DOCKET NO. UE-131384
COMPANY,)	(<i>consolidated</i>)
)	
For an Order Approving Deferral of)	
Costs Related to Colstrip Outage)	
_____)	
)	
In the Matter of the Petition of)	
)	
PACIFIC POWER & LIGHT)	DOCKET NO. UE-140094
COMPANY,)	(<i>consolidated</i>)
)	
For an Order Approving Deferral of)	
Costs Related to Declining Hydro)	
Generation)	
_____)	

EXHIBIT NO.__(MPG-3)

RATE OF RETURN

October 10, 2014

Pacific Power & Light Company

Rate of Return

<u>Line</u>	<u>Description</u>	<u>Amount</u> ¹ (1)	<u>Weight</u> (2)	<u>Cost</u> ^{2/3} (3)	<u>Weighted</u> <u>Cost</u> (4)
1	Long-Term Debt	\$ 7,476	50.69%	5.19%	2.63%
2	Short-Term Debt	\$ 28	0.19%	1.73%	0.00%
3	Preferred Stock	\$ 2	0.02%	6.75%	0.00%
4	Common Equity	<u>\$ 7,241</u>	<u>49.10%</u>	9.30%	<u>4.57%</u>
5	Total	\$ 14,747	100.00%		7.20%

Source:

¹Direct testimony of Bruce Williams, Page 27.

²Direct testimony of Bruce Williams, Page 2.

³Gorman Direct Testimony, at 2.