

**Exh. JNS-5  
Docket UE-210829  
Witness: Jaclynn N. Simmons**

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

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

**Respondent.**

**DOCKET UE-210829**

**EXHIBIT TO TESTIMONY OF**

**JACLYNN N. SIMMONS**

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

*PacifiCorp Response to UTC Staff Data Request No. 10*

**August 21, 2024**

## **WUTC Data Request 10**

In the March 2024 recessed open meeting, at 12:10:48 – 12:12:49, Mr. McVee mentions that PacifiCorp has to “get over its financial considerations.”

1. What are the financial considerations?
2. Please provide documentation of the aforementioned financial considerations.
3. Has the Company done its review of the return rate on PPA’s as mentioned in the meeting?

## **Response to WUTC Data Request 10**

1. The Company is currently facing financial challenges driven by numerous third-party liability claims associated with the 2020 Labor Day and 2022 McKinney fires. The unknown risk associated with these claims were the primary driver for credit ratings downgrades in 2023. As a result of the downgrade and on-going pressure on credit metrics noted in rating agency reports, the Company is managing its cash flow through a detailed review of all capital expenditures, which has resulted in delays or cancellations of projects. Capital expenditure reductions and delays reduces the amount of debt the Company needs to fund operations and helps stabilize credit metrics.
2. Please refer to Attachment WUTC 10, which provides copies of PacifiCorp’s 2023 Form 10-K filed with the Securities and Exchange Commission (SEC) on February 23, 2024, and PacifiCorp’s March 31, 2024 Form 10-Q filed with the SEC on May 3, 2024. Specifically, please refer to PacifiCorp’s discussion of Legal Proceedings in the 2023 Form 10-K, beginning at 91; the Consolidated Statement of Operations in the 2023 Form 10-K, at page 224, which indicates a \$468 million loss for income for the year; the discussion of Wildfires in the 2023 Form 10-K, beginning at page 258, that discusses the Company’s estimated wildfire losses and liabilities; and the Company’s most recent discussion on Legal Proceedings in the March 2024 Form 10-Q, at 187-194.
3. The Company objects to this request to the extent it requests the Company disclose its position on issues that could be adjudicated in this proceeding in advance of filing direct testimony. Without waiving this objection, the Company responds as follows: PacifiCorp review of this issue remains ongoing. The Washington Utilities and Transportation Commission (WUTC) has not issued a policy statement, or conducted a rulemaking related to the implementation of Revised Code of Washington (RCW) 80.28.410(2), that provides additional substantive guidance that can inform the Company’s position on this issue at this time.