

**Exh. JNS-2
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. 6

August 21, 2024

WUTC Data Request 6

Mr. McVee mentioned at the recessed open meeting on 3/22/2024 at 11:55:50 – 11:56:58 that restarting the AS RFP could adversely affect the Company's credit rating and that the Company has had rating downgrades from two rating agencies.

1. Please explain in detail how restarting the AS RFP could affect the credit rating.
2. Please provide documentary evidence demonstrating each of the two credit downgrades cited by Mr. McVee.

Response to WUTC Data Request 6

1. The credit rating agencies use the cost of long-term power purchase agreements (PPA) entered by the Company in a calculation of imputed debt. Higher levels of debt (including imputed debt) can lead to a credit rating downgrade. As a result, if the Company restarted the 2022 All Source Request for Proposals (2022AS RFP) and contracted for additional resources, it could negatively impact the Company's credit rating.
2. Please refer to PacifiCorp's filings in docket UE-051090. PacifiCorp was downgraded by both Standard and Poor's (S&P) and Moody, with additional credit watch issuances from both.

PREPARER: Dan MacNeil / Matt McVee

SPONSOR: Matt McVee