

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF ROCKY MOUNTAIN)	
POWER’S APPLICATION FOR)	CASE NO. PAC-E-24-03
AUTHORITY TO ISSUE AND SELL OR)	
EXCHANGE NOT MORE THAN)	
\$5,000,000,000 OF DEBT, AND ENTER)	ORDER NO. 36136
INTO CREDIT SUPPORT)	
ARRANGEMENTS)	
)	

On March 13, 2024, PacifiCorp dba Rocky Mountain Power (“Company”) applied for authority to allow it to incur debt up to \$5,000,000,000 aggregate principal amount at any one time (“Application”). The Company also requested authority to enter letter of credit arrangements to provide additional credit support. The Company requested this additional authority remain in effect through April 12, 2029, so long as the Company’s bond rating for senior secured debt remains investment grade.

Based on our review of the record, we issue this Order approving the Application as noted below.

THE APPLICATION

The Company is an Oregon corporation that provides electric service as Rocky Mountain Power to customers in Idaho, Utah, and Wyoming, and as Pacific Power in California, Oregon, and Washington.

The Company asked for authority to issue and sell or exchange, in one or more public offerings or private placements, fixed or floating rate debt (“Debt”). The aggregate principal amount of Debt is not to exceed \$5,000,000,000 or, if the Debt is issued at an original issue discount, such greater amount as shall result in an aggregate offering price of not more than \$5,000,000,000. The Company also requested authority to enter into letter of credit arrangements with one or more banks or such other agreements or arrangements as may be necessary or appropriate, to provide additional credit support for the payment of principal, interest, and the premium of the Debt.

The Company requested this additional authority remain in effect through April 12, 2029, so long as the Company’s bond rating for senior secured debt remains investment grade.

Investment grade is BBB- or higher by Standard & Poor's Rating Services ("S&P") and Baa3 or higher by Moody's Investors' Service, Inc. ("Moody's"). The Company's current secured debt ratings are A by S&P and A2 by Moody's.

The Company explained that the requested authority will amend and supersede the authority granted in Order No. 35723 (Case No. PAC-E-23-03). The maturity, other terms, and interest rate for each issue will be determined at the time of issuance. Fees vary and will be charged based on the type of security issued but are not expected to exceed 1% of the principal amount. Any First Mortgage Bonds will be issued under the PacifiCorp Mortgage. The Commission previously authorized the Company to incur the lien of PacifiCorp Mortgage in Order No. 22157 (Case No. U-1045). The variety of funding options requested will allow the Company to evaluate the all-in cost of each option after considering all associated fees, so the issuances result in the lowest cost.

The Company explained that the requested financing authority will provide funds for one or more utility purposes. These include capital requirements for the following purposes: (1) the acquisition of property; (2) the construction, completion, extension or improvement of utility facilities; (3) the improvement of service; (4) the discharge or lawful refunding of obligations which were incurred for utility purposes; or (5) the reimbursement of the Company's treasury for funds used for the foregoing purposes. Application at 9.

STAFF RECOMMENDATION

Staff recommended the Commission approve the Company's request to issue up to \$5,000,000,000 in debt for the period through April 12, 2029. Staff noted that since Case No. PAC-E-99-03, the Company has committed to a cost test under which foreign transactions will not be used for ratemaking unless and until the Company can show that the all-in costs for the foreign transactions do not exceed the all-in costs of similar domestic borrowings.

Staff recommended the commitments and terms from prior cases, up to and including Case No. PAC-E-14-05, Order No. 33083 remain in effect. This includes, but is not limited to, that PacifiCorp's senior secured debt rating will remain at investment grade and will follow the established procedure of notification if the ratings are downgraded; PacifiCorp will file quarterly financing activity reports and credit rating reports to the extent that they are not filed with the MidAmerican Energy Holdings Company Acquisition Case (Case No. PAC-E-05-08, Order No. 29998).

Staff also noted the Company's Application Fee of \$1,000 was submitted on March 26, 2024.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

The Commission finds that the Company is an Oregon corporation that is qualified to do business in Idaho. The Company is an electric corporation within the definition of *Idaho Code* § 61-119, and a public utility within the definition of *Idaho Code* § 61-129. The Commission has jurisdiction over this Application under *Idaho Code* § 61-901, *et seq.*

The Commission finds that the Company's Application should be approved. The Company's Application reasonably conforms to Rules 141 through 150 of the Commission's Rules of Procedure (IDAPA 31.01.01.141-150), and the Company has paid all fees required by *Idaho Code* § 61-905. Further, the proposed issuance is for a lawful purpose, is within the Company's corporate powers, and is compatible with the public interest.

The Commission's approval of the issuance is not a finding of fact or a conclusion of law that the particular use to which these funds are to be put is approved by this Order. The issuance of an Order authorizing the proposed issuance does not constitute agency determination or approval of the type of financing or the related costs for ratemaking purposes. The Commission does not have before it for determination in this case and therefore does not determine the effect of issuance on rates to be charged by the Company for electric service to consumers in the State of Idaho.

ORDER

IT IS HEREBY ORDERED that the Company's Application is approved. As requested in the Application, the Company is authorized to issue and sell or exchange debt in the aggregate principal amount of up to \$5,000,000,000, and to enter into such arrangements as may be needed to provide additional credit support for the payment of the Debt.

IT IS FURTHER ORDERED that the authority approved by this Order shall remain in effect through April 12, 2029, so long as the Company's bond rating for senior secured debt remains investment grade.

IT IS FURTHER ORDERED that the Company will continue to meet the following requirements: (1) keep its commitments and perform its duties as expressed in this Commission's prior orders; (2) file quarterly financing activity reports and credit rating reports with the Commission, to the extent not otherwise filed in Case No. PAC-E-05-08; (3) meet the all-in cost

test commitment for foreign transactions; (4) provide the anticipated details of the transaction as soon as possible before the issuance; and (5) file the “Report of Securities Issued,” and verified copies of any credit arrangement entered into pursuant to this Order as soon as they become available.

IT IS FURTHER ORDERED that the issuance of this Order does not constitute acceptance of the Company’s exhibits or other material accompanying this Application for any purpose other than the issuance of this Order.

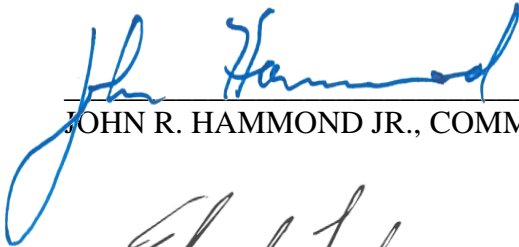
IT IS FURTHER ORDERED that nothing in this Order or any act or deed performed in connection with this Order shall be construed to obligate the State of Idaho to pay or guarantee in any manner whatsoever any security authorized, issued, assumed, or guaranteed under the provisions of this Order.

IT IS FURTHER ORDERED that this authorization is without prejudice to the Commission’s regulatory authority regarding rates, service, accounts, evaluation estimates or determination of costs or any other matter which may come before the Commission pursuant to its jurisdiction and authority as provided by law.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this order about any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *Idaho Code* § 61-626.


DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 12th day of April 2024.


ERIC ANDERSON, PRESIDENT


JOHN R. HAMMOND JR., COMMISSIONER


EDWARD LODGE, COMMISSIONER

ATTEST:


Monica Barrios Sanchez
Commission Secretary

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