

ROCKY MOUNTAIN POWER
DOCKET NO.11-035-200 TEST YEAR ENDED MAY 31, 2013
FINANCIAL METRICS

COMPANY UPDATED REQUESTED COST OF CAPITAL

LINE NO.	DESCRIPTION	RATIO	COST RATE	WEIGHTED COST	WEIGHTED COST W/FIT
1	LONG TERM DEBT	47.60%	5.37%	2.5561%	2.5561%
2	PREFERRED STOCK	0.30%	5.43%	0.0163%	0.0251%
3	COMMON EQUITY	52.10%	10.20%	5.3142%	8.1757%
4	TOTAL	100.00%		7.8866%	10.7569%

UPDATED ALTERNATIVE COST OF CAPITAL

LINE NO.	DESCRIPTION	RATIO	COST RATE	WEIGHTED COST	WEIGHTED COST W/FIT
9					
10	LONG TERM DEBT	47.60%	5.37%	2.5561%	2.5561%
11	PREFERRED STOCK	0.30%	5.43%	0.0163%	0.0251%
12	COMMON EQUITY	52.10%	9.40%	4.8974%	7.5345%
13	TOTAL	100.00%		7.4698%	10.1156%

16 FINANCIAL METRICS

LINE NO.	DESCRIPTION	A	B	C	
17					
				RECOMMENDED ALTERNATIVE	
18	DESCRIPTION	COMPANY FILED CASE	ADJUSTMENT	CASE	
19	RATE BASE INVESTMENT	\$5,752,868,671	\$0	\$5,699,158,808	
20	RATE OF RETURN	7.89%		7.47%	
21	RATE OF RETURN WITH FIT	10.76%		10.12%	
22	RETURN	\$453,706,316	-\$27,989,981	\$425,716,335	
23	RETURN & TAXES	\$618,828,825	-\$42,322,262	\$576,506,563	
24	DEPRECIATION/ AMORTIZATION	\$260,154,547		\$252,893,635	
25	FEDERAL INCOME TAXES	\$165,122,510		\$150,790,229	
26	EBITDA CASH FLOW	\$878,983,372		\$829,400,198	
27	EBIDA CASH FLOW	\$713,860,863		\$678,609,970	
28	TOTAL DEBT	\$2,738,365,487		\$2,738,365,487	
29	TOTAL INTEREST	\$147,050,227		\$145,677,338	
30	DEBT PERCENTAGE	47.60%		47.60%	
31					
32					
				RECOMMENDED ALTERNATIVE	
33	FINANCIAL METRICS MOODY'S	COMPANY FILED CASE		CASE	MOODY'S SINGLE "A" BENCHMARKS
34	CASH FLOW (EBITDA)/DEBT %	32.10%		30.29%	22.0% TO 30.0% LINE 26/ LINE 28
35	CASH FLOW EBITDA/INTEREST (X)	5.98		5.69	4.5x TO 6.0x LINE 26/ LINE 29
36	DEBT PERCENTAGE	47.60%		47.60%	35% TO 45% LINE 30
37	EBIDA W/O FIT IN				
38	CASH FLOW (EBIDA)/DEBT %	26.07%		24.78%	
39	CASH FLOW EBIDA/INTEREST (X)	4.85		4.66	
				RECOMMENDED ALTERNATIVE	
	FINANCIAL METRICS S&P	COMPANY FILED CASE		CASE	STANDARD & POOR'S SINGLE "A" BENCHMARKS
	FFO/DEBT (%)	26.07%		24.78%	20.0% TO 45.0% LINE 27/ LINE 28
	DEBT/ EBITDA	3.12		3.30	2x TO 4x LINE 28/ LINE 26
	DEBT O CAPITAL (%)	47.60%		47.60%	35% TO 50% LINE 30

SOURCES:

S&P BENCHMARK METRICS PER S&P RATINGS DIRECT BUSINESS RISK/ FINANCIAL RISK MATRIX EXPANDED (MAY 27, 2009) AT 4
S&P BENCHMARK MATRIX ARE THE CRITERIA FOR FIRMS WITH INTERMEDIATE AND SIGNIFICANT FINANCIAL RISK INDICATIVE RATIOS
MOODY'S BENCHMARKS: MOODY'S GLOBAL INFRASTRUCTURE FINANCE: REGULATED ELECTRIC AND GAS UTILITIES (AUGUST 2009)