

Docket No. UE 352  
Exhibit PAC/404  
Witness: Steven R. McDougal

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**PACIFICORP**

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Exhibit Accompanying Direct Testimony of Steven R. McDougal  
Capital Structure, Property Tax, Revenue Requirement Gross-up

December 2018

**PacifiCorp  
Oregon**  
Wind Repowering - Capital Structure, Property Tax, and Rev Req't Gross-up

**Results of Operations Oregon Period Ended December 2017**  
**Updated with new consolidated tax rate consistent with the new tax law**  
**Effective 12/31/2017**

Line no.	Capital Structure	Capital Structure	Capital Cost	Weighted Cost	Tax Gross-up	Pre-Tax Cost
1	Debt	48.490%	5.261%	2.551%		2.551%
2	Preferred	0.020%	6.753%	0.001%	1.326	0.002%
3	Common	51.490%	9.800%	5.046%	1.326	8.873%
4			<b>TOTAL</b>	<b>7.598%</b>		<b>11.426%</b>
5	Consolidated Tax Rate		24.587%			
6	Tax Gross-up factor for PTC = (1/(1 - tax rate))		1.3260			

**Property Tax Calculation as filed in Results of Operations Oregon Period Ended December 2017**

7	Total Company					145,325,972
8	Oregon GPS Factor <sup>2</sup>					27.1069%
9	Oregon Property Taxes					<u>39,393,317</u>
10	Oregon Gross EPIS					7,343,325,727
11	Oregon Accum. Depr.					(2,661,498,413)
12	Oregon Accum. Amort.					<u>(159,988,390)</u>
13	Oregon Net EPIS					4,521,838,924
14	Estimated Oregon Property Tax Rate					0.871%
15	Forecast 2019 SG Factor <sup>1</sup>					26.7248%
16	Results of Operations Oregon 2017 GPS Factor <sup>2</sup>					<u>27.1069%</u>

	Franchise Tax and Bad Debt Percentage <sup>3</sup>	Percentage of Revenue	w/ Tax Gross-up
17	Franchise Tax	2.340%	2.419%
18	Bad Debt Percentage	0.477%	0.493%
19	Resource Suppliers Tax	0.134%	0.139%
20	PUC Fee	0.300%	0.310%

Footnotes:

- 1 SG Factor from 2019 TAM filing
- 2 Results of Operations, December 2017, Page 9.2
- 3 Results of Operations, December 2017, Page 4.6.1