Date Filed: October 18, 2026

Witness: FALLON, MATTHEW P
Request from: Public Utilities Regulatory Authority

Question:
(Interest Rate) What is the range of interest rates that the Company anticipates at the time of issuance? Additionally, what are the cost implications for ratepayers for the up or down movement in the issuance rate?

Response:

The Company cannot predict future benchmark U.S. Treasury bond yields or utility securitization spreads. However, for illustrative purposes based on the current forward U.S. Treasury market and assuming the same spreads as indicated in the Petition, the Company estimates that the weighted average interest rate for the issuance would be in the range of 5.65 percent. Based on the illustrative weighted average interest rate of 5.65 percent, the average residential customer would expect a monthly increase of $0.03 per month as compared to the $3.66 per month filed in the Petition.