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McGRAW HILL FINANCIAL

## ALLETE Inc. 'BBB+' And 'A-2' Ratings Affirmed On Acquisition Agreement; Outlook Stable

30-Jan-2015 15:51 EST

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Duluth, Minn.-based ALLETE Inc. has reached an agreement to acquire 87% of industrial water management company U.S. Water Services Inc. for \$168 million.

We are affirming the 'BBB+' issuer credit rating and 'A-2' short-term corporate credit rating on ALLETE Inc. The outlook is stable.

The stable outlook reflects our expectation that even with the new subsidiary the company will preserve its "strong" business risk profile while ensuring that its financial risk profile remains well within the "significant" category at all times.

NEW YORK (Standard & Poor's) Jan. 30, 2015--Standard & Poor's Ratings Services said today it affirmed its 'BBB+' issuer credit rating and 'A-2' short-term corporate credit rating on ALLETE Inc. following the company's announcement that it has reached an agreement to purchase 87% of industrial water management company U.S. Water Services Inc. for \$168 million. The rating outlook is stable.

The stable rating outlook on ALLETE Inc. reflects our baseline forecast that FFO to debt will generally be greater than 20%-22% and debt to EBITDA less than 4.5x.

"The company will need to continue to manage its regulatory risk, resulting in favorable rate outcomes," said Standard & Poor's credit analyst Matthew O'Neill. "Although the company still has significant exposure to customers in highly cyclical industries and relies on off-system sales, its low-cost power generation should enable it to offset any load loss with similar sales."

The stable outlook also reflects our expectation of the company's strategy to focus on its regulated operations.

While the company continues to focus its strategy on its regulated operations, we will continue to monitor the company's foray into nonutility businesses. If the proportion were to approach more than 10%, coinciding with a weakening of the financial measures, such that, on an ongoing basis, adjusted FFO to total debt were less than 17% and debt to EBITDA were higher than 4.5x, then we could lower the ratings.

Based on the overall business and financial risk profiles, we are unlikely to raise the rating. However, if financial measures were to improve and the financial risk profile were to approach the middle of the range for the "intermediate" category, along with no significant change to the business risk

profile, we could raise the ratings.

#### RELATED CRITERIA AND RESEARCH

##### Related Criteria

Criteria - Corporates - General: [Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers](#), Dec. 16, 2014

Criteria - Corporates - General: [Corporate Methodology](#), Nov. 19, 2013

Criteria - Corporates - General: [Corporate Methodology: Ratios And Adjustments](#), Nov. 19, 2013

General Criteria: Methodology: [Industry Risk](#), Nov. 19, 2013

General Criteria: [Country Risk Assessment Methodology And Assumptions](#), Nov. 19, 2013

General Criteria: [Group Rating Methodology](#), Nov. 19, 2013

Criteria - Corporates - Utilities: [Key Credit Factors For The Regulated Utilities Industry](#), Nov. 19, 2013

General Criteria: [Methodology For Linking Short-Term And Long-Term Ratings For Corporate, Insurance, And Sovereign Issuers](#), May 7, 2013

General Criteria: [Methodology: Management And Governance Credit Factors For Corporate Entities And Insurers](#), Nov. 13, 2012

[2008 Corporate Criteria: Rating Each Issue](#), April 15, 2008

Complete ratings information is available to subscribers of RatingsDirect at [www.globalcreditportal.com](http://www.globalcreditportal.com) and at [www.spcapitaliq.com](http://www.spcapitaliq.com). All ratings affected by this rating action can be found on Standard & Poor's public Web site at [www.standardandpoors.com](http://www.standardandpoors.com). Use the Ratings search box located in the left column.

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# Ratings

## (/en\_US/web/guest/home) Alliant Energy Corp. Regulatory Disclosure

Rating Type: Local Currency LT  
Publication Date: 22-Nov-2016 16:09 EST

### Symbol, Number, or Score in the Rating Scale Used to Denote

### Credit Rating Categories and Notches as Required by

### Paragraph (a)(1)(ii)(A)of Rule 17g-7

Rating Information				
Rating	Rating Date	Regulatory Identifiers	CreditWatch/Outlook	CreditWatch/Outlook Date
A-	11-Jan-2013	EE	Stable	11-Jan-2013

### Procedure or Methodology Used to Determine the Credit Rating

### as required by Paragraph (a)(1)(ii)(B)of Rule 17g-7

The following criteria were used in determining this credit rating:

General Criteria: Country Risk Assessment Methodology And

Assumptions (/en\_US/web/guest/article/-/view/sourceld/8313032)

General Criteria: Use Of CreditWatch And Outlooks

(/en\_US/web/guest/article/-/view/sourceld/5612636)

Criteria | Corporates | General: 2008 Corporate Criteria: Rating Each

Issue (/en\_US/web/guest/article/-/view/sourceld/5446228)

Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers  
(/en\_US/web/guest/article/-/view/sourceld/8956570)

Criteria | Corporates | Utilities: Key Credit Factors For The Regulated Utilities Industry  
(/en\_US/web/guest/article/-/view/sourceld/8339577)

Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments  
(/en\_US/web/guest/article/-/view/sourceld/8330212)

General Criteria: Methodology: Industry Risk  
(/en\_US/web/guest/article/-/view/sourceld/8304862)

General Criteria: Group Rating Methodology  
(/en\_US/web/guest/article/-/view/sourceld/8336067)

Criteria | Corporates | General: Corporate Methodology  
(/en\_US/web/guest/article/-/view/sourceld/8314109)

General Criteria: Methodology For Linking Short-Term And Long-Term Ratings For Corporate, Insurance, And Sovereign Issuers  
(/en\_US/web/guest/article/-/view/sourceld/7905381)

General Criteria: Methodology: Management And Governance Credit Factors For Corporate Entities And Insurers  
(/en\_US/web/guest/article/-/view/sourceld/7629699)

Criteria | Insurance | General: Hybrid Capital Handbook: September 2008 Edition  
(/en\_US/web/guest/article/-/view/sourceld/5002701)

### **The following Models were used in preparing this rating**

Arrow Basic -- RS-IFC-GLB-R-000417-V002

ESP (Expected Scenario Projector) including Liquidity Template -- RS-IFC-GLB-R-000410-V004

Corporate Criteria Scoring Template -- RS-IFC-GLB-R-000340-V006

### **Main Assumptions and Principles Used to Construct the Rating**

#### **Methodology Used to Determine the Credit Rating as required**

**by Paragraph (a)(1)(ii)(C) of Rule 17g-7**

#### **The Relationship of Cash Flow Adequacy to Leverage (Cash Flow Adequacy/Leverage)**

- Higher levels of leverage are correlated to higher levels of default.

#### **Competitive Position**

- The competitive position and strategic position of an industry and company are directly linked to overall profitability, which is related to default risk.
- For regulated utilities, which are not subject to free market forces, we make additional assumptions about factors that historically have been important to such utilities' credit quality, such as:
  - Regulatory stability, including the transparency in setting rates and the predictability and the consistency of regulation over time;
  - The setting and design of rates by regulators to assess cost recoverability, including rate flexibility in response to cost changes; and
  - Risk in the independence of the regulator.

### **Country Risk**

- Factors such as economic, institutional, and governance effectiveness; the financial system; and payment culture/rule of law risks influence overall credit risks for every rated corporate entity, including utilities.

### **Industry Risk**

- The volatility of a company's cash flow and earnings is a key determinant of its default risk and is correlated with the cash flow and earnings volatility of its industry.

### **Financial Instruments**

- The assumptions and principles above describe S&P Global Ratings' approach to constructing the procedures and methodologies used to determine the rating on a corporate entity, including utilities. To the extent this rating action extends to financial instruments issued or supported by the corporate entity, the procedures and methodologies applied when the financial instrument was first issued remain applicable. However, because the primary driver for the rating action is the rating on the associated corporate entity, we are referencing the assumptions and principles applied when constructing the procedures and methodologies used for rating that entity.

### **The Potential Limitations of the Credit Rating, including Types**

#### **of Risk Excluded from the Credit Rating as Required by**

#### **Paragraph (a)(1)(ii)(D) of Rule 17g-7**

S&P Global Ratings' credit ratings:

- Are not exact measures of the probability that a certain issuer or issue will default but are instead expressions of the relative credit risk of rated issuers and debt instruments;
- Are not intended to indicate the value, suitability, or merit of an investment;
- Do not measure performance factors, such as market value or price fluctuations;
- Do not address investment merit;
- Do not address whether a particular rated security is suitable for a particular investor or group of investors;
- Do not address whether a security is appropriate for an investor's risk tolerance;
- Do not address whether the expected return of a particular investment is adequate compensation for the risk it poses;
- Do not address whether the price of a security is appropriate;
- Do not address whether there is, or will be, a ready liquid market in which the security may be bought or sold; and
- Do not address whether the market value of the security will remain stable over time.

When Sukuk criteria are applied, S&P Global Ratings' credit ratings do not address the Sharia compliance of an issue or issuer.

### **Information on the Uncertainty of the Credit Ratings as**

#### **Required by Paragraph (a)(1)(ii)(E) of Rule 17g-7**

S&P Global Ratings uses information in its credit rating analyses from sources it believes to be reliable, including from the issuer. S&P Global Ratings neither audits nor undertakes due diligence on the information it receives from the issuer, its agents or third parties in connection with its credit rating and surveillance processes. Nevertheless, when assessing the quality of information as required by regulation, S&P Global Ratings will consider and take into account, among other factors, whether the information it receives from the issuer, its agents or other third parties is: a) subject to external verification; b) published by official sources S&P Global Ratings considers to be reliable; c) submitted to regulatory bodies pursuant to applicable securities laws or d) provided by parties that S&P Global Ratings has assessed as having a history of providing reliable information to it or to the public. In the course of its assessment on the quality of information received, S&P Global Ratings identified no material issues (such as a lack of historical data, documentation or other material

information) thereby leading S&P Global Ratings to conclude that it had sufficient information of satisfactory quality on which to base its credit rating opinion.

The assignment of a credit rating to an issuer or issue by S&P Global Ratings is not a warranty of the accuracy, completeness or timeliness of (a) the information S&P Global Ratings used in connection with the credit rating or (b) the results which may be obtained from the use of the credit rating or the related information.

### **Use of Third Party Due Diligence Services in Taking the Rating**

#### **Action as Required by Paragraph (a)(1)(ii)(F) of Rule 17g-7**

As is customary for transactions in surveillance, S&P Global Ratings did not take into account a Form ABS Due Diligence-15E in connection with this rating action.

### **Use of Servicer or Remittance Reports to Conduct Surveillance**

#### **of the Credit Rating as Required by Paragraph (a)(1)(ii)(G) of**

#### **Rule 17g-7**

As may be required by its criteria or otherwise, S&P Global Ratings may request remittance or servicer reports for its surveillance to assist in the assessment of the performance of underlying collateral but did not, in this instance, request or receive such reports.

### **Types of Data Relied Upon for the Purpose of Determining the**

#### **Credit Rating as Required by Paragraph (a)(1)(ii)(H) of Rule**

#### **17g-7**

- Financial data of the issuer, including financial statement data, regulatory filings, and data on the issuer's liquidity position (such as its liquidity sources and uses).
- Credit agreements, offering memoranda, indentures, guarantee agreements, and other underlying legal documents associated with the issuer's borrowings and/or issued and proposed debt.

- Economic data, such as GDP, capacity utilization and industrial production, consumer spending trends, and national and local unemployment data.
- Industry/sector data, such as qualitative information on markets in which the issuer operates and, for utilities, the regulation of those markets, utility rate case data, and recovery mechanisms. Industry/sector data also include competitive advantages/disadvantages of industry players, market share, and supply and demand statistics.
- The issuer's organizational structure and/or support. This includes data regarding its ownership structure, its subsidiary structure, and any support from third parties.
- Information gathered by S&P Global Ratings in and from meetings with issuer management concerning the issuer's operations, business and financial strategies, and financial policies.
- Operating and financial data on peers rated by S&P Global Ratings, which is used to perform comparative analysis and the ranking of credit quality.
- Other ratings and assessments performed by S&P Global Ratings that are deemed relevant for the issuer, such as sovereign ratings and country risk assessments for where the issuer is domiciled and where it conducts business, as well as the rating on the issuer's parent, if any.
- The above describes the types of data that S&P Global Ratings relies on in rating a corporate entity, including utilities. To the extent this rating action extends to financial instruments issued or supported by the corporate entity, the types of data used when the financial instrument was first issued remain applicable. However, because the primary driver for the rating action is the rating on the associated corporate entity, we are referencing the types of data applicable to that rating.

**Overall Assessment of the Quality of Information Considered in  
Determining the Credit Rating as Required by Paragraph (a)(1)  
(ii)(I) of Rule 17g-7**

S&P Global Ratings believes that the information received and considered in determining this credit rating was of comparable quality to that received and considered in determining the credit ratings of similar obligors or obligations.

## Information Relating to Conflicts of Interest as Required by

### Paragraph (a)(1)(ii)(J) of Rule 17g-7

S&P Global Ratings was paid to determine the credit rating either by the rated entity, or by the issuer, underwriter, depositor, or sponsor of the obligation, being rated.

S&P Global Ratings was not paid for services other than determining credit ratings during the most recently ended fiscal year by the entity that paid it to determine the credit rating.

## Explanation or Measure of the Potential Volatility of the Credit

### Rating as Required by Paragraph (a)(1)(ii)(K) of Rule 17g-7

#### Debt Level

- An increase or decrease in debt levels could prompt us to lower or raise the rating. Generally, modest changes in debt levels do not alter the rating by more than one notch. However, multiple-notch rating changes can occur depending upon the significance of the increase or decrease of the debt level in relation to the amount of cash flow the company generates. This is often reflected by the ratio debt to EBITDA.
- A more or less aggressive financial policy of a company, in terms of dividend payouts, share buybacks, and acquisitions, or other corporate events or actions could result in weaker or stronger credit metrics and lead to a revision of the rating.

#### Interest Rates

- An increase or decrease in the issuer's interest rate levels could prompt us to lower or raise the rating. Generally, changes in interest rates do not lead to a rating change of more than one notch because these changes occur in small increments over time. In addition, the issuer may not have a need to borrow funds during a period of high interest rates. However, should higher interest rates lead to a breach of the issuer's financial covenants, this could result in a downgrade of several notches.

#### Currency Variations

- A weakening or strengthening currency could increase or decrease the dollar-denominated amount of a company's debt, which could weaken or strengthen credit ratios. A weakening in credit ratios could, in turn, lead to a downgrade if such a change in the exchange rate is unlikely to reverse quickly. A company's hedging strategy may ease or worsen

the impact of currency variations and would be factored into any action with respect to ratings.

### GDP

- An increase or decrease in GDP could prompt us to raise or lower the rating. Most changes in GDP do not result in a rating change of more than one notch because these changes occur in small increments over time.

### Commodity Prices

- An increase or decrease in commodity prices could prompt us to raise or lower the ratings on companies in certain industries that produce commodities, such as Oil & Gas, Agriculture, and Metals & Mining. Conversely, an increase or decrease in commodity prices could prompt us to lower or raise the ratings on companies in certain other industries that rely on commodities as inputs, such as those in the Transportation and Consumer Products industries. Generally, changes in commodity prices do not alter the rating by more than one notch. However, multiple-notch changes can occur, depending upon the significance of the increase or decrease in commodity prices.

### Ownership Structure/Support

- A change in our assumptions of the likelihood of government or parent support, based on our assessment of the strategic importance, role, and/or link to the supporting entity, could prompt us to change the rating accordingly. Changes in the likelihood of support from a government or parent do not generally result in a rating change of more than one notch. However, multiple-notch changes can occur, depending upon the significance of the increase or decrease of the likely support level.

### Unemployment Rates

- An increase or decrease in unemployment rates could prompt us to lower or raise the rating because this generally signals a weaker or stronger economy and affects most sectors' ability to produce goods and services. Most changes in unemployment rates do not result in a rating change of more than one notch because these changes occur in small increments over time. Unemployment is considered a lagging economic indicator.

### Consumer Spending

- An increase or decrease in consumer spending could prompt us to raise or lower the ratings, as it typically signals a stronger or weaker economy and affects demand in a variety of industry sectors, such as Consumer Products, Retail, Airlines, Autos, and Gaming/Lodging. Most changes in consumer spending do not result in a rating change of more than one notch because these changes occur in small increments over time.

## Financial Instruments

- The explanation of the factors that could affect ratings volatility outlined above describe S&P Global Ratings' approach to rating a corporate entity, including utilities. To the extent this rating action extends to financial instruments issued or supported by the corporate entity, the factors relevant when the financial instrument was first issued remain applicable. However, because the primary driver for the rating action is the rating on the associated corporate entity, we are referencing the factors applicable to that rating.

## Historical Performance of the Credit Rating as Required by

### Paragraph (a)(1)(ii)(L) of Rule 17g-7

+ Historical Performance of Credit Rating

The credit rating history table does not include those rating actions where the credit rating was affirmed.

An S&P Global Ratings' credit rating is an opinion about the relative creditworthiness of an entity or an instrument. S&P Global Ratings' credit ratings should not be viewed as assurances of credit quality or exact measures of the likelihood of default. Exhibit 1 of Form NRSRO provides information on S&P Global Ratings' credit rating definitions, including the meaning of default, and observed default rates in credit ratings performance measurement statistics.

Default Studies, Credit & Economic Trends  
([http://www.standardandpoors.com/en\\_US/web/guest/regulatory/form-nrsro](http://www.standardandpoors.com/en_US/web/guest/regulatory/form-nrsro))

## Sensitivity of the Credit Rating to Assumptions Made as

### Required by Paragraph (a)(1)(ii)(M) of Rule 17g-7

#### Prospective Debt Levels

- In the case of a 'BB' rated company with a prospective debt level that we analyzed would be 3.5x its EBITDA level, we would lower the rating to 'BB-' if, without accounting for any other factors, the assumed prospective debt level was analyzed to be 4.5x its EBITDA.

#### Profitability/Competitive Position

- When analyzing a company's competitive position, we assess such factors as its competitive advantage, operating efficiency,

scale/scope/diversity, and profitability. In the case of a 'BB' rated company with a "Satisfactory" preliminary Competitive Position due, in part, to above-average profitability and very low volatility of profitability, we would lower the rating to 'B+' if, without accounting for any other factors, the average level and volatility of profitability were analyzed to be average.

- A second example is for an 'A-' rated utility with a strong preliminary competitive position that is involved in an outstanding rate case that we analyzed would be decided in line with average authorized returns and cost recovery precedents. If instead, the rate decision sharply reduced the approved revenue requirement and was based on significantly different costs and recovery mechanisms, the rating would, without accounting for any other factor, be 'BBB'.

#### **Impact of Ownership Structure, Support, or Intervention**

- In the case of a company whose rating was equalized with its parent because we analyzed it to be "Core," we could, without accounting for any other factors, lower the rating one notch if we, instead, analyzed the company to be "Highly Strategic." If the company is a government-related entity, changes in the likelihood of support from a government or parent do not generally result in a rating change of more than one notch. However, multiple-notch rating changes can occur depending upon the significance of the increase or decrease of the likely support level.

#### **Economic Growth Assumptions**

- In the case of a 'BB+' rated company that operates in a country where we analyzed the Country Risk to be of "moderately high risk" and was underpinned by assumed solid economic growth prospects, we would lower the rating to 'BB' if we, instead, analyzed the country risk to be of "high risk" (due to weaker growth prospects and political turmoil), without accounting for any other factors.

#### **Liquidity**

- In the case of a 'BB' rated company that we analyzed as having "Adequate" liquidity, we would lower the rating one notch if, instead, we analyzed that the company had "Less than Adequate" liquidity, without accounting for any other factors.

#### **Financial Instruments**

- The above information on the sensitivity of the credit rating to assumptions describes S&P Global Ratings' approach to rating a corporate entity, including utilities. To the extent this rating action extends to financial instruments issued or supported by the corporate entity, the assumptions used when the financial instrument was first issued remain applicable. However, because the primary driver for the rating action is the rating on the associated corporate entity, we are referencing the assumptions applicable to that rating.

## The Representations, Warranties, and Enforcement

### Mechanisms of an Asset-backed Security as Required by

#### Paragraph (a)(1)(ii)(N) of Rule 17g-7

The Report of Representations, Warranties, and Enforcement Mechanisms is not required by regulation.

#### Attestation as Required by 17g-7 (a)(1)(iii)

I, Michael Pastrich, have responsibility for this Rating Action and to the best of my knowledge:

- (A) No part of the credit rating was influenced by any other business activities.
- (B) The credit rating was based solely upon the merits of the obligor, security, or money market instrument being rated.
- (C) The credit rating was an independent evaluation of the credit risk of the obligor, security, or money market instrument.

AND

I, Gerrit Jepsen, have responsibility for this Rating Action and to the best of my knowledge:

- (A) No part of the credit rating was influenced by any other business activities.
- (B) The credit rating was based solely upon the merits of the obligor, security, or money market instrument being rated.
- (C) The credit rating was an independent evaluation of the credit risk of the obligor, security, or money market instrument.

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# Ratings

## (/en\_US/web/guest/home) CenterPoint Energy Houston Electric LLC Regulatory Disclosure

Rating Type: Local Currency LT

Publication Date: 19-Aug-2016 13:11 EDT

### Symbol, Number, or Score in the Rating Scale Used to Denote

### Credit Rating Categories and Notches as Required by

### Paragraph (a)(1)(ii)(A)of Rule 17g-7

Rating Information				
Rating	Rating Date	Regulatory Identifiers	CreditWatch/Outlook	CreditWatch/Outlook Date
A-	02-May-2013	EE	Developing	19-Aug-2016

### Procedure or Methodology Used to Determine the Credit Rating

### as required by Paragraph (a)(1)(ii)(B)of Rule 17g-7

The following criteria were used in determining this credit rating:

Criteria | Corporates | General: Methodology And Assumptions: Liquidity

Descriptors For Global Corporate Issuers

(/en\_US/web/guest/article/-/view/sourceld/8956570)



# Ratings

(/en\_US/web/guest/home)  
**Consolidated Edison Co. of New York Inc. Regulatory Disclosure**

Rating Type: Local Currency LT

Publication Date: 26-Jan-2017 11:44 EST

**Symbol, Number, or Score in the Rating Scale Used to Denote**

**Credit Rating Categories and Notches as Required by**

**Paragraph (a)(1)(ii)(A)of Rule 17g-7**

<b>Rating Information</b>				
<b>Rating</b>	<b>Rating Date</b>	<b>Regulatory Identifiers</b>	<b>CreditWatch/Outlook</b>	<b>CreditWatch/Outlook Date</b>
A-	25-Mar-2008	EE	Stable	26-Jan-2017

**Procedure or Methodology Used to Determine the Credit Rating**

**as required by Paragraph (a)(1)(ii)(B)of Rule 17g-7**

The following criteria were used in determining this credit rating:

Criteria | Corporates | General: Methodology And Assumptions: Liquidity

Descriptors For Global Corporate Issuers

(/en\_US/web/guest/article/-/view/sourceld/8956570)

Criteria | Corporates | Utilities: Key Credit Factors For The Regulated

Utilities Industry (/en\_US/web/guest/article/-/view/sourceld/8339577)



# Ratings

## (/en\_US/web/guest/home) DTE Energy Co. Regulatory Disclosure

Rating Type: Local Currency LT

Publication Date: 28-Nov-2016 15:12 EST

### Symbol, Number, or Score in the Rating Scale Used to Denote

### Credit Rating Categories and Notches as Required by

### Paragraph (a)(1)(ii)(A)of Rule 17g-7

Rating Information				
Rating	Rating Date	Regulatory Identifiers	CreditWatch/Outlook	CreditWatch/Outlook Date
BBB+	09-Dec-2010	EE	Stable	21-Aug-2015

### Procedure or Methodology Used to Determine the Credit Rating

### as required by Paragraph (a)(1)(ii)(B)of Rule 17g-7

The following criteria were used in determining this credit rating:

Criteria | Corporates | General: Methodology And Assumptions: Liquidity

Descriptors For Global Corporate Issuers

(/en\_US/web/guest/article/-/view/sourceId/8956570)

Criteria | Corporates | Utilities: Key Credit Factors For The Regulated

Utilities Industry (/en\_US/web/guest/article/-/view/sourceId/8339577)

# S&P Global

## Ratings

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👤 David Habr ▾



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## Duke Energy Corp.

Issuer Credit Rating



# Ratings

## (/en\_US/web/guest/home) Edison International Regulatory Disclosure

Rating Type: Local Currency LT  
Publication Date: 04-May-2016 12:46 EDT

### Symbol, Number, or Score in the Rating Scale Used to Denote

### Credit Rating Categories and Notches as Required by

#### Paragraph (a)(1)(ii)(A)of Rule 17g-7

Rating Information				
Rating	Rating Date	Regulatory Identifiers	CreditWatch/ Outlook	CreditWatch/ Outlook Date
BBB+	08-Apr-2014	EE	Stable	08-Apr-2014

### Procedure or Methodology Used to Determine the Credit Rating

#### as required by Paragraph (a)(1)(ii)(B)of Rule 17g-7

The following criteria were used in determining this credit rating:

General Criteria: Methodology: Management And Governance Credit

Factors For Corporate Entities And Insurers

(/en\_US/web/guest/article/-/view/sourceId/7629699)

Criteria | Corporates | Utilities: Collateral Coverage And Issue Notching

Rules For '1+' And '1' Recovery Ratings On Senior Bonds Secured By



# Ratings

## (/en\_US/web/guest/home) Eversource Energy Regulatory Disclosure

Rating Type: Local Currency LT

Publication Date: 12-Jul-2016 18:27 EDT

### Symbol, Number, or Score in the Rating Scale Used to Denote

### Credit Rating Categories and Notches as Required by

### Paragraph (a)(1)(ii)(A)of Rule 17g-7

Rating Information				
Rating	Rating Date	Regulatory Identifiers	CreditWatch/Outlook	CreditWatch/Outlook Date
A	23-Apr-2015	EE	Positive	12-Jul-2016

### Procedure or Methodology Used to Determine the Credit Rating

### as required by Paragraph (a)(1)(ii)(B)of Rule 17g-7

The following criteria were used in determining this credit rating:

General Criteria: Use Of CreditWatch And Outlooks

(/en\_US/web/guest/article/-/view/sourceld/5612636)

General Criteria: Country Risk Assessment Methodology And

Assumptions (/en\_US/web/guest/article/-/view/sourceld/8313032)



# Ratings

## (/en\_US/web/guest/home) NextEra Energy Inc. Regulatory Disclosure

Rating Type: Local Currency LT  
Publication Date: 02-Aug-2016 18:01 EDT

### Symbol, Number, or Score in the Rating Scale Used to Denote

### Credit Rating Categories and Notches as Required by

#### Paragraph (a)(1)(ii)(A)of Rule 17g-7

Rating Information				
Rating	Rating Date	Regulatory Identifiers	CreditWatch/ Outlook	CreditWatch/ Outlook Date
A-	11-Mar-2010	EE	Stable	11-Mar-2010

### Procedure or Methodology Used to Determine the Credit Rating

#### as required by Paragraph (a)(1)(ii)(B)of Rule 17g-7

The following criteria were used in determining this credit rating:

Criteria | Corporates | General: Methodology And Assumptions: Liquidity  
Descriptors For Global Corporate Issuers  
(/en\_US/web/guest/article/-/view/sourceld/8956570)

Criteria | Corporates | Industrials: Key Credit Factors For The Unregulated  
Power And Gas Industry  
(/en\_US/web/guest/article/-/view/sourceld/8531010)



# Ratings

## (/en\_US/web/guest/home) NorthWestern Corp. Regulatory Disclosure

Rating Type: Local Currency LT

Publication Date: 03-Feb-2017 11:59 EST

### Symbol, Number, or Score in the Rating Scale Used to Denote

### Credit Rating Categories and Notches as Required by

### Paragraph (a)(1)(ii)(A)of Rule 17g-7

Rating Information				
Rating	Rating Date	Regulatory Identifiers	CreditWatch/ Outlook	CreditWatch/ Outlook Date
BBB	14-Mar-2008	EE	Stable	14-Mar-2008

### Procedure or Methodology Used to Determine the Credit Rating

### as required by Paragraph (a)(1)(ii)(B)of Rule 17g-7

The following criteria were used in determining this credit rating:

Criteria | Corporates | Utilities: Key Credit Factors For The Regulated Utilities Industry (/en\_US/web/guest/article/-/view/sourceld/8339577)

Criteria | Corporates | Utilities: Notching Of U.S. Investment-Grade Investor-Owned Utility Unsecured Debt Now Better Reflects Anticipated Absolute Recovery (/en\_US/web/guest/article/-/view/sourceld/5086960)



# Ratings

## (/en\_US/web/guest/home) **OGE Energy Corp. Regulatory Disclosure**

Rating Type: Local Currency LT  
Publication Date: 25-Aug-2016 12:51 EDT

### **Symbol, Number, or Score in the Rating Scale Used to Denote**

### **Credit Rating Categories and Notches as Required by**

### **Paragraph (a)(1)(ii)(A)of Rule 17g-7**

<b>Rating Information</b>				
<b>Rating</b>	<b>Rating Date</b>	<b>Regulatory Identifiers</b>	<b>CreditWatch/Outlook</b>	<b>CreditWatch/Outlook Date</b>
A-	02-May-2013	EE	Stable	02-May-2013

### **Procedure or Methodology Used to Determine the Credit Rating**

### **as required by Paragraph (a)(1)(ii)(B)of Rule 17g-7**

The following criteria were used in determining this credit rating:

General Criteria: Methodology For Linking Short-Term And Long-Term

Ratings For Corporate, Insurance, And Sovereign Issuers

(/en\_US/web/guest/article/-/view/sourceld/7905381)

Criteria | Corporates | General: Methodology And Assumptions: Liquidity

Descriptors For Global Corporate Issuers

(/en\_US/web/guest/article/-/view/sourceld/8956570)



# Ratings

## (/en\_US/web/guest/home) **Pinnacle West Capital Corp.** **Regulatory Disclosure**

Rating Type: Local Currency LT

Publication Date: 14-Sep-2016 15:36 EDT

**Symbol, Number, or Score in the Rating Scale Used to Denote**

**Credit Rating Categories and Notches as Required by**

**Paragraph (a)(1)(ii)(A)of Rule 17g-7**

<b>Rating Information</b>				
<b>Rating</b>	<b>Rating Date</b>	<b>Regulatory Identifiers</b>	<b>CreditWatch/Outlook</b>	<b>CreditWatch/Outlook Date</b>
A-	04-Dec-2013	EE	Stable	04-Dec-2013

**Procedure or Methodology Used to Determine the Credit Rating**

**as required by Paragraph (a)(1)(ii)(B)of Rule 17g-7**

The following criteria were used in determining this credit rating:

General Criteria: Methodology For Linking Short-Term And Long-Term

Ratings For Corporate, Insurance, And Sovereign Issuers

(/en\_US/web/guest/article/-/view/sourceld/7905381)

Criteria | Corporates | General: 2008 Corporate Criteria: Rating Each

Issue (/en\_US/web/guest/article/-/view/sourceld/5446228)



# Ratings

## (/en\_US/web/guest/home) Portland General Electric Co. Regulatory Disclosure

Rating Type: Local Currency LT

Publication Date: 22-Jul-2016 15:44 EDT

**Symbol, Number, or Score in the Rating Scale Used to Denote**

**Credit Rating Categories and Notches as Required by**

**Paragraph (a)(1)(ii)(A)of Rule 17g-7**

Rating Information				
Rating	Rating Date	Regulatory Identifiers	CreditWatch/Outlook	CreditWatch/Outlook Date
BBB	29-Jan-2010	EE	Stable	29-Jan-2010

**Procedure or Methodology Used to Determine the Credit Rating**

**as required by Paragraph (a)(1)(ii)(B)of Rule 17g-7**

The following criteria were used in determining this credit rating:

Criteria | Corporates | General: Methodology And Assumptions: Liquidity  
Descriptors For Global Corporate Issuers  
(/en\_US/web/guest/article/-/view/sourceId/8956570)

Criteria | Corporates | Utilities: Key Credit Factors For The Regulated  
Utilities Industry (/en\_US/web/guest/article/-/view/sourceId/8339577)



# Ratings

## (/en\_US/web/guest/home) **PPL Corp. Regulatory Disclosure**

Rating Type: Local Currency LT

Publication Date: 22-Sep-2016 16:00 EDT

### **Symbol, Number, or Score in the Rating Scale Used to Denote**

### **Credit Rating Categories and Notches as Required by**

### **Paragraph (a)(1)(ii)(A)of Rule 17g-7**

<b>Rating Information</b>				
<b>Rating</b>	<b>Rating Date</b>	<b>Regulatory Identifiers</b>	<b>CreditWatch/Outlook</b>	<b>CreditWatch/Outlook Date</b>
A-	01-Jun-2015 EE		Stable	01-Jun-2015

### **Procedure or Methodology Used to Determine the Credit Rating**

### **as required by Paragraph (a)(1)(ii)(B)of Rule 17g-7**

The following criteria were used in determining this credit rating:

Criteria | Corporates | General: Methodology And Assumptions: Liquidity

Descriptors For Global Corporate Issuers

(/en\_US/web/guest/article/-/view/sourcedId/8956570)

Criteria | Corporates | Utilities: Key Credit Factors For The Regulated

Utilities Industry (/en\_US/web/guest/article/-/view/sourcedId/8339577)

Criteria | Corporates | General: Corporate Methodology: Ratios And

Adjustments (/en\_US/web/guest/article/-/view/sourcedId/8330212)



# Ratings

## (/en\_US/web/guest/home) **Southern Co. Regulatory Disclosure**

Rating Type: Local Currency LT

Publication Date: 10-Jan-2017 16:21 EST

### **Symbol, Number, or Score in the Rating Scale Used to Denote**

### **Credit Rating Categories and Notches as Required by**

### **Paragraph (a)(1)(ii)(A)of Rule 17g-7**

<b>Rating Information</b>				
<b>Rating</b>	<b>Rating Date</b>	<b>Regulatory Identifiers</b>	<b>CreditWatch/Outlook</b>	<b>CreditWatch/Outlook Date</b>
A-	17-Aug-2015	EE	Stable	10-Jan-2017

### **Procedure or Methodology Used to Determine the Credit Rating**

### **as required by Paragraph (a)(1)(ii)(B)of Rule 17g-7**

The following criteria were used in determining this credit rating:

Criteria | Corporates | General: Methodology And Assumptions: Liquidity

Descriptors For Global Corporate Issuers

(/en\_US/web/guest/article/-/view/sourceld/8956570)

Criteria | Corporates | Utilities: Key Credit Factors For The Regulated

Utilities Industry (/en\_US/web/guest/article/-/view/sourceld/8339577)



# Ratings

## (/en\_US/web/guest/home) Vectren Corp. Regulatory Disclosure

Rating Type: Local Currency LT

Publication Date: 21-Jul-2016 15:53 EDT

**Symbol, Number, or Score in the Rating Scale Used to Denote**

**Credit Rating Categories and Notches as Required by**

**Paragraph (a)(1)(ii)(A)of Rule 17g-7**

Rating Information				
Rating	Rating Date	Regulatory Identifiers	CreditWatch/ Outlook	CreditWatch/ Outlook Date
A-	12-Oct-2001	EE	Stable	26-Jan-2005

**Procedure or Methodology Used to Determine the Credit Rating**

**as required by Paragraph (a)(1)(ii)(B)of Rule 17g-7**

The following criteria were used in determining this credit rating:

General Criteria: Use Of CreditWatch And Outlooks

(/en\_US/web/guest/article/-/view/sourceld/5612636)

Criteria | Corporates | General: Methodology And Assumptions: Liquidity  
Descriptors For Global Corporate Issuers

(/en\_US/web/guest/article/-/view/sourceld/8956570)



# Ratings

## (/en\_US/web/guest/home) WEC Energy Group Inc. Regulatory Disclosure

Rating Type: Local Currency LT

Publication Date: 26-Jan-2017 09:57 EST

### Symbol, Number, or Score in the Rating Scale Used to Denote

### Credit Rating Categories and Notches as Required by

#### Paragraph (a)(1)(ii)(A)of Rule 17g-7

Rating Information				
Rating	Rating Date	Regulatory Identifiers	CreditWatch/Outlook	CreditWatch/Outlook Date
A-	27-Jun-2011	EE	Stable	29-Jun-2015

### Procedure or Methodology Used to Determine the Credit Rating

#### as required by Paragraph (a)(1)(ii)(B)of Rule 17g-7

The following criteria were used in determining this credit rating:

General Criteria: Use Of CreditWatch And Outlooks

(/en\_US/web/guest/article/-/view/sourceld/5612636)

General Criteria: Methodology: Industry Risk

(/en\_US/web/guest/article/-/view/sourceld/8304862)

Criteria | Insurance | General: Hybrid Capital Handbook: September 2008

Edition (/en\_US/web/guest/article/-/view/sourceld/5002701)



# Ratings

## (/en\_US/web/guest/home) Xcel Energy Inc. Regulatory Disclosure

Rating Type: Local Currency LT  
Publication Date: 13-May-2016 13:48 EDT

### Symbol, Number, or Score in the Rating Scale Used to Denote

### Credit Rating Categories and Notches as Required by

### Paragraph (a)(1)(ii)(A)of Rule 17g-7

Rating Information				
Rating	Rating Date	Regulatory Identifiers	CreditWatch/Outlook	CreditWatch/Outlook Date
A-	23-Jun-2010 EE		Stable	23-Jun-2010

### Procedure or Methodology Used to Determine the Credit Rating

### as required by Paragraph (a)(1)(ii)(B)of Rule 17g-7

The following criteria were used in determining this credit rating:

General Criteria: Use Of CreditWatch And Outlooks

(/en\_US/web/guest/article/-/view/sourceld/5612636)

General Criteria: Country Risk Assessment Methodology And

Assumptions (/en\_US/web/guest/article/-/view/sourceld/8313032)

General Criteria: Methodology: Industry Risk

(/en\_US/web/guest/article/-/view/sourceld/8304862)