

High Grade Utilities & Power

The Investment Grid – Weekly Recap

Industry Overview

IG Utilities relative performance

The IG Utility Index underperformed the broader IG market for the week ending February 16, 2024, returning -0.59% vs. -0.45% for the ICE BofA US IG Index. On average, OpCo and HoldCo spreads tightened by 2 bps each.

This week's best and worst performers

The best performing OpCo bonds this week were Tucson Electric Power Co. 3.05% senior notes due '25, Arizona Public Service Co. 5.50% senior notes due '35, and Public Service Co. of Colorado 4.75% secured notes due '41. The worst performing OpCo bonds this week were Alabama Power Co. 5.20% senior notes due '41, Southern California Edison Co. 5.35% secured notes due '35, and Evergy Kansas Central 3.10% secured notes due '27.

The best performing HoldCo bonds this week were AES Corp. 3.95% secured notes due '30, National Fuel Gas Co. 5.50% senior notes due '26, and CMS Energy 3.00% senior notes due '26. The worst performing HoldCo bonds this week were Edison International 4.95% senior notes due '25, Southern Co. 3.75% junior subordinated notes due '26, and American Electric Power Co. 3.875% junior subordinated notes due '27.

New Issuance

DTE Energy was the only issuer this week which came to market for \$1,200 Mn in unsecured notes. Utilities have issued ~\$21 Bn of bonds YTD.

20 February 2024

High Grade Credit
United States
Electric Utilities

Table of Contents

Top headlines, week ending February 16, 2024	2
Utilities vs. IG Index: Performance for week ending February 16, 2024	5
OpCos: Top-10 bond leaders and laggards, week ending February 16, 2024	6
HoldCos: Top-10 bond leaders and laggards, week ending February 16, 2024	7
OpCos: Top-10 bond leaders and laggards YTD	8
HoldCos: Top-10 bond leaders and laggards YTD	9
Average spreads by maturity and rating	10
New utility bond issuance QTD	12
New utility bond issuance YTD vs. historical	13

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Top headlines, week ending February 16, 2024

Constellation Energy files renewal application for Clinton Clean Energy Center

On Feb 15, Constellation Energy announced that it has filed a license renewal application with the Nuclear Regulatory Commission (NRC) for its Clinton Clean Energy Center. The current license is set to expire in April of 2027. If renewed, the facility will continue to provide electricity through 2047.

Southern Company announces Vogtle Unit 4 has reached initial criticality

On Feb 14, Southern Company announced that its Vogtle Unit 4 nuclear plant has reached initial criticality – a step during the initial testing sequence demonstrating that a nuclear reaction has been safely started. The in-service date for Unit 4 is expected during 2Q24.

Eversource announces definitive agreement to sell its 50% ownership interest in South Fork Wind and Revolution Wind to Global Infrastructure Partners

On Feb 13, ES announced that it will sell its remaining offshore wind portfolio to Global Infrastructure Partners (GIP) for \$1.1 Bn. Of note, ES will retain equal cost sharing obligations with GIP for up to \$240 million of overruns related to the construction of Revolution Wind. Capital expenditures in excess of that amount will be borne solely by Eversource. COD of Revolution Wind is expected in 2025. The transaction itself is expected to close in mid-2024 and proceeds may be adjusted based on the final construction costs and updated project economics following COD. ES will use proceeds to repay parent debt.

American Electric Power reaches agreement with Icahn Capital to appoint two new directors

On Feb 12, AEP announced that it has entered into an agreement with Icahn Capital under which Hunter C. Gray, a managing director at Icahn Enterprises, and Henry Linginfelter, a retired EVP of Southern Company Gas, will join AEP's Board of Directors, effective immediately.

4Q Earnings Highlights

- **Southern Company (SO)** reported 4Q23 Adj. EPS of \$0.64, \$0.04 higher than Consensus of \$0.60 and up \$0.38 vs. 4Q22 of \$0.26. Sees FY24 Adj. EPS of \$3.95-4.05 (\$4.01 Cons.) which assumes Vogtle Unit 4 is in service by April 2024. Highlighted long-term expected Adj. EPS growth rate of 5-7% supported by rate base growth of 6%. Announced increase to 5-year capital plan from \$43 Bn to \$48 Bn. FY24 financing plans include: \$300 Mn at APCo, \$2 Bn at GPCo, \$250 Mn at MSPCo, \$300 Mn at SPCo, \$400 Mn at SCGC, \$325 Mn at Nicor Gas, and \$3 Bn at HoldCo. In addition, expect to issue \$1.1 Bn of equity through 2026 via ATM program to finance capital plan.

Not covered

- **Alliant Energy (LNT)** reported 4Q23 Adj. EPS of \$0.48, \$0.07 lower than Consensus of \$0.55 and up \$0.02 vs. 4Q22 of \$0.46. Affirmed FY24 Adj. EPS guidance in the range of \$2.99-3.13 (\$3.07 Cons.) and EPS growth rate of 5-7%. 2024 financing plans include up to \$700 Mn at HoldCo, up to \$700 Mn at IPL, and up to \$300 Mn at WPL. Capital plan includes no equity beyond \$25 Mn DRIP. LNT also anticipates approximately \$120 Mn in proceeds from the sale of its partial interest in West Riverside in 1H24. Expects >\$200 Mn in tax credits to be generated in 2024 that company intends to transfer as permissible under IRA.
- **Consolidated Edison (ED)** reported 4Q23 Adj. EPS of \$1.00, \$0.03 higher than Consensus of \$0.97 and up \$0.19 vs. 4Q22 of \$0.81. Introduced FY24 Adj. EPS guidance in the range of \$5.20-5.40 (\$5.30 Cons.) and expects to achieve a long-term Adj. EPS growth rate of 5-7%. Anticipates \$4.8 Bn in capex in 2024. Financing plans include up to \$3.3 Bn in debt in 2024, \$1 Bn in 2025 and up to \$6 Bn between 2026-2028. Additionally, company plans to issue up to \$1.3 Bn of equity in 2025 and \$2.8 Bn between 2026-2028.
- **Eversource Energy (ES)** reported 4Q23 Adj. EPS of \$0.95, \$0.03 lower than Consensus of \$0.98 and up \$0.03 vs. 4Q22 of \$0.92. Introduced FY24 Adj. EPS guidance in the range of \$4.50-4.67 (\$4.49 Cons.) including an earnings growth rate of 5-7% through 2028. Announced that it has fully exited its offshore wind business following a sale of its 50% stake in Revolution Wind to Global Infrastructure Partners (GIP) for \$1.1 Bn. ES will continue to hold its existing tax equity position in South Fork Wind. Additionally, ES announced that it could look to sell its water distribution business to reduce equity needs and improve regulatory diversity.
- **NorthWestern Energy Corp (NWE)** reported 4Q23 Adj. EPS of \$1.38, \$0.21 higher than Consensus of \$1.17 and up \$0.25 vs. 4Q22 of \$1.13. Reaffirmed FY24 Adj. EPS guidance in the range of \$3.42-3.62 (\$3.51 Cons.) and long-term earnings growth rate of 4-6%. Initiated \$2.5 Bn 5-year capital plan, with \$500mn of capex expected this year; no equity is expected to fund plan. FY24 financing plan includes \$250mn of debt. Company is targeting FFO/Debt > 14% at year-end and will continue to grow dividend until company reaches 60-70% payout ratio.
- **PPL Corporation (PPL)** reported 4Q23 Adj. EPS of \$0.40, \$0.02 higher than Consensus of \$0.38 and up \$0.12 vs. 4Q22 of \$0.28. Introduced FY24 Adj. EPS guidance in the range of \$1.63-1.75 (\$1.70 Cons.) and an expected EPS annual growth rate of 6-8%. Increased capital plan through 2027 to \$14.3 Bn from \$11.9 Bn. Projecting 16-18% FFO/Debt with no equity needs through at least 2027. Noted



that company expected to soon do first debt issuance at Rhode Island Energy since acquisition.

- **Idacorp (IDA)** reported 4Q23 Adj. EPS of \$0.61, \$0.01 higher than Consensus of \$0.60 and down \$0.22 vs. 4Q22 of \$0.83. Initiated FY24 EPS guidance in the range of \$5.25-5.45 (\$5.46 Cons.), with the expectation that Idaho Power will use between \$35 and \$60 Mn of additional tax credits available under the Idaho earnings support regulatory mechanism in 2024.

Utilities vs. IG Index: Performance for week ending February 16, 2024

Exhibit 1: Utilities vs. IG Index

Utilities returned -0.59% vs. -0.45% for the IG Index

Sector	Total Return % 1-wk	Rank	Total Return % YTD	Rank
Banking	-0.22%	1	-0.50%	3
Automotive	-0.25%	2	-0.39%	2
Leisure	-0.29%	3	-0.37%	1
Financial Services	-0.31%	4	-0.74%	4
Real Estate	-0.39%	5	-1.08%	5
Energy	-0.40%	6	-1.56%	7
Basic Industry	-0.42%	7	-1.64%	8
Insurance	-0.52%	8	-1.24%	6
Capital Goods	-0.54%	9	-1.97%	11
Services	-0.57%	10	-1.92%	9
Consumer Goods	-0.57%	11	-2.10%	12
Technology & Electronics	-0.57%	11	-2.19%	13
Healthcare	-0.57%	13	-2.36%	16
Media	-0.58%	14	-2.53%	18
Utility	-0.59%	15	-1.94%	10
Retail	-0.61%	16	-2.29%	15
Telecommunications	-0.63%	17	-2.27%	14
Transportation	-0.70%	18	-2.52%	17
IG Index	-0.45%		-1.54%	

Source: ICE Data Indices, LLC

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OpCos: Top-10 bond leaders and laggards, week ending February 16, 2024

Leaders

Exhibit 2: OpCo Leaders

Tucson Electric Power Co. 3.05% senior notes were the best performing OpCo bonds this week

Rank	Ticker	Company	Bond	Maturity	Rating	STW	1-Wk Δ STW
1	FTSCN	Tucson Electric Power Company	3.050% Senior due 2025	3/15/25	A3	-11	(66)
2	PNW	Arizona Public Service Company	5.500% Senior due 2035	9/1/35	A3	134	(22)
3	XEL	Public Service Company of Colorado	4.750% Secured due 2041	8/15/41	A1	121	(21)
4	EXC	Delmarva Power & Light Company	4.000% Secured due 2042	6/1/42	A2	126	(20)
5	NGGLN	The Brooklyn Union Gas Company	3.407% Senior due 2026	3/10/26	BBB1	116	(20)
6	ETR	Entergy Louisiana LLC	3.120% Secured due 2027	9/1/27	A2	61	(18)
7	NGGLN	Massachusetts Electric Company	1.729% Senior due 2030	11/24/30	BBB1	137	(18)
8	AEP	AEP Texas Central Company	6.650% Senior due 2033	2/15/33	BBB1	147	(17)
9	ETR	Entergy Louisiana LLC	2.400% Secured due 2026	10/1/26	A2	60	(17)
10	CNL	Cleco Power LLC	6.000% Senior due 2040	12/1/40	BBB1	156	(16)

Source: ICE Data Indices, LLC

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Laggards

Exhibit 3: OpCo Laggards

Alabama Power Co. 5.20% senior notes were the worst performing OpCo bonds this week

Rank	Ticker	Company	Bond	Maturity	Rating	STW	1-Wk Δ STW
1	SO	Alabama Power Company	5.200% Senior due 2041	6/1/41	A2	102	19
2	EIX	Southern California Edison Company	5.350% Secured due 2035	7/15/35	A3	129	12
3	EVRG	Evergy Kansas Central Inc.	3.100% Secured due 2027	4/1/27	A2	72	12
4	OGE	Oklahoma Gas and Electric Company	4.550% Senior due 2044	3/15/44	A3	126	10
5	EIX	Southern California Edison Company	5.500% Secured due 2040	3/15/40	A3	122	9
6	NGGLN	Niagara Mohawk Power Corporation	5.783% Senior due 2052	9/16/52	BBB1	137	9
7	PNM	Public Service Company of New Mexico	3.850% Senior due 2025	8/1/25	BBB2	109	9
8	AEP	Public Service Company of Oklahoma	6.625% Senior due 2037	11/15/37	A3	150	8
9	EVRG	Evergy Kansas Central Inc.	3.250% Secured due 2025	12/1/25	A2	74	8
10	PPL	PPL Electric Utilities Corporation	5.200% Secured due 2041	7/15/41	A1	129	8

Source: ICE Data Indices, LLC

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HoldCos: Top-10 bond leaders and laggards, week ending February 16, 2024

Leaders

Exhibit 4: HoldCo Leaders

AES Corp. 3.95% secured notes were the best performing HoldCo bonds this week

Rank	Ticker	Company	Bond	Maturity	Rating	STW	1-Wk Δ STW
1	AES	The AES Corporation	3.950% Secured due 2030	7/15/30	BBB3	135	(23)
2	NFG	National Fuel Gas Company	5.500% Senior due 2026	1/15/26	BBB3	87	(16)
3	CMS	CMS Energy Corporation	3.000% Senior due 2026	5/15/26	BBB2	64	(15)
4	NEE	NextEra Energy Capital Holdings Inc	5.650% Junior subordinated due 2029	5/1/29	BBB2	235	(15)
5	NI	NiSource Inc.	.950% Senior due 2025	8/15/25	BBB2	58	(15)
6	BKH	Black Hills Corporation	3.150% Senior due 2027	1/15/27	BBB1	68	(14)
7	DQE	Duquesne Light Holdings Inc.	3.616% Senior due 2027	8/1/27	BBB3	139	(14)
8	WEC	WEC Energy Group Inc.	5.150% Senior due 2027	10/1/27	BBB1	60	(14)
9	EMACN	Emera US Finance LP	3.550% Senior due 2026	6/15/26	BBB3	86	(13)
10	ES	Eversource Energy	4.750% Senior due 2026	5/15/26	BBB2	63	(13)

Source: ICE Data Indices, LLC

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Laggards

Exhibit 5: HoldCo Laggards

Edison International 4.950% senior notes were the worst performing HoldCo bonds this week

Rank	Ticker	Company	Bond	Maturity	Rating	STW	1-Wk Δ STW
1	EIX	Edison International	4.950% Senior due 2025	4/15/25	BBB2	105	31
2	SO	Southern Co.	3.750% Junior subordinated due 2026	9/15/26	BBB3	219	13
3	AEP	American Electric Power Co Inc.	3.875% Junior subordinated due 2027	2/15/27	BBB3	273	9
4	DUK	Duke Energy Corp	3.250% Junior subordinated due 2026	10/15/26	BBB3	273	8
5	OGLETH	Oglethorpe Power Corporation Membership	6.191% Secured due 2031	1/1/31	A2	200	8
6	CMS	CMS Energy Corporation	3.750% Junior subordinated due 2030	12/1/30	BBB3	271	7
7	AES	The AES Corporation	3.300% Secured due 2025	7/15/25	BBB3	117	6
8	EMACN	Emera US Finance LP	4.750% Senior due 2046	6/15/46	BBB3	182	6
9	NFG	National Fuel Gas Company	5.500% Senior due 2026	10/1/26	BBB3	105	6
10	SRE	Sempra	4.125% Junior subordinated due 2027	4/1/27	BBB3	276	6

Source: ICE Data Indices, LLC

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OpCos: Top-10 bond leaders and laggards YTD

Leaders

Exhibit 6: OpCo Leaders, YTD

Tucson Electric Power Co. 3.05% senior notes are the best performing OpCo bonds YTD

Rank	Ticker	Company	Bond	Maturity	Rating	STW	Δ STW YTD
1	FTSCN	Tucson Electric Power Company	3.050% Senior due 2025	3/15/25	A3	-11	(72)
2	PCG	Pacific Gas and Electric Company	3.450% Secured due 2025	7/1/25	BBB3	80	(43)
3	CNL	Cleco Power LLC	6.000% Senior due 2040	12/1/40	BBB1	156	(40)
4	FE	Metropolitan Edison Company	4.000% Senior due 2025	4/15/25	BBB1	100	(37)
5	PCG	Pacific Gas and Electric Company	3.300% Senior due 2027	3/15/27	BBB3	114	(37)
6	AEP	Southwestern Electric Power Company	2.750% Senior due 2026	10/1/26	BBB1	61	(37)
7	ETR	Entergy Louisiana LLC	4.950% Secured due 2045	1/15/45	A2	106	(36)
8	PCG	Pacific Gas and Electric Company	3.500% Senior due 2025	6/15/25	BBB3	91	(35)
9	AEP	Appalachian Power Company	6.700% Senior due 2037	8/15/37	A3	137	(34)
10	PCG	Pacific Gas and Electric Company	4.000% Senior due 2046	12/1/46	BBB3	164	(33)

Source: ICE Data Indices, LLC

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Laggards

Exhibit 7: OpCo Laggards, YTD

Kentucky Utilities Co. 3.30% secured notes are the worst performing OpCo bonds YTD

Rank	Ticker	Company	Bond	Maturity	Rating	STW	Δ STW YTD
1	PPL	Kentucky Utilities Company	3.300% Secured due 2025	10/1/25	A2	74	32
2	EIX	Southern California Edison Company	6.000% Secured due 2034	1/15/34	A3	116	27
3	EIX	Southern California Edison Company	5.350% Secured due 2035	7/15/35	A3	129	25
4	NGGLN	Boston Gas Company	3.150% Senior due 2027	8/1/27	BBB1	119	18
5	SRE	San Diego Gas & Electric Company	6.125% Secured due 2037	9/15/37	A2	165	15
6	CMS	Consumers Energy Company	3.250% Secured due 2046	8/15/46	A1	71	14
7	ES	NSTAR Electric Company	2.700% Senior due 2026	6/1/26	A2	82	13
8	PPL	Louisville Gas and Electric Company	3.300% Secured due 2025	10/1/25	A2	48	12
9	BRKHEC	Sierra Pacific Power Company	6.750% Secured due 2037	7/1/37	A2	171	11
10	EIX	Southern California Edison Company	5.850% Secured due 2027	11/1/27	A3	69	11

Source: ICE Data Indices, LLC

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HoldCos: Top-10 bond leaders and laggards YTD

Leaders

Exhibit 8: HoldCo Leaders, YTD

NextEra Energy Capital Holdings 5.65% junior subordinated notes are the best performing HoldCo bonds YTD

Rank	Ticker	Company	Bond	Maturity	Rating	STW	Δ STW YTD
1	NEE	NextEra Energy Capital Holdings Inc	5.650% Junior subordinated due 2029	5/1/29	BBB2	235	(82)
2	NEE	NextEra Energy Capital Holdings Inc	4.800% Junior subordinated due 2027	12/1/27	BBB2	358	(70)
3	SO	Southern Co.	3.750% Junior subordinated due 2026	9/15/26	BBB3	219	(63)
4	DUK	Duke Energy Corp	3.250% Junior subordinated due 2026	10/15/26	BBB3	273	(59)
5	AEP	American Electric Power Co Inc.	3.875% Junior subordinated due 2027	2/15/27	BBB3	273	(52)
6	DQE	Duquesne Light Holdings Inc.	2.775% Senior due 2032	1/7/32	BBB3	163	(48)
7	SRE	Sempra	4.125% Junior subordinated due 2027	4/1/27	BBB3	276	(47)
8	BKH	Black Hills Corporation	3.150% Senior due 2027	1/15/27	BBB1	68	(45)
9	NEE	NextEra Energy Capital Holdings Inc	3.800% Junior subordinated due 2027	3/15/27	BBB2	257	(44)
10	SR	Spire Inc	4.700% Senior due 2044	8/15/44	BBB2	151	(42)

Source: ICE Data Indices, LLC

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Laggards

Exhibit 9: HoldCo Laggards, YTD

Oglethorpe Power Corp. 6.191% secured notes are the worst performing HoldCo bonds YTD

Rank	Ticker	Company	Bond	Maturity	Rating	STW	Δ STW YTD
1	OGLETH	Oglethorpe Power Corporation Membership	6.191% Secured due 2031	1/1/31	A2	200	44
2	EIX	Edison International	4.950% Senior due 2025	4/15/25	BBB2	105	14
3	ES	Eversource Energy	5.125% Senior due 2033	5/15/33	BBB2	132	14
4	AWK	American Water Capital Corp	4.450% Senior due 2032	6/1/32	A3	79	13
5	D	Dominion Energy Inc	4.350% Senior due 2032	8/15/32	BBB2	109	12
6	ES	Eversource Energy	5.450% Senior due 2028	3/1/28	BBB2	86	11
7	AWK	American Water Capital Corp	2.300% Senior due 2031	6/1/31	A3	89	10
8	ES	Eversource Energy	2.900% Senior due 2027	3/1/27	BBB2	78	10
9	SRE	Sempra	5.500% Senior due 2033	8/1/33	BBB2	123	10
10	EVRG	Eergy Inc	2.900% Senior due 2029	9/15/29	BBB2	104	9

Source: ICE Data Indices, LLC

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Average spreads by maturity and rating

OpCos

Exhibit 10: Average spread by maturity and rating – OpCos

OpCo spreads tightened by 2 bps this week

OpCos - Average Spreads - Week ending 2/16/24

Rating	Short	10 year	20 year	30 year	Avg.
AA-	n/a	n/a	n/a	n/a	n/a
A+	49	85	101	105	91
A	55	96	109	115	95
A-	62	107	125	120	106
BBB+	92	135	132	149	121
BBB	117	161	n/a	n/a	136
BBB-	111	165	165	182	146
Total	70	108	117	118	104

OpCos - 1-week avg. change in STW

Rating	Short	10 year	20 year	30 year	Avg.
AA-	n/a	n/a	n/a	n/a	n/a
A+	(3)	(2)	(0)	(1)	(2)
A	(2)	(3)	(1)	0	(2)
A-	(4)	(2)	(0)	(1)	(1)
BBB+	(3)	(6)	(2)	2	(3)
BBB	2	2	n/a	n/a	1
BBB-	(1)	(2)	1	0	(0)
Total	(2)	(3)	(1)	(0)	(2)

OpCos - YTD avg. change in STW

Rating	Short	10 year	20 year	30 year	Avg.
AA-	n/a	n/a	n/a	n/a	n/a
A+	(9)	1	(10)	(3)	(6)
A	(6)	(4)	(10)	(7)	(7)
A-	(8)	(4)	(11)	(7)	(9)
BBB+	(12)	(12)	(15)	(9)	(12)
BBB	(7)	(6)	n/a	n/a	(6)
BBB-	(19)	(12)	(20)	(20)	(18)
Total	(9)	(5)	(11)	(7)	(9)

Source: ICE Data Indices, LLC

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HoldCos

Exhibit 11: Average spread by maturity and rating – HoldCos

HoldCo spreads tightened by 2 bps this week

HoldCos - Average Spreads - Week ending 2/16/24

Rating	Short	10 year	20 year	30 year	Avg.
AA-	n/a	n/a	n/a	n/a	n/a
A+	n/a	n/a	n/a	n/a	n/a
A	n/a	120	109	112	128
A-	54	74	91	119	84
BBB+	67	130	159	143	104
BBB	83	125	132	133	103
BBB-	143	212	n/a	n/a	158
Total	89	130	122	131	109

HoldCos - 1-week avg. change in STW

Rating	Short	10 year	20 year	30 year	Avg.
AA-	n/a	n/a	n/a	n/a	n/a
A+	n/a	n/a	n/a	n/a	n/a
A	n/a	0	(2)	0	(0)
A-	(2)	(6)	1	0	(1)
BBB+	(4)	(4)	2	(1)	(3)
BBB	(4)	(3)	(2)	0	(3)
BBB-	(1)	(5)	n/a	n/a	(2)
Total	(3)	(3)	(1)	(0)	(2)

HoldCos - YTD avg. change in STW

Rating	Short	10 year	20 year	30 year	Avg.
AA-	n/a	n/a	n/a	n/a	n/a
A+	n/a	n/a	n/a	n/a	n/a
A	n/a	(30)	(20)	(2)	(10)
A-	(7)	(22)	(15)	(12)	(9)
BBB+	(11)	(18)	(11)	(7)	(10)
BBB	(9)	1	(16)	(8)	(8)
BBB-	(23)	(20)	n/a	n/a	(22)
Total	(12)	(5)	(16)	(7)	(10)

Source: ICE Data Indices, LLC

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New utility bond issuance QTD

Exhibit 12: 1Q new utility bond issuance

Utilities have issued ~\$21 Bn in bonds this quarter

Date	Ticker	Issuer	Type	Security	Rating (Moody's/S&P/Fitch)	Amount	Coupon	Maturity	SOT	Δ vs IPT	Book
1/2/24	D	Virginia Electric & Power	OpCo	Unsec. Notes	A2/BBB+/A	\$500	5.000%	1/15/34	+115	-20	4.4x
1/2/24	D	Virginia Electric & Power	OpCo	Unsec. Notes	A2/BBB+/A	\$500	5.300%	1/15/54	+127	-28	5.4x
1/2/24	PPL	PPL Electric Utilities	OpCo	FMBs	A1/A+/NR	\$650	4.850%	2/15/34	+92	-31	5.4x
1/2/24	CMS	Consumers Energy	OpCo	FMBs	A1/A/A+	\$600	4.650%	5/30/29	+73	-22	3.3x
1/2/24	DUK	Duke Energy Corp	HoldCo	Unsec. Notes	Baa2/BBB/NR	\$550	4.850%	1/5/27	+75	-25	2.7x
1/2/24	DUK	Duke Energy Corp	HoldCo	Unsec. Notes	Baa2/BBB/NR	\$550	4.850%	1/5/29	+95	-25	2.7x
1/3/24	DUK	Duke Energy Carolinas	OpCo	FMBs	Aa3/A/NR	\$575	4.850%	1/15/34	+100	-18	2.5x
1/3/24	DUK	Duke Energy Carolinas	OpCo	FMBs	Aa3/A/NR	\$425	5.400%	1/15/54	+118	-20	2.4x
1/3/24	AEE	Union Electric	OpCo	FMBs	A2/A/NR	\$350	5.250%	1/15/54	+123	-22	3.9x
1/3/24	BRKHEC	PacifiCorp	OpCo	FMBs	A2/A/NR	\$500	5.100%	2/15/29	+120	-30	4.6x
1/3/24	BRKHEC	PacifiCorp	OpCo	FMBs	A2/A/NR	\$700	5.300%	2/15/31	+140	-30	2.9x
1/3/24	BRKHEC	PacifiCorp	OpCo	FMBs	A2/A/NR	\$1,100	5.450%	2/15/34	+155	-25	2.6x
1/3/24	BRKHEC	PacifiCorp	OpCo	FMBs	A2/A/NR	\$1,500	5.800%	1/15/55	+175	-25	2.6x
1/8/24	EIX	Southern California Edison	OpCo	FMBs	A2/A-/A-	\$500	4.875%	2/1/27	+75	-15	3.2x
1/8/24	EIX	Southern California Edison	OpCo	FMBs	A2/A-/A-	\$900	5.200%	6/1/34	+120	-18	2.3x
1/9/24	AQN	Liberty Utilities	OpCo	Unsec. Notes	Baa2 / BBB / BBB+	\$500	5.577%	1/31/29	+185	-30	3.0x
1/9/24	AQN	Liberty Utilities	OpCo	Unsec. Notes	Baa2 / BBB / BBB+	\$350	5.869%	1/31/34	+195	-25	4.3x
1/11/24	NGGLN	Niagara Mohawk	OpCo	Unsec. Notes	Baa1/BBB+/NR	\$500	5.290%	1/17/34	+130	-30	3.5x
1/11/24	NGGLN	Niagara Mohawk	OpCo	Unsec. Notes	Baa1/BBB+/NR	\$700	5.664%	1/17/54	+145	-35	6.4x
1/16/24	ES	Eversource Energy	HoldCo	Unsec. Notes	Baa2/BBB+/BBB	\$350	5.000%	1/1/27	+100	-25	5.1x
1/16/24	ES	Eversource Energy	HoldCo	Unsec. Notes	Baa2/BBB+/BBB	\$650	5.500%	1/1/34	+150	-25	4.4x
1/16/24	ES	Connecticut Light & Power	OpCo	FMBs	A1/A+/A+	\$350	4.650%	1/1/29	+75	-30	5.3x
1/22/24	BRKHEC	MidAmerican Energy	OpCo	FMBs	Aa2/A/NR	\$600	5.300%	2/1/55	+98	-37	5.5x
1/25/24	EMACN	Tampa Electric	OpCo	Unsec. Notes	A3/BBB+/A	\$500	4.900%	3/1/29	+88	-28	5.0x
1/29/24	NEE	NextEra Energy Capital Holdings	HoldCo	Unsec. Notes	Baa1/BBB+/A-	\$1,000	4.950%	1/29/26	+65	-20	1.9x
1/29/24	NEE	NextEra Energy Capital Holdings	HoldCo	Unsec. Notes	Baa1/BBB+/A-	\$600	Float	1/29/26	S+76		1.3x
1/29/24	NEE	NextEra Energy Capital Holdings	HoldCo	Unsec. Notes	Baa1/BBB+/A-	\$900	4.900%	3/15/29	+95	-20	2.1x
1/29/24	NEE	NextEra Energy Capital Holdings	HoldCo	Unsec. Notes	Baa1/BBB+/A-	\$1,100	5.250%	3/15/34	+120	-20	2.8x
1/29/24	NEE	NextEra Energy Capital Holdings	HoldCo	Unsec. Notes	Baa1/BBB+/A-	\$800	5.550%	3/15/54	+125	-28	3.3x
1/29/24	BRKHEC	Northern Natural Gas	OpCo	Unsec. Notes	A2/A-/NR	\$500	5.620%	2/1/54	+128	-35	9.8x
2/12/24	DTE	DTE Energy	HoldCo	Unsec. Notes	Baa2/BBB/BBB	\$1,200	5.100%	3/1/29	+103	-22	2.1x

Source: Bloomberg

BoFA GLOBAL RESEARCH



New utility bond issuance YTD vs. historical

Exhibit 13: Utility bond issuance YTD vs. historical

YTD bond issuance is up ~\$5.0 Bn YoY

Debt Issuance (YTD as of Feb-16)							
Debt Issuance (\$Mn)	2018	2019	2020	2021	2022	2023	2024
OpCo FMBs	16,100	24,690	40,660	32,055	25,875	42,225	8,750
OpCo Unsecured	23,695	18,500	15,555	21,225	20,625	18,800	4,050
HoldCo	22,515	26,818	52,800	36,900	31,205	37,790	7,700
Total Debt Issuance	10,125	6,780	7,425	1,750	11,130	15,525	20,500

Source: Bloomberg

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