



201 South Main, Suite 2300
Salt Lake City, Utah 84111

May 31, 2013

***VIA ELECTRONIC FILING
AND OVERNIGHT DELIVERY***

Utah Public Service Commission
Heber M. Wells Building, 4th Floor
160 East 300 South
Salt Lake City, UT 84114

Attention: Gary Widerburg, Commission Secretary

RE: CY 2012 Affiliated Interest Report

In accordance with MidAmerican Energy Holdings Company Transaction Commitment #8 approved in Docket No.05-035-54, enclosed for filing is five (5) copies of PacifiCorp's (d.b.a. Rocky Mountain Power) Affiliated Interest Report for Calendar Year 2012. By copy of this letter other parties to the proceeding are being provided notice of this filing.

It is respectfully requested that all formal correspondence and Staff requests regarding this filing be addressed to the following:

By E-mail (preferred): datarequest@pacificorp.com
dave.taylor@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, OR 97232

Informal inquiries regarding this filing, or requests for copies of the report, can be directed to Dave Taylor at (801) 220-2923.

Sincerely,

A handwritten signature in black ink that reads "Jeffrey K. Larsen /ca".

Jeffrey K. Larsen
Vice President, Regulation & Government Affairs

Enclosure

cc: w/enclosures – OCS and DPU

cc: w/o enclosures: Service List for Docket No. 05-035-54

Certificate of Service

I hereby certify that on this 31st of May, 2013, I caused to be served, via E-mail, if address available or U.S. mail, a true and correct copy of the Cover Letter for the 2012 Affiliated Interest Report in Docket No. 05-035-54.

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lbrown@usmagnesium.com

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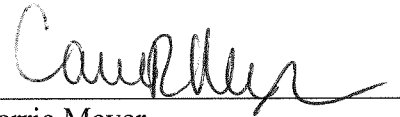
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Carrie Meyer
Supervisor, Regulatory Operations

PacifiCorp

Affiliated Interest Report

For the year ended December 31, 2012

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I. ORGANIZATION

PacifiCorp, which includes PacifiCorp and its subsidiaries, is a United States regulated, vertically integrated electric company serving 1.8 million retail customers, including residential, commercial, industrial, irrigation and other customers in portions of the states of Utah, Oregon, Wyoming, Washington, Idaho and California. PacifiCorp owns, or has interests in, 75 thermal, hydroelectric, wind-powered and geothermal generating facilities, with a net owned capacity of 10,579 megawatts. PacifiCorp also owns, or has interests in, electric transmission and distribution assets, and transmits electricity through approximately 16,200 miles of transmission lines. PacifiCorp also buys and sells electricity on the wholesale market with other utilities, energy marketing companies, financial institutions and other market participants to balance and optimize the economic benefits of electricity generation, retail loads and existing wholesale transactions. PacifiCorp is subject to comprehensive state and federal regulation.

PacifiCorp's principal executive offices are located at 825 N.E. Multnomah Street, Portland, Oregon 97232, and its telephone number is (503) 813-5608. PacifiCorp was initially incorporated in 1910 under the laws of the state of Maine under the name Pacific Power & Light Company. In 1984, Pacific Power & Light Company changed its name to PacifiCorp. In 1989, it merged with Utah Power and Light Company, a Utah corporation, in a transaction wherein both corporations merged into a newly formed Oregon corporation. The resulting Oregon corporation was re-named PacifiCorp, which is the operating entity today.

PacifiCorp's subsidiaries support its electric utility operations by providing coal mining services. PacifiCorp delivers electricity to customers in Utah, Wyoming and Idaho under the trade name Rocky Mountain Power and to customers in Oregon, Washington and California under the trade name Pacific Power. PacifiCorp's electric generation, commercial and trading, and coal mining functions are operated under the trade name PacifiCorp Energy.

PacifiCorp is an indirect subsidiary of MidAmerican Energy Holdings Company ("MEHC"), a holding company based in Des Moines, Iowa that owns subsidiaries principally engaged in energy businesses. MEHC is a consolidated subsidiary of Berkshire Hathaway Inc. ("Berkshire Hathaway"). MEHC controls substantially all of PacifiCorp's voting securities, which include both common and preferred stock.

The following pages provide organization charts of PacifiCorp's and MEHC's subsidiaries. See section I.C. Affiliate Descriptions for discussion of affiliates with which PacifiCorp did business during the year ended December 31, 2012, including Berkshire Hathaway affiliates.

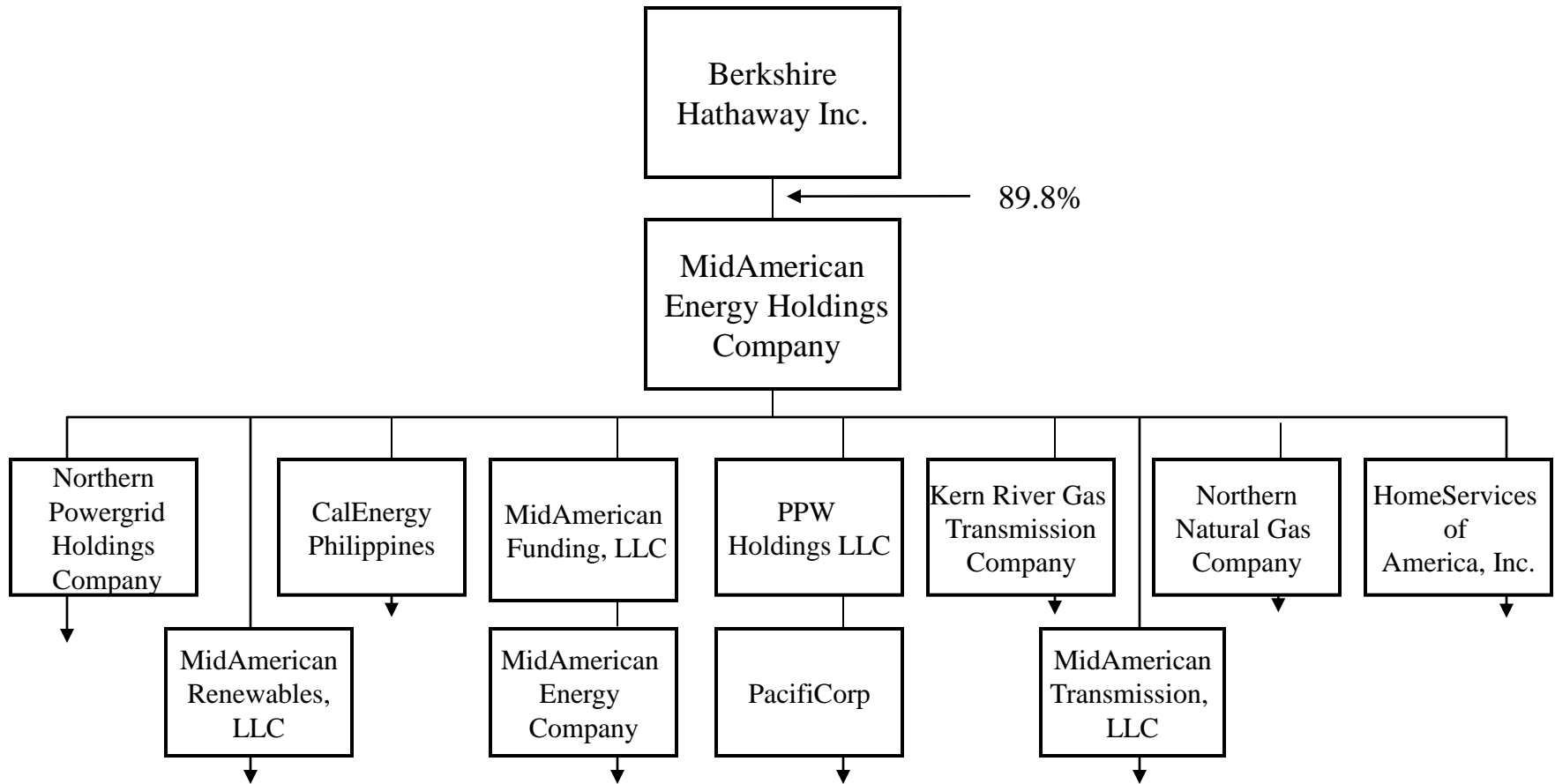
Subsidiaries of PacifiCorp as of December 31, 2012

| Name of Subsidiary | Approximate Percentage of Voting Securities Owned | State of Jurisdiction of Incorporation or Organization |
|---|---|--|
| Centralia Mining Company ^(a) | 100% | Washington |
| Energy West Mining Company ^(b) | 100% | Utah |
| Fossil Rock Fuels, LLC | 100% | Delaware |
| Glenrock Coal Company ^(c) | 100% | Wyoming |
| Interwest Mining Company | 100% | Oregon |
| Pacific Minerals, Inc. ^(d) | 100% | Wyoming |
| - Bridger Coal Company, a joint venture ^(e) | 66.67% | Wyoming |
| PacifiCorp Environmental Remediation Company ^(f) | 100% | Oregon |
| PacifiCorp Investment Management, Inc. ^(g) | 100% | Oregon |
| Trapper Mining Inc. ^(h) | 21.40% | Colorado |

- (a) In May 2000, the assets of Centralia Mining Company were sold to TransAlta. The entity is no longer active.
- (b) Energy West Mining Company provides coal-mining services to PacifiCorp utilizing PacifiCorp's assets. Energy West Mining Company's costs are fully absorbed by PacifiCorp.
- (c) Glenrock Coal Company ceased mining operations in October 1999.
- (d) Pacific Minerals, Inc. is a wholly owned subsidiary of PacifiCorp that holds a 66.67% ownership interest in Bridger Coal Company.
- (e) Bridger Coal Company is a coal mining joint venture with Idaho Energy Resources Company, a subsidiary of Idaho Power Company, and is jointly controlled by Pacific Minerals, Inc. and Idaho Energy Resources Company.
- (f) Effective July 1, 2012, PacifiCorp Environmental Remediation Company ("PERCo"), a wholly owned subsidiary of PacifiCorp, was dissolved, and all assets and liabilities of PERCo were assumed by PacifiCorp.
- (g) PacifiCorp Investment Management, Inc. ("PIMI") previously performed management services for PERCo. Effective July 1, 2012, PIMI was dissolved.
- (h) PacifiCorp is a minority owner in Trapper Mining Inc., a cooperative. The members are Salt River Project Agricultural Improvement and Power District (32.10%), Tri-State Generation and Transmission Association, Inc. (26.57%), PacifiCorp (21.40%) and Platte River Power Authority (19.93%).

MidAmerican Energy Holdings Company*

Organization Chart
As of December 31, 2012



*This chart does not include all subsidiaries of PacifiCorp or of its affiliates. For a list of certain subsidiaries of MEHC, refer to Exhibit 21.1 included in MEHC's Annual Report on Form 10-K for the year ended December 31, 2012 (File No. 001-14881).

I. A. Officers and Directors

Information regarding directors and officers common to the regulated utility and affiliated interest are described in these categories:

- 1. PacifiCorp board of directors and committees of the board of directors during the year ended December 31, 2012**
- 2. PacifiCorp officers during the year ended December 31, 2012**
- 3. PacifiCorp officers and directors with affiliated positions as of December 31, 2012**

The positions listed for the directors and officers in each of these sections are those positions that were held as of or during the year ended December 31, 2012, as indicated. Changes that occurred subsequent to December 31, 2012 (if any) are annotated.

1. PacifiCorp Board of Directors and Committees of the Board of Directors During the Year Ended December 31, 2012

| Director | Address | From | To | Director at 12/31/2012 | Elected During the Year Ended 12/31/2012 | Resigned During the Year Ended 12/31/2012 |
|---------------------|---|-------------|-----------|-----------------------------------|---|--|
| Gregory E. Abel | 666 Grand Avenue 29th Floor Des Moines, Iowa 50309 | 3/21/2006 | | Yes | No | No |
| Douglas L. Anderson | 666 Grand Avenue 29th Floor Des Moines, Iowa 50309 | 3/21/2006 | | Yes | No | No |
| Brent E. Gale | 825 NE Multnomah Suite 2000 Portland, Oregon 97232 | 3/21/2006 | | Yes | No | No |
| Patrick J. Goodman | 666 Grand Avenue 29th Floor Des Moines, Iowa 50309 | 3/21/2006 | | Yes | No | No |
| Natalie L. Hocken | 825 NE Multnomah Suite 1600 Portland, Oregon 97232 | 8/30/2007 | | Yes | No | No |
| Micheal G. Dunn | 1407 West North Temple Suite 320 Salt Lake City, Utah 84116 | 2/1/2010 | | Yes | No | No |
| Mark C. Moench | 201 South Main Suite 2400 Salt Lake City, Utah 84111 | 3/21/2006 | | Yes | No | No |
| R. Patrick Reiten | 825 NE Multnomah Suite 2000 Portland, Oregon 97232 | 9/15/2006 | | Yes | No | No |
| A. Richard Walje | 201 South Main Suite 2300 Salt Lake City, Utah 84111 | 7/2/2001 | | Yes | No | No |

Committees of the Board of Directors: The Compensation Committee is the only PacifiCorp board committee. Gregory E. Abel, PacifiCorp's Chairman of the Board of Directors and Chief Executive Officer, is the sole member of the Compensation Committee. All other board committees are at the MidAmerican Energy Holdings Company level.

2. PacifiCorp Officers During the Year Ended December 31, 2012

| Title | Officer | Address | From | To | Officer at 12/31/2012 | Elected During the Year Ended 12/31/2012 | Resigned During the Year Ended 12/31/2012 |
|--|-------------------|---|-------------|-----------|------------------------------|---|--|
| Chairman of the Board of Directors and Chief Executive Officer | Gregory E. Abel | 666 Grand Avenue 29th Floor Des Moines, Iowa 50309 | 3/21/2006 | | Yes | No | No |
| President and Chief Executive Officer, PacifiCorp Energy | Micheal G. Dunn | 1407 West North Temple Suite 320 Salt Lake City, Utah 84116 | 2/1/2010 | | Yes | No | No |
| President and Chief Executive Officer, Rocky Mountain Power | A. Richard Walje | 201 South Main Suite 2300 Salt Lake City, Utah 84111 | 3/21/2006 | | Yes | No | No |
| President and Chief Executive Officer, Pacific Power | R. Patrick Reiten | 825 NE Multnomah Suite 2000 Portland, Oregon 97232 | 9/15/2006 | | Yes | No | No |
| Senior Vice President and Chief Financial Officer | Douglas K. Stuver | 825 NE Multnomah Suite 1900 Portland, Oregon 97232 | 3/1/2008 | | Yes | No | No |

3. PacifiCorp Officers and Directors with Affiliated Positions as of December 31, 2012

Abel, Gregory E.

| Business Entity | Title |
|--|---|
| CalEnergy Resources Limited | Director |
| CE Casecnan Ltd. | Chairman, President & Chief Executive Officer |
| CE Casecnan Ltd. | Director |
| CE Electric UK Funding Company Limited | Chief Executive Officer |
| CE Electric UK Holdings | Chief Executive Officer |
| CE Electric UK Holdings | Director |
| HomeServices of America, Inc. | Chairman |
| HomeServices of America, Inc. | Director |
| HomeServices of America, Inc. | Compensation Committee Member |
| HomeServices of America, Inc. | Finance Committee Member |
| Kern River Gas Transmission Company | Executive Committee Member |
| KR Acquisition 1, LLC | President |
| KR Acquisition 2, LLC | President |
| KR Holding, LLC | President |
| MidAmerican Energy Foundation | President |
| MidAmerican Energy Foundation | Director |
| MidAmerican Energy Holdings Company | Chairman, President & Chief Executive Officer |
| MidAmerican Energy Holdings Company | Director |
| MidAmerican Nuclear Energy Holdings Company, LLC | Chairman |
| NNGC Acquisition, LLC | President |
| Norming Investments B.V. | Chairman, President & Chief Executive Officer |
| Northern Electric Finance plc. | Director |
| Northern Electric plc. | Director |
| Northern Natural Gas Company | Chairman |
| Northern Natural Gas Company | Director |
| Northern Powergrid Holdings Company | Chairman |
| Northern Powergrid Holdings Company | Director |
| Northern Powergrid Limited | Director |
| PPW Holdings LLC | President |
| Yorkshire Cayman Holding Limited | Director |
| Yorkshire Power Finance Limited | Director |

Anderson, Douglas L.

| Business Entity | Title |
|--------------------------------------|------------------------|
| Alaska Gas Pipeline Company, LLC | Manager ⁽¹⁾ |
| Alaska Gas Transmission Company, LLC | Manager ⁽¹⁾ |
| Alaska Storage Holding Company, LLC | Manager ⁽¹⁾ |
| American Pacific Finance Company | Director |
| American Pacific Finance Company II | Director |
| BG Energy Holding LLC | Director |
| BG Energy LLC | Director |
| Bishop Hill Energy II LLC | Manager ⁽¹⁾ |
| Bishop Hill II Holdings, LLC | Manager ⁽¹⁾ |
| Black Rock 1, LLC | Manager ⁽¹⁾ |
| Black Rock 2, LLC | Manager ⁽¹⁾ |
| Black Rock 3, LLC | Manager ⁽¹⁾ |
| Black Rock 4, LLC | Manager ⁽¹⁾ |
| Black Rock 5, LLC | Manager ⁽¹⁾ |
| Black Rock 6, LLC | Manager ⁽¹⁾ |
| Broken Bow Wind II Holdings, LLC | Manager ⁽¹⁾ |
| CalEnergy Company, Inc. | Director |

Anderson, Douglas L. (continued)

| Business Entity | Title |
|--|--|
| CalEnergy Generation Operating Company | Director |
| CalEnergy Holdings, Inc. | Director |
| CalEnergy International Ltd. | President & Assistant Secretary |
| CalEnergy International Ltd. | Director |
| CalEnergy International Services, Inc. | Director |
| CalEnergy International, Inc. | Director |
| CalEnergy Pacific Holdings Corp. | President |
| CalEnergy Pacific Holdings Corp. | Director |
| CalEnergy U.K. Inc. | Director |
| CE Administrative Services, Inc. | Director |
| CE Asia Limited | President & Assistant Secretary |
| CE Asia Limited | Director |
| CE Black Rock Holdings LLC | Manager ⁽¹⁾ |
| CE Butte Energy Holdings LLC | Manager ⁽¹⁾ |
| CE Butte Energy LLC | Manager ⁽¹⁾ |
| CE Casecnan II, Inc. | Director |
| CE Casecnan Ltd. | Senior Vice President, General Counsel & Assistant Secretary |
| CE Casecnan Ltd. | Director |
| CE Casecnan Water and Energy Company, Inc. | Chairman |
| CE Casecnan Water and Energy Company, Inc. | Director |
| CE Cebu Geothermal Power Company, Inc. | Senior Vice President |
| CE Cebu Geothermal Power Company, Inc. | Director |
| CE Electric (NY), Inc. | Director |
| CE Electric UK Holdings | Director |
| CE Electric, Inc. | President |
| CE Electric, Inc. | Director |
| CE Geothermal, Inc. | Director |
| CE International (Bermuda) Limited | President & Assistant Secretary |
| CE International (Bermuda) Limited | Director |
| CE International Investments, Inc. | Director |
| CE Luzon Geothermal Power Company, Inc. | Senior Vice President |
| CE Luzon Geothermal Power Company, Inc. | Director |
| CE Mahanagdong II, Inc. | Senior Vice President & General Counsel |
| CE Mahanagdong Ltd. | President & Assistant Secretary |
| CE Mahanagdong Ltd. | Director |
| CE Obsidian Energy LLC | Manager ⁽¹⁾ |
| CE Obsidian Holding LLC | Manager ⁽¹⁾ |
| CE Philippines II, Inc. | Senior Vice President & General Counsel |
| CE Philippines Ltd. | President & Assistant Secretary |
| CE Philippines Ltd. | Director |
| CE Power, Inc. | President |
| CE Power, Inc. | Director |
| CE Red Island Energy Holdings LLC | Manager ⁽¹⁾ |
| CE Red Island Energy LLC | Manager ⁽¹⁾ |
| CE Resource, LLC | Manager ⁽¹⁾ |
| Cimmred Leasing Company | Director |
| Constellation Energy Holdings LLC | President |
| Constellation Energy Holdings LLC | Manager ⁽¹⁾ |
| Cook Inlet Natural Gas Storage Alaska, LLC | Manager ⁽¹⁾ |
| Cordova Funding Corporation | Director |
| Dakota Dunes Development Company | Director |
| DCCO Inc. | Director |
| HomeServices of America, Inc. | Director |

Anderson, Douglas L. (continued)

| Business Entity | Title |
|--|---|
| HomeServices Relocation, LLC | Manager ⁽¹⁾ |
| Kern River Funding Corporation | Director |
| Kern River Gas Transmission Company | Executive Committee Member |
| KR Acquisition 1, LLC | Vice President & Secretary |
| KR Acquisition 1, LLC | Manager ⁽¹⁾ |
| KR Acquisition 2, LLC | Vice President & Secretary |
| KR Acquisition 2, LLC | Manager ⁽¹⁾ |
| KR Holding, LLC | Vice President & Secretary |
| KR Holding, LLC | Manager ⁽¹⁾ |
| M&M Ranch Acquisition Company, LLC | Manager ⁽¹⁾ |
| M&M Ranch Holding Company, LLC | Manager ⁽¹⁾ |
| Magma Netherlands B.V. | Chairman & Chief Executive Officer |
| Magma Netherlands B.V. | Director |
| MEC Construction Services Co. | Director |
| MEHC Canada, LLC | Executive Vice President & General Counsel |
| MEHC Canada, LLC | Manager ⁽¹⁾ |
| MEHC Investment, Inc. | Senior Vice President |
| MEHC Investment, Inc. | Director |
| MEHC Merger Sub Inc. | Corporate Secretary |
| Metalogic Inspection Services Inc. | Director |
| MHC Inc. | Senior Vice President, General Counsel & Assistant Secretary |
| MHC Inc. | Director |
| MHC Investment Company | Director |
| MidAmerican AC Holding, LLC | Manager ⁽¹⁾ |
| MidAmerican Canada Holdings Corporation | Director |
| MidAmerican Energy Holdings Company | Executive Vice President, General Counsel & Corporate Secretary |
| MidAmerican Energy Machining Services LLC | Manager ⁽¹⁾ |
| MidAmerican Funding, LLC | Manager ⁽¹⁾ |
| MidAmerican Geothermal, LLC | Manager ⁽¹⁾ |
| MidAmerican Hydro, LLC | Manager ⁽¹⁾ |
| MidAmerican Nuclear Energy Company, LLC | Director |
| MidAmerican Nuclear Energy Holdings Company, LLC | Director |
| MidAmerican Renewables, LLC | Manager ⁽¹⁾ |
| MidAmerican Transmission, LLC | Manager ⁽¹⁾ |
| MidAmerican Wind, LLC | Manager ⁽¹⁾ |
| Midwest Capital Group, Inc. | Director |
| MWR Capital Inc. | Director |
| NNGC Acquisition, LLC | Manager ⁽¹⁾ |
| Norming Investments B.V. | Senior Vice President & General Counsel |
| Northern Aurora, Inc. | Director |
| Northern Natural Gas Company | Director |
| Northern Powergrid Holdings Company | Director |
| Northern Powergrid Limited | Director |
| Ormoc Cebu Ltd. | President & Assistant Secretary |
| Ormoc Cebu Ltd. | Director |
| Pinyon Pines I Holding Company, LLC | Manager ⁽¹⁾ |
| Pinyon Pines II Holding Company, LLC | Manager ⁽¹⁾ |
| Pinyon Pines Wind I, LLC | Manager ⁽¹⁾ |
| Pinyon Pines Wind II, LLC | Manager ⁽¹⁾ |
| PPW Holdings, LLC | Manager ⁽¹⁾ |
| Quad Cities Energy Company | Director |

Anderson, Douglas L. (continued)

| Business Entity | Title |
|----------------------------------|---|
| Stony Creek Holdings, LLC | Manager ⁽¹⁾ |
| Sundial Holding, LLC | Manager ⁽¹⁾ |
| Tongonan Power Investment, Inc. | Chairman & Senior Vice President |
| Tongonan Power Investment, Inc. | Director |
| Topaz Solar Farms LLC | Manager ⁽¹⁾ |
| TPZ Holding, LLC | Manager ⁽¹⁾ |
| Two Rivers Inc. | Director |
| Visayas Geothermal Power Company | Senior Vice President & Assistant Corporate Secretary |

Dunn, Micheal G.

| Business Entity | Title |
|------------------------------------|------------------------|
| Centralia Mining Company | President |
| Centralia Mining Company | Director |
| Energy West Mining Company | President |
| Energy West Mining Company | Director |
| Glenrock Coal Company | President |
| Glenrock Coal Company | Director |
| Interwest Mining Company | President |
| Interwest Mining Company | Director |
| M&M Ranch Acquisition Company, LLC | Chairman & President |
| M&M Ranch Acquisition Company, LLC | Manager ⁽¹⁾ |
| M&M Ranch Holding Company, LLC | Chairman & President |
| M&M Ranch Holding Company, LLC | Manager ⁽¹⁾ |
| Pacific Minerals, Inc. | President |
| Pacific Minerals, Inc. | Director |

Gale, Brent E.

| Business Entity | Title |
|-------------------------------------|-----------------------|
| MidAmerican Energy Holdings Company | Senior Vice President |

Goodman, Patrick J.

| Business Entity | Title |
|--------------------------------------|------------------------|
| Agua Caliente Solar Holdings LLC | Manager ⁽¹⁾ |
| Agua Caliente Solar, LLC | Manager ⁽¹⁾ |
| Alaska Gas Pipeline Company, LLC | Manager ⁽¹⁾ |
| Alaska Gas Transmission Company, LLC | Manager ⁽¹⁾ |
| Alaska Storage Holding Company, LLC | Manager ⁽¹⁾ |
| American Pacific Finance Company | President |
| American Pacific Finance Company | Director |
| American Pacific Finance Company II | President |
| American Pacific Finance Company II | Director |
| AVSP 1A, LLC | Manager ⁽¹⁾ |
| AVSP 1B, LLC | Manager ⁽¹⁾ |
| AVSP 2A, LLC | Manager ⁽¹⁾ |
| AVSP 2B, LLC | Manager ⁽¹⁾ |
| AVSP Holding, LLC | Manager ⁽¹⁾ |
| BG Energy Holding LLC | Director |
| BG Energy LLC | Director |
| Bishop Hill II Holdings, LLC | Manager ⁽¹⁾ |
| Black Rock 1, LLC | Manager ⁽¹⁾ |
| Black Rock 2, LLC | Manager ⁽¹⁾ |
| Black Rock 3, LLC | Manager ⁽¹⁾ |

Goodman, Patrick J. (continued)

| Business Entity | Title |
|--|---|
| Black Rock 4, LLC | Manager ⁽¹⁾ |
| Black Rock 5, LLC | Manager ⁽¹⁾ |
| Black Rock 6, LLC | Manager ⁽¹⁾ |
| Broken Bow Wind II Holdings, LLC | Manager ⁽¹⁾ |
| CalEnergy Company, Inc. | Director |
| CalEnergy Generation Operating Company | Director |
| CalEnergy Holdings, Inc. | Director |
| CalEnergy International Ltd. | Senior Vice President & Chief Financial Officer |
| CalEnergy International Ltd. | Director |
| CalEnergy International Services, Inc. | Director |
| CalEnergy International, Inc. | Director |
| CalEnergy Pacific Holdings Corp. | Director |
| CalEnergy U.K. Inc. | President |
| CalEnergy U.K. Inc. | Director |
| CE Administrative Services, Inc. | Director |
| CE Asia Limited | Senior Vice President & Chief Financial Officer |
| CE Asia Limited | Director |
| CE Black Rock Holdings LLC | Manager ⁽¹⁾ |
| CE Butte Energy Holdings LLC | Manager ⁽¹⁾ |
| CE Butte Energy LLC | Manager ⁽¹⁾ |
| CE Casecnan II, Inc. | Director |
| CE Casecnan Ltd. | Senior Vice President & Chief Financial Officer |
| CE Casecnan Ltd. | Director |
| CE Casecnan Water and Energy Company, Inc. | Senior Vice President & Chief Financial Officer |
| CE Casecnan Water and Energy Company, Inc. | Director |
| CE Cebu Geothermal Power Company, Inc. | Senior Vice President & Chief Financial Officer |
| CE Cebu Geothermal Power Company, Inc. | Director |
| CE Electric (NY), Inc. | Director |
| CE Electric UK Holdings | Director |
| CE Electric, Inc. | Director |
| CE Geothermal, Inc. | Director |
| CE International (Bermuda) Limited | Senior Vice President & Chief Financial Officer |
| CE International (Bermuda) Limited | Director |
| CE International Investments, Inc. | President |
| CE International Investments, Inc. | Director |
| CE Luzon Geothermal Power Company, Inc. | Senior Vice President & Chief Financial Officer |
| CE Luzon Geothermal Power Company, Inc. | Director |
| CE Mahanagdong II, Inc. | Senior Vice President & Chief Financial Officer |
| CE Mahanagdong Ltd. | Senior Vice President & Chief Financial Officer |
| CE Mahanagdong Ltd. | Director |
| CE Obsidian Energy LLC | Manager ⁽¹⁾ |
| CE Obsidian Holding LLC | Manager ⁽¹⁾ |
| CE Philippines II, Inc. | Senior Vice President & Chief Financial Officer |
| CE Philippines Ltd. | Senior Vice President & Chief Financial Officer |
| CE Philippines Ltd. | Director |
| CE Power, Inc. | Director |
| CE Resource, LLC | Manager ⁽¹⁾ |
| Constellation Energy Holdings LLC | Manager ⁽¹⁾ |
| Cook Inlet Natural Gas Storage Alaska, LLC | Manager ⁽¹⁾ |
| HomeServices of America, Inc. | Director |
| HomeServices of America, Inc. | Finance Committee Member |
| HomeServices Relocation, LLC | Manager ⁽¹⁾ |
| Kern River Funding Corporation | Director |
| Kern River Gas Transmission Company | Executive Committee Member |

Goodman, Patrick J. (continued)

| Business Entity | Title |
|--|--|
| KR Acquisition 1, LLC | Vice President, Treasurer & Assistant Secretary |
| KR Acquisition 1, LLC | Manager ⁽¹⁾ |
| KR Acquisition 2, LLC | Vice President, Treasurer & Assistant Secretary |
| KR Acquisition 2, LLC | Manager ⁽¹⁾ |
| KR Holding, LLC | Vice President & Treasurer |
| KR Holding, LLC | Manager ⁽¹⁾ |
| M&M Ranch Acquisition Company, LLC | Manager ⁽¹⁾ |
| M&M Ranch Holding Company, LLC | Member |
| Magma Netherlands B.V. | Senior Vice President |
| Magma Netherlands B.V. | Director |
| MEHC Canada, LLC | Executive Vice President & Chief Financial Officer |
| MEHC Canada, LLC | Manager ⁽¹⁾ |
| MEHC Insurance Services Ltd. | President & Treasurer |
| MEHC Insurance Services Ltd. | Director |
| MEHC Investment, Inc. | President, Chief Financial Officer & Treasurer |
| MEHC Investment, Inc. | Director |
| MEHC Merger Sub Inc. | Senior Vice President |
| MidAmerican AC Holding, LLC | Manager ⁽¹⁾ |
| MidAmerican Canada Holdings Corporation | Director |
| MidAmerican Energy Holdings Company | Executive Vice President & Chief Financial Officer |
| MidAmerican Energy Machining Services LLC | Manager ⁽¹⁾ |
| MidAmerican Funding, LLC | Manager ⁽¹⁾ |
| MidAmerican Geothermal, LLC | Manager ⁽¹⁾ |
| MidAmerican Hydro, LLC | Manager ⁽¹⁾ |
| MidAmerican Nuclear Energy Company, LLC | Director |
| MidAmerican Nuclear Energy Holdings Company, LLC | Director |
| MidAmerican Solar, LLC | Manager ⁽¹⁾ |
| MidAmerican Transmission, LLC | Manager ⁽¹⁾ |
| MidAmerican Wind, LLC | Manager ⁽¹⁾ |
| NNGC Acquisition, LLC | Manager ⁽¹⁾ |
| Norming Investments B.V. | Senior Vice President & Chief Financial Officer |
| Northern Aurora, Inc. | President |
| Northern Aurora, Inc. | Director |
| Northern Electric plc. | Director |
| Northern Natural Gas Company | Director |
| Northern Powergrid Holdings Company | Director |
| Northern Powergrid Limited | Director |
| Ormoc Cebu Ltd. | Senior Vice President & Chief Financial Officer |
| Ormoc Cebu Ltd. | Director |
| Pinyon Pines I Holding Company, LLC | Manager ⁽¹⁾ |
| Pinyon Pines II Holding Company, LLC | Manager ⁽¹⁾ |
| Pinyon Pines Wind I, LLC | Manager ⁽¹⁾ |
| Pinyon Pines Wind II, LLC | Manager ⁽¹⁾ |
| PPW Holdings, LLC | Manager ⁽¹⁾ |
| Solar Star Arizona Holding, LLC | Manager ⁽¹⁾ |
| Solar Star Arizona II Holding, LLC | Manager ⁽¹⁾ |
| Solar Star Arizona III Holding, LLC | Manager ⁽¹⁾ |
| Solar Star Arizona IV Holding, LLC | Manager ⁽¹⁾ |
| Solar Star California XIX, LLC | Manager ⁽¹⁾ |
| Solar Star California XX, LLC | Manager ⁽¹⁾ |
| Stony Creek Holdings, LLC | Manager ⁽¹⁾ |
| Sundial Holding, LLC | Manager ⁽¹⁾ |
| Tongonan Power Investment, Inc. | Senior Vice President & Chief Financial Officer |

Goodman, Patrick J. (continued)

| Business Entity | Title |
|----------------------------------|---|
| Tongonan Power Investment, Inc. | Director |
| Topaz Solar Farms LLC | Manager ⁽¹⁾ |
| TPZ Holding, LLC | Manager ⁽¹⁾ |
| Visayas Geothermal Power Company | Senior Vice President & Chief Financial Officer |
| Yorkshire Cayman Holding Limited | Director |
| Yorkshire Electricity Group plc | Director |
| Yorkshire Power Finance Limited | Director |
| Yorkshire Power Group Limited | Director |

Moench, Mark C.

| Business Entity | Title |
|------------------------|---------------------|
| PacifiCorp Foundation | Corporate Secretary |

Reiten, R. Patrick

| Business Entity | Title |
|------------------------|--------------|
| PacifiCorp Foundation | Director |

Stuver, Douglas K.

| Business Entity | Title |
|------------------------|-------------------------|
| Fossil Rock Fuels, LLC | Manager ⁽¹⁾ |
| Fossil Rock Fuels, LLC | Chief Financial Officer |

Walje, A. Richard

| Business Entity | Title |
|------------------------|--------------|
| PacifiCorp Foundation | Chairman |

(1) For LLCs, a manager is the equivalent of a director.

I. B. Changes in Ownership

Changes in successive ownership between the regulated utility and affiliated interest.

**Changes in Successive Ownership Between the Regulated Utility and Affiliated Interest
For the Year Ended December 31, 2012**

Effective July 1, 2012, PacifiCorp Environmental Remediation Company (“PERCo”), a wholly owned subsidiary of PacifiCorp, was dissolved, and all assets and liabilities of PERCo were assumed by PacifiCorp. PacifiCorp Investment Management, Inc. (“PIMI”), a wholly owned subsidiary of PacifiCorp, previously performed management services for PERCo. Effective July 1, 2012, PIMI was dissolved.

Refer to Exhibit 21 of the Berkshire Hathaway Inc. (“Berkshire Hathaway”) Form 10-K (File No. 001-14905) for a list of certain subsidiaries of MidAmerican Energy Holdings Company’s parent company, Berkshire Hathaway, as of December 31, 2012. Refer to Exhibit 21.1 of the MidAmerican Energy Holdings Company (“MEHC”) Form 10-K (File No. 001-14881) for a list of certain subsidiaries of MEHC as of December 31, 2012.

I. C. Affiliate Descriptions

A narrative description of each affiliated entity with which the regulated utility does business. State the factor(s) giving rise to the affiliation.

Narrative Descriptions for Each Affiliated Entity

Affiliated interests of PacifiCorp are defined by Oregon Revised Statutes 757.015, Revised Code of Washington 80.16.010 and California Public Utilities Commission Decision 97-12-088, as amended by Decision 98-08-035, as having two or more officers or directors in common with PacifiCorp, or by meeting the ownership requirements of five percent direct or indirect ownership.

In the ordinary course of business, PacifiCorp engaged in various transactions with several of its affiliated companies during the year ended December 31, 2012. Services provided by PacifiCorp and charged to affiliates related primarily to administrative services provided under the Intercompany Administrative Services Agreement (“IASA”) among MidAmerican Energy Holdings Company (“MEHC”) and its affiliates, as well as information technology, finance and administrative support services. Services provided by affiliates and charged to PacifiCorp related primarily to coal mining, the transportation of natural gas and coal, financial services, relocation services and administrative services provided under the IASA. Refer to Section III for information regarding the Umbrella Loan Agreement between PacifiCorp and Pacific Minerals, Inc. Refer to Section V for a discussion of the tax allocation agreement between PacifiCorp and its affiliates. Throughout this report, the term “services” includes labor, as well as overheads and related employee expenses.

Although PacifiCorp provides electricity to certain affiliates within its service territory, such transactions are excluded from this report as they are billed at tariff rates. Due to the volume and breadth of the Berkshire Hathaway Inc. (“Berkshire Hathaway”) family of companies, it is possible that employees of PacifiCorp have made purchases from certain Berkshire Hathaway affiliates not listed here, and have been reimbursed by PacifiCorp for those purchases as a valid business expense. PacifiCorp does not believe those transactions would be material individually or in aggregate.

BNSF Railway Company (“BNSF”) – BNSF is an indirect wholly owned subsidiary of Berkshire Hathaway. BNSF operates one of the largest railroad networks in North America. PacifiCorp has long-term coal transportation contracts with BNSF, including indirectly through a generating facility that is jointly owned by PacifiCorp and another utility, as well as right-of-way agreements.

Marmon Holdings, Inc. (“Marmon”) – At December 31, 2012, Berkshire Hathaway held an 87% ownership interest in Marmon. Marmon is an international association of numerous manufacturing and service businesses in energy-related and other markets. During the year ended December 31, 2012, the following Marmon affiliates provided materials and equipment parts to PacifiCorp in the normal course of business: Marmon Utility LLC, Graver Water Systems, LLC and Marmon/Keystone Corporation.

Wells Fargo & Company (“Wells Fargo”) – At December 31, 2012, Berkshire Hathaway held a nine percent ownership interest in Wells Fargo. Wells Fargo is a financial services company providing banking, insurance, trust and investments, mortgage banking, investment banking, retail banking, brokerage, and consumer and commercial finance to consumers, businesses and institutions. Wells Fargo provides PacifiCorp various financial services, including commodity swaps and banking services.

The Hartford Steam Boiler Inspection and Insurance Company (“Hartford Steam Boiler”) – At December 31, 2012, Berkshire Hathaway held an 11% ownership interest in Munich Re, which indirectly wholly owns Hartford Steam Boiler. Hartford Steam Boiler is a specialty insurer and also provides inspection services, loss reduction and engineering-based risk management. Hartford Steam Boiler provides PacifiCorp with transformer oil and gas analysis.

Moody’s Investors Service (“Moody’s”) – At December 31, 2012, Berkshire Hathaway held a 13% ownership interest in Moody’s Corporation, which wholly owns Moody’s. Moody’s provides credit ratings and research covering debt instruments and securities. Moody’s provides PacifiCorp with credit rating services.

International Business Machines Corporation (“IBM”) – At December 31, 2012, Berkshire Hathaway held a six percent ownership interest in IBM. IBM provides integrated solutions that leverage information technology and knowledge of business processes, drawing from a portfolio of consulting, delivery and implementation services, enterprise software, systems and financing. IBM provides PacifiCorp with computer hardware and software and computer systems consulting and maintenance services.

Lee Enterprises, Incorporated (“Lee Enterprises”) – During the second quarter of 2012, Berkshire Hathaway’s ownership in Lee Enterprises surpassed five percent of Lee Enterprises’ outstanding common shares, and subsequently fell to less than five percent during the third quarter of 2012. As a result, Lee Enterprises was an affiliate of PacifiCorp during the second and third quarters of 2012. Accordingly, this report reflects transactions between PacifiCorp and Lee Enterprises that occurred between April 1, 2012 and September 30, 2012. Lee Enterprises is a provider of local news and information and a platform for advertising through both print and digital platforms. Lee Enterprises provides PacifiCorp with job postings and legal notices in newspapers.

DIRECTV – During the fourth quarter of 2012, Berkshire Hathaway’s ownership in DIRECTV surpassed five percent of DIRECTV’s outstanding common shares. As a result, DIRECTV became a PacifiCorp affiliate in the fourth quarter of 2012. Accordingly, this report reflects transactions between PacifiCorp and DIRECTV that occurred between October 1, 2012 and December 31, 2012. At December 31, 2012, Berkshire Hathaway held a six percent ownership interest in DIRECTV. DIRECTV is a provider of digital television entertainment. DIRECTV provides PacifiCorp with television programming.

Symetra Life Insurance Company (“Symetra”) – At December 31, 2012, Berkshire Hathaway held a 13% ownership interest in Symetra Financial Corporation, which wholly owns Symetra Life Insurance Company. Symetra Financial Corporation is a financial services company in the life insurance industry. Symetra provides Energy West Mining Company with excess loss insurance coverage.

MidAmerican Energy Holdings Company – a holding company owning subsidiaries that are principally engaged in energy businesses. MEHC is a consolidated subsidiary of Berkshire Hathaway. As of January 31, 2013, Berkshire Hathaway owned approximately 89.8% of MEHC’s common stock. The remainder of MEHC’s common stock is owned by a private investor group that includes Walter Scott, Jr.,⁽¹⁾ a director of MEHC (5.5% ownership interest as of January 31, 2013) and Gregory E. Abel, PacifiCorp’s Chairman of the Board of Directors and Chief Executive Officer (0.8% ownership interest as of January 31, 2013). MEHC and its subsidiaries provide services to PacifiCorp under the IASA. PacifiCorp also provides services to MEHC and its subsidiaries under the IASA. Refer to Section VII for further discussion.

⁽¹⁾ Excludes 2,878,000 shares held by family members and family trusts and corporations, or Scott Family Interests, as to which Mr. Scott disclaims beneficial ownership.

MHC Inc. - a holding company owning all of the common stock of MidAmerican Energy Company. MHC Inc. provides services to PacifiCorp under the IASA.

MidAmerican Energy Company (“MEC”) – an indirect wholly owned subsidiary of MEHC. MEC is principally engaged in the business of generating, transmitting, distributing and selling electricity and in distributing, selling and transporting natural gas. MEC provides services to PacifiCorp under the IASA. PacifiCorp also provides services to MEC under the IASA. For information regarding equipment transfers between PacifiCorp and MEC, refer to Section V.

HomeServices of America, Inc. (“HomeServices”) – a majority-owned subsidiary of MEHC. HomeServices is a full-service residential real estate brokerage firm whose services include relocation services, including to employees of PacifiCorp and its affiliates. PacifiCorp provides services to HomeServices under the IASA.

Kern River Gas Transmission Company (“Kern River”) – an indirect wholly owned subsidiary of MEHC, owns an interstate natural gas pipeline system that extends from supply areas in the Rocky Mountains to consuming markets in Utah, Nevada and California. Kern River’s pipeline system consists of 1,700 miles of natural gas pipelines. Kern River’s transportation operations are subject to a regulated tariff that is on file with the Federal Energy Regulatory Commission. Kern River provides transportation of natural gas to certain of PacifiCorp’s generating facilities in Utah and provides services to PacifiCorp under the IASA. PacifiCorp also provides services to Kern River under the IASA.

MEHC Insurance Services Ltd. (“MEISL”) – a wholly owned subsidiary of MEHC that provided a captive insurance program to PacifiCorp. MEISL covered all or significant portions of the property damage and liability insurance deductibles in many of PacifiCorp’s policies, as well as overhead distribution and transmission line property damage. PacifiCorp has no equity interest in MEISL and has no obligation to contribute equity or loan funds to MEISL. The policy coverage period expired on March 20, 2011 and was not renewed; however, MEISL will continue to cover claims by PacifiCorp arising during the prior policy periods.

CalEnergy Generation Operating Company (“CalEnergy Generation”) – an indirect wholly owned subsidiary of MEHC. CalEnergy Generation is organized to manage and operate independent power projects in the United States. PacifiCorp provides services to CalEnergy Generation under the IASA.

Northern Natural Gas Company (“Northern Natural”) – an indirect wholly owned subsidiary of MEHC. Northern Natural owns the largest interstate natural gas pipeline system in the United States, as measured by pipeline miles, which reaches from southern Texas to Michigan’s Upper Peninsula. Northern Natural primarily transports and stores natural gas for utilities, municipalities, other pipeline companies, gas marketing companies, industrial and commercial users and other end-users. PacifiCorp provides services to Northern Natural under the IASA.

Midwest Capital Group Inc. (“MCG”) – an indirect wholly owned subsidiary of MEHC. MCG holds a 100% interest in MHC Investment Company, as well as interests in other operating, financing and development companies. PacifiCorp provides services to MCG under the IASA.

MEC Construction Services Co. (“MCS”) – an indirect wholly owned subsidiary of MEHC. MCS is a provider of non-regulated utility construction services. PacifiCorp provides services to MCS under the IASA.

Cordova Energy Company LLC (“Cordova”) – an indirect wholly owned subsidiary of MEHC. Cordova owns a 537-megawatt natural gas-fueled electric generation facility in Illinois. PacifiCorp provides services to Cordova under the IASA.

Northern Powergrid Holdings Company (“Northern Powergrid”) – an indirect wholly owned subsidiary of MEHC. Northern Powergrid owns two companies that distribute electricity in Great Britain: Northern Powergrid (Northeast) Limited and Northern Powergrid (Yorkshire) plc. Northern Powergrid also owns an engineering contracting business that provides electrical infrastructure contracting services to third parties and a hydrocarbon exploration and development business that is focused on developing integrated upstream gas projects in Europe and Australia. PacifiCorp provides services to Northern Powergrid under the IASA.

CalEnergy Philippines – a group of wholly owned and majority owned subsidiaries of MEHC located in the Philippines. The primary operating asset within this group is a 150-megawatt hydroelectric power generation project owned by CE Casecanan Water and Energy Company, Inc. PacifiCorp provides services to CalEnergy Philippines under the IASA.

Iowa Realty Co., Inc. (“Iowa Realty”) – a wholly owned subsidiary of HomeServices of America, Inc. Iowa Realty provides real estate brokerage and relocation services in Iowa. PacifiCorp provides services to Iowa Realty under the IASA.

M&M Ranch Acquisition Company, LLC (“M&M Ranch”) - an indirect wholly owned subsidiary of MEHC. M&M Ranch holds real property and certain other development assets in Johnson County, Wyoming. M&M Ranch provides services to PacifiCorp under the IASA.

MidAmerican Renewables, LLC (“MRE”) – a wholly owned subsidiary of MEHC. MRE was established to identify and invest in renewable energy projects. MRE provides services to PacifiCorp under the IASA. PacifiCorp also provides services to MRE under the IASA.

Electric Transmission America, LLC (“ETA”) – a joint venture owned equally by MEHC America Transco, LLC, an indirect wholly owned subsidiary of MEHC, and subsidiaries of American Electric Power Company, Inc. ETA pursues transmission opportunities in North America outside of the Electric Reliability Council of Texas. PacifiCorp provides services to ETA under the IASA.

Electric Transmission Texas, LLC (“ETT”) – a joint venture owned equally by MEHC Texas Transco, LLC, an indirect wholly owned subsidiary of MEHC, and subsidiaries of American Electric Power Company, Inc. ETT owns and operates electric transmission assets in the Electric Reliability Council of Texas. PacifiCorp provides services to ETT under the IASA.

MEHC Canada, LLC (“MEHC Canada”) – a wholly owned subsidiary of MEHC. MEHC Canada invests in transmission and generation opportunities in Canada. PacifiCorp provides services to MEHC Canada under the IASA.

Midwest Power Transmission Iowa, LLC (“MPTIA”) – an indirect wholly owned subsidiary of MEHC. MPTIA was established to identify and invest in transmission projects located in Iowa. PacifiCorp provides services to MPTIA under the IASA.

Midwest Power Transmission Illinois, LLC (“MPTIL”) – an indirect wholly owned subsidiary of MEHC. MPTIL was established to identify and invest in transmission projects located in Illinois. PacifiCorp provides services to MPTIL under the IASA.

Pinyon Pines Wind I, LLC (“Pinyon Pines I”) – an indirect wholly owned subsidiary of MEHC. Pinyon Pines I owns and operates a 168-megawatt wind project located near Tehachapi, California. PacifiCorp provides services to Pinyon Pines I under the IASA.

Pinyon Pines Wind II, LLC (“Pinyon Pines II”) – an indirect wholly owned subsidiary of MEHC. Pinyon Pines II owns and operates a 132-megawatt wind project located near Tehachapi, California. PacifiCorp provides services to Pinyon Pines II under the IASA.

Bishop Hill Interconnection LLC (“BH Interconnection”) – 50% owned by Bishop Hill Energy II, LLC, an indirect wholly owned subsidiary of MEHC. BH Interconnection provides transmission service to Bishop Hill Energy II, LLC. PacifiCorp provides services to BH Interconnection under the IASA.

MidAmerican Transmission, LLC (“MTL”) – a wholly owned subsidiary of MEHC. MTL is engaged in various joint ventures to develop, own and operate transmission assets and is pursuing additional investment opportunities in both the United States and Canada. PacifiCorp provides services to MTL under the IASA.

Topaz Solar Farms LLC (“Topaz”) – an indirect wholly owned subsidiary of MEHC. Topaz is constructing a 586-megawatt solar project in San Luis Obispo County, California. PacifiCorp provides services to Topaz under the IASA.

Racom Corporation (“Racom”) – At December 31, 2012, MHC Investment Company, an indirect wholly owned subsidiary of MEHC, held a 17% ownership interest in Racom. Racom is a provider of two-way radio communication, broadband mobile data and wireless point-to-point solutions. Racom provides radio installation services to PacifiCorp.

PPW Holdings LLC – the holding company for PacifiCorp and a direct subsidiary of MEHC. PPW Holdings LLC remits income taxes to MEHC on behalf of PacifiCorp.

PacifiCorp Foundation – an independent non-profit foundation created by PacifiCorp in 1988. PacifiCorp Foundation supports the growth and vitality of the communities where PacifiCorp and its affiliates have operations, employees or interests. PacifiCorp Foundation operates as the Rocky Mountain Power Foundation and the Pacific Power Foundation. PacifiCorp provides administrative services to the PacifiCorp Foundation.

Energy West Mining Company (“Energy West”) – a wholly owned subsidiary of PacifiCorp, Energy West provides coal-mining services to PacifiCorp utilizing PacifiCorp's assets and mines coal from PacifiCorp-owned mines in Emery County, Utah to supply PacifiCorp's Huntington, Hunter and Carbon generating facilities. PacifiCorp provides administrative services to Energy West. Energy West costs are fully absorbed by PacifiCorp.

Interwest Mining Company (“Interwest Mining”) – a wholly owned subsidiary of PacifiCorp, Interwest Mining manages PacifiCorp’s mining operations and charges management services to Pacific Minerals, Inc., Bridger Coal Company, Energy West and Fossil Rock Fuels, LLC. Interwest Mining charges a management fee to Energy West and Pacific Minerals, Inc. that is intended to compensate it, without profit, for its cost of managing these entities. PacifiCorp provides financial support services and employee benefits to Interwest Mining and these costs are included in the management services that Interwest Mining charges. Interwest Mining provides administrative services to PacifiCorp. All costs incurred by Interwest Mining are absorbed by PacifiCorp, Pacific Minerals, Inc., Bridger Coal Company, Energy West and Fossil Rock Fuels, LLC.

Fossil Rock Fuels, LLC (“Fossil Rock”) – a wholly owned subsidiary of PacifiCorp. Fossil Rock serves as the leaseholder for certain coal reserves and may ultimately provide coal-mining services to PacifiCorp.

PacifiCorp Environmental Remediation Company (“PERCo”) – a wholly owned subsidiary of PacifiCorp that evaluated, managed and resolved certain environmental remediation activities on behalf of PacifiCorp utilizing PacifiCorp’s employees. PERCo was dissolved on July 1, 2012 and all assets and liabilities of PERCo were assumed by PacifiCorp.

Pacific Minerals, Inc. (“PMI”) – a wholly owned subsidiary of PacifiCorp that owns 66.67% of Bridger Coal Company, the coal mining joint venture with Idaho Energy Resources Company (“IERC”), a subsidiary of Idaho Power Company. PMI is the entity that employs the individuals that work for Bridger Coal Company.

Bridger Coal Company (“Bridger Coal”) – a coal mining joint venture between PMI and IERC. PMI owns 66.67% and IERC owns 33.33% of Bridger Coal. Bridger Coal provides coal from the Bridger mine to the Jim Bridger generating facility. PacifiCorp provides administrative services to Bridger Coal.

Trapper Mining Inc. – PacifiCorp owns a 21.40% interest in Trapper Mining Inc., which operates a coal mine at the Craig “mine-mouth” operation (generating station located next to the mine) outside Craig, Colorado. The remaining ownership in Trapper Mining Inc. is as follows: Salt River Project Agricultural Improvement and Power District (32.10%), Tri-State Generation and Transmission Association, Inc. (26.57%) and Platte River Power Authority (19.93%). Two of PacifiCorp’s employees serve on the Trapper Mining Inc. board of directors. PacifiCorp is compensated for this service.

Huntington Cleveland Irrigation Company (“HCIC”) is a non-profit mutual irrigation company, which is a privately owned water stock company. PacifiCorp holds approximately 34% of HCIC’s water shares. PacifiCorp pays annual assessment fees to HCIC to help cover its operating and maintenance costs, as well as other costs pertinent to conducting its business, in exchange for receiving access to water used by PacifiCorp’s Huntington generating facility. PacifiCorp also made capital investments in HCIC through December 31, 2010 to ensure a long-term, firm water supply for its Huntington generating facility.

Ferron Canal & Reservoir Company (“FC&RC”) is a non-profit mutual irrigation company, which is a privately owned water stock company. PacifiCorp holds approximately 37% of the outstanding stock in FC&RC. PacifiCorp pays annual assessment fees to FC&RC to help cover its operating and maintenance costs, as well as other costs pertinent to conducting its business, in exchange for receiving access to water used by PacifiCorp’s Hunter generating facility. PacifiCorp also contracts additional water from FC&RC, which is made available to the Hunter generating facility through a long-term agreement between FC&RC and PacifiCorp. The agreement calls for PacifiCorp to make an annual payment to FC&RC and in return, FC&RC provides PacifiCorp up to 7,000 acre-feet of water.

Cottonwood Creek Consolidated Irrigation Company (“CCCIC”) is a non-profit mutual irrigation company, which is a privately owned water stock company. PacifiCorp holds approximately 26% of the outstanding stock in CCCIC. PacifiCorp pays annual assessment fees to CCCIC to help cover its operating and maintenance costs, as well as other costs pertinent to conducting its business, in exchange for receiving access to water used by PacifiCorp’s Hunter generating facility. PacifiCorp is also making capital investments in CCCIC to ensure a long-term, firm water supply for its Hunter generating facility. In 2012, CCCIC leased certain property from PacifiCorp.

I. D. Financial Statements

Financial statements or trial balances for the year ended December 31, 2012 are included in Section II. Transactions.

II. Transactions

The following pages include the following information about services rendered by the regulated utility to the affiliate and vice versa:

- **A description of the nature of the transactions**
- **Total charges or billings**
- **Information about the basis of pricing, cost of service, the margin of charges over costs, assets allocable to the services and the overall rate of return on assets**

Refer to Appendix A for a discussion of commission orders approving transactions with affiliates.

At times, entities controlled by PacifiCorp directly transact with one another. Additionally, entities controlled by PacifiCorp may transact directly with MidAmerican Energy Holdings Company and its subsidiaries. As PacifiCorp is not party to these transactions, such transactions have been excluded from the tables presented on the following pages and instead are disclosed in the footnotes to the tables.

BNSF Railway Company
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--------------------------------------|---|---|
| Rail services | \$ 34,155,587 | \$ - |
| Right-of-way fees | <u>37,107</u> | <u>-</u> |
| Total | <u>\$ 34,192,694</u> | <u>\$ -</u> |
| Basis of pricing | (a) | N/A |
| Cost of service | (a) | N/A |
| The margin of charges over costs | (a) | N/A |
| Assets allocable to the services | (a) | N/A |
| The overall rate of return on assets | (a) | N/A |

(a) Rail services are based on negotiated prices under long-term contracts. Right-of-way fees are based on factors such as square footage.

For further information on the following financial statements, refer to BNSF Railway Company's Form 10-K for the year ended December 31, 2012 (File No. 1-6324) at www.sec.gov.

BNSF Railway Company and Subsidiaries

Consolidated Statements of Income

In millions

| | Successor | | | Predecessor |
|----------------------------------|------------------------------------|------------------------------------|---------------------------------------|-------------------------------------|
| | Year Ended December 31, 2012 | Year Ended December 31, 2011 | February 13 – December 31, 2010 | January 1 – February 12, 2010 |
| Revenues | \$ 20,478 | \$ 19,229 | \$ 14,835 | \$ 1,768 |
| Operating expenses: | | | | |
| Compensation and benefits | 4,472 | 4,288 | 3,544 | 439 |
| Fuel | 4,459 | 4,267 | 2,687 | 329 |
| Purchased services | 2,122 | 2,009 | 1,787 | 211 |
| Depreciation and amortization | 1,888 | 1,807 | 1,531 | 192 |
| Equipment rents | 810 | 779 | 670 | 97 |
| Materials and other | 764 | 808 | 652 | 1 |
| Total operating expenses | 14,515 | 13,958 | 10,871 | 1,269 |
| Operating income | 5,963 | 5,271 | 3,964 | 499 |
| Interest expense | 55 | 73 | 72 | 16 |
| Interest income, related parties | (57) | (32) | (15) | (1) |
| Other expense, net | 11 | 10 | 8 | 2 |
| Income before income taxes | 5,954 | 5,220 | 3,899 | 482 |
| Income tax expense | 2,234 | 1,947 | 1,517 | 200 |
| Net income | \$ 3,720 | \$ 3,273 | \$ 2,382 | \$ 282 |

See accompanying Notes to Consolidated Financial Statements.

BNSF Railway Company and Subsidiaries

Consolidated Balance Sheets

In millions

| | Successor | |
|--|----------------------|----------------------|
| | December 31, 2012 | December 31, 2011 |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 350 | \$ 293 |
| Accounts receivable, net | 1,146 | 1,265 |
| Materials and supplies | 800 | 739 |
| Current portion of deferred income taxes | 340 | 295 |
| Other current assets | 145 | 190 |
| Total current assets | 2,781 | 2,782 |
| Property and equipment, net of accumulated depreciation of \$1,623 and \$1,056, respectively | 50,056 | 48,033 |
| Goodwill | 14,803 | 14,803 |
| Intangible assets, net | 1,114 | 1,420 |
| Other assets | 1,870 | 1,949 |
| Total assets | \$ 70,624 | \$ 68,987 |
| Liabilities and Stockholder's Equity | | |
| Current liabilities: | | |
| Accounts payable and other current liabilities | \$ 2,970 | \$ 3,093 |
| Long-term debt due within one year | 203 | 226 |
| Total current liabilities | 3,173 | 3,319 |
| Deferred income taxes | 16,510 | 15,847 |
| Long-term debt | 1,622 | 1,845 |
| Intangible liabilities, net | 1,214 | 1,496 |
| Casualty and environmental liabilities | 750 | 905 |
| Pension and retiree health and welfare liability | 786 | 769 |
| Other liabilities | 944 | 998 |
| Total liabilities | 24,999 | 25,179 |
| Commitments and contingencies (see Notes 5, 12 and 13) | | |
| Stockholder's equity: | | |
| Common stock, \$1 par value, 1,000 shares authorized; issued and outstanding and paid-in-capital | 42,920 | 42,920 |
| Retained earnings | 9,375 | 5,655 |
| Intercompany notes receivable | (6,425) | (4,564) |
| Accumulated other comprehensive loss | (245) | (203) |
| Total stockholder's equity | 45,625 | 43,808 |
| Total liabilities and stockholder's equity | \$ 70,624 | \$ 68,987 |

See accompanying Notes to Consolidated Financial Statements.

Marmon Utility LLC
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--------------------------------------|---|---|
| Materials | \$ <u>112,701</u> | \$ <u>-</u> |
| Total | \$ <u>112,701</u> | \$ <u>-</u> |
| Basis of pricing | (a) | N/A |
| Cost of service | (a) | N/A |
| The margin of charges over costs | (a) | N/A |
| Assets allocable to the services | (a) | N/A |
| The overall rate of return on assets | (a) | N/A |

(a) Transactions with Marmon Utility LLC are provided to PacifiCorp in the normal course of business at standard pricing.

Marmon Utility LLC is not a public company, and its financial statements are not available.

Graver Water Systems, LLC
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--------------------------------------|---|---|
| Equipment parts | \$ <u>3,739</u> | \$ <u>-</u> |
| Total | <u>\$ 3,739</u> | <u>\$ -</u> |
| Basis of pricing | (a) | N/A |
| Cost of service | (a) | N/A |
| The margin of charges over costs | (a) | N/A |
| Assets allocable to the services | (a) | N/A |
| The overall rate of return on assets | (a) | N/A |

(a) Transactions with Graver Water Systems, LLC are provided to PacifiCorp in the normal course of business at standard pricing.

Graver Water Systems, LLC is not a public company, and its financial statements are not available.

Marmon/Keystone Corporation
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--------------------------------------|---|---|
| Materials | \$ <u>354</u> | \$ <u>-</u> |
| Total | \$ <u>354</u> | \$ <u>-</u> |
| Basis of pricing | (a) | N/A |
| Cost of service | (a) | N/A |
| The margin of charges over costs | (a) | N/A |
| Assets allocable to the services | (a) | N/A |
| The overall rate of return on assets | (a) | N/A |

(a) Transactions with Marmon/Keystone Corporation are provided to PacifiCorp in the normal course of business at standard pricing.

Marmon/Keystone Corporation is not a public company, and its financial statements are not available.

Wells Fargo & Company
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--------------------------------------|-------------------------------------|-------------------------------------|
| Natural gas swaps ^(a) | \$ 17,545,110 | \$ - |
| Banking fees | <u>2,505,567</u> | <u>-</u> |
| Total | <u>\$ 20,050,677</u> | <u>\$ -</u> |
| Basis of pricing | (b) | N/A |
| Cost of service | (b) | N/A |
| The margin of charges over costs | (b) | N/A |
| Assets allocable to the services | (b) | N/A |
| The overall rate of return on assets | (b) | N/A |

(a) Represents the financial impact realized on natural gas swaps during the year ended December 31, 2012. In conjunction with these swap arrangements, PacifiCorp had no collateral at Wells Fargo & Company at December 31, 2012. Please refer to further discussion below.

(b) Wells Fargo & Company provides financial services to PacifiCorp in the normal course of business at standard pricing.

The costs incurred with Wells Fargo & Company for the natural gas swaps included above are only one component of PacifiCorp's overall risk management process, which is designed to identify, assess, monitor, report, manage and mitigate each of the various types of risk involved in PacifiCorp's business, including commodity risk. PacifiCorp manages certain risks, including price risk, relating to its supply of electricity and fuel requirements by entering into various contracts, which may be accounted for as derivatives, including forwards, options, swaps and other agreements. PacifiCorp's energy costs are subject to numerous operational and economic factors such as planned and unplanned outages; fuel commodity prices; fuel transportation costs; weather; environmental considerations; transmission constraints; and wholesale market prices of electricity. For further information regarding PacifiCorp's risk management process and hedging activities, including its use of commodity derivative contracts, please refer to PacifiCorp's Annual Report on Form 10-K for the year ended December 31, 2012.

For further information on the following financial statements, refer to Wells Fargo & Company's Form 10-K for the year ended December 31, 2012 (File No. 001-2979) at www.sec.gov.

Wells Fargo & Company and Subsidiaries
Consolidated Statement of Income

| (in millions, except per share amounts) | Year ended December 31, | | |
|--|-------------------------|---------|---------|
| | 2012 | 2011 | 2010 |
| Interest income | | | |
| Trading assets | \$ 1,358 | 1,440 | 1,098 |
| Securities available for sale | 8,098 | 8,475 | 9,666 |
| Mortgages held for sale | 1,825 | 1,644 | 1,736 |
| Loans held for sale | 41 | 58 | 101 |
| Loans | 36,482 | 37,247 | 39,760 |
| Other interest income | 587 | 548 | 435 |
| Total interest income | 48,391 | 49,412 | 52,796 |
| Interest expense | | | |
| Deposits | 1,727 | 2,275 | 2,832 |
| Short-term borrowings | 79 | 80 | 92 |
| Long-term debt | 3,110 | 3,978 | 4,888 |
| Other interest expense | 245 | 316 | 227 |
| Total interest expense | 5,161 | 6,649 | 8,039 |
| Net interest income | 43,230 | 42,763 | 44,757 |
| Provision for credit losses | 7,217 | 7,899 | 15,753 |
| Net interest income after provision for credit losses | 36,013 | 34,864 | 29,004 |
| Noninterest income | | | |
| Service charges on deposit accounts | 4,683 | 4,280 | 4,916 |
| Trust and investment fees | 11,890 | 11,304 | 10,934 |
| Card fees | 2,838 | 3,653 | 3,652 |
| Other fees | 4,519 | 4,193 | 3,990 |
| Mortgage banking | 11,638 | 7,832 | 9,737 |
| Insurance | 1,850 | 1,960 | 2,126 |
| Net gains from trading activities | 1,707 | 1,014 | 1,648 |
| Net gains (losses) on debt securities available for sale (1) | (128) | 54 | (324) |
| Net gains from equity investments (2) | 1,485 | 1,482 | 779 |
| Operating leases | 567 | 524 | 815 |
| Other | 1,807 | 1,889 | 2,180 |
| Total noninterest income | 42,856 | 38,185 | 40,453 |
| Noninterest expense | | | |
| Salaries | 14,689 | 14,462 | 13,869 |
| Commission and incentive compensation | 9,504 | 8,857 | 8,692 |
| Employee benefits | 4,611 | 4,348 | 4,651 |
| Equipment | 2,068 | 2,283 | 2,636 |
| Net occupancy | 2,857 | 3,011 | 3,030 |
| Core deposit and other intangibles | 1,674 | 1,880 | 2,199 |
| FDIC and other deposit assessments | 1,356 | 1,266 | 1,197 |
| Other | 13,639 | 13,286 | 14,182 |
| Total noninterest expense | 50,398 | 49,393 | 50,456 |
| Income before income tax expense | 28,471 | 23,656 | 19,001 |
| Income tax expense | 9,103 | 7,445 | 6,338 |
| Net income before noncontrolling interests | 19,368 | 16,211 | 12,663 |
| Less: Net income from noncontrolling interests | 471 | 342 | 301 |
| Wells Fargo net income | \$ 18,897 | 15,869 | 12,362 |
| Less: Preferred stock dividends and other | 898 | 844 | 730 |
| Wells Fargo net income applicable to common stock | \$ 17,999 | 15,025 | 11,632 |
| Per share information | | | |
| Earnings per common share | \$ 3.40 | 2.85 | 2.23 |
| Diluted earnings per common share | 3.36 | 2.82 | 2.21 |
| Dividends declared per common share | 0.88 | 0.48 | 0.20 |
| Average common shares outstanding | 5,287.6 | 5,278.1 | 5,226.8 |
| Diluted average common shares outstanding | 5,351.5 | 5,323.4 | 5,263.1 |

(1) Total other-than-temporary impairment (OTTI) losses (gains) were \$3 million, \$349 million and \$500 million for the year ended December 31, 2012, 2011 and 2010, respectively. Of total OTTI, losses of \$240 million, \$423 million and \$672 million were recognized in earnings, and gains of \$(237) million, \$(74) million and \$(172) million were recognized as non-credit-related OTTI in other comprehensive income for the year ended December 31, 2012, 2011 and 2010, respectively.

(2) Includes OTTI losses of \$176 million, \$288 million and \$268 million for the year ended December 31, 2012, 2011 and 2010, respectively.

The accompanying notes are an integral part of these statements.

Wells Fargo & Company and Subsidiaries
Consolidated Balance Sheet

| (in millions, except shares) | December 31, | |
|--|---------------------|------------------|
| | 2012 | 2011 |
| Assets | | |
| Cash and due from banks | \$ 21,860 | 19,440 |
| Federal funds sold, securities purchased under resale agreements and other short-term investments | 137,313 | 44,367 |
| Trading assets | 57,482 | 77,814 |
| Securities available for sale | 235,199 | 222,613 |
| Mortgages held for sale (includes \$42,305 and \$44,791 carried at fair value) | 47,149 | 48,357 |
| Loans held for sale (includes \$6 and \$1,176 carried at fair value) | 110 | 1,338 |
| Loans (includes \$6,206 and \$5,916 carried at fair value) | 799,574 | 769,631 |
| Allowance for loan losses | (17,060) | (19,372) |
| Net loans | 782,514 | 750,259 |
| Mortgage servicing rights: | | |
| Measured at fair value | 11,538 | 12,603 |
| Amortized | 1,160 | 1,408 |
| Premises and equipment, net | 9,428 | 9,531 |
| Goodwill | 25,637 | 25,115 |
| Other assets | 93,578 | 101,022 |
| Total assets (1) | \$ 1,422,968 | 1,313,867 |
| Liabilities | | |
| Noninterest-bearing deposits | \$ 288,207 | 244,003 |
| Interest-bearing deposits | 714,628 | 676,067 |
| Total deposits | 1,002,835 | 920,070 |
| Short-term borrowings | 57,175 | 49,091 |
| Accrued expenses and other liabilities | 76,668 | 77,665 |
| Long-term debt (includes \$1 and \$0 carried at fair value) | 127,379 | 125,354 |
| Total liabilities (2) | 1,264,057 | 1,172,180 |
| Equity | | |
| Wells Fargo stockholders' equity: | | |
| Preferred stock | 12,883 | 11,431 |
| Common stock – \$1-2/3 par value, authorized 9,000,000,000 shares; issued 5,481,811,474 shares and 5,358,522,061 shares | 9,136 | 8,931 |
| Additional paid-in capital | 59,802 | 55,957 |
| Retained earnings | 77,679 | 64,385 |
| Cumulative other comprehensive income | 5,650 | 3,207 |
| Treasury stock – 215,497,298 shares and 95,910,425 shares | (6,610) | (2,744) |
| Unearned ESOP shares | (986) | (926) |
| Total Wells Fargo stockholders' equity | 157,554 | 140,241 |
| Noncontrolling interests | 1,357 | 1,446 |
| Total equity | 158,911 | 141,687 |
| Total liabilities and equity | \$ 1,422,968 | 1,313,867 |

(1) Our consolidated assets at December 31, 2012 and December 31, 2011, include the following assets of certain variable interest entities (VIEs) that can only be used to settle the liabilities of those VIEs: Cash and due from banks, \$260 million and \$321 million; Trading assets, \$114 million and \$293 million; Securities available for sale, \$2.8 billion and \$3.3 billion; Mortgages held for sale, \$469 million and \$444 million; Net loans, \$10.6 billion and \$12.0 billion; Other assets, \$457 million and \$1.9 billion, and Total assets, \$14.6 billion and \$18.2 billion, respectively.

(2) Our consolidated liabilities at December 31, 2012 and December 31, 2011, include the following VIE liabilities for which the VIE creditors do not have recourse to Wells Fargo: Short-term borrowings, \$0 and \$24 million; Accrued expenses and other liabilities, \$134 million and \$175 million; Long-term debt, \$3.5 billion and \$4.9 billion; and Total liabilities, \$3.6 billion and \$5.1 billion, respectively.

The accompanying notes are an integral part of these statements.

The Hartford Steam Boiler Inspection and Insurance Company
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--------------------------------------|---|---|
| Transformer oil and gas analysis | \$ <u>20,741</u> | \$ <u>-</u> |
| Total | \$ <u>20,741</u> | \$ <u>-</u> |
| Basis of pricing | (a) | N/A |
| Cost of service | (a) | N/A |
| The margin of charges over costs | (a) | N/A |
| Assets allocable to the services | (a) | N/A |
| The overall rate of return on assets | (a) | N/A |

(a) The Hartford Steam Boiler Inspection and Insurance Company provides services to PacifiCorp in the normal course of business at standard pricing.

The Hartford Steam Boiler Inspection and Insurance Company is not a public company, and its financial statements are not available.

**Moody's Investors Service
 Affiliated Transactions
 For the Year Ended December 31, 2012**

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--------------------------------------|---|---|
| Rating agency fees | \$ 517,067 | \$ - |
| Total | <u>\$ 517,067</u> | <u>\$ -</u> |
| Basis of pricing | (a) | N/A |
| Cost of service | (a) | N/A |
| The margin of charges over costs | (a) | N/A |
| Assets allocable to the services | (a) | N/A |
| The overall rate of return on assets | (a) | N/A |

(a) Moody's Investors Service provides services to PacifiCorp in the normal course of business at standard pricing.

Moody's Investors Service is not a public company, and its financial statements are not available. The financial statements of its parent company, Moody's Corporation, are included. For further information on the following financial statements, refer to Moody's Corporation's Form 10-K for the year ended December 31, 2012 (File No. 1-14037) at www.sec.gov.

MOODY'S CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS

(Amounts in millions, except per share data)

| | Year Ended December 31, | | |
|---|-------------------------|-------------------|-------------------|
| | 2012 | 2011 | 2010 |
| Revenue | \$ 2,730.3 | \$ 2,280.7 | \$ 2,032.0 |
| Expenses | | | |
| Operating | 795.0 | 683.5 | 604.8 |
| Selling, general and administrative | 752.2 | 629.6 | 588.0 |
| Goodwill impairment charge | 12.2 | — | — |
| Restructuring | — | — | 0.1 |
| Depreciation and amortization | 93.5 | 79.2 | 66.3 |
| Total expenses | 1,652.9 | 1,392.3 | 1,259.2 |
| Operating income | 1,077.4 | 888.4 | 772.8 |
| Interest income (expense), net | (63.8) | (62.1) | (52.5) |
| Other non-operating income (expense), net | 10.4 | 13.5 | (5.9) |
| Non-operating income (expense), net | (53.4) | (48.6) | (58.4) |
| Income before provision for income taxes | 1,024.0 | 839.8 | 714.4 |
| Provision for income taxes | 324.3 | 261.8 | 201.0 |
| Net income | 699.7 | 578.0 | 513.4 |
| Less: Net income attributable to noncontrolling interests | 9.7 | 6.6 | 5.6 |
| Net income attributable to Moody's | \$ 690.0 | \$ 571.4 | \$ 507.8 |
| Earnings per share | | | |
| Basic | \$ 3.09 | \$ 2.52 | \$ 2.16 |
| Diluted | \$ 3.05 | \$ 2.49 | \$ 2.15 |
| Weighted average shares outstanding | | | |
| Basic | 223.2 | 226.3 | 235.0 |
| Diluted | 226.6 | 229.4 | 236.6 |

The accompanying notes are an integral part of the consolidated financial statements.

MOODY'S CORPORATION
CONSOLIDATED BALANCE SHEETS

(Amounts in millions, except share and per share data)

| | December 31, | |
|---|--------------|------------|
| | 2012 | 2011 |
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 1,755.4 | \$ 760.0 |
| Short-term investments | 17.9 | 14.8 |
| Accounts receivable, net of allowances of \$29.1 in 2012 and \$28.0 in 2011 | 621.8 | 489.8 |
| Deferred tax assets, net | 38.7 | 82.2 |
| Other current assets | 91.9 | 77.6 |
| Total current assets | 2,525.7 | 1,424.4 |
| Property and equipment, net | 307.1 | 326.8 |
| Goodwill | 637.1 | 642.9 |
| Intangible assets, net | 226.5 | 253.6 |
| Deferred tax assets, net | 168.5 | 146.4 |
| Other assets | 96.0 | 82.0 |
| Total assets | \$ 3,960.9 | \$ 2,876.1 |
| LIABILITIES, REDEEMABLE NONCONTROLLING INTEREST AND SHAREHOLDERS' EQUITY (DEFICIT) | | |
| Current liabilities: | | |
| Accounts payable and accrued liabilities | \$ 555.3 | \$ 452.3 |
| Unrecognized tax benefits | — | 90.0 |
| Current portion of long-term debt | 63.8 | 71.3 |
| Deferred revenue | 545.8 | 520.4 |
| Total current liabilities | 1,164.9 | 1,134.0 |
| Non-current portion of deferred revenue | 94.9 | 97.7 |
| Long-term debt | 1,607.4 | 1,172.5 |
| Deferred tax liabilities, net | 58.1 | 49.6 |
| Unrecognized tax benefits | 156.6 | 115.4 |
| Other liabilities | 410.1 | 404.8 |
| Total liabilities | 3,492.0 | 2,974.0 |
| Contingencies (Note 17) | | |
| Redeemable noncontrolling interest | 72.3 | 60.5 |
| Shareholders' equity (deficit): | | |
| Preferred stock, par value \$.01 per share; 10,000,000 shares authorized; no shares issued and outstanding | — | — |
| Series common stock, par value \$.01 per share; 10,000,000 shares authorized; no shares issued and outstanding | — | — |
| Common stock, par value \$.01 per share; 1,000,000,000 shares authorized; 342,902,272 shares issued at December 31, 2012 and December 31, 2011, respectively. | 3.4 | 3.4 |
| Capital surplus | 365.1 | 394.5 |
| Retained earnings | 4,713.3 | 4,176.1 |
| Treasury stock, at cost; 119,650,254 and 120,462,232 shares of common stock at December 31, 2012 and December 31, 2011, respectively | (4,614.5) | (4,635.5) |
| Accumulated other comprehensive loss | (82.1) | (107.5) |
| Total Moody's shareholders' equity (deficit) | 385.2 | (169.0) |
| Noncontrolling interests | 11.4 | 10.6 |
| Total shareholders' equity (deficit) | 396.6 | (158.4) |
| Total liabilities, redeemable noncontrolling interest and shareholders' equity (deficit) | \$ 3,960.9 | \$ 2,876.1 |

The accompanying notes are an integral part of the consolidated financial statements.

International Business Machines Corporation
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|---|---|---|
| Computer hardware and software and computer systems consulting and maintenance services | \$ <u>2,167,361</u> | \$ _____ - |
| Total | <u>\$ 2,167,361</u> | <u>\$ _____ -</u> |
| Basis of pricing | (a) | N/A |
| Cost of service | (a) | N/A |
| The margin of charges over costs | (a) | N/A |
| Assets allocable to the services | (a) | N/A |
| The overall rate of return on assets | (a) | N/A |

(a) International Business Machines Corporation provides services to PacifiCorp in the normal course of business at standard pricing.

For further information on the following financial statements, refer to International Business Machines Corporation's Form 10-K for the year ended December 31, 2012 (File No. 1-2360) at www.sec.gov.

Consolidated Statement of Earnings

International Business Machines Corporation and Subsidiary Companies

(\$ in millions except per share amounts)

| For the year ended December 31: | Notes | 2012 | 2011 | 2010 |
|---|-------|----------------------|---------------|---------------|
| Revenue | | | | |
| Services | | \$ 59,453 | \$ 60,721 | \$56,868 |
| Sales | | 43,014 | 44,063 | 40,736 |
| Financing | | 2,040 | 2,132 | 2,267 |
| Total revenue | | 104,507 | 106,916 | 99,870 |
| Cost | | | | |
| Services | | 39,166 | 40,740 | 38,383 |
| Sales | | 13,956 | 14,973 | 14,374 |
| Financing | | 1,087 | 1,065 | 1,100 |
| Total cost | | 54,209 | 56,778 | 53,857 |
| Gross profit | | 50,298 | 50,138 | 46,014 |
| Expense and other income | | | | |
| Selling, general and administrative | | 23,553 | 23,594 | 21,837 |
| Research, development and engineering | O | 6,302 | 6,258 | 6,026 |
| Intellectual property and custom development income | | (1,074) | (1,108) | (1,154) |
| Other (income) and expense | | (843) | (20) | (787) |
| Interest expense | D&J | 459 | 411 | 368 |
| Total expense and other income | | 28,396 | 29,135 | 26,291 |
| Income before income taxes | | 21,902 | 21,003 | 19,723 |
| Provision for income taxes | N | 5,298 | 5,148 | 4,890 |
| Net income | | \$ 16,604 | \$ 15,855 | \$14,833 |
| Earnings per share of common stock | | | | |
| Assuming dilution | P | \$ 14.37 | \$ 13.06 | \$ 11.52 |
| Basic | P | \$ 14.53 | \$ 13.25 | \$ 11.69 |
| Weighted-average number of common shares outstanding | | | | |
| Assuming dilution | | 1,155,449,317 | 1,213,767,985 | 1,287,355,388 |
| Basic | | 1,142,508,521 | 1,196,951,006 | 1,268,789,202 |

Amounts may not add due to rounding.

The accompanying notes on [pages 76 through 138](#) are an integral part of the financial statements.

Consolidated Statement of Financial Position

International Business Machines Corporation and Subsidiary Companies

(\$ in millions except per share amounts)

| At December 31: | Notes | 2012 | 2011 |
|--|-------|-------------------|-------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | | \$ 10,412 | \$ 11,922 |
| Marketable securities | D | 717 | 0 |
| Notes and accounts receivable—trade (net of allowances of \$255 in 2012 and \$256 in 2011) | | 10,667 | 11,179 |
| Short-term financing receivables (net of allowances of \$288 in 2012 and \$311 in 2011) | F | 18,038 | 16,901 |
| Other accounts receivable (net of allowances of \$17 in 2012 and \$11 in 2011) | | 1,873 | 1,481 |
| Inventories | E | 2,287 | 2,595 |
| Deferred taxes | N | 1,415 | 1,601 |
| Prepaid expenses and other current assets | | 4,024 | 5,249 |
| Total current assets | | 49,433 | 50,928 |
| Property, plant and equipment | G | 40,501 | 40,124 |
| Less: Accumulated depreciation | G | 26,505 | 26,241 |
| Property, plant and equipment—net | G | 13,996 | 13,883 |
| Long-term financing receivables (net of allowances of \$66 in 2012 and \$38 in 2011) | F | 12,812 | 10,776 |
| Prepaid pension assets | S | 945 | 2,843 |
| Deferred taxes | N | 3,973 | 3,503 |
| Goodwill | I | 29,247 | 26,213 |
| Intangible assets—net | I | 3,787 | 3,392 |
| Investments and sundry assets | H | 5,021 | 4,895 |
| Total assets | | \$ 119,213 | \$ 116,433 |
| Liabilities and equity | | | |
| Current liabilities | | | |
| Taxes | N | \$ 4,948 | \$ 3,313 |
| Short-term debt | D&J | 9,181 | 8,463 |
| Accounts payable | | 7,952 | 8,517 |
| Compensation and benefits | | 4,745 | 5,099 |
| Deferred income | | 11,952 | 12,197 |
| Other accrued expenses and liabilities | | 4,847 | 4,535 |
| Total current liabilities | | 43,625 | 42,123 |
| Long-term debt | D&J | 24,088 | 22,857 |
| Retirement and nonpension postretirement benefit obligations | S | 20,418 | 18,374 |
| Deferred income | | 4,491 | 3,847 |
| Other liabilities | K | 7,607 | 8,996 |
| Total liabilities | | 100,229 | 96,197 |
| Contingencies and commitments | M | | |
| Equity | L | | |
| IBM stockholders' equity | | | |
| Common stock, par value \$.20 per share, and additional paid-in capital | | 50,110 | 48,129 |
| Shares authorized: 4,687,500,000 | | | |
| Shares issued (2012—2,197,561,159; 2011—2,182,469,838) | | | |
| Retained earnings | | 117,641 | 104,857 |
| Treasury stock, at cost (shares: 2012—1,080,193,483; 2011—1,019,287,274) | | (123,131) | (110,963) |
| Accumulated other comprehensive income/(loss) | | (25,759) | (21,885) |
| Total IBM stockholders' equity | | 18,860 | 20,138 |
| Noncontrolling interests | A | 124 | 97 |
| Total equity | | 18,984 | 20,236 |
| Total liabilities and equity | | \$ 119,213 | \$ 116,433 |

Amounts may not add due to rounding.

The accompanying notes on [pages 76 through 138](#) are an integral part of the financial statements.

Lee Enterprises, Incorporated
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services ^(a)</u> | <u>PacifiCorp Provided Services</u> |
|--------------------------------------|--|---|
| Job postings and legal notices | \$ 7,041 | \$ - |
| Total | <u>\$ 7,041</u> | <u>\$ -</u> |
| Basis of pricing | (b) | N/A |
| Cost of service | (b) | N/A |
| The margin of charges over costs | (b) | N/A |
| Assets allocable to the services | (b) | N/A |
| The overall rate of return on assets | (b) | N/A |

(a) During the second quarter of 2012, Berkshire Hathaway Inc.'s ownership in Lee Enterprises, Incorporated surpassed five percent of Lee Enterprises, Incorporated's outstanding common shares, and subsequently fell to less than five percent during the third quarter of 2012. As a result, Lee Enterprises, Incorporated was an affiliate of PacifiCorp during the second and third quarters of 2012. Accordingly, this report reflects transactions between PacifiCorp and Lee Enterprises, Incorporated that occurred between April 1, 2012 and September 30, 2012.

(b) Lee Enterprises, Incorporated provides services to PacifiCorp in the normal course of business at standard pricing.

For further information on the following financial statements, refer to Lee Enterprises, Incorporated's Form 10-K for the year ended September 30, 2012 (File No. 1-6227) at www.sec.gov.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)

| (Thousands of Dollars, Except Per Common Share Data) | 2012 | 2011 | 2010 |
|--|-----------------|------------------|-----------------|
| Operating revenue: | | | |
| Advertising | 495,872 | 517,348 | 537,223 |
| Circulation | 174,747 | 172,245 | 171,155 |
| Other | 39,867 | 37,726 | 40,066 |
| Total operating revenue | 710,486 | 727,319 | 748,444 |
| Operating expenses: | | | |
| Compensation | 276,379 | 283,527 | 298,873 |
| Newsprint and ink | 52,003 | 56,191 | 51,707 |
| Other operating expenses | 214,570 | 220,656 | 227,603 |
| Depreciation | 23,620 | 25,833 | 26,716 |
| Amortization of intangible assets | 42,297 | 44,473 | 45,208 |
| Impairment of goodwill and other assets | 1,388 | 204,439 | 899 |
| Workforce adjustments | 4,640 | 3,922 | 1,199 |
| Total operating expenses | 614,897 | 839,041 | 652,205 |
| Curtailment gains | — | 16,137 | 45,012 |
| Equity in earnings of associated companies | 7,231 | 6,151 | 7,746 |
| Reduction in investment in TNI | — | 11,900 | — |
| Operating income (loss) | 102,820 | (101,334) | 148,997 |
| Non-operating income (expense): | | | |
| Financial income | 236 | 296 | 411 |
| Financial expense | (83,078) | (52,696) | (63,117) |
| Debt financing costs | (2,823) | (12,612) | (8,514) |
| Other, net | (2,533) | 595 | (1,172) |
| Total non-operating expense, net | (88,198) | (64,417) | (72,392) |
| Income (loss) before reorganization costs and income taxes | 14,622 | (165,751) | 76,605 |
| Reorganization costs | 37,765 | — | — |
| Income (loss) before income taxes | (23,143) | (165,751) | 76,605 |
| Income tax expense (benefit) | (9,371) | (20,316) | 29,308 |
| Net income (loss) from continuing operations | (13,772) | (145,435) | 47,297 |
| Discontinued operations, net of income taxes | (2,527) | (1,246) | (1,119) |
| Net income (loss) | (16,299) | (146,681) | 46,178 |
| Net income attributable to non-controlling interests | (399) | (187) | (73) |
| Income (loss) attributable to Lee Enterprises, Incorporated | (16,698) | (146,868) | 46,105 |
| Other comprehensive loss, net | (7,348) | (12,737) | (14,704) |
| Comprehensive income (loss) | (24,046) | (159,605) | 31,401 |
| Income (loss) from continuing operations attributable to Lee Enterprises, Incorporated | (14,171) | (145,622) | 47,224 |
| Earnings (loss) per common share: | | | |
| Basic: | | | |
| Continuing operations | (0.29) | (3.25) | 1.06 |
| Discontinued operations | (0.05) | (0.03) | (0.03) |
| | (0.34) | (3.27) | 1.03 |
| Diluted: | | | |
| Continuing operations | (0.29) | (3.25) | 1.05 |
| Discontinued operations | (0.05) | (0.03) | (0.02) |
| | (0.34) | (3.27) | 1.03 |

The accompanying Notes are an integral part of the Consolidated Financial Statements.

CONSOLIDATED BALANCE SHEETS

| <i>(Thousands of Dollars)</i> | September 30 2012 | September 25 2011 |
|--|----------------------|----------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | 13,920 | 23,555 |
| Accounts receivable, less allowance for doubtful accounts: 2012 \$4,890; 2011 \$5,387 | 68,190 | 69,307 |
| Income taxes receivable | 7,887 | 1,335 |
| Inventories | 7,454 | 7,060 |
| Deferred income taxes | 789 | 967 |
| Other | 6,261 | 16,102 |
| Assets of discontinued operations | 9,171 | 17,415 |
| Total current assets | 113,672 | 135,741 |
| Investments: | | |
| Associated companies | 42,201 | 44,057 |
| Restricted cash and investments | — | 4,972 |
| Other | 10,033 | 9,199 |
| Total investments | 52,234 | 58,228 |
| Property and equipment: | | |
| Land and improvements | 24,535 | 24,547 |
| Buildings and improvements | 188,743 | 187,039 |
| Equipment | 299,905 | 301,281 |
| Construction in process | 2,567 | 2,852 |
| | 515,750 | 515,719 |
| Less accumulated depreciation | 330,531 | 313,678 |
| Property and equipment, net | 185,219 | 202,041 |
| Goodwill | 247,271 | 247,271 |
| Other intangible assets, net | 451,292 | 493,589 |
| Postretirement assets, net | 7,551 | 14,934 |
| Other | 3,897 | 6,444 |
| Total assets | 1,061,136 | 1,158,248 |

The accompanying Notes are an integral part of the Consolidated Financial Statements.

| | September 30 2012 | September 25 2011 |
|--|----------------------|----------------------|
| <i>(Thousands of Dollars and Shares, Except Per Share Data)</i> | | |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Current maturities of long-term debt | 11,982 | 994,550 |
| Accounts payable | 22,978 | 26,796 |
| Compensation and other accrued liabilities | 38,559 | 33,991 |
| Unearned revenue | 35,078 | 35,365 |
| Liabilities of discontinued operations | 1,714 | 3,537 |
| Total current liabilities | 110,311 | 1,094,239 |
| Long-term debt, net of current maturities | 914,244 | — |
| Pension obligations | 68,636 | 73,518 |
| Postretirement and postemployment benefit obligations | 7,160 | 6,104 |
| Deferred income taxes | 60,140 | 66,204 |
| Income taxes payable | 6,062 | 8,588 |
| Other | 8,639 | 10,489 |
| Total liabilities | 1,175,192 | 1,259,142 |
| Equity (deficit): | | |
| Stockholders' equity (deficit): | | |
| Serial convertible preferred stock, no par value; authorized 500 shares; none issued | — | — |
| Common Stock, authorized 120,000 shares; issued and outstanding: | 523 | 89,915 |
| September 30, 2012; 52,291 shares; \$0.01 par value | | |
| September 25, 2011; 44,958 shares; \$2 par value | | |
| Class B Common Stock, \$2 par value; authorized 30,000 shares; none issued | — | — |
| Additional paid-in capital | 241,039 | 140,887 |
| Accumulated deficit | (342,760) | (326,062) |
| Accumulated other comprehensive loss | (13,435) | (6,086) |
| Total stockholders' deficit | (114,633) | (101,346) |
| Non-controlling interests | 577 | 452 |
| Total deficit | (114,056) | (100,894) |
| Total liabilities and deficit | 1,061,136 | 1,158,248 |

The accompanying Notes are an integral part of the Consolidated Financial Statements.

DIRECTV
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services ^(a)</u> | <u>PacifiCorp Provided Services</u> |
|--------------------------------------|--|---|
| Television programming | \$ <u>594</u> | \$ <u>-</u> |
| Total | \$ <u>594</u> | \$ <u>-</u> |
| Basis of pricing | (b) | N/A |
| Cost of service | (b) | N/A |
| The margin of charges over costs | (b) | N/A |
| Assets allocable to the services | (b) | N/A |
| The overall rate of return on assets | (b) | N/A |

(a) During the fourth quarter of 2012, Berkshire Hathaway Inc.'s ownership in DIRECTV surpassed five percent of DIRECTV's outstanding common shares. As a result, DIRECTV became a PacifiCorp affiliate in the fourth quarter of 2012. Accordingly, this report reflects transactions between PacifiCorp and DIRECTV that occurred between October 1, 2012 and December 31, 2012.

(b) DIRECTV provides services to PacifiCorp in the normal course of business at standard pricing.

For further information on the following financial statements, refer to DIRECTV's Form 10-K for the year ended December 31, 2012 (File No. 1-34554) at www.sec.gov.

DIRECTV
CONSOLIDATED STATEMENTS OF OPERATIONS

| | Years Ended December 31, | | |
|--|--|-----------------|-----------------|
| | 2012 | 2011 | 2010 |
| | (Dollars in Millions, Except Per Share Amounts) | | |
| Revenues | \$29,740 | \$27,226 | \$24,102 |
| Operating costs and expenses | | | |
| Costs of revenues, exclusive of depreciation and amortization expense | | | |
| Broadcast programming and other | 13,028 | 11,655 | 10,074 |
| Subscriber service expenses | 2,137 | 1,911 | 1,681 |
| Broadcast operations expenses | 414 | 389 | 350 |
| Selling, general and administrative expenses, exclusive of depreciation and amortization expense | | | |
| Subscriber acquisition costs | 3,397 | 3,390 | 3,005 |
| Upgrade and retention costs | 1,427 | 1,327 | 1,169 |
| General and administrative expenses | 1,815 | 1,576 | 1,445 |
| Depreciation and amortization expense | 2,437 | 2,349 | 2,482 |
| Total operating costs and expenses | <u>24,655</u> | <u>22,597</u> | <u>20,206</u> |
| Operating profit | 5,085 | 4,629 | 3,896 |
| Interest income | 59 | 34 | 39 |
| Interest expense | (842) | (763) | (557) |
| Liberty transaction and related gain | — | — | 67 |
| Other, net | 140 | 84 | 69 |
| Income before income taxes | 4,442 | 3,984 | 3,514 |
| Income tax expense | (1,465) | (1,348) | (1,202) |
| Net income | <u>2,977</u> | <u>2,636</u> | <u>2,312</u> |
| Less: Net income attributable to noncontrolling interest | (28) | (27) | (114) |
| Net income attributable to DIRECTV | <u>\$ 2,949</u> | <u>\$ 2,609</u> | <u>\$ 2,198</u> |

DIRECTV
CONSOLIDATED STATEMENTS OF OPERATIONS—(continued)

| | Years Ended December 31, | | |
|--|--|-----------------|-----------------|
| | 2012 | 2011 | 2010 |
| | (Dollars in Millions, Except Per Share Amounts) | | |
| Net income attributable to DIRECTV common stockholders | \$ 2,949 | \$ 2,609 | \$ 2,014 |
| Net income attributable to DIRECTV Class B common stockholders, for the period of January 1, 2010 through June 16, 2010, including \$160 million exchange inducement value for the Malone Transaction (Note 15) | — | — | 184 |
| Net income attributable to DIRECTV | <u>\$ 2,949</u> | <u>\$ 2,609</u> | <u>\$ 2,198</u> |
| Basic earnings attributable to DIRECTV common stockholders per common share | \$ 4.62 | \$ 3.49 | \$ 2.31 |
| Diluted earnings attributable to DIRECTV common stockholders per common share | \$ 4.58 | \$ 3.47 | \$ 2.30 |
| Basic and diluted earnings attributable to DIRECTV Class B common stockholders per common share, for the period of January 1, 2010 through June 16, 2010, including \$160 million exchange inducement value for the Malone Transaction (Note 15) | \$ — | \$ — | \$ 8.44 |
| Weighted average number of common shares outstanding (in millions): | | | |
| Basic | 638 | 747 | 870 |
| Diluted | 644 | 752 | 876 |
| Weighted average number of Class B common shares outstanding, for the period of January 1, 2010 through June 16, 2010 (in millions): | | | |
| Basic | — | — | 22 |
| Diluted | — | — | 22 |
| Weighted average number of total common shares outstanding (in millions): | | | |
| Basic | 638 | 747 | 880 |
| Diluted | 644 | 752 | 886 |

The accompanying notes are an integral part of these Consolidated Financial Statements.

DIRECTV
CONSOLIDATED BALANCE SHEETS

| | December 31, | |
|---|---|-------------|
| | 2012 | 2011 |
| | (Dollars in Millions, Except Share Data) | |
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | \$ 1,902 | \$ 873 |
| Accounts receivable, net | 2,696 | 2,474 |
| Inventories | 412 | 280 |
| Deferred income taxes | 73 | 62 |
| Prepaid expenses and other | 471 | 552 |
| Total current assets | 5,554 | 4,241 |
| Satellites, net | 2,357 | 2,215 |
| Property and equipment, net | 6,038 | 5,223 |
| Goodwill | 4,063 | 4,097 |
| Intangible assets, net | 832 | 909 |
| Investments and other assets | 1,711 | 1,738 |
| Total assets | \$20,555 | \$18,423 |
| LIABILITIES AND STOCKHOLDERS' DEFICIT | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | \$ 4,618 | \$ 4,210 |
| Unearned subscriber revenues and deferred credits | 565 | 533 |
| Short-term borrowings | 358 | — |
| Total current liabilities | 5,541 | 4,743 |
| Long-term debt | 17,170 | 13,464 |
| Deferred income taxes | 1,672 | 1,771 |
| Other liabilities and deferred credits | 1,203 | 1,287 |
| Commitments and contingencies | | |
| Redeemable noncontrolling interest | 400 | 265 |
| Stockholders' deficit | | |
| Common stock and additional paid-in capital—\$0.01 par value, 3,950,000,000 and 3,947,000,000 shares authorized, 586,839,817 and 691,306,695 shares issued and outstanding of DIRECTV common stock at December 31, 2012 and December 31, 2011, respectively | 4,021 | 4,799 |
| Accumulated deficit | (9,210) | (7,750) |
| Accumulated other comprehensive loss | (242) | (156) |
| Total stockholders' deficit | (5,431) | (3,107) |
| Total liabilities and stockholders' deficit | \$20,555 | \$18,423 |

The accompanying notes are an integral part of these Consolidated Financial Statements.

Symetra Life Insurance Company
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--------------------------------------|---|---|
| N/A | \$ _____ - | \$ _____ - |
| Total | <u>\$ _____ -</u> | <u>\$ _____ -</u> |
| Basis of pricing | (a) | N/A |
| Cost of service | (a) | N/A |
| The margin of charges over costs | (a) | N/A |
| Assets allocable to the services | (a) | N/A |
| The overall rate of return on assets | (a) | N/A |

(a) Symetra Life Insurance Company provides services to Energy West Mining Company in the normal course of business at standard pricing.

Excluded from the table is premium expense for an excess loss insurance policy charged by Symetra Life Insurance Company to Energy West Mining Company in the amount of \$277,400.

Symetra Life Insurance Company is not a public company, and its financial statements are not available. The financial statements for its parent company, Symetra Financial Corporation, are included. For further information on the following financial statements, refer to Symetra Financial Corporation's Form 10-K for the year ended December 31, 2012 (File No. 001-33808) at www.sec.gov.

CONSOLIDATED BALANCE SHEETS
(In millions, except share and per share data)

| | As of December 31, | |
|--|--------------------------|-------------------|
| | 2012 | 2011 |
| | (As adjusted) | |
| ASSETS | | |
| Investments: | | |
| Available-for-sale securities: | | |
| Fixed maturities, at fair value (amortized cost: \$21,073.4 and \$21,061.4, respectively) | \$23,519.0 | \$22,905.2 |
| Marketable equity securities, at fair value (cost: \$52.0 and \$52.4, respectively) | 49.6 | 50.3 |
| Trading securities: | | |
| Marketable equity securities, at fair value (cost: \$498.2 and \$365.4, respectively) | 552.7 | 381.7 |
| Mortgage loans, net | 3,094.4 | 2,517.6 |
| Policy loans | 65.8 | 69.0 |
| Investments in limited partnerships (includes \$28.6 and \$27.8 measured at fair value, respectively) | 239.3 | 226.9 |
| Other invested assets | 35.6 | 21.0 |
| Total investments | 27,556.4 | 26,171.7 |
| Cash and cash equivalents | 130.8 | 242.3 |
| Accrued investment income | 276.2 | 269.4 |
| Reinsurance recoverables | 302.1 | 295.6 |
| Deferred policy acquisition costs | 155.8 | 186.0 |
| Receivables and other assets | 231.9 | 222.5 |
| Separate account assets | 807.7 | 795.8 |
| Total assets | <u>\$29,460.9</u> | <u>\$28,183.3</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Funds held under deposit contracts | \$23,068.5 | \$22,449.5 |
| Future policy benefits | 390.6 | 391.2 |
| Policy and contract claims | 162.2 | 170.9 |
| Other policyholders' funds | 113.9 | 129.0 |
| Notes payable | 449.4 | 449.2 |
| Deferred income tax liabilities, net | 628.9 | 395.0 |
| Other liabilities | 209.6 | 287.8 |
| Separate account liabilities | 807.7 | 795.8 |
| Total liabilities | 25,830.8 | 25,068.4 |
| Commitments and contingencies (<i>Note 14</i>) | | |
| Preferred stock, \$0.01 par value; 10,000,000 shares authorized; none issued | — | — |
| Common stock, \$0.01 par value; 750,000,000 shares authorized; 119,087,667 issued and outstanding as of December 31, 2012; 118,637,379 issued and outstanding as of December 31, 2011 | 1.2 | 1.2 |
| Additional paid-in capital | 1,459.3 | 1,454.6 |
| Retained earnings | 798.4 | 631.8 |
| Accumulated other comprehensive income, net of taxes | 1,371.2 | 1,027.3 |
| Total stockholders' equity | 3,630.1 | 3,114.9 |
| Total liabilities and stockholders' equity | <u>\$29,460.9</u> | <u>\$28,183.3</u> |

See accompanying notes.

CONSOLIDATED STATEMENTS OF INCOME
(In millions, except per share data)

| | For the Years Ended December 31, | | |
|--|----------------------------------|-----------------|-----------------|
| | 2012 | 2011 | 2010 |
| | | (As adjusted) | (As adjusted) |
| Revenues: | | | |
| Premiums | \$ 605.0 | \$ 540.5 | \$ 473.0 |
| Net investment income | 1,275.2 | 1,270.9 | 1,199.4 |
| Policy fees, contract charges, and other | 189.9 | 180.7 | 166.3 |
| Net realized investment gains (losses): | | | |
| Total other-than-temporary impairment losses on securities | (37.1) | (13.2) | (53.3) |
| Less: portion recognized in other comprehensive income | 8.1 | (0.9) | 32.4 |
| Net impairment losses recognized in earnings | (29.0) | (14.1) | (20.9) |
| Other net realized investment gains (losses) | 60.1 | 21.3 | 61.0 |
| Net realized investment gains (losses) | 31.1 | 7.2 | 40.1 |
| Total revenues | <u>2,101.2</u> | 1,999.3 | 1,878.8 |
| Benefits and expenses: | | | |
| Policyholder benefits and claims | 439.0 | 381.4 | 335.1 |
| Interest credited | 932.8 | 925.9 | 899.5 |
| Other underwriting and operating expenses | 360.5 | 317.9 | 279.9 |
| Interest expense | 32.8 | 32.1 | 31.9 |
| Amortization of deferred policy acquisition costs | 66.0 | 68.8 | 54.1 |
| Total benefits and expenses | <u>1,831.1</u> | 1,726.1 | 1,600.5 |
| Income from operations before income taxes | 270.1 | 273.2 | 278.3 |
| Provision (benefit) for income taxes: | | | |
| Current | 15.9 | 86.0 | 57.7 |
| Deferred | 48.8 | (8.6) | 26.8 |
| Total provision for income taxes | <u>64.7</u> | 77.4 | 84.5 |
| Net income | <u>\$ 205.4</u> | <u>\$ 195.8</u> | <u>\$ 193.8</u> |
| Net income per common share: | | | |
| Basic | \$ 1.49 | \$ 1.42 | \$ 1.43 |
| Diluted | \$ 1.49 | \$ 1.42 | \$ 1.43 |
| Weighted-average number of common shares outstanding: | | | |
| Basic | 138.018 | 137.491 | 135.609 |
| Diluted | 138.024 | 137.503 | 135.618 |
| Cash dividends declared per common share | \$ 0.28 | \$ 0.23 | \$ 0.15 |

See accompanying notes.

MidAmerican Energy Holdings Company
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|---|-------------------------------------|-------------------------------------|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ 10,423,677 | \$ 118,447 |
| Total | <u>\$ 10,423,677</u> | <u>\$ 118,447</u> |
| Basis of pricing | (a) | (a) |
| Cost of service | (a) | (a) |
| The margin of charges over costs | None | None |
| Assets allocable to the services | None | None |
| The overall rate of return on assets | None | None |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amounts in the table above reflect the cost of the services.

The following amounts are excluded from the table above:

- Convenience payments made to vendors by MidAmerican Energy Holdings Company (“MEHC”) on behalf of, and charged to, PacifiCorp in the amount of \$201,164.
- Convenience payments made to vendors by PacifiCorp on behalf of, and charged to, MEHC in the amount of \$60,855.
- Reimbursements by MEHC for payments made by PacifiCorp to its employees under the long-term incentive plan (“LTIP”) maintained by MEHC upon vesting of the awards and reimbursements of deferred compensation and annual incentive payments associated with transferred employees. Amounts charged to PacifiCorp for awards granted to PacifiCorp employees under the LTIP are included in the PacifiCorp received services above.
- Services provided by MEHC to PacifiCorp Environmental Remediation Company in the amount of \$1,554.

For information regarding income tax-related transactions between PacifiCorp and MEHC, refer to Section V.

For further information on the following financial statements, refer to MEHC’s Form 10-K for the year ended December 31, 2012 (File No. 001-14881) at www.sec.gov. PacifiCorp is included in the following financial statements as a consolidated subsidiary of MEHC.

MIDAMERICAN ENERGY HOLDINGS COMPANY AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (Amounts in millions)

| ASSETS | As of December 31, | |
|---|--------------------|------------------|
| | 2012 | 2011 |
| Current assets: | | |
| Cash and cash equivalents | \$ 776 | \$ 286 |
| Trade receivables, net | 1,380 | 1,270 |
| Income taxes receivable | 336 | 456 |
| Inventories | 766 | 690 |
| Other current assets | 612 | 581 |
| Total current assets | 3,870 | 3,283 |
| Property, plant and equipment, net | 37,614 | 34,167 |
| Goodwill | 5,120 | 4,996 |
| Regulatory assets | 2,840 | 2,835 |
| Investments and restricted cash and investments | 2,392 | 1,948 |
| Other assets | 631 | 489 |
| Total assets | \$ 52,467 | \$ 47,718 |

The accompanying notes are an integral part of these consolidated financial statements.

MIDAMERICAN ENERGY HOLDINGS COMPANY AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (continued)
(Amounts in millions)

| | As of December 31, | |
|--|---------------------------|------------------|
| | 2012 | 2011 |
| LIABILITIES AND EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 1,214 | \$ 989 |
| Accrued interest | 330 | 326 |
| Accrued property, income and other taxes | 299 | 340 |
| Accrued employee expenses | 188 | 155 |
| Short-term debt | 887 | 865 |
| Current portion of long-term debt | 1,137 | 1,198 |
| Other current liabilities | 695 | 674 |
| Total current liabilities | 4,750 | 4,547 |
| Regulatory liabilities | 1,749 | 1,663 |
| MEHC senior debt | 4,621 | 4,621 |
| Subsidiary debt | 14,977 | 13,253 |
| Deferred income taxes | 7,903 | 7,076 |
| Other long-term liabilities | 2,557 | 2,293 |
| Total liabilities | 36,557 | 33,453 |
| Commitments and contingencies (Note 16) | | |
| Equity: | | |
| MEHC shareholders' equity: | | |
| Common stock - 115 shares authorized, no par value, 75 shares issued and outstanding | — | — |
| Additional paid-in capital | 5,423 | 5,423 |
| Retained earnings | 10,782 | 9,310 |
| Accumulated other comprehensive loss, net | (463) | (641) |
| Total MEHC shareholders' equity | 15,742 | 14,092 |
| Noncontrolling interests | 168 | 173 |
| Total equity | 15,910 | 14,265 |
| Total liabilities and equity | \$ 52,467 | \$ 47,718 |

The accompanying notes are an integral part of these consolidated financial statements.

MIDAMERICAN ENERGY HOLDINGS COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

(Amounts in millions)

| | Years Ended December 31, | | |
|---|--------------------------|-----------------|-----------------|
| | 2012 | 2011 | 2010 |
| Operating revenue: | | | |
| Energy | \$ 10,236 | \$ 10,181 | \$ 10,107 |
| Real estate | 1,312 | 992 | 1,020 |
| Total operating revenue | <u>11,548</u> | <u>11,173</u> | <u>11,127</u> |
| Operating costs and expenses: | | | |
| Energy: | | | |
| Cost of sales | 3,517 | 3,648 | 3,890 |
| Operating expense | 2,778 | 2,544 | 2,470 |
| Depreciation and amortization | 1,436 | 1,329 | 1,262 |
| Real estate | 1,250 | 968 | 1,003 |
| Total operating costs and expenses | <u>8,981</u> | <u>8,489</u> | <u>8,625</u> |
| Operating income | <u>2,567</u> | <u>2,684</u> | <u>2,502</u> |
| Other income (expense): | | | |
| Interest expense | (1,176) | (1,196) | (1,225) |
| Capitalized interest | 54 | 40 | 54 |
| Allowance for equity AFUDC | 74 | 72 | 89 |
| Other, net | 56 | (7) | 45 |
| Total other income (expense) | <u>(992)</u> | <u>(1,091)</u> | <u>(1,037)</u> |
| Income before income tax expense and equity income | 1,575 | 1,593 | 1,465 |
| Income tax expense | 148 | 294 | 198 |
| Equity income | 68 | 53 | 43 |
| Net income | <u>1,495</u> | <u>1,352</u> | <u>1,310</u> |
| Net income attributable to noncontrolling interests | 23 | 21 | 72 |
| Net income attributable to MEHC shareholders | <u>\$ 1,472</u> | <u>\$ 1,331</u> | <u>\$ 1,238</u> |

The accompanying notes are an integral part of these consolidated financial statements.

MHC Inc.
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ <u>756,131</u> | \$ _____ - |
| Total | <u>\$ 756,131</u> | <u>\$ _____ -</u> |
| Basis of pricing | (a) | N/A |
| Cost of service | (a) | N/A |
| The margin of charges over costs | None | N/A |
| Assets allocable to the services | None | N/A |
| The overall rate of return on assets | None | N/A |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amounts in the table above reflect the cost of the services.

For further information on the following financial statements, refer to MidAmerican Funding LLC’s Form 10-K for the year ended December 31, 2012 (File No. 333-90553) at www.sec.gov.

MHC INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Amounts in millions)

| | As of December 31, | |
|---|---------------------------|------------------|
| | 2012 | 2011 |
| ASSETS | | |
| Utility plant, net: | | |
| Electric | \$ 11,416 | \$ 10,587 |
| Gas | 1,301 | 1,255 |
| Gross utility plant in service | 12,717 | 11,842 |
| Accumulated depreciation and amortization | (4,413) | (4,120) |
| Utility plant in service, net | 8,304 | 7,722 |
| Construction work in progress | 318 | 173 |
| Total utility plant, net | 8,622 | 7,895 |
| Current assets: | | |
| Cash and cash equivalents | 354 | 1 |
| Receivables, net | 416 | 374 |
| Income tax receivables | — | 270 |
| Inventories | 240 | 201 |
| Other | 57 | 58 |
| Total current assets | 1,067 | 904 |
| Other assets: | | |
| Receivable from affiliate | 248 | 235 |
| Investments and nonregulated property, net | 561 | 528 |
| Goodwill | 1,270 | 1,270 |
| Regulatory assets | 876 | 831 |
| Other | 132 | 175 |
| Total other assets | 3,087 | 3,039 |
| Total assets | \$ 12,776 | \$ 11,838 |
| CAPITALIZATION AND LIABILITIES | | |
| Capitalization: | | |
| MHC common shareholder's equity | \$ 4,903 | \$ 4,538 |
| Noncontrolling interests | 27 | 28 |
| Long-term debt, excluding current portion | 2,590 | 3,115 |
| Total capitalization | 7,520 | 7,681 |
| Current liabilities: | | |
| Current portion of long-term debt | 669 | — |
| Note payable to affiliate | 246 | 231 |
| Accounts payable | 386 | 314 |
| Taxes accrued | 228 | 107 |
| Interest accrued | 27 | 34 |
| Other | 120 | 120 |
| Total current liabilities | 1,676 | 806 |
| Other liabilities: | | |
| Deferred income taxes | 2,162 | 1,918 |
| Asset retirement obligations | 318 | 293 |
| Regulatory liabilities | 750 | 719 |
| Other | 350 | 421 |
| Total other liabilities | 3,580 | 3,351 |
| Total capitalization and liabilities | \$ 12,776 | \$ 11,838 |

The accompanying notes are an integral part of these consolidated financial statements.

MHC INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in millions)

| | Years Ended December 31, | | |
|---|--------------------------|---------------|---------------|
| | 2012 | 2011 | 2010 |
| Operating revenue: | | | |
| Regulated electric | \$ 1,694 | \$ 1,662 | \$ 1,779 |
| Regulated gas | 659 | 769 | 852 |
| Nonregulated | 894 | 1,072 | 1,184 |
| Total operating revenue | <u>3,247</u> | <u>3,503</u> | <u>3,815</u> |
| Operating costs and expenses: | | | |
| Regulated: | | | |
| Cost of fuel, energy and capacity | 458 | 491 | 566 |
| Cost of gas sold | 424 | 519 | 602 |
| Other operating expenses | 427 | 413 | 421 |
| Maintenance | 220 | 197 | 204 |
| Depreciation and amortization | 392 | 336 | 344 |
| Property and other taxes | 115 | 115 | 112 |
| Total regulated operating costs and expenses | <u>2,036</u> | <u>2,071</u> | <u>2,249</u> |
| Nonregulated: | | | |
| Cost of sales | 807 | 972 | 1,076 |
| Other | 35 | 32 | 30 |
| Total nonregulated operating costs and expenses | <u>842</u> | <u>1,004</u> | <u>1,106</u> |
| Total operating expenses | <u>2,878</u> | <u>3,075</u> | <u>3,355</u> |
| Operating income | <u>369</u> | <u>428</u> | <u>460</u> |
| Non-operating income: | | | |
| Interest and dividend income | 1 | 1 | 1 |
| Allowance for equity funds | 14 | 16 | 4 |
| Other, net | 14 | 10 | 4 |
| Total non-operating income | <u>29</u> | <u>27</u> | <u>9</u> |
| Fixed charges: | | | |
| Interest on long-term debt | 142 | 157 | 155 |
| Other interest expense | 3 | 2 | 1 |
| Allowance for borrowed funds | (5) | (7) | (2) |
| Total fixed charges | <u>140</u> | <u>152</u> | <u>154</u> |
| Income before income tax benefit | <u>258</u> | <u>303</u> | <u>315</u> |
| Income tax benefit | (98) | (16) | (46) |
| Net income | <u>356</u> | <u>319</u> | <u>361</u> |
| Net income attributable to noncontrolling interests | <u>1</u> | <u>1</u> | <u>—</u> |
| Net income attributable to MHC | <u>\$ 355</u> | <u>\$ 318</u> | <u>\$ 361</u> |

The accompanying notes are an integral part of these consolidated financial statements.

MidAmerican Energy Company
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services ^(a)</u> | <u>PacifiCorp Provided Services</u> |
|--|--|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ 3,881,498 | \$ 1,209,082 |
| Total | <u>\$ 3,881,498</u> | <u>\$ 1,209,082</u> |
| Basis of pricing | (b) | (b) |
| Cost of service | (b) | (b) |
| The margin of charges over costs | None | None |
| Assets allocable to the services | None | None |
| The overall rate of return on assets | None | None |

(a) PacifiCorp received services includes \$218,222 of charges that were capitalized and \$9,559 of amounts that were ultimately reimbursed by joint owners of PacifiCorp’s generating facilities.

(b) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amounts in the table above reflect the cost of the services.

The following amounts are excluded from the table above:

- Convenience payments made to vendors by MidAmerican Energy Company (“MEC”) on behalf of, and charged to, PacifiCorp in the amount of \$304,444.
- Convenience payments made to vendors by MEC on behalf of, and charged to, Energy West Mining Company in the amount of \$700.
- Services provided by MEC to PacifiCorp Foundation in the amount of \$584.
- Services provided by MEC to Energy West Mining Company in the amount of \$98,577.
- Services provided by MEC to Bridger Coal Company in the amount of \$31,630.

For information regarding equipment transfers between PacifiCorp and MEC, refer to Section V.

For further information on the following financial statements, refer to MEC’s Form 10-K for the year ended December 31, 2012 (File No. 333-15387) at www.sec.gov.

MIDAMERICAN ENERGY COMPANY AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Amounts in millions)

| | As of December 31, | |
|--|---------------------------|------------------|
| | 2012 | 2011 |
| ASSETS | | |
| Utility plant, net: | | |
| Electric | \$ 11,416 | \$ 10,587 |
| Gas | 1,301 | 1,255 |
| Gross utility plant in service | 12,717 | 11,842 |
| Accumulated depreciation and amortization | (4,413) | (4,120) |
| Utility plant in service, net | 8,304 | 7,722 |
| Construction work in progress | 318 | 173 |
| Total utility plant, net | 8,622 | 7,895 |
| Current assets: | | |
| Cash and cash equivalents | 354 | 1 |
| Receivables, net | 416 | 373 |
| Income tax receivables | — | 272 |
| Inventories | 240 | 201 |
| Other | 56 | 57 |
| Total current assets | 1,066 | 904 |
| Other assets: | | |
| Regulatory assets | 876 | 831 |
| Investments and nonregulated property, net | 535 | 503 |
| Other | 133 | 177 |
| Total other assets | 1,544 | 1,511 |
| Total assets | \$ 11,232 | \$ 10,310 |
| CAPITALIZATION AND LIABILITIES | | |
| Capitalization: | | |
| MidAmerican Energy common shareholder's equity | \$ 3,608 | \$ 3,244 |
| Preferred securities | 27 | 27 |
| Noncontrolling interests | — | 1 |
| Long-term debt, excluding current portion | 2,590 | 3,115 |
| Total capitalization | 6,225 | 6,387 |
| Current liabilities: | | |
| Current portion of long-term debt | 669 | — |
| Accounts payable | 386 | 313 |
| Taxes accrued | 224 | 107 |
| Interest accrued | 27 | 34 |
| Other | 120 | 119 |
| Total current liabilities | 1,426 | 573 |
| Other liabilities: | | |
| Deferred income taxes | 2,164 | 1,918 |
| Asset retirement obligations | 318 | 293 |
| Regulatory liabilities | 750 | 719 |
| Other | 349 | 420 |
| Total other liabilities | 3,581 | 3,350 |
| Total capitalization and liabilities | \$ 11,232 | \$ 10,310 |

The accompanying notes are an integral part of these consolidated financial statements.

MIDAMERICAN ENERGY COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in millions)

| | Years Ended December 31, | | |
|---|---------------------------------|---------------|---------------|
| | 2012 | 2011 | 2010 |
| Operating revenue: | | | |
| Regulated electric | \$ 1,694 | \$ 1,662 | \$ 1,779 |
| Regulated gas | 659 | 769 | 852 |
| Nonregulated | 889 | 1,070 | 1,179 |
| Total operating revenue | <u>3,242</u> | <u>3,501</u> | <u>3,810</u> |
| Operating costs and expenses: | | | |
| Regulated: | | | |
| Cost of fuel, energy and capacity | 458 | 491 | 566 |
| Cost of gas sold | 424 | 519 | 602 |
| Other operating expenses | 427 | 413 | 421 |
| Maintenance | 220 | 197 | 204 |
| Depreciation and amortization | 392 | 336 | 344 |
| Property and other taxes | 115 | 115 | 112 |
| Total regulated operating costs and expenses | <u>2,036</u> | <u>2,071</u> | <u>2,249</u> |
| Nonregulated: | | | |
| Cost of sales | 807 | 972 | 1,076 |
| Other | 29 | 29 | 26 |
| Total nonregulated operating costs and expenses | <u>836</u> | <u>1,001</u> | <u>1,102</u> |
| Total operating costs and expenses | <u>2,872</u> | <u>3,072</u> | <u>3,351</u> |
| Operating income | <u>370</u> | <u>429</u> | <u>459</u> |
| Non-operating income: | | | |
| Interest income | 1 | 1 | 1 |
| Allowance for equity funds | 14 | 16 | 4 |
| Other, net | 9 | 7 | (2) |
| Total non-operating income | <u>24</u> | <u>24</u> | <u>3</u> |
| Fixed charges: | | | |
| Interest on long-term debt | 142 | 157 | 155 |
| Other interest expense | 1 | 1 | 1 |
| Allowance for borrowed funds | (5) | (7) | (2) |
| Total fixed charges | <u>138</u> | <u>151</u> | <u>154</u> |
| Income before income tax benefit | <u>256</u> | <u>302</u> | <u>308</u> |
| Income tax benefit | (99) | (17) | (49) |
| Net income | <u>355</u> | <u>319</u> | <u>357</u> |
| Preferred dividends | 1 | 1 | — |
| Earnings on common stock | <u>\$ 354</u> | <u>\$ 318</u> | <u>\$ 357</u> |

The accompanying notes are an integral part of these consolidated financial statements.

HomeServices of America, Inc.
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Relocation services | \$ 1,870,846 | \$ - |
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | <u>-</u> | <u>106,308</u> |
| Total | <u>\$ 1,870,846</u> | <u>\$ 106,308</u> |
| Basis of pricing | (a) | (b) |
| Cost of service | (a) | (b) |
| The margin of charges over costs | (a) | None |
| Assets allocable to the services | (a) | None |
| The overall rate of return on assets | (a) | None |

(a) HomeServices of America, Inc. charges PacifiCorp a flat fee per relocation for its services, plus the actual costs of services procured from its vendors and service providers.

(b) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of MidAmerican Energy Holdings Company, the parent company of HomeServices of America, Inc.

Kern River Gas Transmission Company
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|-------------------------------------|-------------------------------------|
| Natural gas transportation services ^(b) | \$ 3,175,157 | \$ - |
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) ^{(a) (c)} | <u>169,609</u> | <u>164,272</u> |
| Total | <u>\$ 3,344,766</u> | <u>\$ 164,272</u> |
| Basis of pricing | (b) (c) | (c) |
| Cost of service | (b) (c) | (c) |
| The margin of charges over costs | (b) None | None |
| Assets allocable to the services | (b) None | None |
| The overall rate of return on assets | (b) None | None |

(a) PacifiCorp received services includes \$2,038 of charges that were capitalized.

(b) Natural gas transportation services are priced at a tariff rate on file with the Federal Energy Regulatory Commission.

(c) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amounts in the table above reflect the cost of the services.

For further information on the following financial statements, refer to Kern River Gas Transmission Company’s Federal Energy Regulatory Commission Form No. 2 for the year ended December 31, 2012 at www.ferc.gov.

| | | | |
|---|---|---------------------------------------|--|
| Name of Respondent Kern River Gas Transmission Company | This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission | Date of Report (Mo, Da, Yr) / / | Year/Period of Report End of <u>2012/Q4</u> |
|---|---|---------------------------------------|--|

Comparative Balance Sheet (Assets and Other Debits)

| Line No. | Title of Account (a) | Reference Page Number (b) | Current Year End of Quarter/Year Balance (c) | Prior Year End Balance 12/31 (d) |
|-----------|--|----------------------------------|---|-------------------------------------|
| 1 | UTILITY PLANT | | | |
| 2 | Utility Plant (101-106, 114) | 200-201 | 2,797,140,992 | 2,749,393,310 |
| 3 | Construction Work in Progress (107) | 200-201 | 645,040 | 13,659,977 |
| 4 | TOTAL Utility Plant (Total of lines 2 and 3) | 200-201 | 2,797,786,032 | 2,763,053,287 |
| 5 | (Less) Accum. Provision for Depr., Amort., Depl. (108, 111, 115) | | 984,020,870 | 910,117,587 |
| 6 | Net Utility Plant (Total of line 4 less 5) | | 1,813,765,162 | 1,852,935,700 |
| 7 | Nuclear Fuel (120.1 thru 120.4, and 120.6) | | 0 | 0 |
| 8 | (Less) Accum. Provision for Amort., of Nuclear Fuel Assemblies (120.5) | | 0 | 0 |
| 9 | Nuclear Fuel (Total of line 7 less 8) | | 0 | 0 |
| 10 | Net Utility Plant (Total of lines 6 and 9) | | 1,813,765,162 | 1,852,935,700 |
| 11 | Utility Plant Adjustments (116) | 122 | 0 | 0 |
| 12 | Gas Stored-Base Gas (117.1) | 220 | 0 | 0 |
| 13 | System Balancing Gas (117.2) | 220 | 0 | 0 |
| 14 | Gas Stored in Reservoirs and Pipelines-Noncurrent (117.3) | 220 | 0 | 0 |
| 15 | Gas Owed to System Gas (117.4) | 220 | 0 | 0 |
| 16 | OTHER PROPERTY AND INVESTMENTS | | | |
| 17 | Nonutility Property (121) | | 0 | 0 |
| 18 | (Less) Accum. Provision for Depreciation and Amortization (122) | | 0 | 0 |
| 19 | Investments in Associated Companies (123) | 222-223 | 0 | 0 |
| 20 | Investments in Subsidiary Companies (123.1) | 224-225 | 0 | 0 |
| 21 | (For Cost of Account 123.1 See Footnote Page 224, line 40) | | | |
| 22 | Noncurrent Portion of Allowances | | 0 | 0 |
| 23 | Other Investments (124) | 222-223 | 0 | 0 |
| 24 | Sinking Funds (125) | | 0 | 0 |
| 25 | Depreciation Fund (126) | | 0 | 0 |
| 26 | Amortization Fund - Federal (127) | | 0 | 0 |
| 27 | Other Special Funds (128) | | 27,729,100 | 22,801,653 |
| 28 | Long-Term Portion of Derivative Assets (175) | | 0 | 0 |
| 29 | Long-Term Portion of Derivative Assets - Hedges (176) | | 0 | 0 |
| 30 | TOTAL Other Property and Investments (Total of lines 17-20, 22-29) | | 27,729,100 | 22,801,653 |
| 31 | CURRENT AND ACCRUED ASSETS | | | |
| 32 | Cash (131) | | 0 | 23,657,946 |
| 33 | Special Deposits (132-134) | | 8,148,267 | 6,514,426 |
| 34 | Working Funds (135) | | 0 | 0 |
| 35 | Temporary Cash Investments (136) | 222-223 | 41,068,400 | 0 |
| 36 | Notes Receivable (141) | | 0 | 0 |
| 37 | Customer Accounts Receivable (142) | | 33,086,531 | 33,467,567 |
| 38 | Other Accounts Receivable (143) | | 2,005,305 | 481,073 |
| 39 | (Less) Accum. Provision for Uncollectible Accounts - Credit (144) | | 0 | 0 |
| 40 | Notes Receivable from Associated Companies (145) | | 0 | 0 |
| 41 | Accounts Receivable from Associated Companies (146) | | 740,409 | 331,746 |
| 42 | Fuel Stock (151) | | 0 | 0 |
| 43 | Fuel Stock Expenses Undistributed (152) | | 0 | 0 |
| | | | | |

| | | | |
|---|---|---------------------------------------|---|
| Name of Respondent Kern River Gas Transmission Company | This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission | Date of Report (Mo, Da, Yr) / / | Year/Period of Report End of 2012/Q4 |
|---|---|---------------------------------------|---|

Comparative Balance Sheet (Assets and Other Debits)(continued)

| Line No. | Title of Account (a) | Reference Page Number (b) | Current Year End of Quarter/Year Balance (c) | Prior Year End Balance 12/31 (d) |
|----------|--|----------------------------------|---|--|
| 44 | Residuals (Elec) and Extracted Products (Gas) (153) | | 0 | 0 |
| 45 | Plant Materials and Operating Supplies (154) | | 10,152,015 | 9,900,034 |
| 46 | Merchandise (155) | | 0 | 0 |
| 47 | Other Materials and Supplies (156) | | 0 | 0 |
| 48 | Nuclear Materials Held for Sale (157) | | 0 | 0 |
| 49 | Allowances (158.1 and 158.2) | | 0 | 0 |
| 50 | (Less) Noncurrent Portion of Allowances | | 0 | 0 |
| 51 | Stores Expense Undistributed (163) | | 0 | 0 |
| 52 | Gas Stored Underground-Current (164.1) | 220 | 0 | 0 |
| 53 | Liquefied Natural Gas Stored and Held for Processing (164.2 thru 164.3) | 220 | 0 | 0 |
| 54 | Prepayments (165) | 230 | 1,439,589 | 753,965 |
| 55 | Advances for Gas (166 thru 167) | | 0 | 0 |
| 56 | Interest and Dividends Receivable (171) | | 0 | 0 |
| 57 | Rents Receivable (172) | | 0 | 0 |
| 58 | Accrued Utility Revenues (173) | | 0 | 0 |
| 59 | Miscellaneous Current and Accrued Assets (174) | | 2,084,024 | 1,555,054 |
| 60 | Derivative Instrument Assets (175) | | 0 | 0 |
| 61 | (Less) Long-Term Portion of Derivative Instrument Assets (175) | | 0 | 0 |
| 62 | Derivative Instrument Assets - Hedges (176) | | 0 | 53,644 |
| 63 | (Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176) | | 0 | 0 |
| 64 | TOTAL Current and Accrued Assets (Total of lines 32 thru 63) | | 98,724,540 | 76,715,455 |
| 65 | DEFERRED DEBITS | | | |
| 66 | Unamortized Debt Expense (181) | | 7,514,793 | 10,328,987 |
| 67 | Extraordinary Property Losses (182.1) | 230 | 0 | 0 |
| 68 | Unrecovered Plant and Regulatory Study Costs (182.2) | 230 | 0 | 0 |
| 69 | Other Regulatory Assets (182.3) | 232 | 91,988,790 | 98,311,723 |
| 70 | Preliminary Survey and Investigation Charges (Electric)(183) | | 0 | 0 |
| 71 | Preliminary Survey and Investigation Charges (Gas)(183.1 and 183.2) | | 331,277 | 331,277 |
| 72 | Clearing Accounts (184) | | 0 | 0 |
| 73 | Temporary Facilities (185) | | 0 | 0 |
| 74 | Miscellaneous Deferred Debits (186) | 233 | 0 | 60,358 |
| 75 | Deferred Losses from Disposition of Utility Plant (187) | | 0 | 0 |
| 76 | Research, Development, and Demonstration Expend. (188) | | 0 | 0 |
| 77 | Unamortized Loss on Reacquired Debt (189) | | 0 | 0 |
| 78 | Accumulated Deferred Income Taxes (190) | 234-235 | 118,913,000 | 131,544,055 |
| 79 | Unrecovered Purchased Gas Costs (191) | | 0 | 0 |
| 80 | TOTAL Deferred Debits (Total of lines 66 thru 79) | | 218,747,860 | 240,576,400 |
| 81 | TOTAL Assets and Other Debits (Total of lines 10-15,30,64,and 80) | | 2,158,966,662 | 2,193,029,208 |
| | | | | |

| | | | |
|---|---|---------------------------------------|--|
| Name of Respondent Kern River Gas Transmission Company | This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission | Date of Report (Mo, Da, Yr) / / | Year/Period of Report End of <u>2012/Q4</u> |
|---|---|---------------------------------------|--|

Comparative Balance Sheet (Liabilities and Other Credits)

| Line No. | Title of Account (a) | Reference Page Number (b) | Current Year End of Quarter/Year Balance | Prior Year End Balance 12/31 (d) |
|----------|--|----------------------------------|--|-------------------------------------|
| 1 | PROPRIETARY CAPITAL | | | |
| 2 | Common Stock Issued (201) | 250-251 | 0 | 0 |
| 3 | Preferred Stock Issued (204) | 250-251 | 0 | 0 |
| 4 | Capital Stock Subscribed (202, 205) | 252 | 0 | 0 |
| 5 | Stock Liability for Conversion (203, 206) | 252 | 0 | 0 |
| 6 | Premium on Capital Stock (207) | 252 | 0 | 0 |
| 7 | Other Paid-In Capital (208-211) | 253 | 893,871,247 | 893,871,247 |
| 8 | Installments Received on Capital Stock (212) | 252 | 0 | 0 |
| 9 | (Less) Discount on Capital Stock (213) | 254 | 0 | 0 |
| 10 | (Less) Capital Stock Expense (214) | 254 | 0 | 0 |
| 11 | Retained Earnings (215, 215.1, 216) | 118-119 | (14,276,269) | (26,223,740) |
| 12 | Unappropriated Undistributed Subsidiary Earnings (216.1) | 118-119 | 0 | 0 |
| 13 | (Less) Reacquired Capital Stock (217) | 250-251 | 0 | 0 |
| 14 | Accumulated Other Comprehensive Income (219) | 117 | (30,620) | 33,644 |
| 15 | TOTAL Proprietary Capital (Total of lines 2 thru 14) | | 879,564,358 | 867,681,151 |
| 16 | LONG TERM DEBT | | | |
| 17 | Bonds (221) | 256-257 | 0 | 0 |
| 18 | (Less) Reacquired Bonds (222) | 256-257 | 0 | 0 |
| 19 | Advances from Associated Companies (223) | 256-257 | 0 | 0 |
| 20 | Other Long-Term Debt (224) | 256-257 | 627,861,994 | 715,705,160 |
| 21 | Unamortized Premium on Long-Term Debt (225) | 258-259 | 0 | 0 |
| 22 | (Less) Unamortized Discount on Long-Term Debt-Dr (226) | 258-259 | 0 | 0 |
| 23 | (Less) Current Portion of Long-Term Debt | | 79,742,000 | 87,843,149 |
| 24 | TOTAL Long-Term Debt (Total of lines 17 thru 23) | | 548,119,994 | 627,862,011 |
| 25 | OTHER NONCURRENT LIABILITIES | | | |
| 26 | Obligations Under Capital Leases-Noncurrent (227) | | 0 | 0 |
| 27 | Accumulated Provision for Property Insurance (228.1) | | 0 | 0 |
| 28 | Accumulated Provision for Injuries and Damages (228.2) | | 15,547 | 3,879 |
| 29 | Accumulated Provision for Pensions and Benefits (228.3) | | 0 | 581,243 |
| 30 | Accumulated Miscellaneous Operating Provisions (228.4) | | 0 | 0 |
| 31 | Accumulated Provision for Rate Refunds (229) | | 0 | 516,359 |

| | | | |
|---|---|---------------------------------------|---|
| Name of Respondent Kern River Gas Transmission Company | This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission | Date of Report (Mo, Da, Yr) / / | Year/Period of Report End of 2012/Q4 |
|---|---|---------------------------------------|---|

Comparative Balance Sheet (Liabilities and Other Credits)(continued)

| Line No. | Title of Account (a) | Reference Page Number (b) | Current Year End of Quarter/Year Balance | Prior Year End Balance 12/31 (d) |
|----------|---|----------------------------------|--|-------------------------------------|
| 32 | Long-Term Portion of Derivative Instrument Liabilities | | 0 | 0 |
| 33 | Long-Term Portion of Derivative Instrument Liabilities - Hedges | | 0 | 0 |
| 34 | Asset Retirement Obligations (230) | | 0 | 0 |
| 35 | TOTAL Other Noncurrent Liabilities (Total of lines 26 thru 34) | | 15,547 | 1,101,481 |
| 36 | CURRENT AND ACCRUED LIABILITIES | | | |
| 37 | Current Portion of Long-Term Debt | | 79,742,000 | 87,843,149 |
| 38 | Notes Payable (231) | | 0 | 0 |
| 39 | Accounts Payable (232) | | 5,277,456 | 8,147,494 |
| 40 | Notes Payable to Associated Companies (233) | | 0 | 0 |
| 41 | Accounts Payable to Associated Companies (234) | | 256,217 | 1,370,848 |
| 42 | Customer Deposits (235) | | 28,337,337 | 22,554,101 |
| 43 | Taxes Accrued (236) | 262-263 | 12,934,185 | 8,023,700 |
| 44 | Interest Accrued (237) | | 966,572 | 4,256,049 |
| 45 | Dividends Declared (238) | | 0 | 0 |
| 46 | Matured Long-Term Debt (239) | | 0 | 0 |
| 47 | Matured Interest (240) | | 0 | 0 |
| 48 | Tax Collections Payable (241) | | 129,837 | 155,354 |
| 49 | Miscellaneous Current and Accrued Liabilities (242) | 268 | 8,188,661 | 9,189,589 |
| 50 | Obligations Under Capital Leases-Current (243) | | 0 | 0 |
| 51 | Derivative Instrument Liabilities (244) | | 0 | 0 |
| 52 | (Less) Long-Term Portion of Derivative Instrument Liabilities | | 0 | 0 |
| 53 | Derivative Instrument Liabilities - Hedges (245) | | 52,150 | 0 |
| 54 | (Less) Long-Term Portion of Derivative Instrument Liabilities - Hedges | | 0 | 0 |
| 55 | TOTAL Current and Accrued Liabilities (Total of lines 37 thru 54) | | 135,884,415 | 141,540,284 |
| 56 | DEFERRED CREDITS | | | |
| 57 | Customer Advances for Construction (252) | | 2,370,708 | 1,347,118 |
| 58 | Accumulated Deferred Investment Tax Credits (255) | | 0 | 0 |
| 59 | Deferred Gains from Disposition of Utility Plant (256) | | 0 | 0 |
| 60 | Other Deferred Credits (253) | 269 | 31,225 | 119 |
| 61 | Other Regulatory Liabilities (254) | 278 | 108,016,125 | 82,969,612 |
| 62 | Unamortized Gain on Reacquired Debt (257) | 260 | 0 | 0 |
| 63 | Accumulated Deferred Income Taxes - Accelerated Amortization (281) | | 0 | 0 |
| 64 | Accumulated Deferred Income Taxes - Other Property (282) | | 460,346,290 | 448,300,432 |
| 65 | Accumulated Deferred Income Taxes - Other (283) | | 24,618,000 | 22,227,000 |
| 66 | TOTAL Deferred Credits (Total of lines 57 thru 65) | | 595,382,348 | 554,844,281 |
| 67 | TOTAL Liabilities and Other Credits (Total of lines 15,24,35,55,and 66) | | 2,158,966,662 | 2,193,029,208 |

| | | | |
|---|---|---------------------------------------|---|
| Name of Respondent Kern River Gas Transmission Company | This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission | Date of Report (Mo, Da, Yr) / / | Year/Period of Report End of 2012/Q4 |
|---|---|---------------------------------------|---|

Statement of Income

Quarterly

1. Enter in column (d) the balance for the reporting quarter and in column (e) the balance for the same three month period for the prior year.
2. Report in column (f) the quarter to date amounts for electric utility function; in column (h) the quarter to date amounts for gas utility, and in (j) the quarter to date amounts for other utility function for the current year quarter.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in (k) the quarter to date amounts for other utility function for the prior year quarter.
4. If additional columns are needed place them in a footnote.

Annual or Quarterly, if applicable

5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
8. Report data for lines 8, 10 and 11 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.
9. Use page 122 for important notes regarding the statement of income for any account thereof.
10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.
11. Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.
12. If any notes appearing in the report to stockholders are applicable to the Statement of Income, such notes may be included at page 122.
13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

| Line No. | Title of Account (a) | Reference Page Number (b) | Total Current Year to Date Balance for Quarter/Year (c) | Total Prior Year to Date Balance for Quarter/Year (d) | Current Three Months Ended Quarterly Only No Fourth Quarter (e) | Prior Three Months Ended Quarterly Only No Fourth Quarter (f) |
|----------|--|------------------------------|--|--|--|--|
| 1 | UTILITY OPERATING INCOME | | | | | |
| 2 | Gas Operating Revenues (400) | 300-301 | 383,393,663 | 364,869,095 | 0 | 0 |
| 3 | Operating Expenses | | | | | |
| 4 | Operation Expenses (401) | 317-325 | 36,103,275 | 32,532,096 | 0 | 0 |
| 5 | Maintenance Expenses (402) | 317-325 | 1,467,609 | 1,020,069 | 0 | 0 |
| 6 | Depreciation Expense (403) | 336-338 | 81,253,842 | 68,061,918 | 0 | 0 |
| 7 | Depreciation Expense for Asset Retirement Costs (403.1) | 336-338 | 0 | 0 | 0 | 0 |
| 8 | Amortization and Depletion of Utility Plant (404-405) | 336-338 | 3,041,231 | 1,815,288 | 0 | 0 |
| 9 | Amortization of Utility Plant Acu. Adjustment (406) | 336-338 | 0 | 0 | 0 | 0 |
| 10 | Amort. of Prop. Losses, Unrecovered Plant and Reg. Study Costs (407.1) | | 0 | 0 | 0 | 0 |
| 11 | Amortization of Conversion Expenses (407.2) | | 0 | 0 | 0 | 0 |
| 12 | Regulatory Debits (407.3) | | 51,197,794 | 51,180,691 | 0 | 0 |
| 13 | (Less) Regulatory Credits (407.4) | | 18,584,574 | 11,808,619 | 0 | 0 |
| 14 | Taxes Other than Income Taxes (408.1) | 262-263 | 17,619,651 | 15,663,905 | 0 | 0 |
| 15 | Income Taxes-Federal (409.1) | 262-263 | 35,775,997 | 43,956,400 | 0 | 0 |
| 16 | Income Taxes-Other (409.1) | 262-263 | 5,824,369 | 6,417,954 | 0 | 0 |
| 17 | Provision of Deferred Income Taxes (410.1) | 234-235 | 93,588,055 | 128,018,513 | 0 | 0 |
| 18 | (Less) Provision for Deferred Income Taxes-Credit (411.1) | 234-235 | 69,056,142 | 115,427,132 | 0 | 0 |
| 19 | Investment Tax Credit Adjustment-Net (411.4) | | 0 | 0 | 0 | 0 |
| 20 | (Less) Gains from Disposition of Utility Plant (411.6) | | 0 | 0 | 0 | 0 |
| 21 | Losses from Disposition of Utility Plant (411.7) | | 0 | 0 | 0 | 0 |
| 22 | (Less) Gains from Disposition of Allowances (411.8) | | 0 | 0 | 0 | 0 |
| 23 | Losses from Disposition of Allowances (411.9) | | 0 | 0 | 0 | 0 |
| 24 | Accretion Expense (411.10) | | 0 | 0 | 0 | 0 |
| 25 | TOTAL Utility Operating Expenses (Total of lines 4 thru 24) | | 238,231,107 | 221,431,083 | 0 | 0 |
| 26 | Net Utility Operating Income (Total of lines 2 less 25) (Carry forward to page 116, line 27) | | 145,162,556 | 143,438,012 | 0 | 0 |

Statement of Income(continued)

| Line No. | Title of Account (a) | Reference Page Number (b) | Total Current Year to Date Balance for Quarter/Year (c) | Total Prior Year to Date Balance for Quarter/Year (d) | Current Three Months Ended Quarterly Only No Fourth Quarter (e) | Prior Three Months Ended Quarterly Only No Fourth Quarter (f) |
|----------|---|----------------------------------|--|--|--|--|
| 27 | Net Utility Operating Income (Carried forward from page 114) | | 145,162,556 | 143,438,012 | 0 | 0 |
| 28 | OTHER INCOME AND DEDUCTIONS | | | | | |
| 29 | Other Income | | | | | |
| 30 | Nonutility Operating Income | | | | | |
| 31 | Revenues form Merchandising, Jobbing and Contract Work (415) | | 0 | 0 | 0 | 0 |
| 32 | (Less) Costs and Expense of Merchandising, Job & Contract Work (416) | | 0 | 0 | 0 | 0 |
| 33 | Revenues from Nonutility Operations (417) | | 0 | 0 | 0 | 0 |
| 34 | (Less) Expenses of Nonutility Operations (417.1) | | 0 | 0 | 0 | 0 |
| 35 | Nonoperating Rental Income (418) | | 0 | 0 | 0 | 0 |
| 36 | Equity in Earnings of Subsidiary Companies (418.1) | 119 | 0 | 0 | 0 | 0 |
| 37 | Interest and Dividend Income (419) | | 4,724 | 14,438 | 0 | 0 |
| 38 | Allowance for Other Funds Used During Construction (419.1) | | 572,949 | 8,639,627 | 0 | 0 |
| 39 | Miscellaneous Nonoperating Income (421) | | 590,302 | 2,311 | 0 | 0 |
| 40 | Gain on Disposition of Property (421.1) | | 0 | 0 | 0 | 0 |
| 41 | TOTAL Other Income (Total of lines 31 thru 40) | | 1,167,975 | 8,656,376 | 0 | 0 |
| 42 | Other Income Deductions | | | | | |
| 43 | Loss on Disposition of Property (421.2) | | 0 | 0 | 0 | 0 |
| 44 | Miscellaneous Amortization (425) | | 0 | 0 | 0 | 0 |
| 45 | Donations (426.1) | 340 | 49,836 | 66,100 | 0 | 0 |
| 46 | Life Insurance (426.2) | | 0 | 0 | 0 | 0 |
| 47 | Penalties (426.3) | | 0 | 0 | 0 | 0 |
| 48 | Expenditures for Certain Civic, Political and Related Activities (426.4) | | 69,098 | 52,181 | 0 | 0 |
| 49 | Other Deductions (426.5) | | 84,075 | 6,903 | 0 | 0 |
| 50 | TOTAL Other Income Deductions (Total of lines 43 thru 49) | 340 | 203,009 | 125,184 | 0 | 0 |
| 51 | Taxes Applic. to Other Income and Deductions | | | | | |
| 52 | Taxes Other than Income Taxes (408.2) | 262-263 | 0 | 0 | 0 | 0 |
| 53 | Income Taxes-Federal (409.2) | 262-263 | 147,000 | (18,000) | 0 | 0 |
| 54 | Income Taxes-Other (409.2) | 262-263 | 21,000 | (2,000) | 0 | 0 |
| 55 | Provision for Deferred Income Taxes (410.2) | 234-235 | 359,000 | 3,298,000 | 0 | 0 |
| 56 | (Less) Provision for Deferred Income Taxes-Credit (411.2) | 234-235 | 135,000 | 22,000 | 0 | 0 |
| 57 | Investment Tax Credit Adjustments-Net (411.5) | | 0 | 0 | 0 | 0 |
| 58 | (Less) Investment Tax Credits (420) | | 0 | 0 | 0 | 0 |
| 59 | TOTAL Taxes on Other Income and Deductions (Total of lines 52-58) | | 392,000 | 3,256,000 | 0 | 0 |
| 60 | Net Other Income and Deductions (Total of lines 41, 50, 59) | | 572,966 | 5,275,192 | 0 | 0 |
| 61 | INTEREST CHARGES | | | | | |
| 62 | Interest on Long-Term Debt (427) | | 37,188,202 | 41,654,980 | 0 | 0 |
| 63 | Amortization of Debt Disc. and Expense (428) | 258-259 | 2,814,194 | 3,143,120 | 0 | 0 |
| 64 | Amortization of Loss on Reacquired Debt (428.1) | | 0 | 0 | 0 | 0 |
| 65 | (Less) Amortization of Premium on Debt-Credit (429) | 258-259 | 0 | 0 | 0 | 0 |
| 66 | (Less) Amortization of Gain on Reacquired Debt-Credit (429.1) | | 0 | 0 | 0 | 0 |
| 67 | Interest on Debt to Associated Companies (430) | 340 | 0 | 0 | 0 | 0 |
| 68 | Other Interest Expense (431) | 340 | 867,335 | 954,910 | 0 | 0 |
| 69 | (Less) Allowance for Borrowed Funds Used During Construction-Credit (432) | | 581,680 | 5,255,458 | 0 | 0 |
| 70 | Net Interest Charges (Total of lines 62 thru 69) | | 40,288,051 | 40,497,552 | 0 | 0 |
| 71 | Income Before Extraordinary Items (Total of lines 27,60 and 70) | | 105,447,471 | 108,215,652 | 0 | 0 |
| 72 | EXTRAORDINARY ITEMS | | | | | |
| 73 | Extraordinary Income (434) | | 0 | 0 | 0 | 0 |
| 74 | (Less) Extraordinary Deductions (435) | | 0 | 0 | 0 | 0 |
| 75 | Net Extraordinary Items (Total of line 73 less line 74) | | 0 | 0 | 0 | 0 |
| 76 | Income Taxes-Federal and Other (409.3) | 262-263 | 0 | 0 | 0 | 0 |
| 77 | Extraordinary Items after Taxes (Total of line 75 less line 76) | | 0 | 0 | 0 | 0 |
| 78 | Net Income (Total of lines 71 and 77) | | 105,447,471 | 108,215,652 | 0 | 0 |

MEHC Insurance Services Ltd.
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services ^(a)</u> | <u>PacifiCorp Provided Services</u> |
|--------------------------------------|--|---|
| N/A | \$ _____ - | \$ _____ - |
| Total | <u>\$ _____ -</u> | <u>\$ _____ -</u> |
| Basis of pricing | N/A | N/A |
| Cost of service | N/A | N/A |
| The margin of charges over costs | N/A | N/A |
| Assets allocable to the services | N/A | N/A |
| The overall rate of return on assets | N/A | N/A |

(a) At December 31, 2012, PacifiCorp had claims receivable of \$1,999,328, reflecting \$2,022,305 of claims made and \$5,559,537 of payments received during the year ended December 31, 2012. The policy coverage period expired on March 20, 2011 and was not renewed.

Refer to the financial statements of MidAmerican Energy Holdings Company, the parent company of MEHC Insurance Services Ltd.

CalEnergy Generation Operating Company
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ _____ - | \$ _____ 119,040 |
| Total | <u>\$ _____ -</u> | <u>\$ _____ 119,040</u> |
| Basis of pricing | N/A | (a) |
| Cost of service | N/A | (a) |
| The margin of charges over costs | N/A | None |
| Assets allocable to the services | N/A | None |
| The overall rate of return on assets | N/A | None |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of MidAmerican Energy Holdings Company, the parent company of CalEnergy Generation Operating Company.

Northern Natural Gas Company
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ _____ - | \$ _____ 309,919 |
| Total | <u>\$ _____ -</u> | <u>\$ _____ 309,919</u> |
| Basis of pricing | N/A | (a) |
| Cost of service | N/A | (a) |
| The margin of charges over costs | N/A | None |
| Assets allocable to the services | N/A | None |
| The overall rate of return on assets | N/A | None |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

For further information on the following financial statements, refer to Northern Natural Gas Company’s Federal Energy Regulatory Commission Form No. 2 for the year ended December 31, 2012 at www.ferc.gov.

| | | | |
|--|---|---------------------------------------|---|
| Name of Respondent Northern Natural Gas Company | This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission | Date of Report (Mo, Da, Yr) / / | Year/Period of Report End of 2012/Q4 |
|--|---|---------------------------------------|---|

Comparative Balance Sheet (Assets and Other Debits)

| Line No. | Title of Account (a) | Reference Page Number (b) | Current Year End of Quarter/Year Balance (c) | Prior Year End Balance 12/31 (d) |
|----------|--|------------------------------|---|-------------------------------------|
| 1 | UTILITY PLANT | | | |
| 2 | Utility Plant (101-106, 114) | 200-201 | 3,398,086,015 | 3,337,995,599 |
| 3 | Construction Work in Progress (107) | 200-201 | 17,394,595 | 9,533,862 |
| 4 | TOTAL Utility Plant (Total of lines 2 and 3) | 200-201 | 3,415,480,610 | 3,347,529,461 |
| 5 | (Less) Accum. Provision for Depr., Amort., Depl. (108, 111, 115) | | 1,225,436,543 | 1,192,560,023 |
| 6 | Net Utility Plant (Total of line 4 less 5) | | 2,190,044,067 | 2,154,969,438 |
| 7 | Nuclear Fuel (120.1 thru 120.4, and 120.6) | | 0 | 0 |
| 8 | (Less) Accum. Provision for Amort., of Nuclear Fuel Assemblies (120.5) | | 0 | 0 |
| 9 | Nuclear Fuel (Total of line 7 less 8) | | 0 | 0 |
| 10 | Net Utility Plant (Total of lines 6 and 9) | | 2,190,044,067 | 2,154,969,438 |
| 11 | Utility Plant Adjustments (116) | 122 | 0 | 0 |
| 12 | Gas Stored-Base Gas (117.1) | 220 | 28,429,396 | 27,903,863 |
| 13 | System Balancing Gas (117.2) | 220 | 41,211,532 | 41,211,532 |
| 14 | Gas Stored in Reservoirs and Pipelines-Noncurrent (117.3) | 220 | 0 | 0 |
| 15 | Gas Owed to System Gas (117.4) | 220 | (3,247,568) | (207,581) |
| 16 | OTHER PROPERTY AND INVESTMENTS | | | |
| 17 | Nonutility Property (121) | | 0 | 0 |
| 18 | (Less) Accum. Provision for Depreciation and Amortization (122) | | 0 | 0 |
| 19 | Investments in Associated Companies (123) | 222-223 | 0 | 0 |
| 20 | Investments in Subsidiary Companies (123.1) | 224-225 | 0 | 0 |
| 21 | (For Cost of Account 123.1 See Footnote Page 224, line 40) | | | |
| 22 | Noncurrent Portion of Allowances | | 0 | 0 |
| 23 | Other Investments (124) | 222-223 | 0 | 0 |
| 24 | Sinking Funds (125) | | 0 | 0 |
| 25 | Depreciation Fund (126) | | 0 | 0 |
| 26 | Amortization Fund - Federal (127) | | 0 | 0 |
| 27 | Other Special Funds (128) | | 31,637,469 | 28,831,292 |
| 28 | Long-Term Portion of Derivative Assets (175) | | 0 | 0 |
| 29 | Long-Term Portion of Derivative Assets - Hedges (176) | | 0 | 0 |
| 30 | TOTAL Other Property and Investments (Total of lines 17-20, 22-29) | | 31,637,469 | 28,831,292 |
| 31 | CURRENT AND ACCRUED ASSETS | | | |
| 32 | Cash (131) | | (7,597,540) | 10,890,758 |
| 33 | Special Deposits (132-134) | | 2,151,752 | 2,090,720 |
| 34 | Working Funds (135) | | 24,400 | 24,534 |
| 35 | Temporary Cash Investments (136) | 222-223 | 90,335,329 | 50,000,240 |
| 36 | Notes Receivable (141) | | 0 | 0 |
| 37 | Customer Accounts Receivable (142) | | 64,846,504 | 60,017,312 |
| 38 | Other Accounts Receivable (143) | | 403,792 | 3,313,926 |
| 39 | (Less) Accum. Provision for Uncollectible Accounts - Credit (144) | | 0 | 0 |
| 40 | Notes Receivable from Associated Companies (145) | | 230,000,000 | 230,000,000 |
| 41 | Accounts Receivable from Associated Companies (146) | | 7,376,301 | 7,429,914 |
| 42 | Fuel Stock (151) | | 0 | 0 |
| 43 | Fuel Stock Expenses Undistributed (152) | | 0 | 0 |

| | | | |
|--|---|---------------------------------------|---|
| Name of Respondent Northern Natural Gas Company | This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission | Date of Report (Mo, Da, Yr) / / | Year/Period of Report End of 2012/Q4 |
|--|---|---------------------------------------|---|

Comparative Balance Sheet (Assets and Other Debits)(continued)

| Line No. | Title of Account (a) | Reference Page Number (b) | Current Year End of Quarter/Year Balance (c) | Prior Year End Balance 12/31 (d) |
|----------|---|------------------------------|---|-------------------------------------|
| 44 | Residuals (Elec) and Extracted Products (Gas) (153) | | 0 | 0 |
| 45 | Plant Materials and Operating Supplies (154) | | 23,207,818 | 24,401,956 |
| 46 | Merchandise (155) | | 0 | 0 |
| 47 | Other Materials and Supplies (156) | | 0 | 0 |
| 48 | Nuclear Materials Held for Sale (157) | | 0 | 0 |
| 49 | Allowances (158.1 and 158.2) | | 0 | 0 |
| 50 | (Less) Noncurrent Portion of Allowances | | 0 | 0 |
| 51 | Stores Expense Undistributed (163) | | 0 | 0 |
| 52 | Gas Stored Underground-Current (164.1) | 220 | 0 | 0 |
| 53 | Liquefied Natural Gas Stored and Held for Processing (164.2 thru 164.3) | 220 | 0 | 0 |
| 54 | Prepayments (165) | 230 | 3,951,669 | 5,589,173 |
| 55 | Advances for Gas (166 thru 167) | | 0 | 0 |
| 56 | Interest and Dividends Receivable (171) | | 0 | 0 |
| 57 | Rents Receivable (172) | | 0 | 0 |
| 58 | Accrued Utility Revenues (173) | | 0 | 0 |
| 59 | Miscellaneous Current and Accrued Assets (174) | | 9,602,450 | 12,452,098 |
| 60 | Derivative Instrument Assets (175) | | 224,366 | 1,910,093 |
| 61 | (Less) Long-Term Portion of Derivative Instrument Assets (175) | | 0 | 0 |
| 62 | Derivative Instrument Assets - Hedges (176) | | 0 | 5,979 |
| 63 | (Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176) | | 0 | 0 |
| 64 | TOTAL Current and Accrued Assets (Total of lines 32 thru 63) | | 424,526,841 | 408,126,703 |
| 65 | DEFERRED DEBITS | | | |
| 66 | Unamortized Debt Expense (181) | | 5,923,461 | 4,591,171 |
| 67 | Extraordinary Property Losses (182.1) | 230 | 0 | 0 |
| 68 | Unrecovered Plant and Regulatory Study Costs (182.2) | 230 | 0 | 0 |
| 69 | Other Regulatory Assets (182.3) | 232 | 150,091,677 | 142,459,731 |
| 70 | Preliminary Survey and Investigation Charges (Electric)(183) | | 0 | 0 |
| 71 | Preliminary Survey and Investigation Charges (Gas)(183.1 and 183.2) | | 405,699 | 103,498 |
| 72 | Clearing Accounts (184) | | 0 | 0 |
| 73 | Temporary Facilities (185) | | 0 | 0 |
| 74 | Miscellaneous Deferred Debits (186) | 233 | 4,481,297 | 5,012,045 |
| 75 | Deferred Losses from Disposition of Utility Plant (187) | | 0 | 0 |
| 76 | Research, Development, and Demonstration Expend. (188) | | 0 | 0 |
| 77 | Unamortized Loss on Reacquired Debt (189) | | 0 | 0 |
| 78 | Accumulated Deferred Income Taxes (190) | 234-235 | 220,430,469 | 255,510,325 |
| 79 | Unrecovered Purchased Gas Costs (191) | | 0 | 0 |
| 80 | TOTAL Deferred Debits (Total of lines 66 thru 79) | | 381,332,603 | 407,676,770 |
| 81 | TOTAL Assets and Other Debits (Total of lines 10-15,30,64,and 80) | | 3,093,934,340 | 3,068,512,017 |

| | | | |
|--|---|---------------------------------------|---|
| Name of Respondent Northern Natural Gas Company | This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission | Date of Report (Mo, Da, Yr) / / | Year/Period of Report End of 2012/Q4 |
|--|---|---------------------------------------|---|

Comparative Balance Sheet (Liabilities and Other Credits)

| Line No. | Title of Account (a) | Reference Page Number (b) | Current Year End of Quarter/Year Balance | Prior Year End Balance 12/31 (d) |
|----------|---|------------------------------|--|----------------------------------|
| 1 | PROPRIETARY CAPITAL | | | |
| 2 | Common Stock Issued (201) | 250-251 | 1,002 | 1,002 |
| 3 | Preferred Stock Issued (204) | 250-251 | 0 | 0 |
| 4 | Capital Stock Subscribed (202, 205) | 252 | 0 | 0 |
| 5 | Stock Liability for Conversion (203, 206) | 252 | 0 | 0 |
| 6 | Premium on Capital Stock (207) | 252 | 0 | 0 |
| 7 | Other Paid-In Capital (208-211) | 253 | 981,867,972 | 981,867,972 |
| 8 | Installments Received on Capital Stock (212) | 252 | 0 | 0 |
| 9 | (Less) Discount on Capital Stock (213) | 254 | 0 | 0 |
| 10 | (Less) Capital Stock Expense (214) | 254 | 0 | 0 |
| 11 | Retained Earnings (215, 215.1, 216) | 118-119 | 307,847,429 | 294,132,010 |
| 12 | Unappropriated Undistributed Subsidiary Earnings (216.1) | 118-119 | 0 | 0 |
| 13 | (Less) Reacquired Capital Stock (217) | 250-251 | 0 | 0 |
| 14 | Accumulated Other Comprehensive Income (219) | 117 | (5,126) | (1,595,847) |
| 15 | TOTAL Proprietary Capital (Total of lines 2 thru 14) | | 1,289,711,277 | 1,274,405,137 |
| 16 | LONG TERM DEBT | | | |
| 17 | Bonds (221) | 256-257 | 400,000,000 | 150,000,000 |
| 18 | (Less) Reacquired Bonds (222) | 256-257 | 0 | 0 |
| 19 | Advances from Associated Companies (223) | 256-257 | 0 | 0 |
| 20 | Other Long-Term Debt (224) | 256-257 | 500,000,000 | 800,000,000 |
| 21 | Unamortized Premium on Long-Term Debt (225) | 258-259 | 0 | 0 |
| 22 | (Less) Unamortized Discount on Long-Term Debt-Dr (226) | 258-259 | 633,369 | 270,588 |
| 23 | (Less) Current Portion of Long-Term Debt | | 0 | 299,955,414 |
| 24 | TOTAL Long-Term Debt (Total of lines 17 thru 23) | | 899,366,631 | 649,773,998 |
| 25 | OTHER NONCURRENT LIABILITIES | | | |
| 26 | Obligations Under Capital Leases-Noncurrent (227) | | 0 | 0 |
| 27 | Accumulated Provision for Property Insurance (228.1) | | 0 | 0 |
| 28 | Accumulated Provision for Injuries and Damages (228.2) | | 373,972 | 455,262 |
| 29 | Accumulated Provision for Pensions and Benefits (228.3) | | 3,462,347 | 5,119,303 |
| 30 | Accumulated Miscellaneous Operating Provisions (228.4) | | 0 | 0 |
| 31 | Accumulated Provision for Rate Refunds (229) | | 0 | 0 |

| | | | |
|--|---|---------------------------------------|---|
| Name of Respondent Northern Natural Gas Company | This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission | Date of Report (Mo, Da, Yr) / / | Year/Period of Report End of 2012/Q4 |
|--|---|---------------------------------------|---|

Comparative Balance Sheet (Liabilities and Other Credits)(continued)

| Line No. | Title of Account (a) | Reference Page Number (b) | Current Year End of Quarter/Year Balance | Prior Year End Balance 12/31 (d) |
|----------|---|----------------------------------|--|----------------------------------|
| 32 | Long-Term Portion of Derivative Instrument Liabilities | | 0 | 0 |
| 33 | Long-Term Portion of Derivative Instrument Liabilities - Hedges | | 0 | 0 |
| 34 | Asset Retirement Obligations (230) | | 36,332,680 | 49,600,617 |
| 35 | TOTAL Other Noncurrent Liabilities (Total of lines 26 thru 34) | | 40,168,999 | 55,175,182 |
| 36 | CURRENT AND ACCRUED LIABILITIES | | | |
| 37 | Current Portion of Long-Term Debt | | 0 | 299,955,414 |
| 38 | Notes Payable (231) | | 0 | 0 |
| 39 | Accounts Payable (232) | | 21,447,505 | 15,661,528 |
| 40 | Notes Payable to Associated Companies (233) | | 0 | 0 |
| 41 | Accounts Payable to Associated Companies (234) | | 477,102 | 2,624,945 |
| 42 | Customer Deposits (235) | | 16,672,417 | 15,680,575 |
| 43 | Taxes Accrued (236) | 262-263 | 69,583,863 | 43,958,617 |
| 44 | Interest Accrued (237) | | 13,626,389 | 12,665,749 |
| 45 | Dividends Declared (238) | | 0 | 0 |
| 46 | Matured Long-Term Debt (239) | | 0 | 0 |
| 47 | Matured Interest (240) | | 0 | 0 |
| 48 | Tax Collections Payable (241) | | 925,094 | 829,487 |
| 49 | Miscellaneous Current and Accrued Liabilities (242) | 268 | 26,025,961 | 18,227,338 |
| 50 | Obligations Under Capital Leases-Current (243) | | 0 | 0 |
| 51 | Derivative Instrument Liabilities (244) | | 69,048,427 | 65,817,778 |
| 52 | (Less) Long-Term Portion of Derivative Instrument Liabilities | | 0 | 0 |
| 53 | Derivative Instrument Liabilities - Hedges (245) | | 8,514 | 2,810,378 |
| 54 | (Less) Long-Term Portion of Derivative Instrument Liabilities - Hedges | | 0 | 0 |
| 55 | TOTAL Current and Accrued Liabilities (Total of lines 37 thru 54) | | 217,815,272 | 478,231,809 |
| 56 | DEFERRED CREDITS | | | |
| 57 | Customer Advances for Construction (252) | | 2,578,235 | 1,343,387 |
| 58 | Accumulated Deferred Investment Tax Credits (255) | | 0 | 0 |
| 59 | Deferred Gains from Disposition of Utility Plant (256) | | 0 | 0 |
| 60 | Other Deferred Credits (253) | 269 | 203,795 | 1,226,389 |
| 61 | Other Regulatory Liabilities (254) | 278 | 20,077,463 | 17,595,364 |
| 62 | Unamortized Gain on Reacquired Debt (257) | 260 | 0 | 0 |
| 63 | Accumulated Deferred Income Taxes - Accelerated Amortization (281) | | 0 | 0 |
| 64 | Accumulated Deferred Income Taxes - Other Property (282) | | 560,618,935 | 529,362,108 |
| 65 | Accumulated Deferred Income Taxes - Other (283) | | 63,393,733 | 61,398,643 |
| 66 | TOTAL Deferred Credits (Total of lines 57 thru 65) | | 646,872,161 | 610,925,891 |
| 67 | TOTAL Liabilities and Other Credits (Total of lines 15,24,35,55,and 66) | | 3,093,934,340 | 3,068,512,017 |

| | | | |
|--|---|---------------------------------------|---|
| Name of Respondent Northern Natural Gas Company | This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission | Date of Report (Mo, Da, Yr) / / | Year/Period of Report End of 2012/Q4 |
|--|---|---------------------------------------|---|

Statement of Income

Quarterly

1. Enter in column (d) the balance for the reporting quarter and in column (e) the balance for the same three month period for the prior year.
2. Report in column (f) the quarter to date amounts for electric utility function; in column (h) the quarter to date amounts for gas utility, and in (j) the quarter to date amounts for other utility function for the current year quarter.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in (k) the quarter to date amounts for other utility function for the prior year quarter.
4. If additional columns are needed place them in a footnote.

Annual or Quarterly, if applicable

5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
8. Report data for lines 8, 10 and 11 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.
9. Use page 122 for important notes regarding the statement of income for any account thereof.
10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.
11. Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.
12. If any notes appearing in the report to stockholders are applicable to the Statement of Income, such notes may be included at page 122.
13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

| Line No. | Title of Account (a) | Reference Page Number (b) | Total Current Year to Date Balance for Quarter/Year (c) | Total Prior Year to Date Balance for Quarter/Year (d) | Current Three Months Ended Quarterly Only No Fourth Quarter (e) | Prior Three Months Ended Quarterly Only No Fourth Quarter (f) |
|----------|--|------------------------------|--|--|--|--|
| 1 | UTILITY OPERATING INCOME | | | | | |
| 2 | Gas Operating Revenues (400) | 300-301 | 587,768,266 | 617,133,847 | 0 | 0 |
| 3 | Operating Expenses | | | | | |
| 4 | Operation Expenses (401) | 317-325 | 156,129,236 | 183,520,004 | 0 | 0 |
| 5 | Maintenance Expenses (402) | 317-325 | 49,755,863 | 43,806,942 | 0 | 0 |
| 6 | Depreciation Expense (403) | 336-338 | 57,033,321 | 56,399,248 | 0 | 0 |
| 7 | Depreciation Expense for Asset Retirement Costs (403.1) | 336-338 | 0 | 0 | 0 | 0 |
| 8 | Amortization and Depletion of Utility Plant (404-405) | 336-338 | 7,089,750 | 6,981,968 | 0 | 0 |
| 9 | Amortization of Utility Plant Acu. Adjustment (406) | 336-338 | 0 | 0 | 0 | 0 |
| 10 | Amort. of Prop. Losses, Unrecovered Plant and Reg. Study Costs (407.1) | | 0 | 0 | 0 | 0 |
| 11 | Amortization of Conversion Expenses (407.2) | | 0 | 0 | 0 | 0 |
| 12 | Regulatory Debits (407.3) | | 0 | 7,863,638 | 0 | 0 |
| 13 | (Less) Regulatory Credits (407.4) | | 0 | 0 | 0 | 0 |
| 14 | Taxes Other than Income Taxes (408.1) | 262-263 | 51,684,519 | 49,883,161 | 0 | 0 |
| 15 | Income Taxes-Federal (409.1) | 262-263 | 37,826,855 | 9,885,892 | 0 | 0 |
| 16 | Income Taxes-Other (409.1) | 262-263 | 9,529,350 | 6,516,154 | 0 | 0 |
| 17 | Provision of Deferred Income Taxes (410.1) | 234-235 | 79,902,133 | 99,175,706 | 0 | 0 |
| 18 | (Less) Provision for Deferred Income Taxes-Credit (411.1) | 234-235 | 39,560,152 | 27,386,493 | 0 | 0 |
| 19 | Investment Tax Credit Adjustment-Net (411.4) | | 0 | 0 | 0 | 0 |
| 20 | (Less) Gains from Disposition of Utility Plant (411.6) | | 0 | 0 | 0 | 0 |
| 21 | Losses from Disposition of Utility Plant (411.7) | | 0 | 0 | 0 | 0 |
| 22 | (Less) Gains from Disposition of Allowances (411.8) | | 0 | 0 | 0 | 0 |
| 23 | Losses from Disposition of Allowances (411.9) | | 0 | 0 | 0 | 0 |
| 24 | Accretion Expense (411.10) | | 0 | 0 | 0 | 0 |
| 25 | TOTAL Utility Operating Expenses (Total of lines 4 thru 24) | | 409,390,875 | 436,646,220 | 0 | 0 |
| 26 | Net Utility Operating Income (Total of lines 2 less 25) (Carry forward to page 116, line 27) | | 178,377,391 | 180,487,627 | 0 | 0 |

Statement of Income(continued)

| Line No. | Title of Account (a) | Reference Page Number (b) | Total Current Year to Date Balance for Quarter/Year (c) | Total Prior Year to Date Balance for Quarter/Year (d) | Current Three Months Ended Quarterly Only No Fourth Quarter (e) | Prior Three Months Ended Quarterly Only No Fourth Quarter (f) |
|----------|---|------------------------------|--|--|--|--|
| 27 | Net Utility Operating Income (Carried forward from page 114) | | 178,377,391 | 180,487,627 | 0 | 0 |
| 28 | OTHER INCOME AND DEDUCTIONS | | | | | |
| 29 | Other Income | | | | | |
| 30 | Nonutility Operating Income | | | | | |
| 31 | Revenues form Merchandising, Jobbing and Contract Work (415) | | 0 | 0 | 0 | 0 |
| 32 | (Less) Costs and Expense of Merchandising, Job & Contract Work (416) | | 0 | 0 | 0 | 0 |
| 33 | Revenues from Nonutility Operations (417) | | 0 | 0 | 0 | 0 |
| 34 | (Less) Expenses of Nonutility Operations (417.1) | | 0 | 0 | 0 | 0 |
| 35 | Nonoperating Rental Income (418) | | 0 | 0 | 0 | 0 |
| 36 | Equity in Earnings of Subsidiary Companies (418.1) | 119 | 0 | 0 | 0 | 0 |
| 37 | Interest and Dividend Income (419) | | 1,751,207 | 1,816,573 | 0 | 0 |
| 38 | Allowance for Other Funds Used During Construction (419.1) | | 1,184,948 | 954,977 | 0 | 0 |
| 39 | Miscellaneous Nonoperating Income (421) | | 7,573,344 | 1,383,350 | 0 | 0 |
| 40 | Gain on Disposition of Property (421.1) | | 500,558 | 1,217,092 | 0 | 0 |
| 41 | TOTAL Other Income (Total of lines 31 thru 40) | | 11,010,057 | 5,371,992 | 0 | 0 |
| 42 | Other Income Deductions | | | | | |
| 43 | Loss on Disposition of Property (421.2) | | 0 | 2,361 | 0 | 0 |
| 44 | Miscellaneous Amortization (425) | | 0 | 0 | 0 | 0 |
| 45 | Donations (426.1) | 340 | 343,155 | 368,065 | 0 | 0 |
| 46 | Life Insurance (426.2) | | 0 | 0 | 0 | 0 |
| 47 | Penalties (426.3) | | 255 | 0 | 0 | 0 |
| 48 | Expenditures for Certain Civic, Political and Related Activities (426.4) | | 59,412 | 169,785 | 0 | 0 |
| 49 | Other Deductions (426.5) | | 583,274 | 868,732 | 0 | 0 |
| 50 | TOTAL Other Income Deductions (Total of lines 43 thru 49) | 340 | 986,096 | 1,408,943 | 0 | 0 |
| 51 | Taxes Applic. to Other Income and Deductions | | | | | |
| 52 | Taxes Other than Income Taxes (408.2) | 262-263 | 0 | 0 | 0 | 0 |
| 53 | Income Taxes-Federal (409.2) | 262-263 | (20,489,375) | (24,217,137) | 0 | 0 |
| 54 | Income Taxes-Other (409.2) | 262-263 | (3,997,849) | (5,979,762) | 0 | 0 |
| 55 | Provision for Deferred Income Taxes (410.2) | 234-235 | 55,031,287 | 29,282,272 | 0 | 0 |
| 56 | (Less) Provision for Deferred Income Taxes-Credit (411.2) | 234-235 | 28,093,267 | 0 | 0 | 0 |
| 57 | Investment Tax Credit Adjustments-Net (411.5) | | 0 | 0 | 0 | 0 |
| 58 | (Less) Investment Tax Credits (420) | | 0 | 0 | 0 | 0 |
| 59 | TOTAL Taxes on Other Income and Deductions (Total of lines 52-58) | | 2,450,796 | (914,627) | 0 | 0 |
| 60 | Net Other Income and Deductions (Total of lines 41, 50, 59) | | 7,573,165 | 4,877,676 | 0 | 0 |
| 61 | INTEREST CHARGES | | | | | |
| 62 | Interest on Long-Term Debt (427) | | 50,793,055 | 54,668,056 | 0 | 0 |
| 63 | Amortization of Debt Disc. and Expense (428) | 258-259 | 800,502 | 894,829 | 0 | 0 |
| 64 | Amortization of Loss on Reacquired Debt (428.1) | | 0 | 0 | 0 | 0 |
| 65 | (Less) Amortization of Premium on Debt-Credit (429) | 258-259 | 0 | 0 | 0 | 0 |
| 66 | (Less) Amortization of Gain on Reacquired Debt-Credit (429.1) | | 0 | 0 | 0 | 0 |
| 67 | Interest on Debt to Associated Companies (430) | 340 | 0 | 0 | 0 | 0 |
| 68 | Other Interest Expense (431) | 340 | 46,013 | 40,542 | 0 | 0 |
| 69 | (Less) Allowance for Borrowed Funds Used During Construction-Credit (432) | | 404,433 | 391,781 | 0 | 0 |
| 70 | Net Interest Charges (Total of lines 62 thru 69) | | 51,235,137 | 55,211,646 | 0 | 0 |
| 71 | Income Before Extraordinary Items (Total of lines 27,60 and 70) | | 134,715,419 | 130,153,657 | 0 | 0 |
| 72 | EXTRAORDINARY ITEMS | | | | | |
| 73 | Extraordinary Income (434) | | 0 | 0 | 0 | 0 |
| 74 | (Less) Extraordinary Deductions (435) | | 0 | 0 | 0 | 0 |
| 75 | Net Extraordinary Items (Total of line 73 less line 74) | | 0 | 0 | 0 | 0 |
| 76 | Income Taxes-Federal and Other (409.3) | 262-263 | 0 | 0 | 0 | 0 |
| 77 | Extraordinary Items after Taxes (Total of line 75 less line 76) | | 0 | 0 | 0 | 0 |
| 78 | Net Income (Total of lines 71 and 77) | | 134,715,419 | 130,153,657 | 0 | 0 |

Midwest Capital Group, Inc.
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ _____ - | \$ _____ 593 |
| Total | <u>\$ _____ -</u> | <u>\$ _____ 593</u> |
| Basis of pricing | N/A | (a) |
| Cost of service | N/A | (a) |
| The margin of charges over costs | N/A | None |
| Assets allocable to the services | N/A | None |
| The overall rate of return on assets | N/A | None |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of MHC Inc., the parent company of Midwest Capital Group, Inc.

MEC Construction Services Co.
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ _____ - | \$ _____ 112 |
| Total | <u>\$ _____ -</u> | <u>\$ _____ 112</u> |
| Basis of pricing | N/A | (a) |
| Cost of service | N/A | (a) |
| The margin of charges over costs | N/A | None |
| Assets allocable to the services | N/A | None |
| The overall rate of return on assets | N/A | None |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of MHC Inc., the parent company of MEC Construction Services Co.

Cordova Energy Company LLC
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ _____ - | \$ _____ 4,314 |
| Total | <u>\$ _____</u> | <u>\$ _____ 4,314</u> |
| Basis of pricing | N/A | (a) |
| Cost of service | N/A | (a) |
| The margin of charges over costs | N/A | None |
| Assets allocable to the services | N/A | None |
| The overall rate of return on assets | N/A | None |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amounts in the table above reflect the cost of the services.

Refer to the financial statements of MidAmerican Energy Holdings Company, the parent company of Cordova Energy Company LLC.

Northern Powergrid Holdings Company
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ _____ - | \$ _____ 100,454 |
| Total | <u>\$ _____ -</u> | <u>\$ _____ 100,454</u> |
| Basis of pricing | N/A | (a) |
| Cost of service | N/A | (a) |
| The margin of charges over costs | N/A | None |
| Assets allocable to the services | N/A | None |
| The overall rate of return on assets | N/A | None |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of MidAmerican Energy Holdings Company, the parent company of Northern Powergrid Holdings Company.

**CalEnergy Philippines
 Affiliated Transactions
 For the Year Ended December 31, 2012**

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ _____ - | \$ _____ 32,112 |
| Total | <u>\$ _____ -</u> | <u>\$ _____ 32,112</u> |
| Basis of pricing | N/A | (a) |
| Cost of service | N/A | (a) |
| The margin of charges over costs | N/A | None |
| Assets allocable to the services | N/A | None |
| The overall rate of return on assets | N/A | None |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of MidAmerican Energy Holdings Company, the parent company of CalEnergy Philippines.

Iowa Realty Co., Inc.
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ _____ - | \$ _____ 10,419 |
| Total | <u>\$ _____ -</u> | <u>\$ _____ 10,419</u> |
| Basis of pricing | N/A | (a) |
| Cost of service | N/A | (a) |
| The margin of charges over costs | N/A | None |
| Assets allocable to the services | N/A | None |
| The overall rate of return on assets | N/A | None |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of MidAmerican Energy Holdings Company, the parent company of Iowa Realty Co., Inc.

M&M Ranch Acquisition Company, LLC
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ <u>376</u> | \$ <u>-</u> |
| Total | \$ <u>376</u> | \$ <u>-</u> |
| Basis of pricing | (a) | N/A |
| Cost of service | (a) | N/A |
| The margin of charges over costs | None | N/A |
| Assets allocable to the services | None | N/A |
| The overall rate of return on assets | None | N/A |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of MidAmerican Energy Holdings Company, the parent company of M&M Ranch Acquisition Company, LLC.

MidAmerican Renewables, LLC
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ <u>2,182</u> | \$ <u>57,558</u> |
| Total | <u>\$ 2,182</u> | <u>\$ 57,558</u> |
| Basis of pricing | (a) | (a) |
| Cost of service | (a) | (a) |
| The margin of charges over costs | None | None |
| Assets allocable to the services | None | None |
| The overall rate of return on assets | None | None |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Excluded from the table above are convenience payments made to vendors by PacifiCorp on behalf of, and charged to, MidAmerican Renewables, LLC in the amount of \$147,380.

Refer to the financial statements of MidAmerican Energy Holdings Company, the parent company of MidAmerican Renewables, LLC.

Electric Transmission America, LLC
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ _____ - | \$ _____ 9,140 |
| Total | <u>\$ _____ -</u> | <u>\$ _____ 9,140</u> |
| Basis of pricing | N/A | (a) |
| Cost of service | N/A | (a) |
| The margin of charges over costs | N/A | None |
| Assets allocable to the services | N/A | None |
| The overall rate of return on assets | N/A | None |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Electric Transmission America, LLC is not a consolidated subsidiary of MidAmerican Energy Holdings Company nor is it a public company. Accordingly, its financial statements are not available.

Electric Transmission Texas, LLC
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ _____ - | \$ _____ 20,235 |
| Total | <u>\$ _____ -</u> | <u>\$ _____ 20,235</u> |
| Basis of pricing | N/A | (a) |
| Cost of service | N/A | (a) |
| The margin of charges over costs | N/A | None |
| Assets allocable to the services | N/A | None |
| The overall rate of return on assets | N/A | None |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Electric Transmission Texas, LLC is not a consolidated subsidiary of MidAmerican Energy Holdings Company nor is it a public company. Accordingly, its financial statements are not available.

MEHC Canada, LLC
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ _____ - | \$ _____ 71,963 |
| Total | <u>\$ _____ -</u> | <u>\$ _____ 71,963</u> |
| Basis of pricing | N/A | (a) |
| Cost of service | N/A | (a) |
| The margin of charges over costs | N/A | None |
| Assets allocable to the services | N/A | None |
| The overall rate of return on assets | N/A | None |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of MidAmerican Energy Holdings Company, the parent company of MEHC Canada, LLC.

Midwest Power Transmission Iowa, LLC
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ _____ - | \$ _____ 40 |
| Total | <u>\$ _____ -</u> | <u>\$ _____ 40</u> |
| Basis of pricing | N/A | (a) |
| Cost of service | N/A | (a) |
| The margin of charges over costs | N/A | None |
| Assets allocable to the services | N/A | None |
| The overall rate of return on assets | N/A | None |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Excluded from the table above are convenience payments made to vendors by PacifiCorp on behalf of, and charged to, Midwest Power Transmission Iowa, LLC in the amount of \$3,641.

Refer to the financial statements of MidAmerican Energy Holdings Company, the parent company of Midwest Power Transmission Iowa, LLC.

Midwest Power Transmission Illinois, LLC
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ _____ - | \$ _____ 1,534 |
| Total | <u>\$ _____ -</u> | <u>\$ _____ 1,534</u> |
| Basis of pricing | N/A | (a) |
| Cost of service | N/A | (a) |
| The margin of charges over costs | N/A | None |
| Assets allocable to the services | N/A | None |
| The overall rate of return on assets | N/A | None |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Excluded from the table above are convenience payments made to vendors by PacifiCorp on behalf of, and charged to, Midwest Power Transmission Illinois, LLC in the amount of \$18,838.

Refer to the financial statements of MidAmerican Energy Holdings Company, the parent company of Midwest Power Transmission Illinois, LLC.

Pinyon Pines Wind I, LLC
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ _____ - | \$ _____ 20,939 |
| Total | <u>\$ _____ -</u> | <u>\$ _____ 20,939</u> |
| Basis of pricing | N/A | (a) |
| Cost of service | N/A | (a) |
| The margin of charges over costs | N/A | None |
| Assets allocable to the services | N/A | None |
| The overall rate of return on assets | N/A | None |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of MidAmerican Energy Holdings Company, the parent company of Pinyon Pines Wind I, LLC.

Pinyon Pines Wind II, LLC
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ _____ - | \$ _____ 21,472 |
| Total | <u>\$ _____ -</u> | <u>\$ _____ 21,472</u> |
| Basis of pricing | N/A | (a) |
| Cost of service | N/A | (a) |
| The margin of charges over costs | N/A | None |
| Assets allocable to the services | N/A | None |
| The overall rate of return on assets | N/A | None |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of MidAmerican Energy Holdings Company, the parent company of Pinyon Pines Wind II, LLC.

Bishop Hill Interconnection LLC
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ _____ - | \$ _____ 897 |
| Total | <u>\$ _____ -</u> | <u>\$ _____ 897</u> |
| Basis of pricing | N/A | (a) |
| Cost of service | N/A | (a) |
| The margin of charges over costs | N/A | None |
| Assets allocable to the services | N/A | None |
| The overall rate of return on assets | N/A | None |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Bishop Hill Interconnection LLC is not a consolidated subsidiary of MidAmerican Energy Holdings Company nor is it a public company. Accordingly, its financial statements are not available.

MidAmerican Transmission, LLC
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ _____ - | \$ _____ 535,508 |
| Total | <u>\$ _____ -</u> | <u>\$ _____ 535,508</u> |
| Basis of pricing | N/A | (a) |
| Cost of service | N/A | (a) |
| The margin of charges over costs | N/A | None |
| Assets allocable to the services | N/A | None |
| The overall rate of return on assets | N/A | None |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Excluded from the table above are convenience payments made to vendors by PacifiCorp on behalf of, and charged to, MidAmerican Transmission, LLC in the amount of \$240,140.

Refer to the financial statements of MidAmerican Energy Holdings Company, the parent company of MidAmerican Transmission, LLC.

Topaz Solar Farms LLC
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Administrative services under the Intercompany Administrative Services Agreement (“IASA”) | \$ _____ - | \$ _____ <u>26,787</u> |
| Total | <u>\$ _____ -</u> | <u>\$ _____ <u>26,787</u></u> |
| Basis of pricing | N/A | (a) |
| Cost of service | N/A | (a) |
| The margin of charges over costs | N/A | None |
| Assets allocable to the services | N/A | None |
| The overall rate of return on assets | N/A | None |

(a) Services were performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of MidAmerican Energy Holdings Company, the parent company of Topaz Solar Farms LLC.

Racom Corporation
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--------------------------------------|---|---|
| Installation of radio equipment | \$ <u>75,752</u> | \$ _____ - |
| Total | <u>\$ 75,752</u> | <u>\$ _____ -</u> |
| Basis of pricing | (a) | N/A |
| Cost of service | (a) | N/A |
| The margin of charges over costs | (a) | N/A |
| Assets allocable to the services | (a) | N/A |
| The overall rate of return on assets | (a) | N/A |

(a) Racom Corporation provides goods and services to PacifiCorp in the normal course of business at standard pricing.

Racom Corporation is not a public company, and its financial statements are not available.

PPW Holdings LLC
Affiliate Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--------------------------------------|---|---|
| (a) | \$ _____ - | \$ _____ - |
| Total | <u>\$ _____ -</u> | <u>\$ _____ -</u> |
| Basis of pricing | N/A | N/A |
| Cost of service | N/A | N/A |
| The margin of charges over costs | N/A | N/A |
| Assets allocable to the services | N/A | N/A |
| The overall rate of return on assets | N/A | N/A |

(a) For information regarding income tax-related transactions between PacifiCorp and PPW Holdings LLC, refer to Section V.

PPW HOLDINGS LLC

BALANCE SHEET

December 31, 2012

(Amounts in thousands)

ASSETS

| | |
|------------------------------------|----------------------------|
| Current assets: | |
| Accounts receivable, net | \$ 3,316 |
| Deferred income taxes | (19) |
| Total current assets | <u>3,297</u> |
| Property, plant and equipment, net | 72,514 |
| Investment in subsidiaries | 7,615,509 |
| Goodwill | 1,126,642 |
| Other assets | <u>42,508</u> |
| Total assets | <u>\$ 8,860,470</u> |

LIABILITIES AND EQUITY

| | |
|---|----------------------------|
| Current liabilities: | |
| Accounts payable | \$ 20 |
| Income taxes payable | (280) |
| Current portion of long-term debt and capital lease obligations | <u>16,860</u> |
| Total current liabilities | 16,600 |
| Long-term debt and capital lease obligations | 55,654 |
| Deferred income taxes | <u>569</u> |
| Total liabilities | <u>72,823</u> |
| Equity: | |
| Common stock | - |
| Additional paid-in capital | 6,217,086 |
| Retained earnings | 2,566,475 |
| Accumulated other comprehensive income, net | <u>4,086</u> |
| Total equity | <u>8,787,647</u> |
| Total liabilities and equity | <u>\$ 8,860,470</u> |

PPW HOLDINGS LLC
STATEMENT OF OPERATIONS
For the Year Ended December 31, 2012
(Amounts in thousands)

| | |
|---|--------------------------|
| Operating revenue | \$ - |
| Operating costs and expenses: | |
| Energy costs | (27,051) |
| Operations and maintenance | (400) |
| Depreciation and amortization | 14,428 |
| Total operating costs and expenses | <u>(13,023)</u> |
| Operating income | <u>13,023</u> |
| Other income (expense): | |
| Interest expense | (12,623) |
| Interest income | 2,756 |
| Other | 537,337 |
| Total other income (expense) | <u>527,470</u> |
| Income before income tax benefit | 540,493 |
| Income tax benefit | (395) |
| Net income | <u>540,888</u> |
| Net income attributable to noncontrolling interests | 2,050 |
| Net income attributable to PPW Holdings LLC | <u><u>\$ 538,838</u></u> |

PacifiCorp Foundation
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--------------------------------------|---|---|
| Administrative support services | \$ <u> </u> - | \$ <u> 232,607</u> |
| Total | <u>\$ <u> </u> -</u> | <u>\$ <u> 232,607</u></u> |
| Basis of pricing | N/A | (a) |
| Cost of service | N/A | (a) |
| The margin of charges over costs | N/A | None |
| Assets allocable to the services | N/A | None |
| The overall rate of return on assets | N/A | None |

(a) Costs incurred by PacifiCorp on behalf of affiliates are charged at direct cost. Labor is charged at PacifiCorp's fully loaded cost plus administrative and general expense.

Excluded from the table are services provided by MidAmerican Energy Company to PacifiCorp Foundation in the amount of \$584.

PacifiCorp Foundation
Statement of Financial Position

(in dollars)
(Unaudited - Internal Use Only)

| | <u>12/31/2012</u> |
|------------------------------|-----------------------------|
| Assets: | |
| Cash | \$ 115,540 |
| Restricted investments: | |
| Cash and cash equivalents | 360,497 |
| Interest receivable | 10 |
| Dividend receivable | 6,012 |
| Tax receivable | 1,115 |
| State Street investments | <u>39,020,619</u> |
| Total restricted investments | 39,388,253 |
| Total assets | <u><u>39,503,793</u></u> |
| Liabilities: | |
| Accounts payable | 21,280 |
| Grants payable | <u>215,000</u> |
| Total liabilities | 236,280 |
| Net assets | <u><u>\$ 39,267,513</u></u> |

PacifiCorp Foundation
Statement of Income and Changes in Net Assets
For the Year Ended December 31, 2012

(in dollars)

(Unaudited - Internal Use Only)

| | Year-to-Date |
|--|---------------|
| Revenue and contributions: | |
| Interest income | \$ 293 |
| Dividends | 659,028 |
| Realized gain/(loss) on sale of investment | 1,081,165 |
| Unrealized gain/(loss) on investment | 2,614,251 |
| Capital gains on partnership investments | 403,447 |
| Miscellaneous income: security litigation income | 2,594 |
| Total revenues/(losses) and contributions | 4,760,778 |
| Expenses: | |
| Grants: | |
| Health, welfare and social services | 255,000 |
| Education | 260,000 |
| Culture and arts | 126,250 |
| Civic and community betterment | 98,500 |
| Giving campaign match | 300,000 |
| Matching gift program | 80,000 |
| Small community capital projects | 151,750 |
| Rocky Mountain Power Foundation special grants | 20,000 |
| Pacific Power Foundation special grants | 5,000 |
| Global Days of Service | 80,000 |
| Total grants | 1,376,500 |
| Administrative expenses | 232,607 |
| Investment management fees | 88,704 |
| Consulting fees | 10,050 |
| Taxes | 11,704 |
| Bank fees | 2,320 |
| Total expenses | 1,721,885 |
| Net assets increase (decrease) | 3,038,893 |
| Net assets beginning of period | 36,228,620 |
| Net assets end of period | \$ 39,267,513 |

Energy West Mining Company

Intercompany Transactions

For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|---|---|---|
| Coal mining services | \$ 65,093,351 | \$ - |
| Information technology support services | <u>-</u> | <u>269,154</u> |
| Total | <u>\$ 65,093,351</u> | <u>\$ 269,154</u> |
| Basis of pricing | (a) | (b) |
| Cost of service | (a) | (b) |
| The margin of charges over costs | None | None |
| Assets allocable to the services | None | None |
| The overall rate of return on assets | None | None |

- (a) Under the terms of the coal mining agreement between PacifiCorp and Energy West Mining Company (“Energy West”), Energy West provides coal mining services to PacifiCorp that are absorbed directly by PacifiCorp. Coal mining services are based on costs incurred to extract coal from PacifiCorp-owned coal reserves. PacifiCorp owns title to the assets used in the mining process. No profit is allowed. These costs are included in PacifiCorp’s fuel inventory, and as coal is consumed, the costs are charged to fuel expense at PacifiCorp.
- (b) Costs incurred by PacifiCorp on behalf of subsidiaries are charged at direct cost. Labor is charged at PacifiCorp’s fully loaded cost plus administrative and general expense.

The following amounts are excluded from the table above:

- Convenience payments made to vendors by PacifiCorp on behalf of, and charged to, Energy West in the amount of \$286,651.
- Convenience payments made to vendors by MidAmerican Energy Company on behalf of, and charged to, Energy West in the amount of \$700.
- A management fee charged by Interwest Mining Company to Energy West in the amount of \$937,600.
- Services provided by Energy West to Bridger Coal Company in the amount of \$(89,893).
- Services provided by Energy West to Fossil Rock Fuels, LLC in the amount of \$122,453.
- Premium expense for an excess loss insurance policy charged by Symetra Life Insurance Company to Energy West in the amount of \$277,400.
- Services provided by MidAmerican Energy Company to Energy West in the amount of \$98,577.

ENERGY WEST MINING COMPANY
BALANCE SHEET
December 31, 2012
(Amounts in thousands)

ASSETS

| | |
|-----------------------------|-------------------------|
| Current assets: | |
| Cash and cash equivalents | \$ 27 |
| Accounts receivable, net | 16 |
| Amounts due from affiliates | 11,533 |
| Other current assets | <u>88</u> |
| Total assets | <u><u>\$ 11,664</u></u> |

LIABILITIES AND EQUITY

| | |
|-------------------------------------|-------------------------|
| Current liabilities: | |
| Accounts payable | \$ 5,995 |
| Accrued employee expenses | 5,431 |
| Accrued property and other taxes | <u>237</u> |
| Total liabilities | <u>11,663</u> |
| Equity: | |
| Common stock | - |
| Additional paid-in capital | <u>1</u> |
| Total equity | <u>1</u> |
| Total liabilities and equity | <u><u>\$ 11,664</u></u> |

Interwest Mining Company
Intercompany Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|-------------------------------------|-------------------------------------|
| Administrative support services | \$ 822,352 | \$ - |
| Financial support services and employee benefits | <u>-</u> | <u>508,808</u> |
| Total | <u>\$ 822,352</u> | <u>\$ 508,808</u> |

| | | |
|--------------------------------------|------|------|
| Basis of pricing | (a) | (b) |
| Cost of service | (a) | (b) |
| The margin of charges over costs | None | None |
| Assets allocable to the services | None | None |
| The overall rate of return on assets | None | None |

- (a) Under the terms of a services agreement between PacifiCorp and Interwest Mining Company (“Interwest Mining”), administrative support services provided by Interwest Mining are fully absorbed by PacifiCorp and its affiliates, and charges for the services are based on labor, benefits and operational cost. No profit is allowed.
- (b) Costs incurred by PacifiCorp on behalf of subsidiaries are charged at direct cost. Labor is charged at PacifiCorp’s fully loaded cost plus administrative and general expense.

The following amounts are excluded from the table above:

- Convenience payments made to vendors by PacifiCorp on behalf of, and charged to, Interwest Mining in the amount of \$186.
- Management fees charged by Interwest Mining to Energy West Mining Company in the amount of \$937,600 and to Pacific Minerals, Inc. (“PMI”) in the amount of \$1,046,400. The amount charged to PMI was then charged by PMI to Bridger Coal Company.
- Board of directors fees and associated board meeting costs related to an Interwest Mining employee that serves on the Trapper Mining Inc. board of directors in the amount of \$3,586.
- Services provided by Interwest Mining to Fossil Rock Fuels, LLC in the amount of \$35,462.

INTERWEST MINING COMPANY
BALANCE SHEET
December 31, 2012
(Amounts in thousands)

ASSETS

| | |
|-----------------------------|----------------------------|
| Current assets: | |
| Amounts due from affiliates | \$ <u>37</u> |
| Total assets | \$ <u><u>37</u></u> |

LIABILITIES AND EQUITY

| | |
|-------------------------------------|----------------------------|
| Current liabilities: | |
| Accounts payable | \$ 9 |
| Accrued employee expenses | 19 |
| Accrued property and other taxes | <u>8</u> |
| Total liabilities | <u><u>36</u></u> |
| Equity: | |
| Common stock | - |
| Additional paid-in capital | <u>1</u> |
| Total equity | <u><u>1</u></u> |
| Total liabilities and equity | \$ <u><u>37</u></u> |

Fossil Rock Fuels, LLC
Intercompany Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--------------------------------------|---|---|
| N/A | \$ _____ - | \$ _____ - |
| Total | <u>\$ _____ -</u> | <u>\$ _____ -</u> |
| Basis of pricing | N/A | N/A |
| Cost of service | N/A | N/A |
| The margin of charges over costs | N/A | N/A |
| Assets allocable to the services | N/A | N/A |
| The overall rate of return on assets | N/A | N/A |

During the year ended December 31, 2012, PacifiCorp made equity contributions to Fossil Rock Fuels, LLC in the amount of \$7,442,429.

The following amounts are excluded from the table above:

- Services provided by Interwest Mining Company to Fossil Rock Fuels, LLC in the amount of \$35,462. Services were provided at cost.
- Services provided by Energy West Mining Company to Fossil Rock Fuels, LLC in the amount of \$122,453. Services were provided at cost.

FOSSIL ROCK FUELS, LLC
BALANCE SHEET
December 31, 2012
(Amounts in thousands)

ASSETS

| | |
|------------------------------------|-------------------------|
| Current assets: | |
| Cash and cash equivalents | \$ 1,520 |
| Amounts due from affiliates | (108) |
| Total current assets | <u>1,412</u> |
| Property, plant and equipment, net | <u>26,343</u> |
| Total assets | <u><u>\$ 27,755</u></u> |

LIABILITIES AND EQUITY

| | |
|-------------------------------------|-------------------------|
| Equity: | |
| Common stock | \$ - |
| Additional paid-in capital | 27,762 |
| Retained earnings | (7) |
| Total equity | <u>27,755</u> |
| Total liabilities and equity | <u><u>\$ 27,755</u></u> |

FOSSIL ROCK FUELS, LLC
STATEMENT OF OPERATIONS
For the Year Ended December 31, 2012
(Amounts in thousands)

| | |
|---------------------------------------|----------------------|
| Operating revenue | \$ <u>-</u> |
| Operating costs and expenses: | |
| Operations and maintenance | <u>6</u> |
| Operating loss | <u>(6)</u> |
| Other income (expense): | |
| Interest expense | - |
| Interest income | <u>-</u> |
| Total other income (expense) | <u>-</u> |
| Loss before income tax benefit | (6) |
| Income tax benefit | <u>-</u> |
| Net loss | <u><u>\$ (6)</u></u> |

PacifiCorp Environmental Remediation Company
Intercompany Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--|---|---|
| Project management and administrative services | \$ - | \$ 99,388 |
| Total | <u>\$ -</u> | <u>\$ 99,388</u> |
| Basis of pricing | N/A | (a) |
| Cost of service | N/A | (a) |
| The margin of charges over costs | N/A | None |
| Assets allocable to the services | N/A | None |
| The overall rate of return on assets | N/A | None |

(a) Costs incurred by PacifiCorp on behalf of subsidiaries are charged at direct cost. Labor is charged at PacifiCorp's fully loaded cost plus administrative and general expense.

Excluded from the table are services provided by MidAmerican Energy Holdings Company to PacifiCorp Environmental Remediation Company ("PERCo") in the amount of \$1,554.

Effective July 1, 2012, PERCo, a wholly owned subsidiary of PacifiCorp, was dissolved, and all assets and liabilities of PERCo were assumed by PacifiCorp.

PACIFICORP ENVIRONMENTAL REMEDIATION COMPANY

STATEMENT OF OPERATIONS

For the Period January 1, 2012 to July 1, 2012

(Amounts in thousands)

| | | |
|---|----|------------------|
| Operating revenue | \$ | <u>-</u> |
| Operating costs and expenses: | | |
| Operations and maintenance | | <u>(495)</u> |
| Operating income | | <u>495</u> |
| Other income (expense): | | |
| Interest expense | | (385) |
| Interest income | | <u>1</u> |
| Total other income (expense) | | <u>(384)</u> |
| Income before income tax expense | | 111 |
| Income tax expense | | <u>68</u> |
| Net income | \$ | <u><u>43</u></u> |

Pacific Minerals, Inc.
Intercompany Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|--------------------------------------|---|---|
| (a) | \$ _____ - | \$ _____ - |
| Total | <u>\$ _____ -</u> | <u>\$ _____ -</u> |
| Basis of pricing | N/A | N/A |
| Cost of service | N/A | N/A |
| The margin of charges over costs | N/A | N/A |
| Assets allocable to the services | N/A | N/A |
| The overall rate of return on assets | N/A | N/A |

(a) Refer to Section III for information regarding loans and associated interest between PacifiCorp and Pacific Minerals, Inc. ("PMI").

During the year ended December 31, 2012, Bridger Coal Company ("Bridger Coal") made equity distributions to PMI and PMI made equity contributions to Bridger Coal for a net distribution of \$35,841,551.

The following amounts are excluded from the table above:

- A management fee in the amount of \$1,046,400 that was charged by Interwest Mining Company to PMI, and then charged by PMI to Bridger Coal.
- Employee services provided by PMI to Bridger Coal. PMI is the entity that employs the individuals that work for Bridger Coal and PMI charges Bridger Coal for these employees' services, including labor, pensions and benefits costs. Bridger Coal then charges PacifiCorp for its 66.67% share of this payroll expense.

For information regarding income tax-related transactions between PacifiCorp and PMI, refer to Section V.

PACIFIC MINERALS, INC.

BALANCE SHEET

December 31, 2012

(Amounts in thousands)

ASSETS

| | | |
|---|-----------|-----------------------|
| Current assets: | | |
| Cash and cash equivalents | \$ | 113 |
| Amounts due from affiliates | | 25,173 |
| Other current assets | | 2 |
| Total current assets | | <u>25,288</u> |
| Investment in unconsolidated subsidiaries | | 187,299 |
| Other assets | | 4,823 |
| Total assets | \$ | <u>217,410</u> |

LIABILITIES AND EQUITY

| | | |
|-------------------------------------|-----------|-----------------------|
| Current liabilities: | | |
| Accounts payable | \$ | 349 |
| Amounts due to affiliates | | (3,587) |
| Accrued employee expenses | | 2,559 |
| Accrued property and other taxes | | 79 |
| Total current liabilities | | <u>(600)</u> |
| Deferred income taxes | | 18,661 |
| Total liabilities | | <u>18,061</u> |
| Equity: | | |
| Common stock | | - |
| Additional paid-in capital | | 47,960 |
| Retained earnings | | 151,389 |
| Total equity | | <u>199,349</u> |
| Total liabilities and equity | \$ | <u>217,410</u> |

PACIFIC MINERALS, INC.
STATEMENT OF OPERATIONS
For the Year Ended December 31, 2012
(Amounts in thousands)

| | |
|---|-------------------------|
| Operating revenue | <u>\$ -</u> |
| Operating costs and expenses: | |
| Taxes other than income taxes | <u>42</u> |
| Operating loss | <u>(42)</u> |
| Other income (expense): | |
| Interest expense | (19) |
| Interest income | 6 |
| Other | <u>18,825</u> |
| Total other income (expense) | <u>18,812</u> |
| Income before income tax expense | 18,770 |
| Income tax expense | <u>7,627</u> |
| Net income | <u><u>\$ 11,143</u></u> |

Bridger Coal Company

Affiliated Transactions

For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services ^(b)</u> | <u>PacifiCorp Provided Services</u> |
|---|--|---|
| Coal purchases ^(a) | \$ 130,752,586 | \$ - |
| Support services | 164,962 | - |
| Information technology support and tax support services | - | 465,184 |
| Royalties | - | 28,490 |
| Total | <u>\$ 130,917,548</u> | <u>\$ 493,674</u> |

| | | |
|--------------------------------------|-----------|------|
| Basis of pricing | (c) | (d) |
| Cost of service | (c) | (d) |
| The margin of charges over costs | None, (c) | None |
| Assets allocable to the services | None | None |
| The overall rate of return on assets | None | None |

(a) Represents the cost of coal purchased by PacifiCorp from Bridger Coal Company ("Bridger Coal") during the year ended December 31, 2012. Refer also to (c) below.

(b) PacifiCorp received services represents PacifiCorp's 66.67% share equal to its ownership interest in Bridger Coal.

(c) Although coal purchased from Bridger Coal is priced at Bridger Coal's cost plus a margin, coal purchases are reflected on PacifiCorp's books at Bridger Coal's cost and any margin is eliminated resulting in both fuel inventory and fuel expense being reflected at Bridger Coal's cost in PacifiCorp's state ratemaking and generally accepted accounting principles books. Costs are reflected as fuel inventory upon purchase and recognized as fuel expense as consumed.

(d) Costs incurred by PacifiCorp on behalf of Bridger Coal are charged at direct cost. Labor is charged at PacifiCorp's fully loaded cost plus administrative and general expense.

During the year ended December 31, 2012, Bridger Coal made equity distributions to Pacific Minerals, Inc. ("PMI") and PMI made equity contributions to Bridger Coal for a net distribution of \$35,841,551.

The following amounts are excluded from the table above:

- Convenience payments made to vendors by PacifiCorp on behalf of, and charged to, Bridger Coal in the amount of \$1,241,466.
- A management fee in the amount of \$1,046,400 that was charged by Interwest Mining Company to PMI, and then charged by PMI to Bridger Coal.
- Services provided by Energy West Mining Company to Bridger Coal in the amount of \$(89,893).
- Services provided by MidAmerican Energy Company to Bridger Coal in the amount of \$31,630.
- Employee services provided by PMI to Bridger Coal. PMI is the entity that employs the individuals that work for Bridger Coal and PMI charges Bridger Coal for these employees' services, including labor, pensions and benefits costs. Bridger Coal then charges PacifiCorp for its 66.67% share of this payroll expense as part of the coal purchases shown in the table above.

Currency: USD
 No specific CO requested

| | 2012 | 2011 |
|--|--------------------|--------------------|
| CURRENT ASSETS | | |
| Cash and Temp Investments | 5,580,531 | 6,219,226 |
| Accounts Receivable Trade | 6,073,105 | 9,366,167 |
| Accounts Receivable Interco | 16,957,938 | 26,553,994 |
| Coal Inventory | 43,518,051 | 45,778,098 |
| Materials and Supplies Inventory | 15,802,562 | 15,728,090 |
| Prepays and Other Current Assets | (1,014) | 0 |
| Total Current Assets | 87,931,174 | 103,645,576 |
| PROPERTY, PLANT AND EQUIPMENT | | |
| Land | 6,211 | 6,211 |
| Land Improvements | 12,207,676 | 12,200,113 |
| Mine Development | 17,478,303 | 17,478,303 |
| Buildings and Improvements | 43,079,280 | 42,565,842 |
| Capitalized Interest | 504,356 | 410,400 |
| Haul Roads | 15,390,873 | 15,390,873 |
| Mining Equipment | 202,124,241 | 189,382,312 |
| Vehicles | 134,875,333 | 128,190,867 |
| Office Furniture & Equip | 404,915 | 399,665 |
| Computer H & S | 2,754,508 | 2,627,806 |
| Other Equipment | 12,807,853 | 11,907,574 |
| Mineral Rights | 14,025,624 | 14,025,624 |
| ARO | 119,291,262 | 76,995,622 |
| Non-Utility Property | 176,074 | 176,074 |
| Total Property, Plant and Equipment | 575,126,508 | 511,757,284 |
| Less: Accumulated Depreciation/Depletion | 285,753,697 | 255,430,500 |
| Construction in Progress | 7,294,321 | 14,944,210 |
| Net Property, Plant and Equipment | 296,667,132 | 271,270,995 |
| OTHER NON-CURRENT ASSETS | | |
| Deferred Longwall | 1,076,486 | 1,878,644 |
| Reclamation Trust Fund | 71,224,745 | 80,012,058 |
| Total Other Non-Current Assets | 72,301,231 | 81,890,702 |
| TOTAL - ASSETS | 456,899,537 | 456,807,272 |

Currency: USD
 No specific CO requested

| | 2012 | 2011 |
|---|--------------------|--------------------|
| CURRENT LIABILITIES | | |
| Accounts Payable - Trade | 7,056,360 | 13,388,090 |
| Accounts Payable - Interco | 5,970,554 | 2,719,570 |
| Accrued Royalties | 1,870,284 | 2,557,408 |
| Accrued Payroll | 0 | 112,290 |
| Accrued Production Taxes | 8,567,213 | 7,805,317 |
| Accrued Property and Sales Tax | 787,510 | 847,314 |
| Total Current Liabilities | 24,251,920 | 27,429,990 |
| LONG-TERM LIABILITIES | | |
| Accrued Pre Jan 1988 Reclamation | 0 | 0 |
| Accrued Post Jan 1988 Reclamation | 0 | 0 |
| Earnings on Reclamation Trust Fund | 7,453,795 | 31,757,985 |
| ARO Regulatory Liability Unrealized G/L | 4,744,865 | (1,057,362) |
| ARO Regulatory Liability | 12,707,420 | 13,884,691 |
| ARO Liability | 118,477,796 | 71,620,695 |
| Production Taxes | 8,315,169 | 6,697,010 |
| Coal Lease Bonus | 0 | 0 |
| Total Long-Term Liabilities | 151,699,045 | 122,903,018 |
| Total Liabilities | 175,950,966 | 150,333,008 |
| JOINT VENTURE CAPITAL | | |
| Pacific Minerals, Inc. | 187,299,048 | 204,316,176 |
| Idaho Energy Resources | 93,649,524 | 102,158,088 |
| Total Joint Venture Capital | 280,948,572 | 306,474,264 |
| TOTAL - LIABILITIES/CAPITAL | 456,899,537 | 456,807,272 |

M GL BOOK
 Bridger Coal Company Statement of Income
 Current Period: DEC-12

Date: 03-JAN-13 18:39:36
 Page: 1

Currency: USD
 CO=03 (Bridger Coal Company)

| | One Month Ended | | Year to Date | |
|-----------------------------|-------------------|-------------------|--------------------|--------------------|
| | DEC-12 | DEC-11 | DEC-12 | DEC-11 |
| REVENUE: | | | | |
| Coal Sales | 18,042,833 | 27,603,839 | 224,545,487 | 194,658,181 |
| Interest Revenue | 0 | 0 | 0 | 0 |
| Other Revenue | (71,624) | (17,769) | 87,796 | (207,255) |
| Total Revenue | 17,971,209 | 27,586,070 | 224,633,283 | 194,450,926 |
| EXPENSES: | | | | |
| Overburden Removal | 584,488 | 2,275,201 | 11,056,349 | 21,342,021 |
| Reclamation | 278,992 | 509,864 | 4,957,138 | 5,540,894 |
| Coal Production - Surface | 907,654 | 1,255,606 | 5,983,336 | 11,716,158 |
| Coal Production Underground | 9,631,795 | 13,289,598 | 99,946,276 | 61,878,129 |
| Other Cost of Mining | (150,000) | 363,412 | 101,234 | 3,377,177 |
| Depreciation & Amortization | 2,658,233 | 2,379,638 | 30,249,831 | 27,477,998 |
| Royalties | 1,995,284 | 2,246,811 | 18,734,747 | 16,482,508 |
| Taxes | 2,454,694 | 2,200,227 | 24,321,090 | 18,582,684 |
| Administrative | 87,200 | 83,200 | 1,046,400 | 998,400 |
| Interest | 0 | 0 | 250 | 0 |
| Total Expenses | 18,448,339 | 24,603,558 | 196,396,650 | 167,395,969 |
| NET INCOME | (477,130) | 2,982,512 | 28,236,634 | 27,054,957 |

Trapper Mining Inc.
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|---|---|---|
| Coal purchases ^(a) | \$ 13,639,069 | \$ - |
| Board of directors fees and associated board meeting costs ^(b) | <u>-</u> | <u>3,874</u> |
| Total | <u>\$ 13,639,069</u> | <u>\$ 3,874</u> |
| Basis of pricing | (c) | (d) |
| Cost of service | (c) | (d) |
| The margin of charges over costs | None, (c) | (d) |
| Assets allocable to the services | None | (d) |
| The overall rate of return on assets | None | (d) |

- (a) Represents the cost of coal purchased by PacifiCorp from Trapper Mining Inc. during the year ended December 31, 2012. Refer also to (c) below.
- (b) PacifiCorp and Interwest Mining Company each have an employee that serves on the Trapper Mining Inc. board of directors. The table excludes \$3,586 related to the Interwest Mining Company employee.
- (c) Although coal purchased from Trapper Mining Inc. is priced at Trapper Mining Inc.'s cost plus a margin, coal purchases are reflected on PacifiCorp's books at Trapper Mining Inc.'s cost and any margin is eliminated resulting in both fuel inventory and fuel expense being reflected at Trapper Mining Inc.'s cost in PacifiCorp's state ratemaking and generally accepted accounting principles books. Costs are reflected as fuel inventory upon purchase and recognized as fuel expense as consumed.
- (d) Charges for board of directors fees and associated board meeting costs are based on a flat fee of \$500 per board meeting plus lodging expenses.

Trapper Mining Inc.
Consolidated Balance Sheet
December 31, 2012
(Unaudited)

Assets:

Current Assets:

| | |
|--|----------------|
| Cash & Cash Equivalents | \$ 13,545,389 |
| Accounts Receivable | 6,770,985 |
| Inventories | 6,690,855 |
| Prepaid and Other Current Assets | 449,182 |
| Current Reclamation Receivable from Buyers | 3,373,956 |
| Total Current Assets | \$ 30,830,367 |
| Property Plant and Equipment before FAS 143: | |
| Lands and Leases | \$ 11,240,186 |
| Development Costs | 2,834,815 |
| Equipment and Facilities | 116,039,653 |
| Total Property Plant and Equipment (Cost) | \$ 130,114,654 |
| Less Depreciation and Amortization | (94,948,967) |
| Total Property Plant and Equipment (Net) | \$ 35,165,687 |
| FAS 143 Property Plant and Equipment (Net) | 7,537,520 |
| Grand Total Property Plant and Equipment (Net) | \$ 42,703,207 |
| Reclamation Receivable from Buyers | 13,070,560 |
| Acquired GE Royalty - Net | 2,727,273 |
| Restricted Funds - Black Lung | 500,000 |
| Deferred Loan Fees - Net | 79,972 |
| Advance Royalty - State 206-13 | 10,000 |
| Total Assets | \$ 89,921,379 |

Liabilities and Members' Equity:

Current Liabilities:

| | |
|---------------------------------------|---------------|
| Accounts Payable | \$ 1,518,967 |
| Accrued Payroll Expenses | 3,069,856 |
| Accrued Production Taxes | 1,655,261 |
| Accrued Royalties | 483,514 |
| Deferred Reclamation Revenue | 39,101 |
| Current Asset Retirement Liability | 3,373,956 |
| Current Portion Long-Term Debt | 5,932,589 |
| Total Current Liabilities | \$ 16,073,244 |
| Long-Term Debt | 4,923,444 |
| Asset Retirement Liability | 20,608,080 |
| Black Lung Liability | 342,437 |
| Total Liabilities | \$ 41,947,205 |
| Members' Equity | |
| Paid in Capital @ 1/1/98 | \$ 20,324,925 |
| Patronage Equity - Prior Year | 23,216,422 |
| Non-Patronage Equity - Prior Year | 2,432,747 |
| Patronage Equity - Current Year | 1,764,841 |
| Non-Patronage Equity - Current Year | 235,239 |
| Total Members' Equity | \$ 47,974,174 |
| Total Liabilities and Members' Equity | \$ 89,921,379 |

TRAPPER MINING INC
CONSOLIDATED NET INCOME
AS OF: DECEMBER 31, 2012

| | <u>NET INCOME FOR THE MONTH</u> | <u>NET INCOME YEAR TO DATE</u> |
|---|-------------------------------------|------------------------------------|
| TRAPPER MINING | \$ (1,334,969.01) | 3,917,794.53 |
| WILLIAMS FORK MINING | (6.17) | (1,185.19) |
| WILLIAMS FORK LAND | <u>(49,934.81)</u> | <u>(1,849,260.82)</u> |
| NET INCOME (LOSS) BEFORE TAX | <u>\$ (1,384,909.99)</u> | <u>\$ 2,067,348.52</u> |
| CURRENT TAX PROVISION | <u>(67,268.00)</u> | <u>(67,268.00)</u> |
| TOTAL TAX PROVISION | <u>(67,268.00)</u> | <u>(67,268.00)</u> |
| NET INCOME (LOSS) AFTER TAX | <u><u>\$ (1,452,177.99)</u></u> | <u><u>2,000,080.52</u></u> |
| | | |
| SALT RIVER 32.10% | (52,343.83) | 75,511.82 |
| TRI-STATE 26.57% | (43,326.33) | 62,503.09 |
| PACIFICORP 21.40% | (34,895.89) | 50,341.21 |
| PLATTE RIVER 19.93% | <u>(32,498.83)</u> | <u>46,883.20</u> |
| TOTAL NONPATRONAGE INCOME (LOSS) | <u>(163,064.88)</u> | <u>235,239.32</u> |
| SALT RIVER 32.10% | (413,805.31) | 566,514.02 |
| TRI-STATE 26.57% | (342,517.35) | 468,918.31 |
| PACIFICORP 21.40% | (275,870.20) | 377,676.02 |
| PLATTE RIVER 19.93% | <u>(256,920.25)</u> | <u>351,732.85</u> |
| TOTAL PATRONAGE INCOME (LOSS) | <u>(1,289,113.11)</u> | <u>1,764,841.20</u> |
| TOTAL INCOME (LOSS) | <u><u>(1,452,177.99)</u></u> | <u><u>2,000,080.52</u></u> |

TRAPPER MINING INC
CONSOLIDATED PATRONAGE & NONPATRONAGE INCOME ALLOCATION
DECEMBER 31, 2012

| | | <u>NET INCOME \$ FOR THE MONTH</u> | <u>NET INCOME YEAR TO DATE</u> |
|---------------------------|--------|--|------------------------------------|
| TRAPPER PATRONAGE INCOME | | (1,239,178.30) | |
| TRAPPER NONPATRON INCOME | | <u>(163,058.71)</u> | |
| | | | |
| TOTAL TRAPPER INCOME | | (1,402,237.01) | |
| WFMC NONPATRONAGE INCOME | | (6.17) | |
| WFLC PATRONAGE INCOME | | <u>(49,934.81)</u> | |
| | | | |
| TOTAL CONSOLIDATED INCOME | | <u>(1,452,177.99)</u> | |
| | | | |
| SALT RIVER | 32.10% | (397,776.24) | 1,160,126.74 |
| TRI-STATE | 26.57% | (329,249.67) | 960,266.91 |
| PACIFICORP | 21.40% | (265,184.15) | 773,417.84 |
| PLATTE RIVER | 19.93% | <u>(246,968.24)</u> | <u>720,290.53</u> |
| | | | |
| TOTAL TRAPPER PATRONAGE | | (1,239,178.30) | 3,614,102.02 |
| | | | |
| SALT RIVER | 32.10% | (52,341.84) | 75,892.27 |
| TRI-STATE | 26.57% | (43,324.70) | 62,817.99 |
| PACIFICORP | 21.40% | (34,894.57) | 50,594.84 |
| PLATTE RIVER | 19.93% | <u>(32,497.60)</u> | <u>47,119.41</u> |
| | | | |
| TOTAL TRAPPER NONPATRON | | (163,058.71) | 236,424.51 |
| | | | |
| TOTAL TRAPPER INCOME | | (1,402,237.01) | 3,850,526.53 |
| | | | |
| SALT RIVER | 32.10% | (1.99) | (380.45) |
| TRI-STATE | 26.57% | (1.63) | (314.90) |
| PACIFICORP | 21.40% | (1.32) | (253.63) |
| PLATTE RIVER | 19.93% | <u>(1.23)</u> | <u>(236.21)</u> |
| | | | |
| TOTAL WFMC NONPATRONAGE | | (6.17) | (1,185.19) |
| | | | |
| SALT RIVER | 32.10% | (16,029.07) | (593,612.72) |
| TRI-STATE | 26.57% | (13,267.68) | (491,348.60) |
| PACIFICORP | 21.40% | (10,686.05) | (395,741.82) |
| PLATTE RIVER | 19.93% | <u>(9,952.01)</u> | <u>(368,557.68)</u> |
| | | | |
| TOTAL WFLC PATRONAGE | | (49,934.81) | (1,849,260.82) |

Huntington Cleveland Irrigation Company
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|---|---|---|
| Annual assessment expenses ^(a) | \$ 148,388 | \$ - |
| Operation and inspection services | <u>1,260</u> | <u>\$ -</u> |
| Total | <u>\$ 149,648</u> | <u>\$ -</u> |
| Basis of pricing | (b) | N/A |
| Cost of service | (b) | N/A |
| The margin of charges over costs | None | N/A |
| Assets allocable to the services | None | N/A |
| The overall rate of return on assets | None | N/A |

(a) During the year ended December 31, 2012, PacifiCorp incurred \$148,388 of annual assessment expense amortization, and had a prepaid balance of \$25,986 at December 31, 2012. At December 31, 2012, PacifiCorp's plant-in-service included the following assets: \$22,075,411 for the water supply project (amounts include capitalized interest and capital surcharge) and \$1,471,639 for the water rights.

(b) Under section 501(c)12 of the Internal Revenue Code, Huntington Cleveland Irrigation Company operates at cost.

HUNTINGTON-CLEVELAND IRRIGATION COMPANY
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2012 AND 2011

| <u>ASSETS</u> | <u>TOTAL ALL FUNDS</u> | |
|---------------------------------|------------------------|-------------------|
| | <u>2012</u> | <u>2011</u> |
| CURRENT ASSETS: | | |
| Cash and cash equivalent | \$ 102,916 | \$ 45,447 |
| Restricted cash | 323,980 | 272,404 |
| Accounts receivable: | | |
| Shareholder assessments | 31,785 | 16,984 |
| Other | 3,803 | 3,803 |
| Contracts receivable: | | |
| NRCS - Restricted | 26,126 | 15,069 |
| Prepaid Insurance | 4,410 | |
| | <u>493,020</u> | <u>353,707</u> |
| Total current assets | \$ | \$ |
| NONCURRENT ASSETS: | | |
| Fixed Assets: | | |
| Land | \$ 41,722 | \$ 41,722 |
| Easements | 116,708 | 116,708 |
| Water rights | 3,096,469 | 3,096,469 |
| Vehicles | 11,737 | 23,563 |
| Office equipment | 4,105 | 4,105 |
| Other equipment | 872 | |
| Diversion structures | 55,000 | 55,000 |
| Storage facilities improvements | 3,541,085 | 3,541,085 |
| Construction in progress | | |
| Salinity project | 53,247,244 | 51,607,503 |
| Millers flat reservoir project | 765,218 | |
| Accumulated depreciation | (2,476,996) | (2,441,376) |
| | <u>58,403,164</u> | <u>56,044,779</u> |
| Total noncurrent assets | \$ | \$ |
| | <u>58,896,184</u> | <u>56,398,486</u> |
| Total assets | \$ | \$ |

"The accompanying notes are an integral part of this statement."

HUNTINGTON-CLEVELAND IRRIGATION COMPANY
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2012 AND 2011

| | <u>TOTAL, ALL FUNDS</u> | |
|--|-------------------------|----------------------|
| | <u>2012</u> | <u>2011</u> |
| <u>LIABILITIES AND NET ASSETS</u> | | |
| CURRENT LIABILITIES: | | |
| Accounts payable | \$ 480,706 | \$ 869,602 |
| Payroll taxes payable | 3,294 | 5,545 |
| Accrued interest payable | 2,599 | 22,513 |
| Current portion of long-term liabilities | 301,329 | 149,192 |
| | <u>\$ 787,928</u> | <u>\$ 1,046,852</u> |
| LONG-TERM LIABILITIES: | | |
| Notes payable | \$ 2,948,200 | \$ 2,648,157 |
| | <u>\$ 2,948,200</u> | <u>\$ 2,648,157</u> |
| Total liabilities | <u>\$ 3,736,128</u> | <u>\$ 3,695,009</u> |
| NET ASSETS: | | |
| Unrestricted: | \$ 4,847,850 | \$ 4,032,775 |
| Temporarily Restricted - Salinity Project | 50,312,206 | 48,670,702 |
| | <u>\$ 55,160,056</u> | <u>\$ 52,703,477</u> |
| Total net assets | <u>\$ 55,160,056</u> | <u>\$ 52,703,477</u> |
| Total liabilities and net assets | <u>\$ 58,896,184</u> | <u>\$ 56,398,486</u> |

"The accompanying notes are an integral part of this statement."

HUNTINGTON-CLEVELAND IRRIGATION COMPANY
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

| | 2012 | | | 2011 | | |
|---------------------------------------|---|--|---------------------|---|--|---------------------|
| | UNRESTRICTED OPERATIONS & MAINTENANCE | TEMPORARILY RESTRICTED SALINITY PROJECT | TOTAL 2012 | UNRESTRICTED OPERATIONS & MAINTENANCE | TEMPORARILY RESTRICTED SALINITY PROJECT | TOTAL 2011 |
| Charges for Services: | | | | | | |
| A Water Assessment | \$ 131,799 | | \$ 131,799 | \$ 108,060 | | \$ 108,060 |
| B Water Assessment | 20,501 | | 20,501 | 17,809 | | 17,809 |
| Municipal and Industry Assessment | 72,532 | | 72,532 | 57,765 | | 57,765 |
| Dam Repayment Assessment | 51,154 | | 51,154 | 50,397 | | 50,397 |
| Project Repayment/O & M Assessment | 69,367 | | 69,367 | 63,536 | | 63,536 |
| Salinity Project Repayment Assessment | | | | 30,671 | | 30,671 |
| Upper Pond Assessment | 105,323 | | 105,323 | | | |
| Meter Assessment | 22,650 | | 22,650 | 11,550 | | 11,550 |
| Minimal Assessment Adjustments | 1,372 | | 1,372 | 1,891 | | 1,891 |
| Net charges for services | <u>\$ 474,698</u> | <u>\$</u> | <u>\$ 474,698</u> | <u>\$ 341,679</u> | <u>\$</u> | <u>\$ 341,679</u> |
| Governmental grants | <u>\$ 692,656</u> | <u>\$ 507,922</u> | <u>\$ 1,200,578</u> | <u>\$ 5,520</u> | <u>\$ 1,580,431</u> | <u>\$ 1,585,951</u> |
| Other Revenue: | | | | | | |
| Payments from Stockholders (NRCS) | | \$ 1,133,643 | \$ 1,133,643 | | \$ 569,324 | \$ 569,324 |
| Certificate Transfers | \$ 2,400 | | 2,400 | \$ 1,100 | | 1,100 |
| Late Fees | 3,167 | | 3,167 | 6,135 | | 6,135 |
| Interest | 359 | 239 | 598 | 582 | 4,316 | 4,898 |
| Reimbursements | 17,000 | | 17,000 | 54,311 | | 54,311 |
| Pipeline Repair | 4,771 | | 4,771 | | | |
| Miscellaneous | 2,574 | | 2,574 | 1,082 | 2,000 | 3,082 |
| Total other revenue | <u>\$ 30,271</u> | <u>\$ 1,133,882</u> | <u>\$ 1,164,153</u> | <u>\$ 63,210</u> | <u>\$ 575,640</u> | <u>\$ 638,850</u> |
| Total revenues | <u>\$ 1,197,625</u> | <u>\$ 1,641,804</u> | <u>\$ 2,839,429</u> | <u>\$ 410,409</u> | <u>\$ 2,156,071</u> | <u>\$ 2,566,480</u> |
| Expenses: | | | | | | |
| Program services: | | | | | | |
| Water Master Wage | \$ 56,201 | | \$ 56,201 | \$ 50,802 | | \$ 50,802 |
| Reservoir Manager Wage | 15,340 | | 15,340 | 14,950 | | 14,950 |
| System Tech Wage | | | | 47,280 | | 47,280 |
| Payroll Benefits | 13,341 | | 13,341 | 13,124 | | 13,124 |
| Machine Hire | 8,060 | | 8,060 | 14,374 | | 14,374 |
| Non Employee Labor | 18,102 | | 18,102 | 10,578 | | 10,578 |
| Joe's Valley Dam Repayment | 26,198 | | 26,198 | 26,198 | | 26,198 |
| O&M - EWCD | 41,975 | | 41,975 | 37,488 | | 37,488 |
| Huntington Dam Repayment | 17,669 | | 17,669 | 20,922 | | 20,922 |
| Dam Safety Maintenance | | | | 2,350 | | 2,350 |
| Water Rights Assessments | 24,295 | | 24,295 | 24,077 | | 24,077 |
| Beaver & Muskrat Control | 5,130 | | 5,130 | 4,430 | | 4,430 |
| Vehicle and Equipment Expense | 14,733 | | 14,733 | 17,509 | | 17,509 |
| Material and Supplies | 9,333 | | 9,333 | 7,321 | | 7,321 |
| Insurance | 10,511 | | 10,511 | 8,999 | | 8,999 |
| Depreciation | 47,145 | \$ 300 | 47,445 | 47,658 | \$ 300 | 47,958 |
| Total program expenses | <u>\$ 308,033</u> | <u>\$ 300</u> | <u>\$ 308,333</u> | <u>\$ 348,060</u> | <u>\$ 300</u> | <u>\$ 348,360</u> |

"The accompanying notes are an integral part of this statement."

HUNTINGTON-CLEVELAND IRRIGATION COMPANY
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

| | 2012 | | | 2011 | | |
|---------------------------------------|---|--|---------------|---|--|---------------|
| | UNRESTRICTED OPERATIONS & MAINTENANCE | TEMPORARILY RESTRICTED SALINITY PROJECT | TOTAL 2012 | UNRESTRICTED OPERATIONS & MAINTENANCE | TEMPORARILY RESTRICTED SALINITY PROJECT | TOTAL 2011 |
| Support Services: | | | | | | |
| Secretary Wage | \$ 25,650 | | \$ 25,650 | \$ 19,100 | | \$ 19,100 |
| Other Wages | | | | 11,045 | | 11,045 |
| Payroll Benefits | 14,501 | | 14,501 | 4,409 | | 4,409 |
| Office Rent | 3,900 | | 3,900 | 3,300 | | 3,300 |
| Accounting and Auditing | 9,477 | | 9,477 | 9,950 | | 9,950 |
| Legal Fees | 4,231 | | 4,231 | 6,227 | | 6,227 |
| Telephone and Internet | 3,385 | | 3,385 | 5,344 | | 5,344 |
| Office Supplies | 4,148 | | 4,148 | 3,887 | | 3,887 |
| Postage | 985 | | 985 | 1,002 | | 1,002 |
| Meetings | 25 | | 25 | 5,732 | | 5,732 |
| Training | 205 | | 205 | | | |
| Bank Charges and Fees | 317 | | 317 | 530 | | 530 |
| Travel | 1,529 | | 1,529 | | | |
| Miscellaneous | 6,164 | | 6,164 | 4,729 | | 4,729 |
| Total support services | \$ 74,517 | \$... | \$ 74,517 | \$ 75,255 | \$... | \$ 75,255 |
| Total expenses | \$ 382,550 | \$ 300 | \$ 382,850 | \$ 423,315 | \$ 300 | \$ 423,615 |
| Change in net assets before transfers | \$ 815,075 | \$ 1,641,504 | \$ 2,456,579 | \$ (12,906) | \$ 2,155,771 | \$ 2,142,865 |
| Transfers In (Out): | | | | | | |
| Transfers In | | | | | \$ 30,692 | \$ 30,692 |
| Transfers Out | | | | \$ (30,692) | | (30,692) |
| Total transfers in (out) | \$... | \$... | \$... | \$ (30,692) | \$ 30,692 | \$... |
| Change in net assets | \$ 815,075 | \$ 1,641,504 | \$ 2,456,579 | \$ (43,598) | \$ 2,186,463 | \$ 2,142,865 |
| Net assets, beginning of year | 4,032,775 | 48,670,702 | 52,703,477 | 4,076,373 | 46,484,239 | 50,560,612 |
| Net assets, end of year | \$ 4,847,850 | \$ 50,312,206 | \$ 55,160,056 | \$ 4,032,775 | \$ 48,670,702 | \$ 52,703,477 |

"The accompanying notes are an integral part of this statement."

Ferron Canal & Reservoir Company
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services^(a)</u> | <u>PacifiCorp Provided Services</u> |
|--------------------------------------|---|---|
| Payment for water rights | \$ 599,151 | \$ - |
| Annual assessment expenses | 267,645 | - |
| Credit received | <u>(221,880)</u> | <u>-</u> |
| Total | <u>\$ 644,916</u> | <u>\$ -</u> |
| Basis of pricing | (b) | N/A |
| Cost of service | (b) | N/A |
| The margin of charges over costs | None | N/A |
| Assets allocable to the services | None | N/A |
| The overall rate of return on assets | None | N/A |

(a) During the year ended December 31, 2012, PacifiCorp incurred \$267,645 of annual assessment expense amortization, and had a prepaid balance of \$223,038 at December 31, 2012. PacifiCorp also paid \$599,151 for the right to obtain 7,000 acre feet of water for the year ended December 31, 2012. PacifiCorp received a credit of \$221,880 representing PacifiCorp's share of the water rights payment based on its percentage ownership in Ferron Canal & Reservoir Company.

(b) Under section 501(c)12 of the Internal Revenue Code, Ferron Canal & Reservoir Company operates at cost.

FERRON CANAL & RESERVOIR CO.
Profit & Loss
January through December 2012

| | Jan - Dec 12 |
|-----------------------------|-------------------------|
| Income | |
| FC WATERSHED PROJ CHECKI... | 20,422.61 |
| INCOME | 2,810.40 |
| REVENUE | 505,090.54 |
| Total Income | <u>528,323.55</u> |
| Gross Profit | 528,323.55 |
| Expense | |
| EQUIPMENT | |
| LEASE | 4,102.00 |
| TOOLS | 142.79 |
| EQUIPMENT - Other | 17,126.69 |
| Total EQUIPMENT | <u>21,371.48</u> |
| GENERAL | |
| BOARDMEMBER | 930.00 |
| INSURANCE | 16,765.00 |
| LOAN PAYMENTS | 163,100.00 |
| PAYROLL EXPENSES | 110,725.20 |
| POWER | 410.14 |
| PROFESSIONAL SERVICES | 10,941.77 |
| REIMBURSEMENT | 2,447.08 |
| TELEPHONE | 500.00 |
| WATER/POP/GROCERIES | 82.28 |
| GENERAL - Other | 41,692.74 |
| Total GENERAL | <u>347,594.21</u> |
| IRRIGATION | |
| REPAIRS | 35,919.20 |
| SUPPLIES | 29,156.95 |
| Total IRRIGATION | <u>65,076.15</u> |
| MAINTENANCE | |
| BUILDING | 396.42 |
| EQUIPMENT REPAIRS | 18,581.03 |
| FUEL | 13,454.68 |
| SUPPLIES | 4,970.84 |
| Total MAINTENANCE | <u>37,402.97</u> |
| VEHICLES | |
| REGISTRATION | 577.50 |
| Total VEHICLES | <u>577.50</u> |
| Total Expense | <u>472,022.31</u> |
| Net Income | <u><u>56,301.24</u></u> |

Cottonwood Creek Consolidated Irrigation Company
Affiliated Transactions
For the Year Ended December 31, 2012

| <u>Account Description</u> | <u>PacifiCorp Received Services</u> | <u>PacifiCorp Provided Services</u> |
|---|---|---|
| Annual assessment expenses ^(a) | \$ 256,645 | \$ - |
| Property lease | <u>-</u> | <u>750</u> |
| Total | <u>\$ 256,645</u> | <u>\$ 750</u> |

| | | |
|--------------------------------------|------|-----|
| Basis of pricing | (b) | (c) |
| Cost of service | (b) | (c) |
| The margin of charges over costs | None | N/A |
| Assets allocable to the services | None | N/A |
| The overall rate of return on assets | None | N/A |

(a) During the year ended December 31, 2012, PacifiCorp incurred \$256,645 of annual assessment expense amortization, and had a prepaid balance of \$213,871 at December 31, 2012. Also during the year ended December 31, 2012, PacifiCorp paid \$3,265,722 of capital costs associated with the water supply contract (of which \$500,080 was reimbursed by the joint owners of the Hunter generating facility). At December 31, 2012, PacifiCorp's plant-in-service associated with the water supply project was \$6,052,845 (amounts include capitalized interest and capital surcharge).

(b) Cottonwood Creek Consolidated Irrigation Company is a not-for-profit entity that operates at cost.

(c) The property lease is priced based on the fair market rental value of similarly located commercial property.

Cottonwood Creek Consolidated Irrigation Company

Balance Sheet

Date: For The Year Ended 31 December 2012

| Account Name | Beginning Balance | Receipts & Transfers | Disbursements Transfers | Ending Balance |
|----------------------------|----------------------|----------------------|-------------------------|---------------------|
| Cash On Hand | | | | 0.00 |
| Checking - Zions Bank | 1,984.63 | 27,800.00 | 28,249.15 | 1,535.48 |
| Checking - Wells Fargo | 275,741.10 | 6,497,348.89 | 6,765,388.50 | 7,701.49 |
| Checking - W/F Constr | 458.73 | 2,307,491.32 | 2,305,334.81 | 2,615.24 |
| Certificate W/F Bond | 1,643,348.04 | | 1,632,873.04 | 10,475.00 |
| Accounts Receivable | 792,225.33 | 431,793.09 | 1,217,582.99 | 6,435.43 |
| Washington Federal | 307,027.22 | | 307,027.22 | 0.00 |
| Certificates - Zions | 121,628.59 | 534.44 | | 122,163.03 |
| Short Term - Wells Fargo | 1,325.86 | 1,873,056.99 | 1,262,930.44 | 611,452.41 |
| Property & Equipment | 9,817,250.10 | | | 9,817,250.10 |
| Liabilities Payable | -2,425,819.66 | 2,425,819.66 | | 0.00 |
| Loan - Utah Water Resource | | | 3,094,181.93 | -3,094,181.93 |
| Deferred Credits | | | 867.57 | -867.57 |
| Totals | <u>10,535,169.94</u> | <u>13,563,844.39</u> | <u>16,614,435.65</u> | <u>7,484,578.68</u> |

Cottonwood Creek Consolidated Irrigation Company

General Ledger Report

Date: For The Year Ended 31 December 2012

| Account Name | Beginning Balance | Receipts | Disbursements | Ending Balance |
|-------------------------|----------------------|---------------------|----------------------|---------------------|
| General Fund | 212,814.41 | 27,719.70 | 27,044.01 | 213,490.10 |
| Mammoth Canal | 2,408.69 | 11,414.97 | 9,091.58 | 4,732.08 |
| Clipper & Western Canal | 15,053.33 | 8,680.30 | 7,746.07 | 15,987.56 |
| Blue Cut Canal | 7,958.07 | 9,206.24 | 7,565.96 | 9,598.35 |
| Project Capitalization | 746,481.40 | 416,175.33 | 401,097.60 | 761,559.13 |
| C&W Pipeline Salinity | 0.00 | 2,307,491.32 | 2,319,361.49 | -11,870.17 |
| Adobe Wash Reservoir | 0.00 | 3,390,265.36 | 4,856,280.52 | -1,466,015.16 |
| Adobe Wash Pipeline | 0.00 | 218,602.69 | 1,818,568.15 | -1,599,965.46 |
| Stockwater Pipeline | 42,168.20 | 8,425.20 | 5,606.92 | 44,986.48 |
| Backhoe Account | 3,340.53 | 170.27 | 341.44 | 3,169.36 |
| Project Water Fund | | 26,301.00 | 26,301.00 | 0.00 |
| River Commissioner | 24,612.15 | 19,566.33 | 21,678.48 | 22,500.00 |
| Pointer Ditch | 1.46 | | | 1.46 |
| Swasey Ditch | 938.46 | | | 938.46 |
| Peacock Ditch | 675.97 | | | 675.97 |
| Slaughter House Ditch | 212.89 | | | 212.89 |
| South Ditch | 44.10 | | | 44.10 |
| Stock Corral | 175.18 | | | 175.18 |
| Joes Valley | 2,087.96 | 1,217.69 | 450.00 | 2,855.65 |
| Black Canyon | 2,557.03 | 1,780.00 | 890.00 | 3,447.03 |
| Fund Adjustment Acct | 9,473,640.11 | 2,430,480.32 | 2,426,064.76 | 9,478,055.67 |
| Totals | <u>10,535,169.94</u> | <u>8,877,496.72</u> | <u>11,928,087.98</u> | <u>7,484,578.68</u> |

III. Loans

The following information on loans to and from affiliates of PacifiCorp includes the following:

- A. The month-end amounts outstanding.
- B. The highest amount outstanding during the year, separately for short-term and long-term loans.
- C. A description of the terms and conditions, including basis for interest rates.
- D. The total amount of interest charged or credited and the weighted-average interest rate.
- E. Specify the commission order(s) approving the transaction where such approval is required by law.

Loan Summary

2012

| REQUIREMENTS | PACIFIC MINERALS, INC. |
|---|--|
| <p>III. For inter-company loans to / from affiliates:</p> <p>A. The month-end amounts outstanding for short-term and long-term loans:</p> <p style="padding-left: 20px;">Short-term loans:</p> <p style="padding-left: 40px;">January - December</p> <p style="padding-left: 20px;">Long-term loans:</p> | <p>(a)</p> <p>N/A</p> |
| <p>B. The highest amount during the year separately for short-term and long-term loans:</p> <p style="padding-left: 20px;">Maximum loan to affiliate:</p> <p style="padding-left: 40px;">Short-term loans:</p> <p style="padding-left: 60px;">Amount</p> <p style="padding-left: 60px;">Date</p> <p style="padding-left: 40px;">Long-term loans:</p> <p style="padding-left: 60px;">Amount</p> <p style="padding-left: 60px;">Date</p> <p style="padding-left: 20px;">Maximum loan from affiliate:</p> <p style="padding-left: 40px;">Short-term loans:</p> <p style="padding-left: 60px;">Amount</p> <p style="padding-left: 60px;">Date</p> <p style="padding-left: 20px;">Maximum loan from affiliate:</p> <p style="padding-left: 40px;">Long-term loans:</p> <p style="padding-left: 60px;">Amount</p> <p style="padding-left: 60px;">Date</p> | <p>\$16,592,202</p> <p>January 17, 2012</p> <p>N/A</p> <p>N/A</p> <p>\$11,560,987</p> <p>November 19, 2012</p> <p>N/A</p> <p>N/A</p> |
| <p>C. A description of the terms and conditions for loans including the basis for interest rates:</p> | <p>Under the terms and conditions of the Umbrella Loan Agreement</p> |
| <p>D. The total amount of interest charged or credited and the weighted average rate of interest separately for short-term and long-term loans:</p> <p style="padding-left: 20px;">Short-term loans:</p> <p style="padding-left: 40px;">Interest expense charged</p> <p style="padding-left: 40px;">Interest income credited</p> <p style="padding-left: 20px;">Long-term loans:</p> <p style="padding-left: 40px;">Interest charged or credited</p> | <p>\$6,035</p> <p>\$18,742</p> <p>(b)</p> <p>N/A</p> |
| <p>E. Specify the commission order(s) approving the transaction where such approval is required by law:</p> | <p>Refer to Appendix A</p> |

(a) Refer to the following schedule for the detail of month-end loan amounts outstanding.

(b) Refer to the following schedule for the detail of interest charged or credited and the rates of interest.

PacifiCorp - Pacific Minerals, Inc.
Umbrella Loan Agreement Transactions Statement
Pacific Minerals, Inc. ("PMI")
2012

| <u>Month</u> | <u>Net Principal Advanced To PacifiCorp</u> | <u>Net Principal Repaid By PacifiCorp</u> | <u>Principal Advanced To PMI</u> | <u>Principal Repaid By PMI</u> | <u>Outstanding Month End Balance^(a)</u> | <u>Interest Rate Range</u> | <u>Interest Expense Incurred By PacifiCorp</u> | <u>Interest Income Earned By PacifiCorp</u> |
|--------------|---|---|----------------------------------|--------------------------------|--|----------------------------|--|---|
| Jan-12 | \$ - | \$ - | \$ 2,700,000 | \$ 7,818,513 | \$ 8,773,689 | 0.3500% - 0.4000% | \$ - | \$ 3,995 |
| Feb-12 | - | - | 3,000,000 | 8,405,262 | 3,368,427 | 0.3500% - 0.4000% | - | 2,225 |
| Mar-12 | 2,824,225 | - | 4,800,000 | 8,168,427 | (2,824,225) | 0.3500% - 0.3700% | 378 | 1,410 |
| Apr-12 | 6,230,187 | 2,824,225 | 2,575,775 | 2,575,775 | (6,230,187) | 0.3500% - 0.3500% | 754 | 426 |
| May-12 | - | 6,230,187 | 5,564,812 | 165,000 | 5,399,812 | 0.3500% - 0.4200% | 61 | 1,734 |
| Jun-12 | - | - | 4,000,000 | 2,305,673 | 7,094,139 | 0.3800% - 0.4200% | - | 2,652 |
| Jul-12 | - | - | 3,600,000 | 5,319,844 | 5,374,295 | 0.3800% - 0.3800% | - | 2,731 |
| Aug-12 | - | - | 4,200,000 | 8,471,010 | 1,103,285 | 0.3800% - 0.3800% | - | 1,792 |
| Sep-12 | 3,669,513 | - | 8,711,000 | 9,814,285 | (3,669,513) | 0.3800% - 0.3800% | 465 | 1,011 |
| Oct-12 | 5,173,717 | 4,616,680 | 3,930,488 | 3,930,488 | (4,226,550) | 0.3800% - 0.3900% | 717 | 766 |
| Nov-12 | 11,744,190 | 6,814,629 | - | - | (9,156,111) | 0.3800% - 0.3800% | 1,488 | - |
| Dec-12 | 7,662,695 | 5,711,000 | - | - | (11,107,806) | 0.3500% - 0.3500% | 2,172 | - |
| TOTAL | \$ 37,304,527 | \$ 26,196,721 | \$ 43,082,075 | \$ 56,974,277 | | | \$ 6,035 | \$ 18,742 |

(a) Outstanding month-end balances advanced to PacifiCorp are shown in parentheses, if applicable.

IV. Debt Guarantees

If the parent guarantees any debt of affiliated interests, identify the entities involved, the nature of the debt, the original amount, the highest amount during the year ended December 31, 2012 and the balance as of December 31, 2012.

PacifiCorp does not guarantee the debt of its subsidiaries or any of its affiliates.

V. Other Transactions

Other transactions (utility leasing of affiliate property, affiliate leasing of utility property, utility purchase of affiliate property, material or supplies and affiliate purchase of utility property, material or supplies) are as follows:

PacifiCorp is party to a tax-sharing arrangement and is part of the Berkshire Hathaway Inc. United States federal income tax return. PacifiCorp's provision for income taxes has been computed on a stand-alone basis. PacifiCorp remits federal and certain state income tax payments to PPW Holdings LLC. The tax payments are then remitted to MidAmerican Energy Holdings Company ("MEHC"). At December 31, 2012, PacifiCorp owed MEHC \$56,450,975 and MEHC owed Pacific Minerals, Inc. \$8,508,510 under this arrangement.

During 2012, PacifiCorp transferred certain generation plant equipment to MidAmerican Energy Company ("MEC") at a cost to PacifiCorp of \$27,617. This transfer was in response to emergency needs. MEC subsequently replaced this equipment for PacifiCorp. Refer to the attached Intercompany Mutual Assistance Agreement which governs intercompany transfers such as these.

Refer to Appendix A for a discussion of commission orders approving transactions with affiliates.

VI. Employee Transfers

By affiliate and job title, provide the total number of executive, management and professional/technical employees transferred to and from the utility. By affiliate, provide the total number of other employees transferred to and from the utility.

**Report of PacifiCorp Employee Transfers to Affiliates
During the Year Ended December 31, 2012**

Executive, Management and Professional/Technical Employees

| Affiliate | Job Title | Count |
|-------------------------------------|-------------------------------|--------------|
| Kern River Gas Transmission Company | Analyst, Environment - Career | 1 |
| Kern River Gas Transmission Company | Senior Environmental Analyst | 1 |
| MidAmerican Energy Company | Control Operator | 1 |
| Total | | 3 |

Report of PacifiCorp Employee Transfers from Affiliates During the Year Ended December 31, 2012

Executive, Management and Professional/Technical Employees

| Affiliate | Job Title | Count |
|-------------------------------------|--|--------------|
| Kern River Gas Transmission Company | Senior Engineer | 1 |
| MidAmerican Energy Company | Analyst, Enterprise Operations Center 2 | 1 |
| Total | | 2 |

VII. Cost Allocations

A description of each intra-company cost allocation procedure and a schedule of cost amounts, by account, transferred between regulated and non-regulated segments of the company.

PacifiCorp Cost Allocation Manual For the Year Ended December 31, 2012

Overview/Introduction

This section describes the allocation of costs between PacifiCorp and its affiliates.

On March 31, 2006, PacifiCorp entered into an Intercompany Administrative Services Agreement (“IASA”) between MidAmerican Energy Holdings Company (“MEHC”) and its subsidiaries. PacifiCorp is an indirect subsidiary of MEHC, a holding company based in Des Moines, Iowa, owning subsidiaries that are primarily engaged in the energy business. Refer to attached IASA. The IASA covers:

- a) services by executive, management, professional, technical and clerical employees;
- b) financial services, payroll processing services, employee benefits participation, supply chain and purchase order processing services, tax and accounting services, contract negotiation and administration services, risk management services, environmental services and engineering and technical services;
- c) the use of office facilities, including but not limited to office space, conference rooms, furniture, equipment, machinery, supplies, computers and computer software, insurance policies and other personal property; and
- d) the use of automobiles, airplanes, other vehicles and equipment.

Allocation Amounts and Methods

MEHC and subsidiaries to PacifiCorp

During the year ended December 31, 2012, PacifiCorp was allocated costs by its non-regulated parent company, MEHC, and certain of MEHC’s subsidiaries, some of which are non-regulated, as part of the administrative services under the IASA. The amounts included in Section II – Transactions include both direct charges and allocated amounts. The allocated amounts were as follows:

| Name of entity | Total services received as reported in Section II - Transactions | Amount of services based on allocations |
|-------------------------------------|--|--|
| MidAmerican Energy Holdings Company | \$ 10,423,677 | \$ 1,749,938 |
| MHC Inc. | 756,131 | 252,722 |
| MidAmerican Energy Company | 3,881,498 | 2,097,643 |
| Kern River Gas Transmission Company | 169,609 | - |
| M&M Ranch Acquisition Company, LLC | 376 | - |
| MidAmerican Renewables, LLC | 2,182 | - |
| Total | <u>\$ 15,233,473</u> | <u>\$ 4,100,303</u> |

The amounts were allocated by MEHC and its subsidiaries to PacifiCorp using seven different formulae during the year ended December 31, 2012. These formulae are as follows:

- a) A two-factor formula based on the labor and assets of each of MEHC’s subsidiaries. PacifiCorp’s allocation percentage during the year ended December 31, 2012 was 46.05%.
- b) The same two-factor formula as a) above, except excluding the labor and assets of HomeServices of America, Inc. and MEHC’s Philippine subsidiaries. PacifiCorp’s allocation percentage during the year ended December 31, 2012 was 48.99%.

- c) The same two-factor formula as a) above, except excluding the labor and assets of MEHC's international subsidiaries. PacifiCorp's allocation percentage during the year ended December 31, 2012 was 52.59%.
- d) The same two-factor formula as c) above, except excluding the labor and assets of HomeServices of America, Inc. PacifiCorp's allocation percentage during the year ended December 31, 2012 was 56.25%.
- e) A formula to allocate legislative and regulatory costs to each of MEHC's subsidiaries based on where the legislative and regulatory employees spent their time. PacifiCorp's allocation percentage during the year ended December 31, 2012 was 15.00%.
- f) A formula based on the gross plant asset amounts of each of MEHC's subsidiaries. PacifiCorp's allocation percentage during the year ended December 31, 2012 was 47.84%.
- g) A formula based on shared Information Technology infrastructure that is owned and/or managed by MidAmerican Energy Company. PacifiCorp's allocation percentage during the year ended December 31, 2012 was 0.05%.

PacifiCorp to MEHC and subsidiaries

During the year ended December 31, 2012, PacifiCorp allocated costs to its non-regulated parent company, MEHC, and certain of MEHC's subsidiaries, some of which are non-regulated, as part of the administrative services under the IASA. The amounts included in Section II – Transactions include both direct charges and allocated amounts. The allocated amounts were as follows:

| Name of entity | Total services provided as reported in Section II - Transactions | Amount of services based on allocations |
|--|--|--|
| MidAmerican Energy Holdings Company | \$ 118,447 | \$ 28,525 |
| MidAmerican Energy Company | 1,209,082 | 439,405 |
| HomeServices of America, Inc. | 106,308 | 91,077 |
| Kern River Gas Transmission Company | 164,272 | 66,541 |
| CalEnergy Generation Operating Company | 119,040 | 15,308 |
| Northern Natural Gas Company | 309,919 | 166,376 |
| Midwest Capital Group, Inc. | 593 | 584 |
| MEC Construction Services Co. | 112 | 111 |
| Cordova Energy Company LLC | 4,314 | 4,252 |
| Northern Powergrid Holdings Company | 100,454 | 24,744 |
| CalEnergy Philippines | 32,112 | 1,426 |
| Iowa Realty Co., Inc. | 10,419 | 8,375 |
| MidAmerican Renewables, LLC | 57,558 | - |
| Electric Transmission America, LLC | 9,140 | - |
| Electric Transmission Texas, LLC | 20,235 | - |
| MEHC Canada, LLC | 71,963 | - |
| Midwest Power Transmission Iowa, LLC | 40 | - |
| Midwest Power Transmission Illinois, LLC | 1,534 | - |
| Pinyon Pines Wind I, LLC | 20,939 | - |
| Pinyon Pines Wind II, LLC | 21,472 | - |
| Bishop Hill Interconnection LLC | 897 | - |
| MidAmerican Transmission, LLC | 535,508 | 3,331 |
| Topaz Solar Farms LLC | <u>26,787</u> | <u>-</u> |
| Total | <u>\$ 2,941,145</u> | <u>\$ 850,055</u> |

The amounts were allocated by PacifiCorp to MEHC and its subsidiaries using five different formulae during the year ended December 31, 2012. These formulae are as follows:

- a) A two-factor formula based on the labor and assets of each of MEHC's subsidiaries. The percentage that PacifiCorp allocated to MEHC and its subsidiaries during the year ended December 31, 2012 was 53.95%.
- b) The same two-factor formula as a) above, except excluding the labor and assets of MEHC's international subsidiaries. The percentage that PacifiCorp allocated to MEHC and its subsidiaries during the year ended December 31, 2012 was 47.41%.
- c) The same two-factor formula as b) above, except excluding the labor and assets of HomeServices of America, Inc. The percentage that PacifiCorp allocated to MEHC and its subsidiaries during the year ended December 31, 2012 was 43.75%.
- d) The same two-factor formula as c) above, except excluding the labor and assets of PacifiCorp. The percentage that PacifiCorp allocated to MEHC and its subsidiaries during the year ended December 31, 2012 was 100%.
- e) A formula based on shared Information Technology infrastructure that is owned and/or managed by MidAmerican Energy Company. The percentage that PacifiCorp allocated to MEHC and its subsidiaries was 99.95%.

INTERCOMPANY ADMINISTRATIVE SERVICES AGREEMENT

BETWEEN

MIDAMERICAN ENERGY HOLDINGS COMPANY

AND

ITS SUBSIDIARIES

This Intercompany Administrative Services Agreement ("Agreement") is entered into as of March 31, 2006 by and between MidAmerican Energy Holdings Company (hereinafter the "Company") and its direct and indirect subsidiaries (hereinafter the "Subsidiaries") (each a "Party" and together the "Parties").

WHEREAS, the Company provides senior management, executive oversight and other administrative services that provide value to and benefit the Subsidiaries as entities in the consolidated group;

WHEREAS, the Subsidiaries have access to professional, technical and other specialized resources that the Company may wish to utilize from time to time in the provision of such administrative services; and

WHEREAS, the Company and Subsidiaries may desire to utilize the professional, technical and other specialized resources of certain Subsidiaries;

NOW, THEREFORE, in consideration of the premises and mutual agreements set forth herein, the Company and Subsidiaries agree as follows:

ARTICLE 1. PROVISION OF ADMINISTRATIVE SERVICES

Upon and subject to the terms of this Agreement, services will be provided between and among the Company and its Subsidiaries that are not directly applicable to the production, distribution or sale of a product or service available to customers of the Company or its subsidiaries ("Administrative Services"). For purposes of this Agreement, Administrative Services shall include, but not be limited to the following:

- a) services by executive, management, professional, technical and clerical employees;
- b) financial services, payroll processing services, employee benefits participation, supply chain and purchase order processing services, tax and accounting services, contract negotiation and administration services, risk management services, environmental services and engineering and technical services;
- c) the use of office facilities, including but not limited to office space, conference rooms, furniture, equipment, machinery, supplies, computers and computer software, insurance policies and other personal property;
- d) the use of automobiles, airplanes, other vehicles and equipment;

To obtain specialized expertise or to achieve efficiencies, the following situations may arise under this Agreement whereby Administrative Services may be provided between and among the Company and its Subsidiaries:

- a) The Company may directly assign or allocate common costs to the Subsidiaries,
- b) The Company may procure Administrative Services from the Subsidiaries for its own benefit,
- c) The Company may procure Administrative Services from the Subsidiaries for subsequent allocation to some or all Subsidiaries commonly benefiting, or
- d) The Subsidiaries may procure Administrative Services from each other.

ARTICLE 2. DEFINITIONS

For purposes of this Agreement these terms shall be defined as follows:

- (a) "Laws" shall mean any law, statute, rule, regulation or ordinance.
- (b) "State Commissions" shall mean any state public utility commission or state public service commission with jurisdiction over a rate-regulated Party.
- (c) "Subsidiaries" shall mean current and future direct and indirect majority-owned subsidiaries of the Company.

ARTICLE 3. EFFECTIVE DATE

This Agreement shall be effective as of the date set forth above; provided, however, that in those jurisdictions in which regulatory approval is required before the Agreement becomes effective, the effective date shall be as of the date of such approval.

ARTICLE 4. CHARGES AND PAYMENT

- (a) CHARGES.

Parties shall charge for Administrative Services on the following basis:

- (i) Direct Charges: The Party receiving the benefit of Administrative Services ("Recipient Party") will be charged for the operating costs incurred by the Party providing the Administrative Services ("Providing Party"), including, but not limited to, allocable salary and wages, incentives, paid absences, payroll taxes, payroll additives (insurance premiums, health care and retirement benefits and the like), direct non-labor costs, if any, and similar expenses, and reimbursement of out-of-pocket third party costs and expenses.
- (ii) Service Charges: Costs that are impractical to charge directly but for which a cost/benefit relationship can be reasonably identified. A practical allocation method will be established by Providing Party that allocates the cost of this service equitably and consistently to the Recipient Party. Any changes in the methodology will be communicated in writing to rate-regulated subsidiaries at least 180 days before the implementation of the change.
- (iii) Allocations: Costs incurred for the general benefit of the entire corporate group for which direct charging and service charges are not practical. An allocation methodology will be established and used consistently from year to year. Any changes to the methodology will be communicated

in writing to rate-regulated subsidiaries at least 180 days before the implementation of the change.

The charges constitute full compensation to the Providing Party for all charges, costs and expenses incurred by the Providing Party on behalf of the Recipient Party in providing the Administrative Services, unless otherwise specifically agreed to in writing between the Parties.

If events or circumstances arise which, in the opinion of the Parties, render the costs of providing any Administrative Services materially different from those charged under a specific rate or formula then in effect, the specific rate or formulas shall be equitably adjusted to take into account such events or changed circumstances.

Providing Parties will bill each and all Recipient Parties, as appropriate, for Administrative Services rendered under this Agreement in as specific a manner as practicable. To the extent that direct charging for services rendered is not practicable, the Providing Party may utilize allocation methodologies to assign charges for services rendered to the Recipient Party, reflective of the drivers of such costs. Such allocation methodologies may utilize allocation bases that include, but are not limited to: employee labor, employee counts, assets, and multi-factor allocation formulae.

Any cost allocation methodology for the assignment of corporate and affiliate costs will comply with the following principles:

- i) For Administrative Services rendered to a rate-regulated subsidiary of the Company or each cost category subject to allocation to rate-regulated subsidiaries by the Company, the Company must be able to demonstrate that such service or cost category is reasonable for the rate-regulated subsidiary for the performance of its regulated operations, is not duplicative of Administrative Services already being performed within the rate-regulated subsidiary, and is reasonable and prudent.
- ii) The Company and Providing Parties will have in place positive time reporting systems adequate to support the allocation and assignment of costs of executives and other relevant personnel to Recipient Parties.
- iii) Parties must maintain records sufficient to specifically identify costs subject to allocation, particularly with respect to their origin. In addition, the records must be adequately supported in a manner sufficient to justify recovery of the costs in rates of rate-regulated subsidiaries.
- iv) It is the responsibility of rate-regulated Recipient Parties to this Agreement to ensure that costs which would have been denied recovery in rates had such costs been directly incurred by the regulated operation are appropriately identified and segregated in the books of the regulated operation.

(b) PAYMENT.

(i) Each Providing Party shall bill the Recipient Party monthly for all charges pursuant to this Agreement via billings to the Company. The Company, in its capacity as a clearinghouse for

intercompany charges within the Company shall aggregate all charges and bill all Recipient Parties in a single bill. Full payment to or by the Company for all Administrative Services shall be made by the end of the calendar month following the intercompany charge. Charges shall be supported by reasonable documentation, which may be maintained in electronic form.

(ii) The Parties shall make adjustments to charges as required to reflect the discovery of errors or omissions or changes in the charges. The Parties shall conduct a true-up process at least quarterly and more frequently if necessary to adjust charges based on reconciliation of amounts charged and costs incurred. It is the intent of the Parties that such true-up process will be conducted using substantially the same process, procedures and methods of review as have been in effect prior to execution of this Agreement by the Parties.

ARTICLE 5. GENERAL OBLIGATIONS; STANDARD OF CARE

Rate-regulated Parties will comply with all applicable State and Federal Laws regarding affiliated interest transactions, including timely filing of applications and reports. The Parties agree not to cross-subsidize between the rate-regulated and non-rate-regulated businesses or between any rate-regulated businesses, and shall comply with any applicable State Commission Laws and orders. Subject to the terms of this Agreement, the Parties shall perform their obligations hereunder in a commercially reasonable manner.

ARTICLE 6. TAXES

Each Party shall bear all taxes, duties and other similar charges except taxes based upon its gross income (and any related interest and penalties), imposed as a result of its receipt of Administrative Services under this Agreement, including without limitation sales, use, and value-added taxes.

ARTICLE 7. ACCOUNTING AND AUDITING

Providing Parties and the Company shall maintain such books and records as are necessary to support the charges for Administrative Services, in sufficient detail as may be necessary to enable the Parties to satisfy applicable regulatory requirements ("Records"). All Parties:

- (a) shall provide access to the Records at all reasonable times;
- (b) shall maintain the Records in accordance with good record management practices and with at least the same degree of completeness, accuracy and care as it maintains for its own records; and
- (c) shall maintain its own accounting records, separate from the other Party's accounting records.

Subject to the provisions of this Agreement, Records supporting intercompany billings shall be available for inspection and copying by any qualified representative or agent of either Party or its affiliates, at the expense of the inquiring Party. In addition, State Commission staff or agents may audit the accounting records of Providing Parties that form the basis for charges to rate-regulated subsidiaries, to determine the reasonableness of allocation factors used by the Providing Party to assign costs to the Recipient Party and amounts subject to allocation or direct charges. All Parties agree to cooperate fully with such audits.

ARTICLE 8. BUDGETING

In advance of each budget year, Providing Parties shall prepare and deliver to the Recipient Parties, for their review and approval, a proposed budget for Administrative Services to be performed during that year. The approved schedule of budgeted Administrative Services shall evidence the base level of Administrative Services. The schedule shall be updated at least annually. Each Party shall promptly notify the other Party in writing of any requested material change to the budget costs for any service being provided.

ARTICLE 9. COOPERATION WITH OTHERS

The Parties will use good faith efforts to cooperate with each other in all matters relating to the provision and receipt of Administrative Services. Such good faith cooperation will include providing electronic access in the same manner as provided other vendors and contractors to systems used in connection with Administrative Services and using commercially reasonable efforts to obtain all consents, licenses, sublicenses or approvals necessary to permit each Party to perform its obligations. Each Party shall make available to the other Party any information required or reasonably requested by the other Party regarding the performance of any Administrative Service and shall be responsible for timely providing that information and for the accuracy and completeness of that information; provided, however, that a Party shall not be liable for not providing any information that is subject to a confidentiality obligation owed by it to a person or regulatory body other than an affiliate of it or the other Party. Either Party shall not be liable for any impairment of any Administrative Service caused by it not receiving information, either timely or at all, or by it receiving inaccurate or incomplete information from the other Party that is required or reasonably requested regarding that Administrative Service. The Parties will cooperate with each other in making such information available as needed in the event of any and all internal or external audits, utility regulatory proceedings, legal actions or dispute resolution. Each Party shall fully cooperate and coordinate with each other's employees and contractors who may be awarded other work. The Parties shall not commit or permit any act, which will interfere with the performance of or receipt of Administrative Services by either Party's employees or contractors.

ARTICLE 10. COMPLIANCE WITH ALL LAWS

Each Party shall be responsible for (i) its compliance with all laws and governmental regulations affecting its business, including but not limited to, laws and governmental regulations governing federal and state affiliate transactions, workers' compensation, health, safety and security, and (ii) any use it may make of the Administrative Services to assist it in complying with such laws and governmental regulations.

ARTICLE 11. LIMITATION OF LIABILITY

Notwithstanding any other provision of this Agreement and except for (a) rights provided under Article 12 in connection with Third-Party Claims, (b) direct or actual damages as a result of a breach of this Agreement, and (c) liability caused by a Party's negligence or willful misconduct, no Party nor their respective directors, officers, employees and agents, will have any liability to any other Party, or their respective directors, officers, employees and agents, whether based on contract, warranty, tort, strict liability, or any other theory, for any indirect, incidental, consequential, special damages, and no Party, as a result of providing a Service pursuant to this Agreement, shall be liable to any other Party for more than the cost of the Administrative Service(s) related to the claim or damages.

ARTICLE 12. INDEMNIFICATION

Each of the Parties will indemnify, defend, and hold harmless each other Party, members of its Board of Directors, officers, employees and agents against and from any third-party claims resulting from any negligence or willful misconduct of a Party's employees, agents, representatives or subcontractors of any tier, their employees, agents or representatives in the performance or nonperformance of its obligations under this Agreement or in any way related to this Agreement. If a Third-Party claim arising out of or in connection with this Agreement results from negligence of multiple Parties (including their employees, agents, suppliers and subcontractors), each Party will bear liability with respect to the Third-Party Claim in proportion to its own negligence.

ARTICLE 13. DISPUTE RESOLUTION

The Parties shall promptly resolve any conflicts arising under this Agreement and such resolution shall be final. If applicable, adjustments to the charges will be made as required to reflect the discovery of errors or omissions in the charges. If the Parties are unable to resolve any service, performance or budget issues or if there is a material breach of this Agreement that has not been corrected within ninety (90) days, representatives of the affected Parties will meet promptly to review and resolve those issues in good faith.

ARTICLE 14. TERMINATION FOR CONVENIENCE

A Party may terminate its participation in this Agreement either with respect to all, or with respect to any one or more, of the Administrative Services provided hereunder at any time and from time to time, for any reason or no reason, by giving notice of termination at least sixty (60) days in advance of the effective date of the termination to enable the other Party to adjust its available staffing and facilities. In the event of any termination with respect to one or more, but less than all, Administrative Services, this Agreement shall continue in full force and effect with respect to any Administrative Services not terminated hereby. If this Agreement is terminated in whole or in part, the Parties will cooperate in good faith with each other in all reasonable respects in order to effect an efficient transition and to minimize the disruption to the business of all Parties, including the assignment or transfer of the rights and obligations under any contracts. Transitional assistance service shall include organizing and delivering records and documents necessary to allow continuation of the Administrative Services, including delivering such materials in electronic forms and versions as reasonably requested by the Party.

ARTICLE 15. CONFIDENTIAL INFORMATION/NONDISCLOSURE

To the fullest extent allowed by law, the provision of any Administrative Service or reimbursement for any Administrative Service provided pursuant to this Agreement shall not operate to impair or waive any privilege available to either Party in connection with the Administrative Service, its provision or reimbursement for the Administrative Service.

All Parties will maintain in confidence Confidential Information provided to each other in connection with this Agreement and will use the Confidential Information solely for the purpose of carrying out its obligations under this Agreement. The term Confidential Information means any oral or written information, (including without limitation, computer programs, code, macros or instructions) which is made available to the Company, its

Subsidiaries or one of its representatives, regardless of the manner in which such information is furnished. Confidential Information also includes the following:

a. All Information regarding the Administrative Services, including, but not limited to, price, costs, methods of operation and software, shall be maintained in confidence.

b. Systems used to perform the Administrative Services provided hereunder are confidential and proprietary to the Company, its Subsidiaries or third parties. Both Parties shall treat these systems and all related procedures and documentation as confidential and proprietary to the Company, its Subsidiaries or its third party vendors.

c. All systems, procedures and related materials provided to either Party are for its internal use only and only as related to the Administrative Services or any of the underlying systems used to provide the Administrative Services.

Notwithstanding anything in this Article 15 to the contrary, the term "Confidential Information" does not include any information which (i) at the time of disclosure is generally available to and known by the public (other than as a result of an unpermitted disclosure made directly or indirectly by a Party), (ii) was available to a Party on a non-confidential basis from another source (provided that such source is not or was not bound by a confidentiality agreement with a Party or had any other duty of confidentiality to a Party), or (iii) has been independently acquired or developed without violating any of the obligations under this Agreement.

The Parties shall use good faith efforts at the termination or expiration of this Agreement to ensure that all user access and passwords are cancelled.

All Confidential Information supplied or developed by a Party shall be and remain the sole and exclusive property of the Party who supplied or developed it.

ARTICLE 16. PERMITTED DISCLOSURE

Notwithstanding provisions of this Agreement to the contrary, each Party may disclose Confidential Information (i) to the extent required by a State Commission, a court of competent jurisdiction or other governmental authority or otherwise as required by law, including without limitation disclosure obligations imposed under the federal securities laws, provided that such Party has given the other Party prior notice of such requirement when legally permissible to permit the other Party to take such legal action to prevent the disclosure as it deems reasonable, appropriate or necessary, or (ii) on a "need-to-know" basis under an obligation of confidentiality to its consultants, legal counsel, affiliates, accountants, banks and other financing sources and their advisors.

ARTICLE 17. SUBCONTRACTORS

To the extent provided herein, the Parties shall be fully responsible for the acts or omissions of any subcontractors of any tier and of all persons employed by such subcontractors and shall maintain complete

control over all such subcontractors. It being understood and agreed that not anything contained herein shall be deemed to create any contractual relation between the subcontractor of any tier and the Parties.

ARTICLE 18. NONWAIVER

The failure of a Party to insist upon or enforce strict performance of any of the terms of this Agreement or to exercise any rights herein shall not be construed as a waiver or relinquishment to any extent of its right to enforce such terms or rights on any future occasion.

ARTICLE 19. SEVERABILITY

Any provision of this Agreement prohibited or rendered unenforceable by operation of law shall be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement.

ARTICLE 20. ENTIRE AGREEMENT/DOCUMENTS INCORPORATED BY REFERENCE


All understandings, representations, warranties, agreements and any referenced attachments, if any, existing between the Parties regarding the subject matter hereof are merged into this Agreement, which fully and completely express the agreement of the Parties with respect to the subject matter hereof.

ARTICLE 21. OTHER AGREEMENTS

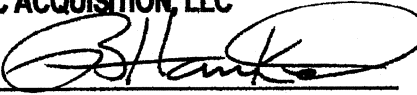
This Agreement does not address or govern the Parties' relationship involving: (a) the tax allocation agreement nor (b) any other relationships not specifically identified herein. All such relationships not addressed or governed by this Agreement will be governed and controlled by a separate agreement or tariff specifically addressing and governing those relationships or by applicable Laws or orders.

This Agreement has been duly executed on behalf of the Parties as follows:

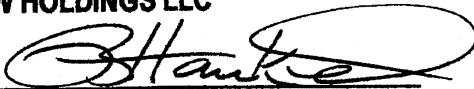
MIDAMERICAN ENERGY HOLDINGS COMPANY

By: 
Patrick J. Goodman
Title: Sr. Vice President & Chief Financial Officer


NNGC ACQUISITION, LLC

By: 
Brian K. Hankel
Title: Vice President & Treasurer


PPW HOLDINGS LLC

By: 
Brian K. Hankel
Title: Vice President & Treasurer

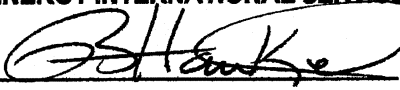
KR HOLDING, LLC

By: 
Patrick J. Goodman
Title: Vice President & Treasurer

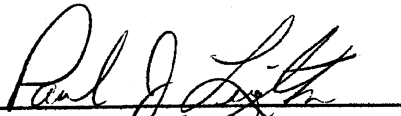
CE ELECTRIC UK FUNDING COMPANY

By: 
Patrick J. Goodman
Title: Director


CALENERGY INTERNATIONAL SERVICES, INC.

By: 
Brian K. Hankel
Title: Vice President & Treasurer

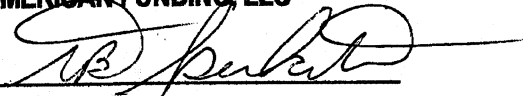
HOME SERVICES OF AMERICA, INC.

By: 
Paul J. Leighton
Title: Asst Secretary

CE CASECNAN WATER AND ENERGY COMPANY, INC.

By: 
Brian K. Hankel
Title: Vice President & Treasurer

MIDAMERICAN FUNDING, LLC

By: 
Thomas B. Specketer
Title: Vice President & Controller

INTERCOMPANY MUTUAL ASSISTANCE AGREEMENT
BY AND BETWEEN THE RATE-REGULATED SUBSIDIARIES OF
MIDAMERICAN ENERGY HOLDINGS COMPANY

This Intercompany Mutual Assistance Agreement ("Agreement") is entered into by and between the rate-regulated public utility subsidiaries of MidAmerican Energy Holdings Company ("Company") (each a "Party" and together the "Parties").

WHEREAS, each of the Parties provides public utility services subject to the oversight of regulatory authorities, such as a state public utility commission and/or the Federal Energy Regulatory Commission ("FERC");

WHEREAS, a Party may from time to time require mutual aid or assistance from another Party, which may involve the provision of goods, services and/or specialized resources for temporary emergency purposes, or the emergency interchange of equipment or goods by one Party to the other, as long as provided without detriment to the providing Party's public utility obligations ("mutual assistance"); and

WHEREAS, as rate-regulated public utilities, the Parties have obligations to provide reasonably adequate public utility service, and from time to time may be able to assist one another in providing mutual assistance; and

WHEREAS, the Parties are some of the signatories of the Intercompany Administrative Services Agreement ("IASA") by and between Company and its Subsidiaries, which permits the sharing of professional, technical and other specialized resources and wish to enter into an agreement that will allow mutual assistance on similar terms; and

WHEREAS, in order to minimize any potential for cross-subsidization or affiliate abuse and ensure appropriate oversight, participation under this Agreement is limited to Rate-Regulated Subsidiaries of the Company.

NOW, THEREFORE, in consideration of the premises and mutual agreements set forth herein, the Parties agree as follows:

ARTICLE 1. PROVISION OF MUTUAL ASSISTANCE

Upon and subject to the terms of this Agreement, one Party ("Providing Party") may provide mutual assistance to another Party ("Recipient Party").

Availability and provision of mutual assistance shall be governed by an applicable mutual aid agreement, which may be the Edison Electric Institute Mutual Aid Agreement, the Western Region Mutual Assistance Agreement, or such other agreement as may be customarily used in the region where the mutual assistance is to be provided, except for reimbursement of costs, which shall be governed by Article 4 of this Agreement.

The Parties recognize that there may be several phases of mutual assistance activity, including pre-notification of a potential need for assistance, a request for information related to the costs and availability of mutual assistance, and actual mobilization. Only actual mobilization is considered the provision of mutual assistance.

ARTICLE 2. DEFINITIONS

For purposes of this Agreement, these terms shall be defined as follows:

- (a) "Laws" shall mean any law, statute, rule, regulation or ordinance of any governmental authority, which may be without limitation a federal agency, a state or a governmental subdivision.
- (b) "Rate-Regulated Subsidiary" shall mean a subsidiary of the Company ("subsidiary") that is regulated by one or more State Commissions and/or FERC, in the subsidiary's capacity of providing regulated public utility services.
- (c) "State Commissions" shall mean any state public utility commission or state public service commission with utility regulatory jurisdiction over a Rate-Regulated Subsidiary.

ARTICLE 3. EFFECTIVE DATE

This Agreement shall be effective as of the date of execution; provided, however, that in those jurisdictions in which regulatory approval is required before the Agreement becomes effective, the effective date shall be as of the date of such approval.

ARTICLE 4. CHARGES AND PAYMENT

The Parties recognize that charges for mutual assistance will begin when a request for mobilization of assistance is submitted to the Providing Party by the Recipient Party. Costs associated with pre-notification of a potential need or gathering of information associated with a request for mutual assistance will not be charged to the Recipient Party.

Providing Parties shall bill Recipient Parties, as appropriate, for mutual assistance rendered under this Agreement in as specific a manner as practicable.

Payments for mutual assistance shall be governed by an applicable mutual aid agreement, which may be the Edison Electric Institute Mutual Aid Agreement, the Western Region Mutual Assistance Agreement, or such other agreement as may be customarily used in the region where the mutual assistance is to be provided.

In the event that the mutual assistance consists only of the interchange of a good in an emergency circumstance, the Recipient Party shall reimburse the Providing Party the replacement cost of the

transferred good. Any associated services shall be reimbursed by the Recipient Party as a direct charge, service charge or allocation as applicable pursuant to the IASA.

ARTICLE 5. STANDARD OF CARE

The Parties shall comply with all applicable Laws regarding affiliated interest transactions, including timely filing of regulatory filings and reports. The Parties agree not to cross-subsidize and shall comply with all applicable Laws and orders issued by State Commissions or FERC. Subject to the terms of this Agreement, the Parties shall perform their obligations hereunder in a commercially reasonable manner.

ARTICLE 6. TAXES

Each Party shall bear all taxes, duties and other similar charges, except taxes based upon its gross income (and any related interest and penalties), imposed as a result of its receipt of mutual assistance under this Agreement, including without limitation sales, use and value-added taxes.

ARTICLE 7. ACCOUNTING AND AUDITING

Providing Parties shall maintain such books and records as are necessary to support the charges for mutual assistance, in sufficient detail as may be necessary to enable the Parties to satisfy applicable regulatory requirements ("Records"). All Parties:

- (a) Shall provide access to the Records at all reasonable times;
- (b) Shall maintain the Records in accordance with good record management practices and with at least the same degree of completeness, accuracy and care as it maintains for its own records; and
- (c) Shall maintain its own accounting records, separate from the other Parties' accounting records.

Subject to the provisions of this Agreement, Records supporting mutual assistance billings shall be available for inspection and copying by any qualified representative or agent of a Party, at the expense of the inquiring Party. In addition, FERC or State Commissions staff or agents may audit the accounting records of Providing Parties that form the basis for charges to Rate-Regulated Subsidiaries. All Parties agree to cooperate fully with such audits.

ARTICLE 8. COOPERATION WITH OTHERS

The Parties shall use good faith efforts to cooperate with each other in all matters related to the provision and receipt of mutual assistance. Such good faith cooperation will include providing electronic access in the same manner as provided other vendors and contractors to systems used in connection with mutual assistance and using commercially reasonable efforts to obtain all consents, licenses, sublicenses or approvals necessary to permit each Party to perform its obligations.

Each Party shall make available to another Party any information required or reasonably requested by the Party related to the provision of mutual assistance and shall be responsible for timely provision of said information and for the accuracy and completeness of the information; provided, however, that a Party shall not be liable for not providing any information that is subject to a confidentiality obligation or a regulatory obligation not to disclose or be a conduit of information owned by it to a person or regulatory body other than the other Party.

The Parties shall cooperate with each other in making such information available as needed in the event of any and all internal or external audits, State Commissions or FERC regulatory proceedings, legal actions, or dispute resolution.

Each Party shall fully cooperate and coordinate with each other's employees and contractors in the performance or provision of mutual assistance. The Parties shall not commit or permit any act that will interfere with the performance or receipt of mutual assistance by any Party's employees or contractors.

ARTICLE 9. COMPLIANCE WITH ALL LAWS

Each Party shall be responsible for (a) its compliance with all Laws affecting its business, including, but not limited to, laws and governmental regulations governing federal and state affiliate transactions, workers' compensation, health, safety and security; (b) any use it may make of the mutual assistance to assist it in complying with such laws and governmental regulations; and (c) compliance with FERC's Standards of Conduct, Market-Based Rate Affiliate Restrictions, and any comparable restrictions imposed by FERC or State Commissions.

ARTICLE 10. LIMITATION OF LIABILITY

Notwithstanding any other provision of this Agreement and except for (a) rights provided under Article 11 in connection with Third-Party Claims; (b) direct or actual damages as a result of a breach of this Agreement; and (c) liability caused by a Party's negligence or willful misconduct, no Party, nor its respective directors, officers, employees and agents, will have any liability to any other Party, nor its respective directors, officers, employees and agents, whether based on contract, warranty, tort, strict liability or any other theory, for any indirect, incidental, consequential or special damages, and no Party, as a result of providing mutual assistance pursuant to this Agreement, shall be liable to any other Party for more than the cost of the mutual assistance related to the claim or damages.

ARTICLE 11. INDEMNIFICATION

Each of the Parties will indemnify, defend and hold harmless each other Party, members of its Board of Directors, officers, employees and agents against and from any Third-Party Claims resulting from any negligence or willful misconduct of a Party's employees, agents, representatives or subcontractors of any tier, their employees, agents or representatives in the performance or nonperformance of its obligations under this Agreement or in any way related to this Agreement. If a Third-Party Claim arising out of or in connection with this Agreement results from the negligence of multiple Parties, including their employees, agents, suppliers and subcontractors, each Party will bear liability with respect to the Third-Party Claim in proportion to its own negligence.

ARTICLE 12. DISPUTE RESOLUTION

The Parties shall promptly resolve any conflicts arising under this Agreement and such resolution shall be final. If applicable, adjustments to the charges will be made as required to reflect the discovery of errors or omissions in the charges. If the Parties are unable to resolve any service, performance or budget issues or if there is a material breach of this Agreement that has not been corrected within ninety (90) days, representatives of the affected Parties will meet promptly to review and resolve those issues in good faith.

ARTICLE 13. TERMINATION FOR CONVENIENCE

A Party may terminate its participation in this Agreement either with respect to all, or part, of the mutual assistance provided hereunder at any time and from time to time, for any reason or no reason, by giving notice of termination to the other party as soon as reasonably possible.

ARTICLE 14. CONFIDENTIAL INFORMATION/NONDISCLOSURE

To the fullest extent allowed by law, the provision of mutual assistance or reimbursement for mutual assistance provided pursuant to this Agreement shall not operate to impair or waive any privilege available to any Party in connection with the mutual assistance, its provision or reimbursement thereof.

The Parties shall handle all information exchanged in the course of performing mutual assistance in accordance with requirements for documenting and handling critical infrastructure information as defined by the North American Electric Reliability Corporation Critical Infrastructure Protection Standards and will further comply with non-disclosure requirements of other applicable regulations.

The Parties shall use good faith efforts at the termination or expiration of this Agreement to ensure that any user access and passwords related to this Agreement are terminated.

ARTICLE 15. PERMITTED DISCLOSURE

Notwithstanding provisions of this Agreement to the contrary, each Party may disclose confidential information:

- (a) To the extent required by State Commissions, FERC, a court of competent jurisdiction or other governmental authority or otherwise as required by Laws, including without limitation disclosure obligations imposed under federal securities laws, provided that such Party has given the other Party prior notice of such requirement when legally permissible to permit the other Party to take such legal action to prevent the disclosure as it deems reasonable, appropriate or necessary; or
- (b) On a "need-to-know" basis under an obligation of confidentiality to its consultants, legal counsel, affiliates, accountants, banks and other financing sources and their advisors.

ARTICLE 16. SUBCONTRACTORS

To the extent provided herein, the Parties shall be fully responsible for the acts or omissions of any subcontractors of any tier and of all persons employed by such subcontractors and shall maintain complete control over all such subcontractors, it being understood and agreed that anything not contained herein shall not be deemed to create any contractual relation between the subcontractor of any tier and the Parties.

ARTICLE 17. NONWAIVER

The failure of a Party to insist upon or enforce strict performance of any of the terms of this Agreement or to exercise any rights herein shall not be construed as a waiver or relinquishment to any extent of its right to enforce such terms or rights on any future occasion.

ARTICLE 18. SEVERABILITY

Any provision of this Agreement prohibited or rendered unenforceable by operation of law shall be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement.

ARTICLE 19. ENTIRE AGREEMENT/DOCUMENTS INCORPORATED BY REFERENCE

All understandings, representations, warranties, agreements and referenced attachments, if any, existing between the Parties regarding the subject matter hereof are merged into this Agreement, which fully and completely express the agreement of the Parties with respect to the subject matter hereof.

This Agreement has been duly executed on behalf of the Parties as follows:

KERN RIVER GAS TRANSMISSION COMPANY

By: _____

Title: _____

Name: _____

Date: _____

NORTHERN NATURAL GAS COMPANY

By: _____

Title: _____

Name: _____

Date: _____

MIDAMERICAN ENERGY COMPANY

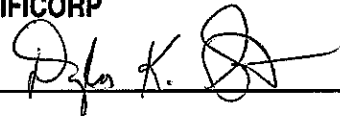
By: 

Title: VP & Controller

Name: Tom Specketer

Date: February 15, 2011

PACIFICORP

By: 

Title: SVP & CFO

Name: Douglas K. Sturer

Date: 2/15/11

KERN RIVER GAS TRANSMISSION COMPANY

By: Mary Hausman

Title: Controller

Name: Mary Hausman

Date: 2/24/11

[Handwritten initials]

NORTHERN NATURAL GAS COMPANY

By: [Signature]

Title: VP Finance

Name: Joseph Lillo

Date: 2/21/11

[Handwritten initials]

MIDAMERICAN ENERGY COMPANY

By: [Signature]

Title: VP & Controller

Name: Tom Specketer

Date: February 15, 2011

PACIFICORP

By: _____

Title: _____

Name: _____

Date: _____

Appendix A

**December 31, 2012 Affiliated Interest Report
Oregon Public Utility Commission orders approving transactions with affiliates**

| Affiliate | Order No. | Docket No. | Date Approved |
|--|------------------|-------------------|----------------------|
| BNSF Railway Company | 07-323 | UI 269 | July 27, 2007 |
| | 10-090 | UI 292 | March 11, 2010 |
| | 10-089 | UI 293 | March 11, 2010 |
| | 09-504 | UI 288 | December 28, 2009 |
| | 12-348 | UI 325 | September 13, 2012 |
| Marmon Utility LLC (a Marmon Holdings, Inc. company) | 11-189 | UI 308 | June 16, 2011 |
| | 11-191 | UI 309 | June 16, 2011 |
| | 11-200 | UI 311 | June 22, 2011 |
| The Kerite Company (a Marmon Holdings, Inc. company) | 10-409 | UI 303 | October 18, 2010 |
| Marmon/Keystone Corporation | 12-143 | UI 319 | April 24, 2012 |
| Wells Fargo Home Equity | 08-165 | UI 277 | March 12, 2008 |
| Wells Fargo Securities, LLC | 11-423 | UI 315 | October 26, 2011 |
| | 12-142 | UI 318 | April 24, 2012 |
| | 12-457 | UI 328 | November 26, 2012 |
| International Business Machines Corporation | 12-227 | UI 321 | June 19, 2012 |
| | 12-228 | UI 322 | June 19, 2012 |
| | 12-385 | UI 327 | October 9, 2012 |
| | 13-100 | UI 330 | March 26, 2013 |
| MidAmerican Energy Holdings Company | 06-305 | UI 249 | June 19, 2006 |
| MHC Inc. | 06-305 | UI 249 | June 19, 2006 |
| MidAmerican Energy Company | 06-305 | UI 249 | June 19, 2006 |
| | 11-190 | UI 310 | June 16, 2011 |
| | 11-400 | UI 316 | October 6, 2011 |

| Affiliate | Order No. | Docket No. | Date Approved |
|---|------------------|-------------------|----------------------|
| HomeServices of America, Inc. | 11-053 | UI 304 | February 11, 2011 |
| | 08-165 | UI 277 | March 12, 2008 |
| | 06-305 | UI 249 | June 19, 2006 |
| Kern River Gas Transmission Company | 09-503 | UI 255 (1) | December 28, 2009 |
| | 06-683 | UI 255 | December 26, 2006 |
| | 06-305 | UI 249 | June 19, 2006 |
| | 11-400 | UI 316 | October 6, 2011 |
| MidAmerican Energy Holdings Company Insurance Services Ltd. | 06-498 | UI 253 | August 24, 2006 |
| CalEnergy Generation Operating Company | 06-305 | UI 249 | June 19, 2006 |
| Northern Natural Gas Company | 11-400 | UI 316 | October 6, 2011 |
| | 06-305 | UI 249 | June 19, 2006 |
| Midwest Capital Group, Inc. | 06-305 | UI 249 | June 19, 2006 |
| MEC Construction Services Co. | 06-305 | UI 249 | June 19, 2006 |
| MEHC Investment, Inc. | 06-305 | UI 249 | June 19, 2006 |
| Cordova Energy Company LLC | 06-305 | UI 249 | June 19, 2006 |
| Northern Powergrid Holdings Company (formerly CE Electric UK Funding Company) | 06-305 | UI 249 | June 19, 2006 |
| CalEnergy Philippines | 06-305 | UI 249 | June 19, 2006 |
| Iowa Realty Co., Inc. | 06-305 | UI 249 | June 19, 2006 |
| M&M Ranch Acquisition Company, LLC | 06-305 | UI 249 | June 19, 2006 |
| MidAmerican Funding, LLC | 06-305 | UI 249 | June 19, 2006 |
| MidAmerican Renewables, LLC | 06-305 | UI 249 | June 19, 2006 |
| Electric Transmission America, LLC | 06-305 | UI 249 | June 19, 2006 |
| Electric Transmission Texas, LLC | 06-305 | UI 249 | June 19, 2006 |
| MEHC Canada, LLC | 06-305 | UI 249 | June 19, 2006 |
| Midwest Power Transmission Iowa, LLC | 06-305 | UI 249 | June 19, 2006 |

| Affiliate | Order No. | Docket No. | Date Approved |
|--|------------------|-------------------|----------------------|
| Midwest Power Transmission Illinois, LLC | 06-305 | UI 249 | June 19, 2006 |
| Pinyon Pines Wind I, LLC | 06-305 | UI 249 | June 19, 2006 |
| Pinyon Pines Wind II, LLC | 06-305 | UI 249 | June 19, 2006 |
| Bishop Hill Interconnection LLC | 06-305 | UI 249 | June 19, 2006 |
| MidAmerican Transmission, LLC | 06-305 | UI 249 | June 19, 2006 |
| Topaz Solar Farms, LLC | 06-305 | UI 249 | June 19, 2006 |
| Racom Corporation | 11-276 | UI 313 | July 29, 2011 |
| PPW Holdings LLC | 06-305 | UI 249 | June 19, 2006 |
| PacifiCorp Foundation | 04-028 | UI 223 | January 15, 2004 |
| Energy West Mining Company | 91-513 | UI 105 | April 12, 1991 |
| Interwest Mining Company | 09-261 | UI 286 | July 7, 2009 |
| Fossil Rock Fuels, LLC | 11-482 | UI 317 | December 6, 2011 |
| PacifiCorp Environmental Remediation Company | 03-664 | UI 220 | November 18, 2003 |
| Pacific Minerals, Inc. (Umbrella Loan Agreement) | 06-353 | UI 1 (11) | July 7, 2006 |
| Bridger Coal Company | 01-472 | UI 189 | June 12, 2001 |
| Trapper Mining Inc. | 94-1550 | UI 140 | October 12, 1994 |
| Huntington Cleveland Irrigation Company | 10-353 | UI 300 | September 10, 2010 |
| Ferron Canal & Reservoir Company | 10-345 | UI 301 | September 2, 2010 |
| Cottonwood Creek Consolidated Irrigation Company | 11-332 | UI 312 | August 26, 2011 |