

PacifiCorp

Affiliated Interest Report

For the year ended December 31, 2009

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I. ORGANIZATION

PacifiCorp, which includes PacifiCorp and its subsidiaries, is a United States regulated electric company serving 1.7 million retail customers, including residential, commercial, industrial and other customers in portions of the states of Utah, Oregon, Wyoming, Washington, Idaho and California. PacifiCorp owns, or has interests in, 78 thermal, hydroelectric, wind-powered and geothermal generating facilities, with a net owned capacity of 10,483 megawatts. PacifiCorp also owns, or has interests in, electric transmission and distribution assets, and transmits electricity through approximately 15,900 miles of transmission lines. PacifiCorp also buys and sells electricity on the wholesale market with public and private utilities, energy marketing companies and incorporated municipalities as a result of excess electricity generation or other system balancing activities. PacifiCorp is subject to comprehensive state and federal regulation.

PacifiCorp's principal executive offices are located at 825 N.E. Multnomah Street, Suite 2000, Portland, Oregon 97232, and its telephone number is (503) 813-5000. 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 facilities and services and environmental remediation 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, 2009, including Berkshire Hathaway affiliates.

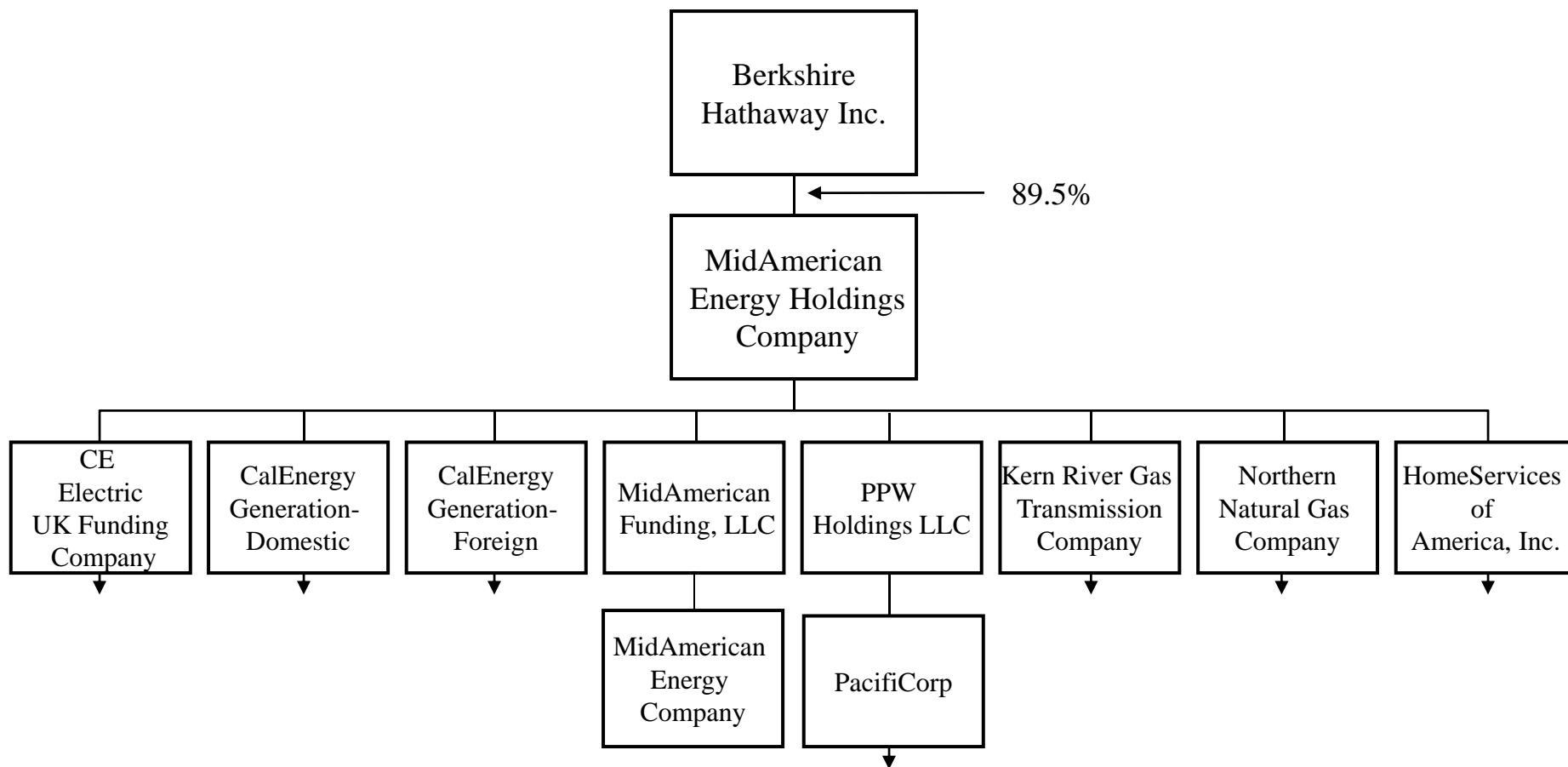
Subsidiaries of PacifiCorp as of December 31, 2009

Name of Subsidiary	Approximate Percentage of Voting Securities Owned	State of Jurisdiction of Incorporation or Organization
Centralia Mining Company	100%	Washington
Energy West Mining Company	100%	Utah
Glenrock Coal Company	100%	Wyoming
Interwest Mining Company	100%	Oregon
Pacific Minerals, Inc.	100%	Wyoming
- Bridger Coal Company, a joint venture	66.67%	Wyoming
Trapper Mining, Inc.	21.40%	Colorado
PacifiCorp Environmental Remediation Company	100%	Oregon
PacifiCorp Future Generations, Inc. (a)	(a)	-
- Canopy Botanicals, Inc. (a)	(a)	-
PacifiCorp Investment Management, Inc.	100%	Oregon

(a) Effective December 31, 2009, PacifiCorp Future Generations, Inc. and its subsidiary Canopy Botanicals, Inc. were dissolved.

MidAmerican Energy Holdings Company*

Organization Chart
As of December 31, 2009



*This chart does not include all subsidiaries of affiliates or PacifiCorp. Refer to Exhibit 21.1 of the MEHC Form 10-K for a list of subsidiaries of MEHC as of December 31, 2009.

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, 2009**
- 2. PacifiCorp officers during the year ended December 31, 2009**
- 3. PacifiCorp officers and directors with affiliated positions as of December 31, 2009**

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, 2009, as indicated. Changes that occurred subsequent to December 31, 2009 (if any) are annotated.

1. PacifiCorp Board of Directors and Committees of the Board of Directors During the Year Ended December 31, 2009

Director	Address	From	To	Director at 12/31/2009	Elected During the Year Ended 12/31/2009	Resigned During the Year Ended 12/31/2009
Gregory E. Abel (a)	666 Grand Avenue Suite DM29 Des Moines, Iowa 50309	3/21/2006		Yes	No	No
Douglas L. Anderson	302 South 36 th Street Omaha, Nebraska 68131	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 Suite DM29 Des Moines, Iowa 50309	3/21/2006		Yes	No	No
Natalie L. Hocken	825 NE Multnomah Suite 2000 Portland, Oregon 97232	8/30/2007		Yes	No	No
A. Robert Lasich (b)	1407 West North Temple Suite 320 Salt Lake City, Utah 84116	3/21/2006		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

(a) **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 MEHC level.

(b) On January 13, 2010, A. Robert Lasich accepted the position of Vice President and General Counsel, Procurement for MEHC and accordingly resigned as President of PacifiCorp Energy, a business unit of PacifiCorp, and as a director of PacifiCorp effective February 1, 2010.

2. PacifiCorp Officers During the Year Ended December 31, 2009

Title	Officer	Address	From	To	Officer at 12/31/2009	Elected During the Year Ended 12/31/2009	Resigned During the Year Ended 12/31/2009
Chairman of the Board of Directors and Chief Executive Officer	Gregory E. Abel	666 Grand Avenue Suite DM29 Des Moines, Iowa 50309	3/21/2006		Yes	No	No
President, PacifiCorp Energy	A. Robert Lasich (a)	1407 West North Temple Suite 320 Salt Lake City, Utah 84116	8/30/2007		Yes	No	No
President, Rocky Mountain Power	A. Richard Walje	201 South Main Suite 2300 Salt Lake City, Utah 84111	3/21/2006		Yes	No	No
President, 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

(a) On January 13, 2010, A. Robert Lasich accepted the position of Vice President and General Counsel, Procurement for MEHC and accordingly resigned as President of PacifiCorp Energy, a business unit of PacifiCorp, and as a director of PacifiCorp effective February 1, 2010.

3. PacifiCorp Officers and Directors with Affiliated Positions as of December 31, 2009

Abel, Gregory E.

Business Entity	Title
American Pacific Finance Company	President
American Pacific Finance Company II	President
CalEnergy Capital Trust	Trustee
CalEnergy Capital Trust II	Trustee
CalEnergy Capital Trust III	Trustee
CalEnergy Capital Trust IV	Trustee
CalEnergy Capital Trust V	Trustee
CalEnergy Company, Inc.	President
CalEnergy Holdings, Inc.	President
CalEnergy Imperial Valley Company, Inc.	President
CalEnergy Pacific Holdings Corp.	President
CalEnergy Resources Limited	Director
CalEnergy U.K. Inc.	President
CE Administrative Services, Inc.	President
CE Casecan Ltd.	Chairman, President & Chief Executive Officer
CE Casecan Ltd.	Director
CE Electric UK Funding Company	Director
CE Electric UK Holdings	Chief Executive Officer
CE Electric UK Holdings	Director
CE Electric UK Limited	Director
CE Electric, Inc.	President
CE Exploration Company	President
CE Geothermal, Inc.	President
CE Geothermal, LLC	President
CE Indonesia Geothermal, Inc.	President
CE International Investments, Inc.	President
CE Luzon Geothermal Power Company, Inc.	Chairman & Chief Executive Officer
CE Luzon Geothermal Power Company, Inc.	Director
CE Power, Inc.	President
CE Power, LLC	President
CE Resource, LLC	President
CE/TA LLC	President
Constellation Energy Holdings LLC	President
Cordova Funding Corporation	President
HomeServices of America, Inc.	Director
Kern River Gas Transmission Company	Executive Committee Member
KR Acquisition 1, LLC	President
KR Acquisition 2, LLC	President
KR Holding, LLC	President
Magma Netherlands B.V.	Director
MEHC Investment, Inc.	President
MHC Inc.	President
MHC Inc.	Director
MidAmerican Energy Foundation	President
MidAmerican Energy Foundation	Director
MidAmerican Energy Holdings Company	President & Chief Executive Officer
MidAmerican Energy Holdings Company	Director
MidAmerican Energy Machining Services LLC	President
MidAmerican Funding, LLC	President
MidAmerican Nuclear Energy Holdings Company, LLC	Chairman & Chief Executive Officer
NNGC Acquisition, LLC	President

Abel, Gregory E. (continued)

Business Entity	Title
Norming Investments B.V.	Chairman, President & Chief Executive Officer
Northern Aurora, Inc.	President
Northern Electric Finance plc.	Director
Northern Electric plc.	Director
Northern Natural Gas Company	Director
PPW Holdings LLC	President
Quad Cities Energy Company	President
Salton Sea Minerals Corp.	President
Tongonan Power Investment, Inc.	Chairman & Chief Executive Officer
Tongonan Power Investment, Inc.	Director
Visayas Geothermal Power Company	Chairman & Chief Executive Officer
Yorkshire Cayman Holding Limited	Director
Yorkshire Power Finance Limited	Director

Anderson, Douglas L.

Business Entity	Title
American Pacific Finance Company	Director
American Pacific Finance Company II	Director
BG Energy Holding LLC	Director
BG Energy LLC	Director
CalEnergy Capital Trust II	Trustee
CalEnergy Capital Trust VI	Trustee
CalEnergy Company, Inc.	Director
CalEnergy Generation Operating Company	Director
CalEnergy Holdings, Inc.	Director
CalEnergy Imperial Valley Company, 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.	Director
CalEnergy U.K. Inc.	Director
CBEC Railway Inc.	Director
CE (Bermuda) Financing Ltd.	President & Assistant Secretary
CE (Bermuda) Financing Ltd.	Director
CE Administrative Services, Inc.	Director
CE Asia Limited	President & Assistant Secretary
CE Asia Limited	Director
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 Electric (NY), Inc.	Director
CE Electric UK Funding Company	Director
CE Electric UK Holdings	Director
CE Electric UK Limited	Director
CE Electric, Inc.	Director
CE Exploration Company	Director
CE Geothermal, Inc.	Director
CE Indonesia Geothermal, Inc.	Director
CE Indonesia Ltd.	President & Assistant Secretary
CE Indonesia Ltd.	Director

Anderson, Douglas L. (continued)

Business Entity	Title
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 & General Counsel
CE Luzon Geothermal Power Company, Inc.	Director
CE Mahanagdong II, Inc.	Senior Vice President
CE Mahanagdong Ltd.	President & Assistant Secretary
CE Mahanagdong Ltd.	Director
CE Philippines II, Inc.	Senior Vice President
CE Philippines Ltd.	President & Assistant Secretary
CE Philippines Ltd.	Director
CE Power, Inc.	Director
Cimmred Leasing Company	Director
Cordova Funding Corporation	Director
Dakota Dunes Development Company	Director
DCCO Inc.	Director
HomeServices of America, Inc.	Director
InterCoast Energy Company	Director
Kern River Funding Corporation	Director
Kern River Gas Transmission Company	Executive Committee Member
KR Acquisition 1, LLC	Vice President & Secretary
KR Acquisition 2, LLC	Vice President & Secretary
KR Holding, LLC	Vice President & Secretary
M & M Ranch Holding Company, LLC	Director
Magma Netherlands B.V.	Senior Vice President
Magma Netherlands B.V.	Director
MEC Construction Services Co.	Director
MEHC Investment, Inc.	Senior Vice President
MEHC Investment, Inc.	Director
MEHC Merger Sub Inc.	Corporate Secretary
MHC Inc.	Senior Vice President, General Counsel & Assistant Secretary
MHC Inc.	Director
MHC Investment Company	Director
MidAmerican Energy Holdings Company	Senior Vice President, General Counsel & Corporate Secretary
MidAmerican Nuclear Energy Company, LLC	Director
MidAmerican Nuclear Energy Holdings Company, LLC	Director
Midwest Capital Group, Inc.	Director
Midwest Gas Company	Director
MWR Capital Inc.	Director
Norming Investments B.V.	Senior Vice President & General Counsel
Northern Aurora, Inc.	Director
Northern Natural Gas Company	Director
Ormoc Cebu Ltd.	President & Assistant Secretary
Ormoc Cebu Ltd.	Director
PacifiCorp Environmental Remediation Company	Director
Quad Cities Energy Company	Director
Tongonan Power Investment, Inc.	Senior Vice President & General Counsel
Tongonan Power Investment, Inc.	Director
Two Rivers Inc.	Director
Visayas Geothermal Power Company	Senior Vice President, General Counsel & Assistant Secretary

Gale, Brent E.**Business Entity****Title**

PacifiCorp Future Generations, Inc. (a)	President
PacifiCorp Future Generations, Inc. (a)	Director
MidAmerican Energy Holdings Company	Senior Vice President

Goodman, Patrick J.**Business Entity****Title**

American Pacific Finance Company	Director
American Pacific Finance Company II	Director
BG Energy Holding LLC	Director
BG Energy LLC	Director
Big Spring Pipeline Company	Director
CalEnergy Capital Trust	Trustee
CalEnergy Capital Trust II	Trustee
CalEnergy Capital Trust III	Trustee
CalEnergy Capital Trust IV	Trustee
CalEnergy Capital Trust V	Trustee
CalEnergy Capital Trust VI	Trustee
CalEnergy Company, Inc.	Director
CalEnergy Generation Operating Company	Director
CalEnergy Holdings, Inc.	Director
CalEnergy Imperial Valley Company, 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 Operating Corporation	Director
CalEnergy Pacific Holdings Corp.	Director
CalEnergy U.K. Inc.	Director
California Energy Development Corporation	Director
California Energy Management Company	Director
California Energy Yuma Corporation	Director
CBEC Railway Inc.	Director
CE (Bermuda) Financing Ltd.	Senior Vice President & Chief Financial Officer
CE (Bermuda) Financing Ltd.	Director
CE Administrative Services, Inc.	Director
CE Asia Limited	Senior Vice President & Chief Financial Officer
CE Asia Limited	Director
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 Electric (NY), Inc.	Director
CE Electric UK Funding Company	Director
CE Electric UK Holdings	Director
CE Electric UK Limited	Director
CE Electric, Inc.	Director
CE Exploration Company	Director
CE Gen Oil Company	Director
CE Gen Pipeline Corporation	Director
CE Gen Power Corporation	Director
CE Geothermal, Inc.	Director
CE Indonesia Geothermal, Inc.	Director
CE Indonesia Ltd.	Senior Vice President & Chief Financial Officer

Goodman, Patrick J. (continued)

Business Entity	Title
CE Indonesia Ltd.	Director
CE International (Bermuda) Limited	Senior Vice President & Chief Financial Officer
CE International (Bermuda) Limited	Director
CE International Investments, Inc.	Director
CE Leathers Company	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 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 Salton Sea Inc.	Director
Cimmred Leasing Company	Director
Conejo Energy Company	Director
Cordova Funding Corporation	Director
Dakota Dunes Development Company	Director
DCCO Inc.	Director
Del Ranch Company	Director
Desert Valley Company	Director
Elmore Company	Director
Falcon Power Operating Company	Director
FSRI Holdings, Inc.	Director
HomeServices of America, Inc.	Director
InterCoast Energy Company	Director
Kern River Funding Corporation	Director
Kern River Gas Transmission Company	Executive Committee Member
KR Acquisition 1, LLC	Vice President, Treasurer & Assistant Secretary
KR Acquisition 2, LLC	Vice President, Treasurer & Assistant Secretary
KR Holding, LLC	Vice President & Treasurer
M & M Ranch Holding Company, LLC	Director
Magma Land Company I	Director
Magma Netherlands B.V.	Senior Vice President
Magma Netherlands B.V.	Director
Magma Power Company	Director
MEC Construction Services Co.	Director
MEHC Insurance Services Ltd.	President & Treasurer
MEHC Insurance Services Ltd.	Director
MEHC Investment, Inc.	Vice President, Chief Financial Officer & Treasurer
MEHC Investment, Inc.	Director
MEHC Merger Sub Inc.	Senior Vice President
MHC Inc.	Director
MHC Investment Company	Director
MidAmerican Energy Holdings Company	Senior Vice President & Chief Financial Officer
MidAmerican Nuclear Energy Company, LLC	Director
MidAmerican Nuclear Energy Holdings Company, LLC	Director
Midwest Capital Group, Inc.	Director
Midwest Gas Company	Director
MWR Capital Inc.	Director
Niguel Energy Company	Director
NorCon Holdings, Inc.	Director

Goodman, Patrick J. (continued)

Business Entity	Title
Norming Investments B.V.	Senior Vice President & Chief Financial Officer
North Country Gas Pipeline Corporation	Director
Northern Aurora, Inc.	Director
Northern Consolidated Power, Inc.	Director
Northern Electric plc.	Director
Northern Natural Gas Company	Director
Ormoc Cebu Ltd.	Senior Vice President & Chief Financial Officer
Ormoc Cebu Ltd.	Director
Quad Cities Energy Company	Director
S.W. Hydro, Inc.	Director
Salton Sea Brine Processing Company	Director
Salton Sea Funding Corporation	Director
Salton Sea Minerals Corp.	Director
Salton Sea Power Company	Director
Salton Sea Royalty Company	Director
San Felipe Energy Company	Director
Saranac Energy Company, Inc.	Director
SECI Holdings, Inc.	Director
Tongonan Power Investment, Inc.	Senior Vice President & Chief Accounting Officer
Two Rivers Inc.	Director
Visayas Geothermal Power Company	Senior Vice President & Chief Financial Officer
Vulcan Power Company	Director
Vulcan/BN Geothermal Power Company	Director
Wailuku River Hydroelectric Power Company, Inc.	Director
Yorkshire Cayman Holding Limited	Director
Yorkshire Electricity Group plc	Director
Yorkshire Power Finance Limited	Director
Yorkshire Power Group Limited	Director

Lasich, A. Robert

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
Pacific Minerals, Inc.	President
Pacific Minerals, Inc.	Director

Moench, Mark C.

Business Entity	Title
PacifiCorp Foundation	Senior Vice President, General Counsel & Corporate Secretary

Reiten, R. Patrick

Business Entity	Title
PacifiCorp Foundation	Director

Walje, A. Richard

Business Entity

PacifiCorp Foundation

Title

Chairman

(a) Effective December 31, 2009, PacifiCorp Future Generations, Inc. was dissolved.

I. B. Changes in Ownership

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

**Changes in Affiliated Interests Ownership Report
For the Year Ended December 31, 2009**

Parent Entity	Affiliate	Domestic Foreign	State of Incorporation	Action	Date of Action	Date of Incorporation
PacifiCorp	PacifiCorp Future Generations, Inc.	Domestic	Oregon	PacifiCorp Future Generations, Inc., a subsidiary of PacifiCorp, was dissolved.	December 31, 2009	September 17, 1999
PacifiCorp Future Generations, Inc.	Canopy Botanicals, Inc.	Domestic	Delaware	Canopy Botanicals, Inc., a subsidiary of PacifiCorp Future Generations, Inc. was dissolved.	December 31, 2009	April 9, 1999
MEHC	Constellation Energy Group, Inc.	Domestic	Maryland	MEHC sold all its shares of Constellation Energy Group, Inc. common stock, at which point the two entities ceased being affiliates.	June 1, 2009	1906

Refer to Exhibit 21 of the Berkshire Hathaway Form 10-K for a list of subsidiaries of MEHC's parent company, Berkshire Hathaway, as of December 31, 2009.
Refer to Exhibit 21.1 of the MEHC Form 10-K for a list of subsidiaries of MEHC as of December 31, 2009.

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 ORS 757.015, RCW 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 5% 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, 2009. Services provided by PacifiCorp and charged to affiliates related primarily to administrative services, financial statement preparation and direct-assigned employees, as well as wholesale energy sales. Services provided by affiliates and charged to PacifiCorp related primarily to the transportation of natural gas and coal, wholesale energy purchases, captive insurance services, relocation services, and administrative services provided under the Intercompany Administrative Services Agreement (“IASA”) among MEHC and its affiliates. Refer to Section V for a discussion of the tax allocation agreement between PacifiCorp and its affiliates.

PacifiCorp provides electricity to certain affiliates within its service territory at tariff rates. Such transactions are excluded from this report. Due to the volume and breadth of the 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 Railway”) – At December 31, 2009, Berkshire Hathaway held a 22.5% ownership interest in Burlington Northern Santa Fe Corporation. On February 10, 2010, Berkshire Hathaway acquired the remaining 77.5% of Burlington Northern Santa Fe Corporation’s outstanding common stock and changed its name to Burlington Northern Santa Fe, LLC (“BNSF”). As of February 10, 2010, BNSF is an indirect wholly owned subsidiary of Berkshire Hathaway. PacifiCorp has long-term coal transportation contracts with BNSF Railway, a principal operating subsidiary of BNSF, including indirectly through a generation plant that is jointly owned by PacifiCorp and another utility, as well as right-of-way agreements.

Marmon Holdings, Inc. (“Marmon”) – At December 31, 2009, Berkshire Hathaway held a 63.6% ownership interest in Marmon. Marmon is an international association of numerous manufacturing and service businesses in energy-related and other markets. Certain Marmon affiliates provide equipment parts and repairs to PacifiCorp in the normal course of business.

Wells Fargo & Company (“Wells Fargo”) – At December 31, 2009, Berkshire Hathaway held a 6.7% ownership interest in Wells Fargo. Wells Fargo & Company is a financial services company providing banking, insurance, investments, mortgage banking, investment banking, retail banking, brokerage and consumer finance to consumers, businesses and institutions. Wells Fargo provides PacifiCorp various financial services, including commodity swaps and banking services.

Nalco Holding Company (“Nalco”) - At December 31, 2009, Berkshire Hathaway held a 6.5% ownership interest in Nalco. Nalco is engaged in the worldwide manufacture and sale of highly specialized service chemical programs. This includes production and service related to the sale and application of chemicals and technology used in water treatment, pollution control, energy conservation, oil production and refining, steelmaking, papermaking, mining, and other industrial processes. Nalco provides water treatment services for PacifiCorp.

NetJets Inc. (“NetJets”) - a wholly owned subsidiary of Berkshire Hathaway and a private aviation company. PacifiCorp provides administrative services to MidAmerican Energy Holdings Company “MEHC,” the ultimate beneficiary of which is NetJets.

Constellation Energy Group, Inc. (“Constellation”) – On December 17, 2008, MEHC and Constellation agreed to terminate a merger agreement that was entered into in September 2008. As a result of the termination, among other things, MEHC received 19.9 million shares of Constellation’s common stock,

representing 9.99% of outstanding shares. As a result, Constellation became a PacifiCorp affiliate on December 17, 2008. On June 1, 2009, MEHC sold all of its shares of Constellation's common stock, at which point Constellation ceased being an affiliate of PacifiCorp. Accordingly, this report reflects transactions between PacifiCorp and Constellation that occurred between January 1, 2009 and May 31, 2009. During this time period, Constellation Energy Commodities Group, Inc., a subsidiary of Constellation, purchased wholesale energy and transmission services from PacifiCorp, and sold wholesale energy to PacifiCorp.

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, 2009, Berkshire Hathaway owned approximately 89.5% 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 (6.3% ownership interest as of January 31, 2010) and Gregory E. Abel, PacifiCorp's Chairman of the Board of Directors and Chief Executive Officer (0.8% ownership interest as of January 31, 2010). MEHC and its subsidiaries provide management and administrative services to PacifiCorp under the IASA. PacifiCorp also provides management and administrative services to MEHC and its subsidiaries and its unconsolidated investments under the IASA. Refer to Section VII for further discussion.

⁽¹⁾ Excludes 2,528,000 shares held by family members and family controlled trusts and corporations, or Scott Family Interests, as to which Mr. Scott disclaims beneficial ownership.

HomeServices of America, Inc. – a majority-owned subsidiary of MEHC. HomeServices of America, Inc. is a full-service residential real estate brokerage firm that provides relocation services and traditional residential real estate brokerage services to employees of PacifiCorp and its affiliates.

Kern River Gas Transmission Company – an indirect wholly owned subsidiary of MEHC, owns an interstate natural gas pipeline system consisting of approximately 1,700 miles of pipeline, extending from supply areas in the Rocky Mountains to consuming markets in Utah, Nevada and California. Kern River's transportation operations are subject to a regulated tariff that is on file with the Federal Energy Regulatory Commission (the "FERC"). Kern River provides services for the transportation of natural gas to certain of PacifiCorp's generating facilities in Utah.

MEHC Insurance Services Ltd. ("MISL") – a wholly owned subsidiary of MEHC that provides a captive insurance program to PacifiCorp. MISL covers all or significant portions of the property damage and liability insurance deductibles in many of PacifiCorp's current policies, as well as overhead transmission and distribution ("T&D") line property damage. Claims for T&D property, after an aggregate deductible of \$5 million, are capped at \$10 million per annual policy coverage period. Claims for non-T&D property, after a \$1.5 million deductible, are capped at \$6 million per occurrence. Claims for general liability, after a \$250,000 deductible, are capped at \$750,000 per occurrence. PacifiCorp has no equity interest in MISL and has no obligation to contribute equity or loan funds to MISL. Premium amounts are established based on a combination of actuarial assessments and market rates to cover loss claims, administrative expenses and appropriate reserves, but as a result of regulatory commitments are capped through December 31, 2010. Certain costs associated with the program are prepaid and amortized over the policy coverage period lapsing March 20, 2010.

PPW Holdings LLC – the holding company for PacifiCorp and 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.

Energy West Mining Company – a wholly owned subsidiary of PacifiCorp engaged in coal-mining related services at the company-owned mines in Emery County, Utah.

Interwest Mining Company – a wholly owned subsidiary of PacifiCorp providing technical, management and administrative services to Energy West Mining Company and Pacific Minerals, Inc.

PacifiCorp Environmental Remediation Company – a wholly owned subsidiary of PacifiCorp that evaluates, manages and resolves certain environmental remediation activities.

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.

Bridger Coal Company – Coal mining joint venture between PMI and IERC. PMI owns 66.67% and IERC owns 33.33% of Bridger Coal Company.

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 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%).

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 its water shares. PacifiCorp pays annual assessment fees to HCIC to cover its operating and maintenance costs, in exchange for receiving access to water used by PacifiCorp’s Huntington plant. PacifiCorp is also making capital investments in HCIC to ensure a long-term, firm water supply for its Huntington plant.

I. D. Financial Statements

Financial statements or trial balances for the year ended December 31, 2009 are included in Section II. Transactions for each affiliate.

II. Transactions

The following summary of services rendered by the regulated utility to the affiliate and vice versa includes:

1. A description of the nature of services in reasonable detail.
2. The annual charges by type of service (exclude all joint/common costs reported in Section VII).
3. The basis used to determine pricing.
4. In total, for each affiliated entity whether receiving or providing services:
 - A. Total charges or billings.
 - B. The cost of providing service, including applicable taxes.
 - C. The margin of charges over costs.
 - D. Assets allocable to the services.
 - E. The achieved rate of return on assets.
 - F. The accounts charged.

Affiliated Interest Transactions Summary ^(a)
For the Year Ended December 31, 2009

Requirements	BNSF Railway Company	Marmon Holdings, Inc.	Wells Fargo & Company
A. A description of the nature of services in reasonable detail:	Long-term coal transportation contracts and right-of-way fees	Certain Marmon Holdings, Inc. affiliates provide equipment parts and repairs to PacifiCorp	Financial services including commodity swaps and banking services
B. The annual charges by type of service (exclude all joint/common costs reported in Section VII)			
PacifiCorp Received Services	\$29,090,996	\$54,528	\$41,676,948
PacifiCorp Provided Services	None	None	None
C. The basis used to determine pricing:			
PacifiCorp Received Services	(b)	(c)	(d)
PacifiCorp Provided Services	None	None	None
D. In total for each affiliated entity whether receiving or providing services, show:			
Receiving Services:			
1. Total charges or billings	\$29,090,996	\$54,528	\$41,676,948
2. Cost of providing service, incl. tax	(b)	(c)	(d)
3. The margin of charges over costs	(b)	(c)	(d)
4. Assets allocable to the services	(b)	(c)	(d)
5. Achieved rate of return on assets	(b)	(c)	(d)
6. Account charged	Refer to detail under separate tab	Refer to detail under separate tab	Refer to detail under separate tab
Providing Services:			
1. Total charges or billings	N/A	N/A	N/A
2. Cost of providing service, incl. tax	N/A	N/A	N/A
3. The margin of charges over costs	N/A	N/A	N/A
4. Assets allocable to the services	N/A	N/A	N/A
5. Achieved rate of return on assets	N/A	N/A	N/A
6. Account charged	N/A	N/A	N/A
Allocation	Refer to detail under separate tab	Refer to detail under separate tab	Refer to detail under separate tab

- (a) Detailed financial information for each affiliated company is included following this summary.
- (b) Coal transportation services are priced at Surface Transportation Board-approved tariff rates under long-term contracts. Right-of-way fees are based on factors such as square footage.
- (c) Transactions with Marmon Holdings, Inc. affiliates are provided to PacifiCorp in the normal course of business, at standard pricing.
- (d) Wells Fargo & Company provides financial services to PacifiCorp in the normal course of business at standard pricing.

Affiliated Interest Transactions Summary ^(a)
For the Year Ended December 31, 2009

Requirements	Nalco Holding Company	NetJets Inc.	Constellation Energy Group, Inc.
A. A description of the nature of services in reasonable detail:	Water treatment services	Administrative services	Wholesale energy purchases and sales and transmission services
B. The annual charges by type of service (exclude all joint/common costs reported in Section VII)			
PacifiCorp Received Services	\$3,848,332	None	\$11,382,516
PacifiCorp Provided Services	None	\$27,359	\$2,859,985
C. The basis used to determine pricing:			
PacifiCorp Received Services	(b)	None	(d)
PacifiCorp Provided Services	None	(c)	(d)
D. In total for each affiliated entity whether receiving or providing services, show:			
Receiving Services:			
1. Total charges or billings	\$3,848,332	N/A	\$11,382,516
2. Cost of providing service, incl. tax	(b)	N/A	(d)
3. The margin of charges over costs	(b)	N/A	(d)
4. Assets allocable to the services	(b)	N/A	(d)
5. Achieved rate of return on assets	(b)	N/A	(d)
6. Account charged	Refer to detail under separate tab	N/A	Refer to detail under separate tab
Providing Services:			
1. Total charges or billings	N/A	\$27,359	\$2,859,985
2. Cost of providing service, incl. tax	N/A	(c)	(d)
3. The margin of charges over costs	N/A	(c)	(d)
4. Assets allocable to the services	N/A	(c)	(d)
5. Achieved rate of return on assets	N/A	(c)	(d)
6. Account charged	N/A	(c)	Refer to detail under separate tab
Allocation	Refer to detail under separate tab	Refer to detail under separate tab	Refer to detail under separate tab

- (a) Detailed financial information for each affiliated company is included following this summary.
- (b) Nalco Holding Company provides goods and services to PacifiCorp in the normal course of business at standard pricing.
- (c) During the year ended December 31, 2009, PacifiCorp provided services to NetJets Inc. at PacifiCorp's cost. Subsequent to December 31, 2009, PacifiCorp billed an additional \$1,226 representing the profit on services provided to NetJets Inc. during the year ended December 31, 2009.
- (d) Wholesale energy purchases and sales and transmission services are priced at FERC-approved market rates. Also refer to Section VII for discussion of transactions between PacifiCorp and MEHC and its subsidiaries and its unconsolidated investments, pursuant to the Intercompany Administrative Services Agreement. This report includes Constellation Energy Group, Inc. activity between January 1, 2009 and May 31, 2009. Constellation Energy Group, Inc. ceased being a PacifiCorp affiliate on June 1, 2009.

Affiliated Interest Transactions Summary ^(a)
For the Year Ended December 31, 2009

Requirements	MidAmerican Energy Holdings Company	HomeServices of America, Inc.	Kern River Gas Transmission Company
A. A description of the nature of services in reasonable detail:	Management and administrative services	Residential real estate brokerage and relocation services to PacifiCorp employees	Natural gas transportation services
B. The annual charges by type of service (exclude all joint/common costs reported in Section VII)			
PacifiCorp Received Services	\$9,000,000 (b)	\$(786,589)	\$3,310,174
PacifiCorp Provided Services	\$1,380,059 (b)	None	None
C. The basis used to determine pricing:			
PacifiCorp Received Services	(b)	(c)	(d)
PacifiCorp Provided Services	(b)	None	(b)
D. In total for each affiliated entity whether receiving or providing services, show:			
Receiving Services:			
1. Total charges or billings	\$9,000,000 (b)	\$(786,589) (c)	\$3,310,174
2. Cost of providing service, incl. tax	\$9,000,000 (b)	(c)	(d)
3. The margin of charges over costs	None	(c)	(d)
4. Assets allocable to the services	None	(c)	(d)
5. Achieved rate of return on assets	None	(c)	(d)
6. Account charged	Refer to detail under separate tab	Refer to detail under separate tab	Refer to detail under separate tab
Providing Services:			
1. Total charges or billings	\$1,380,059 (b)	N/A	(b)
2. Cost of providing service, incl. tax	\$1,380,059 (b)	N/A	(b)
3. The margin of charges over costs	None	N/A	N/A
4. Assets allocable to the services	None	N/A	N/A
5. Achieved rate of return on assets	None	N/A	N/A
6. Account charged	Refer to detail under separate tab	N/A	N/A
Allocation	Refer to detail under separate tab	Refer to detail under separate tab	Refer to detail under separate tab

- (a) Detailed financial information for each affiliated company is included following this summary.
- (b) Refer to Section VII for further discussion of transactions between PacifiCorp and MEHC and its subsidiaries and its unconsolidated investments, pursuant to the Intercompany Administrative Services Agreement.
- (c) As discussed in the application requesting approval of the relocation services contract with HomeServices of America, Inc. filed with the Oregon Public Utility Commission (the "OPUC") on April 3, 2007, Docket No. UI 264, 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. The OPUC approved this application on June 11, 2007, Order No. 07-269.
- (d) Gas transportation services are priced at tariffs established by the FERC.

Affiliated Interest Transactions Summary ^(a)
For the Year Ended December 31, 2009

Requirements	MEHC Insurance Services Ltd.	PPW Holdings LLC	PacifiCorp Foundation
A. A description of the nature of services in reasonable detail:	Captive insurance covering significant portions of property damage and liability insurance deductibles for PacifiCorp	Holding company for PacifiCorp	Administrative services
B. The annual charges by type of service (exclude all joint/common costs reported in Section VII)			
PacifiCorp Received Services	\$7,161,477 (b)	None (c)	None
PacifiCorp Provided Services	None	None (c)	\$173,553
C. The basis used to determine pricing:			
PacifiCorp Received Services	Premium amounts are established based on a combination of actuarial assessments and market rates to cover loss claims, administrative expenses and appropriate reserves but as a result of regulatory commitments are capped through December 31, 2010.	None (c)	None
PacifiCorp Provided Services	None	None (c)	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.
D. In total for each affiliated entity whether receiving or providing services, show:			
Receiving Services:			
1. Total charges or billings	\$7,161,477 (b)	None (c)	N/A
2. Cost of providing service, incl. tax	Refer to financial statements	None (c)	N/A
3. The margin of charges over costs	Refer to financial statements	N/A	N/A
4. Assets allocable to the services	None	N/A	N/A
5. Achieved rate of return on assets	None	N/A	N/A
6. Account charged	Refer to detail under separate tab	N/A	N/A
Providing Services:			
1. Total charges or billings	N/A	None (c)	\$173,553
2. Cost of providing service, incl. tax	N/A	None (c)	\$173,553
3. The margin of charges over costs	N/A	N/A	None
4. Assets allocable to the services	N/A	N/A	None
5. Achieved rate of return on assets	N/A	N/A	None
6. Account charged	N/A	N/A	Refer to detail under separate tab
Allocation	Refer to detail under separate tab	Refer to detail under separate tab	Refer to detail under separate tab

- (a) Detailed financial information for each affiliated company is included following this summary.
- (b) At December 31, 2009, PacifiCorp had prepaid \$1,195,867 and \$340,311 for captive property and captive liability insurance, respectively. The \$7,161,477 in services received represents prepaid amounts amortized to expense during the year ended December 31, 2009. PacifiCorp had \$9,816,403 in claims receivable at year end reflecting \$20,017,575 of claims made and \$16,704,230 of payments received during the year ended December 31, 2009.
- (c) Refer to Section V for a discussion of income-tax related transactions between PacifiCorp and PPW Holdings LLC. Refer to Section VII for further discussion of transactions between PacifiCorp and MEHC and its subsidiaries and its unconsolidated investments, pursuant to the Intercompany Administrative Services Agreement.

Affiliated Interest Transactions Summary ^(a)
For the Year Ended December 31, 2009

Requirements	Energy West Mining Company	Interwest Mining Company	PacifiCorp Environmental Remediation Company
A. A description of the nature of services in reasonable detail:	Energy West Mining Company provides coal from company-owned mines in Emery County, Utah to the Huntington, Hunter and Carbon power plants. PacifiCorp provides management and administrative services to Energy West Mining Company.	Interwest Mining Company provides PacifiCorp with technical, management and administrative services. PacifiCorp provides management and administrative services to Interwest Mining Company.	Administrative services
B. The annual charges by type of service (exclude all joint/common costs reported in Section VII)			
PacifiCorp Received Services	\$103,431,321	\$17,402	None
PacifiCorp Provided Services	\$357,370	\$614,648	\$234,026
C. The basis used to determine pricing:			
PacifiCorp Received Services	Charges are based on actual and reasonable costs incurred by Energy West Mining Company in mining. No profit is allowed.	Interwest Mining Company charges are based on labor, benefits and operational cost. No profit is allowed.	None
PacifiCorp Provided Services	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.	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.	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.
D. In total for each affiliated entity whether receiving or providing services, show:			
Receiving Services:			
1. Total charges or billings	\$103,431,321	\$17,402	N/A
2. Cost of providing service, incl. tax	\$103,431,321	\$17,402	N/A
3. The margin of charges over costs	None	None	N/A
4. Assets allocable to the services	None	None	N/A
5. Achieved rate of return on assets	None	None	N/A
6. Account charged	Refer to detail under separate tab	Refer to detail under separate tab	N/A
Providing Services:			
1. Total charges or billings	\$357,370	\$614,648	\$234,026
2. Cost of providing service, incl. tax	\$357,370	\$614,648	\$234,026
3. The margin of charges over costs	None	None	None
4. Assets allocable to the services	None	None	None
5. Achieved rate of return on assets	None	None	None
6. Account charged	Refer to detail under separate tab	Refer to detail under separate tab	Refer to detail under separate tab
Allocation	Refer to detail under separate tab	Refer to detail under separate tab	Refer to detail under separate tab

(a) Detailed financial information for each affiliated company is included following this summary.

Affiliated Interest Transactions Summary ^(a)
For the Year Ended December 31, 2009

Requirements	Pacific Minerals, Inc. / Bridger Coal Company	Trapper Mining, Inc.	Huntington Cleveland Irrigation Company ("HCIC")
A. A description of the nature of services in reasonable detail:	Bridger Coal Company provides coal from the Bridger mine to the Jim Bridger power plant. PacifiCorp provides management and administrative services to Pacific Minerals, Inc. / Bridger Coal Company	Trapper Mining, Inc. holds PacifiCorp's interest in the Trapper coal mine that supplies coal to the Craig power plant	Provides access to water for PacifiCorp's Huntington plant
B. The annual charges by type of service (exclude all joint/common costs reported in Section VII)			
PacifiCorp Received Services	\$116,391,789 (b)	\$9,944,629	\$95,926 (c)
PacifiCorp Provided Services	\$3,621,756	None	None
C. The basis used to determine pricing:			
PacifiCorp Received Services	Coal delivered is recorded on PacifiCorp's books at the affiliate's cost.	Coal delivered is recorded on PacifiCorp's books at the affiliate's cost.	Under section 501(c)12 of the Internal Revenue Code, HCIC operates at cost which means it must allocate the excess of revenues over expenses among its members.
PacifiCorp Provided Services	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.	None	None
D. In total for each affiliated entity whether receiving or providing services, show:			
Receiving Services:			
1. Total charges or billings	\$116,391,789	\$9,944,629	\$95,926 (c)
2. Cost of providing service, incl. tax	\$116,391,789	\$9,944,629	\$95,926 (c)
3. The margin of charges over costs	None	None	None
4. Assets allocable to the services	None	None	None
5. Achieved rate of return on assets	None	None	None
6. Account charged	Refer to detail under separate tab	Refer to detail under separate tab	Refer to detail under separate tab
Providing Services:			
1. Total charges or billings	\$3,621,756	N/A	N/A
2. Cost of providing service, incl. tax	\$3,621,756	N/A	N/A
3. The margin of charges over costs	None	N/A	N/A
4. Assets allocable to the services	None	N/A	N/A
5. Achieved rate of return on assets	None	N/A	N/A
6. Account charged	Refer to detail under separate tab	N/A	N/A
Allocation	Refer to detail under separate tab	Refer to detail under separate tab	Refer to detail under separate tab

(a) Detailed financial information for each affiliated company is included following this summary.

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

(c) During the year ended December 31, 2009, PacifiCorp incurred \$95,926 in annual assessment and canal pump maintenance expenses, of which \$23,565 was recorded as a prepaid expense at December 31, 2009, and paid \$4,826,729 of capital costs associated with the water supply project. At December 31, 2009, PacifiCorp's balance sheet reflected the following assets: for the water supply project (amounts include capitalized interest and capital surcharge), \$15,168,012 recorded as plant in service and \$4,953,348 recorded as construction work in progress; for the water rights, \$1,471,639 recorded as plant in service.

BNSF Railway Company
Affiliated Transactions
For the Year Ended December 31, 2009

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Coal freight services	\$ 29,066,124	\$ -
Right-of-way fees	<u>24,872</u>	<u>-</u>
Total	<u><u>\$ 29,090,996</u></u>	<u><u>\$ -</u></u>

For further information on the following financial statements, refer to www.sec.gov.

BNSF Railway Company and Subsidiaries

Consolidated Statements of Income

In millions

Year ended December 31,	2009	2008	2007
Revenues	\$ 13,848	\$ 17,787	\$ 15,610
Operating expenses:			
Compensation and benefits	3,458	3,859	3,754
Fuel	2,372	4,640	3,327
Purchased services	1,859	2,074	1,995
Depreciation and amortization	1,534	1,395	1,292
Equipment rents	777	901	942
Materials and other	640	1,022	790
Total operating expenses	10,640	13,891	12,100
Operating income	3,208	3,896	3,510
Interest expense	124	97	87
Interest income, related parties	(3)	(19)	(191)
Other expense, net	6	18	31
Income before income taxes	3,081	3,800	3,583
Income tax expense	1,067	1,438	1,384
Net income	\$ 2,014	\$ 2,362	\$ 2,199

See accompanying Notes to Consolidated Financial Statements.

BNSF Railway Company and Subsidiaries

Consolidated Balance Sheets

Dollars in millions

December 31,	2009	2008
Assets		
Current assets:		
Cash and cash equivalents	\$ 20	\$ 209
Accounts receivable, net	810	873
Materials and supplies	632	524
Current portion of deferred income taxes	282	434
Other current assets	375	337
Total current assets	2,119	2,377
Property and equipment, net of accumulated depreciation of \$10,731 and \$9,908, respectively	32,278	30,838
Other assets	3,193	2,910
Total assets	\$ 37,590	\$ 36,125
Liabilities and Stockholder's Equity		
Current liabilities:		
Accounts payable and other current liabilities	\$ 2,548	\$ 3,114
Long-term debt due within one year	335	254
Total current liabilities	2,883	3,368
Long-term debt	2,118	1,821
Deferred income taxes	9,360	8,672
Casualty and environmental liabilities	899	959
Pension and retiree health and welfare liability	783	1,047
Other liabilities	1,799	1,892
Total liabilities	17,842	17,759
Commitments and contingencies (see Notes 3, 9 and 10)		
Stockholder's equity:		
Common stock, \$1 par value, 1,000 shares authorized; issued and outstanding and paid-in-capital	6,331	6,331
Retained earnings	14,866	12,852
Intercompany notes receivable	(948)	(6)
Accumulated other comprehensive loss	(501)	(811)
Total stockholder's equity	19,748	18,366
Total liabilities and stockholder's equity	\$ 37,590	\$ 36,125

See accompanying Notes to Consolidated Financial Statements.

Marmon Holdings, Inc.
Affiliated Transactions
For the Year Ended December 31, 2009

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Equipment parts and repairs	\$ 54,528	\$ -
Total	<u>\$ 54,528</u>	<u>\$ -</u>

Marmon Holdings, Inc.

Marmon Holdings, Inc. is not a public company and its financial statements are not available.

Wells Fargo & Company
Affiliated Transactions
For the Year Ended December 31, 2009

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Natural gas swaps ^(a)	\$ 40,694,920	\$ -
Banking fees	1,155,034	-
Interest earned ^(c)	<u>(173,006)</u>	<u>-</u>
Total	<u><u>\$ 41,676,948</u></u>	<u><u>\$ -</u></u>

(a) Represents the financial impact realized on natural gas swaps during the year ended December 31, 2009. In conjunction with these swap arrangements, PacifiCorp had posted \$19,000,000 of collateral at Wells Fargo at December 31, 2009. Please refer to further discussion below.

(c) Represents interest earned on money market investments made during the year ended December 31, 2009, as well as interest earned on collateral posted during the year ended December 31, 2009 in conjunction with the natural gas swaps discussed in (a) above.

For further information on the following financial statements, refer to www.sec.gov.

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 derivatives, including forwards, futures, 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, 2009.

Financial Statements

Wells Fargo & Company and Subsidiaries

Consolidated Statement of Income

	Year ended December 31,		
(in millions, except per share amounts)	2009	2008	2007
Interest income			
Trading assets	\$ 918	177	173
Securities available for sale	11,319	5,287	3,451
Mortgages held for sale	1,930	1,573	2,150
Loans held for sale	183	48	70
Loans	41,589	27,632	29,040
Other interest income	335	181	293
Total interest income	56,274	34,898	35,177
Interest expense			
Deposits	3,774	4,521	8,152
Short-term borrowings	222	1,478	1,245
Long-term debt	5,782	3,756	4,806
Other interest expense	172	—	—
Total interest expense	9,950	9,755	14,203
Net interest income	46,324	25,143	20,974
Provision for credit losses	21,668	15,979	4,939
Net interest income after provision for credit losses	24,656	9,164	16,035
Noninterest income			
Service charges on deposit accounts	5,741	3,190	3,050
Trust and investment fees	9,735	2,924	3,149
Card fees	3,683	2,336	2,136
Other fees	3,804	2,097	2,292
Mortgage banking	12,028	2,525	3,133
Insurance	2,126	1,830	1,530
Net gains from trading activities	2,674	275	544
Net gains (losses) on debt securities available for sale (includes impairment losses of \$1,012, consisting of \$2,352 of total other-than-temporary impairment losses, net of \$1,340 recognized in other comprehensive income, for the year ended December 31, 2009)	(127)	1,037	209
Net gains (losses) from equity investments (includes impairment losses of \$655 for the year ended December 31, 2009)	185	(757)	864
Operating leases	685	427	703
Other	1,828	850	936
Total noninterest income	42,362	16,734	18,546
Noninterest expense			
Salaries	13,757	8,260	7,762
Commission and incentive compensation	8,021	2,676	3,284
Employee benefits	4,689	2,004	2,322
Equipment	2,506	1,357	1,294
Net occupancy	3,127	1,619	1,545
Core deposit and other intangibles	2,577	186	158
FDIC and other deposit assessments	1,849	120	34
Other	12,494	6,376	6,347
Total noninterest expense	49,020	22,598	22,746
Income before income tax expense	17,998	3,300	11,835
Income tax expense	5,331	602	3,570
Net income before noncontrolling interests	12,667	2,698	8,265
Less: Net income from noncontrolling interests	392	43	208
Wells Fargo net income	\$ 12,275	2,655	8,057
Wells Fargo net income applicable to common stock	\$ 7,990	2,369	8,057
Per share information			
Earnings per common share	\$ 1.76	0.70	2.41
Diluted earnings per common share	1.75	0.70	2.38
Dividends declared per common share	0.49	1.30	1.18
Average common shares outstanding	4,545.2	3,378.1	3,348.5
Diluted average common shares outstanding	4,562.7	3,391.3	3,382.8

The accompanying notes are an integral part of these statements.

Consolidated Balance Sheet

	December 31,	
(in millions, except shares)	2009	2008
Assets		
Cash and due from banks	\$ 27,080	23,763
Federal funds sold, securities purchased under resale agreements and other short-term investments	40,885	49,433
Trading assets	43,039	54,884
Securities available for sale	172,710	151,569
Mortgages held for sale (includes \$36,962 and \$18,754 carried at fair value)	39,094	20,088
Loans held for sale (includes \$149 and \$398 carried at fair value)	5,733	6,228
Loans	782,770	864,830
Allowance for loan losses	(24,516)	(21,013)
Net loans	758,254	843,817
Mortgage servicing rights:		
Measured at fair value (residential MSRs)	16,004	14,714
Amortized	1,119	1,446
Premises and equipment, net	10,736	11,269
Goodwill	24,812	22,627
Other assets	104,180	109,801
Total assets	\$1,243,646	1,309,639
Liabilities		
Noninterest-bearing deposits	\$ 181,356	150,837
Interest-bearing deposits	642,662	630,565
Total deposits	824,018	781,402
Short-term borrowings	38,966	108,074
Accrued expenses and other liabilities	62,442	50,689
Long-term debt	203,861	267,158
Total liabilities	1,129,287	1,207,323
Equity		
Wells Fargo stockholders' equity:		
Preferred stock	8,485	31,332
Common stock – \$1 ² / ₃ par value, authorized 6,000,000,000 shares; issued 5,245,971,422 shares and 4,363,921,429 shares	8,743	7,273
Additional paid-in capital	52,878	36,026
Retained earnings	41,563	36,543
Cumulative other comprehensive income (loss)	3,009	(6,869)
Treasury stock – 67,346,829 shares and 135,290,540 shares	(2,450)	(4,666)
Unearned ESOP shares	(442)	(555)
Total Wells Fargo stockholders' equity	111,786	99,084
Noncontrolling interests	2,573	3,232
Total equity	114,359	102,316
Total liabilities and equity	\$1,243,646	1,309,639

The accompanying notes are an integral part of these statements.

Nalco Holding Company
Affiliated Transactions
For the Year Ended December 31, 2009

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Water treatment services	\$ <u>3,848,332</u>	\$ <u>-</u>
Total	\$ <u>3,848,332</u>	\$ <u>-</u>

For further information on the following financial statements, refer to www.sec.gov.

Table of Contents**Nalco Holding Company and Subsidiaries**
Consolidated Balance Sheets
(dollars in millions)

	December 31, 2009	December 31, 2008
Assets		
Current assets:		
Cash and cash equivalents	\$ 127.6	\$ 61.8
Trade accounts receivable, less allowances of \$17.8 and \$23.8 in 2009 and 2008, respectively	681.2	774.0
Inventories	313.8	411.8
Deferred income taxes	25.6	25.7
Prepaid expenses, taxes and other current assets	96.6	114.4
Total current assets	1,244.8	1,387.7
Property, plant, and equipment, net	678.1	703.7
Goodwill	1,800.0	1,700.1
Other intangible assets, net	1,055.9	1,076.4
Deferred financing costs	60.9	24.4
Receivable from former shareholder	—	3.4
Other noncurrent assets	125.1	146.3
Total assets	<u>\$ 4,964.8</u>	<u>\$ 5,042.0</u>
Liabilities and equity		
Current liabilities:		
Accounts payable	\$ 315.4	\$ 299.2
Accrued expenses	192.6	199.2
Accrued compensation	139.0	110.2
Short-term debt	229.8	93.8
Income taxes	49.0	32.5
Total current liabilities	925.8	734.9
Long-term debt	2,714.3	3,129.6
Deferred income taxes	202.9	258.8
Accrued pension benefits	418.1	322.2
Other liabilities	212.1	183.8
Equity:		
Nalco Holding Company shareholders' equity:		
Common stock	1.4	1.4
Additional paid-in capital	776.1	764.5
Treasury stock	(211.3)	(211.3)
Accumulated deficit	(227.8)	(268.8)
Accumulated other comprehensive income	133.2	107.5
Nalco Holding Company shareholders' equity	471.6	393.3
Noncontrolling interests	20.0	19.4
Total equity	491.6	412.7
Total liabilities and equity	<u>\$ 4,964.8</u>	<u>\$ 5,042.0</u>

See notes to consolidated financial statements.

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Nalco Holding Company and Subsidiaries
Consolidated Statements of Operations
(dollars in millions, except per share amounts)

	Year ended December 31		
	2009	2008	2007
Net sales	\$ 3,746.8	\$ 4,212.4	\$ 3,912.5
Operating costs and expenses:			
Cost of product sold	2,037.0	2,378.3	2,152.8
Selling, administrative and research expenses	1,210.2	1,250.0	1,206.1
Amortization of intangible assets	47.9	56.8	62.1
Restructuring expenses	47.8	33.4	15.3
Gain on divestiture	—	(38.1)	—
Impairment of goodwill	—	544.2	—
Total operating costs and expenses	3,342.9	4,224.6	3,436.3
Operating earnings (loss)	403.9	(12.2)	476.2
Other income (expense), net	(17.6)	(17.4)	(4.8)
Interest income	3.9	8.3	9.1
Interest expense	(254.5)	(258.8)	(274.0)
Earnings (loss) before income taxes	135.7	(280.1)	206.5
Income tax provision	67.8	54.5	69.3
Net earnings (loss)	67.9	(334.6)	137.2
Less: Net earnings attributable to noncontrolling interests	7.4	8.0	8.2
Net earnings (loss) attributable to Nalco Holding Company	\$ 60.5	\$ (342.6)	\$ 129.0
Net earnings (loss) per share attributable to Nalco Holding Company common shareholders:			
Basic	\$ 0.44	\$ (2.44)	\$ 0.90
Diluted	\$ 0.44	\$ (2.44)	\$ 0.88
Weighted-average shares outstanding (millions):			
Basic	138.2	140.1	143.2
Diluted	138.6	140.1	146.7

See notes to consolidated financial statements.

NetJets Inc.
Affiliated Transactions
For the Year Ended December 31, 2009

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative support services	\$ -	\$ 27,359
Total	<u>\$ -</u>	<u>\$ 27,359</u>

NetJets Inc.

NetJets Inc. is not a public company and its financial statements are not available.

Constellation Energy Group, Inc.
Affiliated Transactions
For the Year Ended December 31, 2009

<u>Account Description</u>	<u>PacifiCorp Received Services ^(b)</u>	<u>PacifiCorp Provided Services ^(b)</u>
Wholesale energy purchases ^(a)	\$ 11,382,516	\$ -
Wholesale energy sales	-	2,450,770
Transmission sales	<u>-</u>	<u>409,215</u>
Total	<u><u>\$ 11,382,516</u></u>	<u><u>\$ 2,859,985</u></u>

(a) Wholesale energy purchases include purchases from Constellation Energy Group, Inc., as well as the purchase of 100% of the output from the Sunnyside coal-fired generating facility that is 50% owned by Constellation Energy Group, Inc. As of December 31, 2009, PacifiCorp accounted for the minimum required purchases under this agreement as a capital lease.

(b) Includes activity between January 1, 2009 and May 31, 2009. Constellation Energy Group, Inc. ceased being a PacifiCorp affiliate on June 1, 2009.

For further information on the following financial statements, refer to www.sec.gov.

CONSOLIDATED STATEMENTS OF INCOME (LOSS)

Constellation Energy Group, Inc. and Subsidiaries

<i>Year Ended December 31,</i>	2009	2008	2007
	<i>(In millions, except per share amounts)</i>		
Revenues			
Nonregulated revenues	\$12,024.3	\$16,057.6	\$17,786.5
Regulated electric revenues	2,820.7	2,679.5	2,455.6
Regulated gas revenues	753.8	1,004.8	943.0
Total revenues	15,598.8	19,741.9	21,185.1
Expenses			
Fuel and purchased energy expenses	11,135.6	15,521.3	16,473.9
Operating expenses	2,228.0	2,378.8	2,447.4
Merger termination and strategic alternatives costs	145.8	1,204.4	—
Impairment losses and other costs	124.7	741.8	20.2
Workforce reduction costs	12.6	22.2	2.3
Depreciation, depletion, and amortization	589.1	583.2	557.8
Accretion of asset retirement obligations	62.3	68.4	68.3
Taxes other than income taxes	290.4	301.8	288.9
Total expenses	14,588.5	20,821.9	19,858.8
Equity Investment (Losses) Earnings	(6.1)	76.4	8.1
Gain on Sale of Interest in CENG	7,445.6	—	—
Net (Loss) Gain on Divestitures	(468.8)	25.5	—
Income (Loss) from Operations	7,981.0	(978.1)	1,334.4
Gain on Sales of CEP LLC Equity	—	—	63.3
Other (Expense) Income	(140.7)	(69.5)	157.4
Fixed Charges			
Interest expense	437.2	399.1	311.8
Interest capitalized and allowance for borrowed funds used during construction	(87.1)	(50.0)	(19.4)
Total fixed charges	350.1	349.1	292.4
Income (Loss) from Continuing Operations Before Income Taxes	7,490.2	(1,396.7)	1,262.7
Income Tax Expense (Benefit)	2,986.8	(78.3)	428.3
Income (Loss) from Continuing Operations	4,503.4	(1,318.4)	834.4
Loss from discontinued operations, net of income taxes of \$1.5	—	—	(0.9)
Net Income (Loss)	4,503.4	(1,318.4)	833.5
Net Income (Loss) Attributable to Noncontrolling Interests and BGE			
Preference Stock Dividends	60.0	(4.0)	12.0
Net Income (Loss) Attributable to Common Stock	\$ 4,443.4	\$ (1,314.4)	\$ 821.5
Average Shares of Common Stock Outstanding—Basic	199.3	179.1	180.2
Average Shares of Common Stock Outstanding—Diluted	200.3	179.1	182.5
Earnings (Loss) Per Common Share from Continuing Operations—Basic	\$ 22.29	\$ (7.34)	\$ 4.56
Loss from discontinued operations	—	—	(0.01)
Earnings (Loss) Per Common Share—Basic	\$ 22.29	\$ (7.34)	\$ 4.55
Earnings (Loss) Per Common Share from Continuing Operations—Diluted	\$ 22.19	\$ (7.34)	\$ 4.51
Loss from discontinued operations	—	—	(0.01)
Earnings (Loss) Per Common Share—Diluted	\$ 22.19	\$ (7.34)	\$ 4.50
Dividends Declared Per Common Share	\$ 0.96	\$ 1.91	\$ 1.74

See Notes to Consolidated Financial Statements.

Certain prior-period amounts have been reclassified to conform with the current year's presentation.

CONSOLIDATED BALANCE SHEETS**Constellation Energy Group, Inc. and Subsidiaries**

<i>At December 31,</i>	2009	2008
	<i>(In millions)</i>	
Assets		
Current Assets		
Cash and cash equivalents	\$ 3,440.0	\$ 202.2
Accounts receivable (net of allowance for uncollectibles of \$160.6 and \$240.6, respectively)	2,137.6	3,389.9
Fuel stocks	314.9	717.9
Materials and supplies	93.3	224.5
Derivative assets	639.1	1,465.0
Unamortized energy contract assets (includes \$371.3 million related to CENG)	436.5	81.3
Restricted cash	27.0	1,030.5
Deferred income taxes	127.9	268.0
Other	244.4	815.5
Total current assets	7,460.7	8,194.8
Investments and Other Noncurrent Assets		
Nuclear decommissioning trust funds	—	1,006.3
Investment in CENG	5,222.9	—
Other investments	424.3	421.0
Regulatory assets (net)	414.4	494.7
Goodwill	25.5	4.6
Derivative assets	633.9	851.8
Unamortized energy contract assets (includes \$400.9 million related to CENG)	604.7	173.1
Other	304.2	421.3
Total investments and other noncurrent assets	7,629.9	3,372.8
Property, Plant and Equipment		
Nonregulated property, plant and equipment	5,784.6	8,866.2
Regulated property, plant and equipment	6,749.9	6,419.4
Nuclear fuel (net of amortization)	—	443.0
Accumulated depreciation	(4,080.7)	(5,012.1)
Net property, plant and equipment	8,453.8	10,716.5
Total Assets	\$23,544.4	\$22,284.1

See Notes to Consolidated Financial Statements.

Certain prior-year amounts have been reclassified to conform with the current year's presentation.

CONSOLIDATED BALANCE SHEETS*Constellation Energy Group, Inc. and Subsidiaries*

<i>At December 31,</i>	2009	2008
	<i>(In millions)</i>	
Liabilities and Equity		
Current Liabilities		
Short-term borrowings	\$ 46.0	\$ 855.7
Current portion of long-term debt	56.9	2,591.5
Accounts payable and accrued liabilities	1,262.4	2,370.1
Customer deposits and collateral	103.3	120.3
Derivative liabilities	632.6	1,241.8
Unamortized energy contract liabilities	390.1	393.5
Accrued taxes	877.3	51.1
Accrued expenses	297.9	322.0
Other	374.2	514.2
Total current liabilities	4,040.7	8,460.2
Deferred Credits and Other Noncurrent Liabilities		
Deferred income taxes	3,205.5	677.0
Asset retirement obligations	29.3	987.3
Derivative liabilities	674.1	1,115.0
Unamortized energy contract liabilities	653.7	906.4
Defined benefit obligations	743.9	1,354.3
Deferred investment tax credits	32.0	44.1
Other	388.8	249.6
Total deferred credits and other noncurrent liabilities	5,727.3	5,333.7
Long-term Debt, Net of Current Portion	4,814.0	5,098.7
Equity		
Common shareholders' equity	8,697.1	3,181.4
BGE preference stock not subject to mandatory redemption	190.0	190.0
Noncontrolling interests	75.3	20.1
Total equity	8,962.4	3,391.5

Commitments, Guarantees, and Contingencies (see Note 12)

Total Liabilities and Equity	\$23,544.4	\$22,284.1
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*See Notes to Consolidated Financial Statements.**Certain prior-year amounts have been reclassified to conform with the current year's presentation.*

MidAmerican Energy Holdings Company
Affiliated Transactions
For the Year Ended December 31, 2009

<u>Account Description</u>	<u>PacifiCorp Received Services ^(a)</u>	<u>PacifiCorp Provided Services ^(b)</u>
MEHC management fee pursuant to the Intercompany Administrative Services Agreement	\$ 9,000,000	\$ -
PacifiCorp administrative cross charges:		
Managerial and administrative support services	-	803,846
Other miscellaneous expenses	-	<u>576,213</u>
Total PacifiCorp administrative cross charges	<u>-</u>	<u>1,380,059</u>
Total	<u>\$ 9,000,000</u>	<u>\$ 1,380,059</u>

(a) Represents services received by PacifiCorp and its subsidiaries. Includes \$232,331 of capitalized amounts.

(b) Represents services provided by PacifiCorp and its subsidiaries. PacifiCorp bills MEHC for administrative cross charges for PacifiCorp's costs and those of its subsidiaries.

For further information on the following financial statements, refer to www.sec.gov.

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

	As of December 31,	
	2009	2008
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 429	\$ 280
Trade receivables, net	1,308	1,310
Inventories	591	566
Derivative contracts	136	227
Investments and restricted cash and investments	83	1,589
Other current assets	<u>546</u>	<u>445</u>
Total current assets	3,093	4,417
Property, plant and equipment, net	30,936	28,454
Goodwill	5,078	5,023
Investments and restricted cash and investments	2,702	624
Regulatory assets	2,093	2,156
Derivative contracts	52	97
Other assets	<u>730</u>	<u>670</u>
Total assets	<u>\$ 44,684</u>	<u>\$ 41,441</u>

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)

	<u>As of December 31,</u>	
	<u>2009</u>	<u>2008</u>
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 918	\$ 1,240
Accrued interest	344	340
Accrued property, income and other taxes	277	561
Derivative contracts	123	183
Short-term debt	179	836
Current portion of long-term debt	379	1,155
Other current liabilities	<u>683</u>	<u>578</u>
Total current liabilities	2,903	4,893
Regulatory liabilities	1,603	1,506
Derivative contracts	458	546
MEHC senior debt	5,371	5,121
MEHC subordinated debt	402	587
Subsidiary debt	13,600	12,533
Deferred income taxes	5,604	3,949
Other long-term liabilities	<u>1,900</u>	<u>1,829</u>
Total liabilities	<u>31,841</u>	<u>30,964</u>
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	5,453	5,455
Retained earnings	6,788	5,631
Accumulated other comprehensive income (loss), net	<u>335</u>	<u>(879)</u>
Total MEHC shareholders' equity	12,576	10,207
Noncontrolling interests	<u>267</u>	<u>270</u>
Total equity	<u>12,843</u>	<u>10,477</u>
Total liabilities and equity	<u>\$ 44,684</u>	<u>\$ 41,441</u>

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,		
	2009	2008	2007
Operating revenue:			
Energy	\$ 10,167	\$ 11,535	\$ 10,876
Real estate	<u>1,037</u>	<u>1,133</u>	<u>1,500</u>
Total operating revenue	<u>11,204</u>	<u>12,668</u>	<u>12,376</u>
Operating costs and expenses:			
Energy:			
Cost of sales	3,904	5,170	4,649
Operating expense	2,571	2,369	2,442
Depreciation and amortization	1,238	1,110	1,130
Real estate	<u>1,026</u>	<u>1,191</u>	<u>1,467</u>
Total operating costs and expenses	<u>8,739</u>	<u>9,840</u>	<u>9,688</u>
Operating income	<u>2,465</u>	<u>2,828</u>	<u>2,688</u>
Other income (expense):			
Interest expense	(1,275)	(1,333)	(1,320)
Capitalized interest	41	54	54
Interest and dividend income	38	75	105
Other, net	<u>146</u>	<u>1,188</u>	<u>112</u>
Total other income (expense)	<u>(1,050)</u>	<u>(16)</u>	<u>(1,049)</u>
Income before income tax expense and equity income	1,415	2,812	1,639
Income tax expense	282	982	456
Equity income	<u>(55)</u>	<u>(41)</u>	<u>(36)</u>
Net income	1,188	1,871	1,219
Net income attributable to noncontrolling interests	<u>31</u>	<u>21</u>	<u>30</u>
Net income attributable to MEHC	<u>\$ 1,157</u>	<u>\$ 1,850</u>	<u>\$ 1,189</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, 2009

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Moving and/or relocation services ^(a)	\$ <u>(786,589)</u>	\$ <u>-</u>
Total	\$ <u>(786,589)</u>	\$ <u>-</u>

(a) Includes adjustments to amounts accrued in prior years.

HOMESERVICES OF AMERICA, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands)

	As of December 31,	
	2009	2008
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 36,676	\$ 6,652
Commissions and other trade receivables, net	14,268	19,070
Amounts held in trust	64,249	80,698
Income tax receivable	1,552	15,027
Deferred income taxes	8,175	7,946
Other current assets	<u>9,755</u>	<u>13,924</u>
Total current assets	134,675	143,317
Property, plant and equipment, net	58,684	65,838
Goodwill	290,170	289,479
Trade name and other intangible assets, net	41,539	43,494
Equity investments	19,003	15,050
Other assets	<u>11,492</u>	<u>14,957</u>
Total assets	<u>\$ 555,563</u>	<u>\$ 572,135</u>

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

HOMESERVICES OF AMERICA, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (continued)
(In thousands, except share and per share amounts)

	As of December 31,	
	2009	2008
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts and commissions payable	\$ 9,003	\$ 13,703
Accrued expenses	33,150	29,629
Income taxes payable	5,375	-
Amounts held in trust	64,249	80,698
Accrued restructuring	9,385	14,434
Current portion of long-term debt	296	6,320
Other current liabilities	<u>11,725</u>	<u>12,491</u>
Total current liabilities	133,183	157,275
Agent profit sharing	16,358	18,510
Accrued restructuring	14,100	18,234
Long-term debt	445	733
Deferred income taxes	24,491	14,315
Other long-term liabilities	<u>29,666</u>	<u>30,909</u>
Total liabilities	<u>218,243</u>	<u>239,976</u>
Commitments and contingencies (Note 14)		
Equity:		
HomeServices shareholders' equity:		
Series A redeemable preferred stock, \$0.01 par value, 4,000 shares authorized; 2,000 shares issued and outstanding as of December 31, 2008	-	20,000
Common stock, \$0.01 par value, 38,000 shares authorized; 13,200 shares issued	-	-
Additional paid-in capital	134,425	133,427
Retained earnings	237,341	213,444
Accumulated other comprehensive loss, net	(247)	(417)
Less treasury stock, 1,950 common shares, at cost	<u>(34,693)</u>	<u>(34,693)</u>
Total HomeServices shareholders' equity	336,826	331,761
Noncontrolling interests	<u>494</u>	<u>398</u>
Total equity	<u>337,320</u>	<u>332,159</u>
Total liabilities and equity	<u>\$ 555,563</u>	<u>\$ 572,135</u>

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

HOMESERVICES OF AMERICA, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands)

	Years Ended December 31,	
	2009	2008
Operating revenue:		
Commission revenue	\$ 919,476	\$ 1,023,561
Title and escrow closing fees	68,683	63,648
Other	49,246	45,578
Total operating revenue	<u>1,037,405</u>	<u>1,132,787</u>
Operating costs and expenses:		
Commission expense	687,124	763,427
Salaries and employee benefits	159,559	171,371
Occupancy	69,091	82,735
Business promotion and advertising	28,423	41,314
Restructuring expenses	8,721	39,138
Depreciation and amortization	15,387	18,609
Amortization of pending real estate contracts and home listings	2,794	59
Other operating expense	55,611	73,715
Total operating costs and expenses	<u>1,026,710</u>	<u>1,190,368</u>
Equity earnings	<u>27,939</u>	<u>11,548</u>
Operating income (loss)	<u>38,634</u>	<u>(46,033)</u>
Other income (expense):		
Interest expense	(489)	(1,789)
Other, net	5,174	2,456
Total other income (expense)	<u>4,685</u>	<u>667</u>
Income (loss) before income tax expense (benefit)	43,319	(45,366)
Income tax expense (benefit)	<u>16,723</u>	<u>(20,265)</u>
Net income (loss)	26,596	(25,101)
Net income attributable to noncontrolling interests	<u>1,142</u>	<u>892</u>
Net income (loss) attributable to HomeServices	25,454	(25,993)
Preferred dividend	<u>1,557</u>	<u>-</u>
Earnings (loss) available to HomeServices common shareholders	<u>\$ 23,897</u>	<u>\$ (25,933)</u>

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

Kern River Gas Transmission Company
Affiliated Transactions
For the Year Ended December 31, 2009

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Natural gas transportation services	\$ 3,310,174	\$ -
Total	<u>\$ 3,310,174</u>	<u>\$ -</u>

KERN RIVER GAS TRANSMISSION COMPANY
BALANCE SHEETS – REGULATORY BASIS
(Amounts in thousands)

	As of December 31,	
	2009	2008
ASSETS		
Utility plant, net	\$ 1,622,773	\$ 1,606,757
Other property and investments	2,022	1,254
Current and accrued assets:		
Cash and cash equivalents	27,636	17,924
Trade receivables	34,308	35,704
Transportation and exchange gas receivables	1,933	3,437
Inventories	7,962	6,816
Other current and accrued assets	2,212	1,955
Total current and accrued assets	74,051	65,836
Deferred debits:		
Deferred income taxes	33,770	19,269
Regulatory assets	116,510	132,635
Other deferred debits	17,005	21,892
Total assets	\$ 1,866,131	\$ 1,847,643
PARTNERS' CAPITAL AND LIABILITIES		
Partners' capital:		
Contributed capital	\$ 783,871	\$ 783,871
Retained deficit	(215,592)	(185,024)
Accumulated other comprehensive income, net	97	-
Total partners' capital	568,376	598,847
Long-term debt - notes payable to subsidiary – less current portion	790,034	868,702
Other non-current liabilities:		
Provision for rate refunds	45,338	24,632
Other non-current liabilities	20	2,939
Total other non-current liabilities	45,358	27,571
Current and accrued liabilities:		
Current portion of long-term notes payable to subsidiary	78,668	74,906
Accounts payable	9,163	2,790
Accrued interest	602	555
Income taxes payable (receivable)	8,333	(37,017)
Accrued property and other taxes	3,697	3,624
Other current and accrued liabilities	2,759	4,269
Total current and accrued liabilities	103,222	49,127
Deferred credits:		
Deferred income taxes	330,881	300,719
Regulatory liabilities	27,301	1,653
Other deferred credits	959	1,024
Total liabilities	1,297,755	1,248,796
Total partners' capital and liabilities	\$ 1,866,131	\$ 1,847,643

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

KERN RIVER GAS TRANSMISSION COMPANY
STATEMENTS OF INCOME – REGULATORY BASIS
(Amounts in thousands)

	Years Ended December 31,	
	2009	2008
Operating revenue –transportation	\$ 371,951	\$ 443,062
Operating costs and expenses:		
Operation and maintenance	34,662	36,577
Depreciation and amortization	63,368	72,281
Regulatory debits and credits	38,168	14,634
Property and other taxes	15,909	16,364
Income tax expense	64,435	90,412
Total operating costs and expenses	<u>216,542</u>	<u>230,268</u>
Operating income	<u>155,409</u>	<u>212,794</u>
Other income:		
Interest income	136	426
Other, net	2,011	306
Income tax benefit	1,278	33
Total other income	<u>3,425</u>	<u>765</u>
Interest charge:		
Interest on long-term notes payable to subsidiary	50,251	54,325
Amortization of deferred financing costs	3,768	4,072
Miscellaneous interest expense	2,438	8,614
Allowance for borrowed funds used during construction	(1,055)	(115)
Total interest charges	<u>55,402</u>	<u>66,896</u>
Net income	<u>\$ 103,432</u>	<u>\$ 146,663</u>

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

MEHC Insurance Services Ltd.
Affiliated Transactions
For the Year Ended December 31, 2009

<u>Account Description</u>	<u>PacifiCorp Received Services ^(a)</u>	<u>PacifiCorp Provided Services</u>
Captive property insurance expense	\$ 5,572,797	\$ -
Captive liability insurance expense	<u>1,588,680</u>	<u>-</u>
Total	<u><u>\$ 7,161,477</u></u>	<u><u>\$ -</u></u>

(a) At December 31, 2009, PacifiCorp had a prepaid balance of \$1,195,867 for captive property insurance, a prepaid balance of \$340,311 for captive liability insurance and claims receivable of \$9,816,403, reflecting \$20,017,575 of claims made and \$16,704,230 of payments received during the year ended December 31, 2009.

MEHC Insurance Services Ltd.
Balance Sheets
December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Assets		
Cash and cash equivalents	\$ 16,973,529	\$ 14,240,663
Accrued interest	320	12,468
Deferred policy acquisition costs	5,804	5,805
Federal income tax receivable	<u>-</u>	<u>76</u>
Total assets	<u><u>\$ 16,979,653</u></u>	<u><u>\$ 14,259,012</u></u>
Liabilities and Shareholder's Deficit		
Liabilities:		
Unpaid losses and loss adjustment expenses	\$ 13,187,008	\$ 11,588,869
Claims payable to affiliate	7,744,157	4,726,547
Premium deficiency reserve	154,000	2,300,000
Unearned premiums	1,527,452	1,527,452
Accrued expenses	70,482	66,232
Federal income tax payable	<u>1,168</u>	<u>-</u>
Total liabilities	22,684,267	20,209,100
Shareholder's deficit:		
Common stock, no par value, 1,000,000 shares authorized, 100,000 shares issued and outstanding	-	-
Additional paid-in capital	26,256,461	13,726,461
Accumulated deficit	<u>(31,961,075)</u>	<u>(19,676,549)</u>
Total shareholder's deficit	<u>(5,704,614)</u>	<u>(5,950,088)</u>
Total liabilities and shareholder's deficit	<u><u>\$ 16,979,653</u></u>	<u><u>\$ 14,259,012</u></u>

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

MEHC Insurance Services Ltd.
Statements of Operations
For the Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Revenues:		
Premium written and earned	\$ 6,969,001	\$ 6,969,001
Investment income	<u>16,456</u>	<u>201,172</u>
Total revenues	6,985,457	7,170,173
Losses and expenses:		
Losses and loss adjustment expenses incurred	21,319,980	11,626,662
Premium deficiency (income) expense	(2,146,000)	2,300,000
General and administrative expenses	<u>138,835</u>	<u>135,675</u>
Total losses and expenses	<u>19,312,815</u>	<u>14,062,337</u>
Net loss before federal income tax (benefit) expense	(12,327,358)	(6,892,164)
Federal income tax (benefit) expense	<u>(42,832)</u>	<u>22,924</u>
Net loss	<u><u>\$ (12,284,526)</u></u>	<u><u>\$ (6,915,088)</u></u>

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

PPW Holdings LLC
Intercompany Transactions
For the Year Ended December 31, 2009

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
N/A	\$ -	\$ -
Total	<u>\$ -</u>	<u>\$ -</u>

For further information regarding income-tax related transactions between PacifiCorp and PPW Holdings LLC refer to Section V.

PPW HOLDINGS LLC**BALANCE SHEET****December 31, 2009***(in thousands of dollars)*

	PPW Holdings
ASSETS	
Accounts receivable, net of allowance for doubtful accounts	\$ 3,268
Amounts due from affiliates	91
TOTAL CURRENT ASSETS	3,359
Property, plant and equipment	137,590
Provision for depreciation and amortization	(27,734)
Net Property, plant and equipment	109,856
Construction work in process	
TOTAL PROPERTY, PLANT AND EQUIPMENT, NET	109,856
OTHER ASSETS	
Investment in subsidiaries	6,612,941
Intangible assets	1,126,642
Deferred charges and other	46,081
TOTAL OTHER ASSETS	7,785,664
TOTAL ASSETS	\$ 7,898,879
LIABILITIES	
Amounts due to affiliates	11
Long-term debt and capital lease obligations, currently maturing	10,566
Other current liabilities	2,550
TOTAL CURRENT LIABILITIES	13,127
DEFERRED CREDITS	
Deferred Income taxes	786
Other	(165)
TOTAL DEFERRED CREDITS	621
LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS	
Long-term debt and other capital lease obligations, net of current maturities	99,290
TOTAL LONG TERM DEBT & CAPITAL LEASES	99,290
TOTAL LIABILITIES	113,038
Common stock	6,117,086
Retained earnings	1,664,041
Accumulated other comprehensive loss, net	4,714
Total Common Equity	7,785,841
TOTAL STOCKHOLDERS EQUITY	7,785,841
TOTAL LIABILITIES & STOCKHOLDERS EQUITY	\$ 7,898,879

PPW HOLDINGS LLC
STATEMENT OF INCOME
For the year ended December 31, 2009
(in thousands of dollars)

	<u>PPW Holdings</u>
REVENUES	
Revenue	<u>\$ -</u>
EXPENSES	
Energy costs	(28,849)
Operations and maintenance	(44)
Depreciation and amortization	9,042
Taxes other than income taxes	
Total	<u>(19,851)</u>
Income from continuing operations	
before income taxes	<u>19,851</u>
Interest expense and other	
Interest expense	18,009
Interest income	(2,963)
Equity earnings	(541,880)
Total	<u>(526,834)</u>
Income from continuing operations	
before income taxes	546,685
Provision for income taxes	2,548
Net income (loss)	<u>544,137</u>
Net income attributable to noncontrolling interests	2,084
Net income attributable to the company	<u><u>\$ 542,053</u></u>

PacifiCorp Foundation
Affiliated Transactions
For the Year Ended December 31, 2009

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative support services	\$ -	\$ 130,715
Other miscellaneous expenses	<u>-</u>	<u>42,838</u>
Total	<u><u>\$ -</u></u>	<u><u>\$ 173,553</u></u>

PacifiCorp Foundation
Statement of Income and Changes in Net Assets
For the Period Ended December 31, 2009
(in dollars)
(Unaudited - Internal Use Only)

	<u>Year-to-Date</u>
Revenue and contributions:	
Deposits - tax/bank refunds	\$ 5,651
Interest income	632
Dividends	823,146
Realized gain/(loss) on sale of investment	(2,648,232)
Unrealized gain/(loss) on investment	8,677,437
Capital gains on investments	140,584
Miscellaneous income	11,535
Total revenues/(losses) and contributions	<u>7,010,753</u>
Expenses:	
Grants:	
Health, welfare and social services	205,000
Education	257,000
Culture and arts	103,600
Civic and community betterment	88,000
Giving campaign match	299,890
Matching gift program	64,456
Small community capital projects	99,850
Rocky Mountain Power Foundation special grants	17,500
Pacific Power Foundation special grants	14,500
PacifiCorp Foundation special grants	50,000
Global Days of Service	80,000
Other Community Pledge	637,500
Grants approved for future periods	(387,500)
Total grants	<u>1,529,796</u>
Administrative expenses	173,553
Investment management fees	69,548
Taxes	14,451
Bank fees	1,240
Miscellaneous expenses	-
Total expenses	<u>1,788,588</u>
Net assets increase (decrease)	5,222,165
Net assets beginning of period	31,616,399
Net assets end of period	<u><u>\$ 36,838,564</u></u>

PacifiCorp Foundation
Statement of Financial Position
(in dollars)
(Unaudited - Internal Use Only)

	<u>12/31/2009</u>
Assets:	
Cash	\$ 48,584
Restricted investments:	
Cash and cash equivalents	112,587
Interest receivable	21
Dividend receivable	6,771
Tax receivable	907
Receivable for investments sold	17,664
State Street investments	<u>37,248,205</u>
Total restricted investments	<u>37,386,155</u>
Total assets	<u><u>37,434,739</u></u>
Liabilities:	
Accounts payable	21,175
Grants payable	<u>575,000</u>
Total liabilities	<u>596,175</u>
Net assets	<u><u>\$ 36,838,564</u></u>

Energy West Mining Company
Intercompany Transactions
For the Year Ended December 31, 2009

<u>Account Description</u>	<u>PacifiCorp Received Services ^(a)</u>	<u>PacifiCorp Provided Services</u>
Fuel purchased	\$ 103,431,321	\$ -
Contractor services	-	195,463
Administrative support services	-	159,855
Other miscellaneous expenses	<u>-</u>	<u>2,052</u>
Total	<u><u>\$ 103,431,321</u></u>	<u><u>\$ 357,370</u></u>

(a) Represents the amount of coal purchased by PacifiCorp from Energy West Mining Company during the year ended December 31, 2009.

The expenses for Energy West Mining Company relate to the production of coal to support PacifiCorp's coal-fired generating facilities. As such, these expenses are included in the cost of fuel inventory. As coal is consumed it is charged to fuel expense at PacifiCorp.

ENERGY WEST MINING COMPANY

BALANCE SHEET

December 31, 2009

(in thousands of dollars)

	Energy West Mining Company
ASSETS	
Cash and cash equivalents	\$ (198)
Accounts receivable, net of allowance for doubtful accounts	5
Unbilled revenue	
Amounts due from affiliates	(11,956)
Inventories at average costs:	
Materials and supplies	4,170
Fuel	23,834
Other current assets	139
TOTAL CURRENT ASSETS	15,994
 OTHER ASSETS	
Deferred charges and other	994
TOTAL OTHER ASSETS	994
TOTAL ASSETS	\$ 16,988
 LIABILITIES	
Accounts payable	\$ 5,495
Accrued employee expenses	5,984
Taxes payable	610
Other current liabilities	76
TOTAL CURRENT LIABILITIES	12,165
 DEFERRED CREDITS	
Regulatory liability	1,891
Other	2,931
TOTAL DEFERRED CREDITS	4,822
 TOTAL LIABILITIES	16,987
 STOCKHOLDERS' EQUITY	
Common stock	1
TOTAL STOCKHOLDERS EQUITY	1
 TOTAL LIABILITIES & STOCKHOLDERS EQUITY	\$ 16,988

Interwest Mining Company
Intercompany Transactions
For the Year Ended December 31, 2009

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative support services	\$ 17,402	\$ 610,773
Other miscellaneous expenses	<u>-</u>	<u>3,875</u>
Total	<u>\$ 17,402</u>	<u>\$ 614,648</u>

INTERWEST MINING COMPANY

BALANCE SHEET

December 31, 2009

(in thousands of dollars)

	Interwest Mining Company
ASSETS	
Amounts due from affiliates	\$ 368
TOTAL CURRENT ASSETS	368
TOTAL ASSETS	\$ 368
LIABILITIES	
Accounts payable	\$ 17
Accrued employee expenses	132
Taxes payable	6
Other liabilities	212
TOTAL LIABILITIES	367
STOCKHOLDERS' EQUITY	
Common stock	1
TOTAL STOCKHOLDERS EQUITY	1
TOTAL LIABILITIES & STOCKHOLDERS EQUITY	\$ 368

PacifiCorp Environmental Remediation Company
Intercompany Transactions
For the Year Ended December 31, 2009

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative support services	\$ -	\$ 234,026
Total	<u>\$ -</u>	<u>\$ 234,026</u>

PACIFICORP ENVIRONMENTAL REMEDIATION COMPANY

BALANCE SHEET

December 31, 2009

(in thousands of dollars)

	PacifiCorp Environmental
ASSETS	
Cash and cash equivalents	\$ 29,030
Amounts due from affiliates	31
Deferred income taxes	2,391
TOTAL CURRENT ASSETS	31,452
TOTAL ASSETS	\$ 31,452
LIABILITIES	
Accounts payable	\$ 27
Other current liabilities	5,843
TOTAL CURRENT LIABILITIES	5,870
DEFERRED CREDITS	
Deferred income taxes	(2,289)
Other	4,821
TOTAL DEFERRED CREDITS	2,532
TOTAL LIABILITIES	8,402
STOCKHOLDERS' EQUITY	
Common stock	14,720
Retained earnings	8,330
Total Common Equity	23,050
TOTAL STOCKHOLDERS EQUITY	23,050
TOTAL LIABILITIES & STOCKHOLDERS EQUITY	\$ 31,452

PACIFICORP ENVIRONMENTAL REMEDIATION COMPANY

STATEMENT OF INCOME

For the year ended December 31, 2009

(in thousands of dollars)

	PacifiCorp Environmental
REVENUES	
Revenue	\$ -
EXPENSES	
Energy costs	
Operations and maintenance	(3,310)
Depreciation and amortization	
Taxes other than income taxes	
Total	(3,310)
Income from continuing operations before income taxes	3,310
Interest expense and other	
Interest expense	694
Interest income	(85)
Allowance for borrowed funds	
Allowance for equity funds	
Other	
Total	609
Income from continuing operations before income taxes	2,701
Provision for income taxes	889
Net income (loss)	1,812
Net income attributable to noncontrolling interests	
Net income attributable to the company	1,812
Preferred dividends	
Earnings (loss) on common shares	\$ 1,812

Pacific Minerals Inc./Bridger Coal Company
Intercompany Transactions
For the Year Ended December 31, 2009

<u>Account Description</u>	<u>PacifiCorp Received Services ^(b)</u>	<u>PacifiCorp Provided Services ^(c)</u>
Fuel purchased ^(a)	\$ 116,190,987	\$ -
Administrative support services	200,802	2,416,583
Management fee	<u>-</u>	<u>1,205,173</u>
Total	<u>\$ 116,391,789</u>	<u>\$ 3,621,756</u>

(a) Represents the amount of coal purchased by PacifiCorp from Bridger Coal Company during the year ended December 31, 2009.

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

(c) PacifiCorp provided services includes capitalized amounts of \$860,320.

For further information regarding loans and associated interest between PacifiCorp and Pacific Minerals, Inc. and income tax payments between PacifiCorp and Pacific Minerals, Inc. refer to Sections III and V, respectively.

PACIFIC MINERIALS, INC./BRIDGER COAL COMPANY ⁽¹⁾

BALANCE SHEETS

December 31, 2009

(in thousands of dollars)

	Pacific Minerals, Inc.	Bridger Coal Company
ASSETS		
Cash and cash equivalents	\$ 44	\$ 1,928
Accounts receivable, net of allowance for doubtful accounts		4,858
Amounts due from affiliates	5,601	9,712
Materials and supplies		13,463
Fuel		16,213
Other current assets	(1)	5,404
TOTAL CURRENT ASSETS	5,644	51,578
Property, plant and equipment		436,615
Provision for depreciation and amortization		(214,938)
Net Property, plant and equipment		221,677
Construction work in process		27,807
TOTAL PROPERTY, PLANT AND EQUIPMENT, NET		249,484
Deferred charges and other	167,938	75,170
TOTAL OTHER ASSETS	167,938	75,170
TOTAL ASSETS	\$ 173,582	\$ 376,232
LIABILITIES		
Accounts payable	\$ 95	\$ 18,293
Amounts due to affiliates	7,965	6,712
Accrued employee expenses	3,591	
Taxes payable	233	8,252
Other current liabilities		5,404
TOTAL CURRENT LIABILITIES	11,884	38,661
DEFERRED CREDITS		
Regulatory liability		10,469
Pension and other post employment liabilities	30	
Other		75,195
TOTAL DEFERRED CREDITS	30	85,664
TOTAL LIABILITIES	11,914	124,325
STOCKHOLDERS' EQUITY		
BCC Contribution		83,355
BCC Distribution		(115,515)
BCC Retained Earnings		284,067
Partner's Capital - Bridger Coal Company		251,907
Preferred stock		
Common stock	47,960	
Retained earnings	113,708	
Total Common Equity	161,668	
Noncontrolling Interest		
TOTAL STOCKHOLDERS EQUITY	161,668	251,907
TOTAL LIABILITIES & STOCKHOLDERS EQUITY	\$ 173,582	\$ 376,232

⁽¹⁾ Each entity is presented on a stand-alone basis.

PACIFIC MINERALS, INC./BRIDGER COAL COMPANY ⁽¹⁾

STATEMENTS OF INCOME

December 31, 2009

(in thousands of dollars)

	Pacific Minerals, Inc.	Bridger Coal Company
REVENUES		
Revenue	\$ -	\$ 198,904
EXPENSES		
Energy costs		
Operations and maintenance	7	107,755
Depreciation and amortization		30,528
Taxes other than income taxes	94	35,852
Total	101	174,135
Income from continuing operations before income taxes	(101)	24,769
Interest expense and other		
Interest expense	52	
Interest income	0	
Allowance for borrowed funds		
Allowance for equity funds		
Other	(16,512)	
Total	(16,460)	
Income from continuing operations before income taxes	16,359	24,769
Provision for income taxes	4,973	
Net income (loss)	11,386	24,769
Net income attributable to noncontrolling interests		
Net income attributable to the company	\$ 11,386	\$ 24,769

⁽¹⁾ Each entity is presented on a stand-alone basis.

Trapper Mining, Inc.
Affiliated Transactions
For the Year Ended December 31, 2009

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Fuel purchased ^(a)	\$ <u>9,944,629</u>	\$ <u>-</u>
Total	\$ <u>9,944,629</u>	\$ <u>-</u>

(a) Represents the amount of coal purchased by PacifiCorp from Trapper Mining, Inc. during the year ended December 31, 2009.

Trapper Mining Inc.
Consolidated Balance Sheet
December 31, 2009
(Unaudited)

Assets:

Current Assets:

Cash & Cash Equivalents	\$ 7,911,084
Accounts Receivable	7,996,240
Inventories	5,798,271
Prepaid and Other Current Assets	473,622

Total Current Assets	\$ 22,179,217
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Property Plant and Equipment before FAS 143:

Lands and Leases	\$ 9,531,921
Development Costs	2,834,815
Equipment and Facilities	108,741,632

Total Property Plant and Equipment (Cost)	\$ 121,108,368
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Less Depreciation and Amortization	(82,314,368)
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Total Property Plant and Equipment (Net)	\$ 38,794,000
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FAS 143 Property Plant and Equipment (Net) . . .	5,634,339
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Grand Total Property Plant and Equipment (Net)	\$ 44,428,339
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Acquired GE Royalty	6,818,182
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Reclamation Receivable from Buyers	10,503,172
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Restricted Funds - Black Lung	500,000
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Total Assets	\$ 84,428,910
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Liabilities and Members' Equity:

Current Liabilities:

Accounts Payable	\$ 1,993,196
Accrued Royalties	241,943
Accrued Payroll Expenses	2,578,102
Accrued Production Taxes	1,323,650
Deferred Reclamation Revenue	0
Current Portion Long-Term Debt	4,084,859

Total Current Liabilities	\$ 10,221,750
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Long-Term Debt	15,824,119
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Asset Retirement Liability	16,371,595
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Long-Term Black Lung Liability	277,953
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Total Liabilities	\$ 42,695,417
-----------------------------	---------------

Members' Equity

Paid in Capital @ 1/1/98	\$ 20,324,925
Patronage Equity - Prior Year	10,637,110
Non-Patronage Equity - Prior Year	940,300
Patronage Equity - Current Year	8,724,267
Non-Patronage Equity - Current Year	1,106,891

Total Members' Equity	\$ 41,733,493
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Total Liabilities and Members' Equity	\$ 84,428,910
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TRAPPER MINING INC
CONSOLIDATED NET INCOME
AS OF: DECEMBER 31, 2009

		NET INCOME FOR THE MONTH	NET INCOME YEAR TO DATE
TRAPPER MINING		\$ 1,040,611.93	9,880,692.20
WILLIAMS FORK MINING			(55,745.40)
NET INCOME (LOSS) BEFORE TAX		\$ 1,040,611.93	\$ 9,824,946.80
CURRENT TAX PROVISION			6,211.00
TOTAL TAX PROVISION		0.00	6,211.00
NET INCOME (LOSS) AFTER TAX		\$ 1,040,611.93	9,831,157.80
SALT RIVER	32.10%	15,725.37	355,311.93
TRI-STATE	26.57%	13,016.30	294,100.87
PACIFICORP	21.40%	10,483.58	236,874.62
PLATTE RIVER	19.93%	9,763.45	220,603.33
TOTAL NONPATRONAGE INCOME (LOSS)		48,988.70	1,106,890.75
SALT RIVER	32.10%	318,311.05	2,800,489.72
TRI-STATE	26.57%	263,474.30	2,318,037.76
PACIFICORP	21.40%	212,207.37	1,866,993.15
PLATTE RIVER	19.93%	197,630.51	1,738,746.42
TOTAL PATRONAGE INCOME (LOSS)		991,623.23	8,724,267.05
TOTAL INCOME (LOSS)		1,040,611.93	9,831,157.80

TRAPPER MINING INC
CONSOLIDATED PATRONAGE & NONPATRONAGE INCOME ALLOCATION
DECEMBER 31, 2009

		<u>NET INCOME \$ FOR THE MONTH</u>	<u>NET INCOME YEAR TO DATE</u>
TRAPPER PATRONAGE INCOME		991,623.23	
TRAPPER NONPATRON INCOME		<u>48,988.70</u>	
TOTAL TRAPPER INCOME		1,040,611.93	
WFMC NONPATRONAGE INCOME			
TOTAL CONSOLIDATED INCOME		<u>1,040,611.93</u>	
		<hr/>	
SALT RIVER	32.10%	318,311.05	2,800,489.72
TRI-STATE	26.57%	263,474.30	2,318,037.76
PACIFICORP	21.40%	212,207.37	1,866,993.15
PLATTE RIVER	19.93%	<u>197,630.51</u>	<u>1,738,746.42</u>
TOTAL TRAPPER PATRONAGE		991,623.23	8,724,267.05
		<hr/>	
SALT RIVER	32.10%	15,725.37	373,206.20
TRI-STATE	26.57%	13,016.30	308,912.42
PACIFICORP	21.40%	10,483.58	248,804.14
PLATTE RIVER	19.93%	<u>9,763.45</u>	<u>231,713.39</u>
TOTAL TRAPPER NONPATRON		48,988.70	1,162,636.15
TOTAL TRAPPER INCOME		1,040,611.93	9,886,903.20
		<hr/>	
SALT RIVER	32.10%	-	(17,894.27)
TRI-STATE	26.57%	-	(14,811.55)
PACIFICORP	21.40%	-	(11,929.52)
PLATTE RIVER	19.93%	<u>-</u>	<u>(11,110.06)</u>
TOTAL WFMC NONPATRONAGE		-	(55,745.40)

Huntington Cleveland Irrigation Company
Affiliated Transactions
For the Year Ended December 31, 2009

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Annual assessment and canal pump maintenance ^(a)	\$ <u>95,926</u>	\$ <u>-</u>
Total	\$ <u>95,926</u>	\$ <u>-</u>

- (a) During the year ended December 31, 2009, PacifiCorp incurred \$95,926 in annual assessment and canal pump maintenance expenses, of which \$23,565 was recorded as a prepaid expense at December 31, 2009, and paid \$4,826,729 of capital costs associated with the water supply project. At December 31, 2009, PacifiCorp's balance sheet reflected the following assets: for the water supply project (amounts include capitalized interest and capital surcharge), \$15,168,012 recorded as plant in service and \$4,953,348 recorded as construction work in progress; for the water rights, \$1,471,639 recorded as plant in service.

HUNTINGTON-CLEVELAND IRRIGATION COMPANY
 STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2009 AND 2008

	TOTAL ALL FUNDS	
	2009	2008
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash and cash equivalent	\$ 118,703	\$ 164,962
Restricted cash	859,971	229,747
Undeposited funds	71,500	
Accounts receivable:		
Shareholder assessments	21,915	16,275
Contracts receivable:		
Division of Water Resources	283,743	
Rocky Mountain Power	150,393	2,061,041
Bureau of Reclamation	173,727	2,488
NRCS		589,038
Total current assets	\$ 1,679,952	\$ 3,063,551
NONCURRENT ASSETS:		
Fixed Assets:		
Land	\$ 41,722	\$ 17,901
Easements	81,790	49,674
Water rights	3,096,469	3,096,469
Vehicles	23,563	14,826
Office equipment	1,383	
Diversion structures	55,000	55,000
Storage facilities improvements	3,072,833	3,072,833
Construction in progress		
Salinity project	39,380,479	30,637,470
Miller flat dam safety upgrade	468,252	
Accumulated depreciation	(2,346,305)	(2,307,876)
Total noncurrent assets	43,875,186	34,636,297
Total assets	\$ 45,555,138	\$ 37,699,848

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

HUNTINGTON-CLEVELAND IRRIGATION COMPANY
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2009 AND 2008

	TOTAL ALL FUNDS	
	2009	2008
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
Accounts payable	\$ 998,391	\$ 2,706,955
Wages payable	4,255	
Payroll taxes payable	3,689	2,595
Current portion of long-term liabilities	50,000	50,000
Total current liabilities	\$ 1,056,335	\$ 2,759,550
LONG-TERM LIABILITIES:		
Note payable	\$ 1,343,241	\$ 324,441
Accrued interest payable	11,281	
Total long-term liabilities	1,354,522	324,441
Total liabilities	\$ 2,410,857	\$ 3,083,991
NET ASSETS:		
Unrestricted:	\$ 3,944,922	\$ 3,633,858
Restricted:		
Salinity Project	39,199,359	30,981,999
Total net assets	\$ 43,144,281	\$ 34,615,857
Total liabilities and net assets	\$ 45,555,138	\$ 37,699,848

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

HUNTINGTON-CLEVELAND IRRIGATION COMPANY
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	UNRESTRICTED OPERATIONS & MAINTENANCE	RESTRICTED SALINITY PROJECT	TOTAL ALL FUNDS	
			2009	2008
Charges for Services:				
A Water Assessment	\$ 105,210		\$ 105,210	\$ 103,946
B Water Assessment	17,660		17,660	17,128
Municipal and Industry Assessment	51,117		51,117	52,953
Dam Repayment Assessment	51,068		51,068	51,080
Project Repayment/O & M Assessment	41,940		41,940	41,957
Minimal Assessment Adjustments	2,014		2,014	1,976
Net charges for services	\$ 269,009	\$...	\$ 269,009	\$ 269,040
Governmental grants	\$ 342,476	\$ 2,920,717	\$ 3,263,193	\$ 2,972,820
Other Revenue:				
Private Contribution - Rocky Mountain Power		\$ 3,632,479	\$ 3,632,479	\$ 5,249,190
Payments from Stockholders (NRCS)		1,667,738	1,667,738	1,173,419
Certificate Transfers	\$ 1,210		1,210	2,110
Late Fees	574		574	758
Interest	4,118	8,007	12,125	14,656
Reimbursements	7,739		7,739	9,500
Miscellaneous	1,059		1,059	959
Total other revenue	\$ 14,700	\$ 5,308,224	\$ 5,322,924	\$ 6,450,592
Total revenues	\$ 626,185	\$ 8,228,941	\$ 8,855,126	\$ 9,692,452
Expenses:				
Program services:				
Water Master Wage	\$ 42,210		\$ 42,210	\$ 41,531
Reservoir Manager Wage	11,754		11,754	11,484
System Tech Wage	34,628		34,628	
Payroll Benefits	8,456		8,456	5,997
Machine Hire	9,407		9,407	1,654
Non Employee Labor	2,860		2,860	1,571
Joe's Valley Dam Repayment	26,266		26,266	26,266
O&M - EWCD	18,093		18,093	15,632
O&M - EWCD - RRA Admin	15,430		15,430	
Water Rights Assessments	23,524		23,524	23,296
Beaver & Muskrat Control	2,125		2,125	1,380
Vehicle and Equipment Expense	17,855		17,855	16,533
Material and Supplies	3,842		3,842	2,264
Insurance	6,007		6,007	4,938
Depreciation	38,129	\$ 300	38,429	36,687
Total program expenses	\$ 260,586	\$ 300	\$ 260,886	\$ 189,233

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

HUNTINGTON-CLEVELAND IRRIGATION COMPANY
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	UNRESTRICTED OPERATIONS & MAINTENANCE	RESTRICTED SALINITY PROJECT	TOTAL ALL FUNDS	
			2009	2008
Support Services:				
Secretary Wage	\$ 24,808		\$ 24,808	\$ 24,000
Payroll Benefits	2,812		2,812	2,720
Office Rent	3,600		3,600	3,600
Accounting and Auditing	4,100		4,100	4,040
Legal Fees	4,104		4,104	2,379
Telephone and Internet	5,458		5,458	3,616
Office Supplies	3,231		3,231	2,450
Postage	1,058		1,058	1,046
Meetings	841		841	2,553
Bank Charges and Fees	548		548	330
Interest		\$ 11,281	11,281	
Miscellaneous	3,975		3,975	1,500
Total support services	\$ 54,535	\$ 11,281	\$ 65,816	\$ 48,234
Total expenses	\$ 315,121	\$ 11,581	\$ 326,702	\$ 237,467
Change in net assets	\$ 311,064	\$ 8,217,360	\$ 8,528,424	\$ 9,454,985
Net assets, beginning of year	3,633,858	30,981,999	34,615,857	25,173,130
Prior period adjustment				(12,258)
Net assets, end of year	\$ 3,944,922	\$ 39,199,359	\$ 43,144,281	\$ 34,615,857

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

III. Loans

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

1. The month-end amounts outstanding.
2. The highest amount outstanding during the year, separately for short-term and long-term loans.
3. A description of the terms and conditions, including basis for interest rates.
4. The total amount of interest charged or credited and the weighted-average interest rate.

Loan Summary

2009

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: 40px;">Short-term loans:</p> <p style="padding-left: 80px;">January - December</p> <p style="padding-left: 40px;">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: 40px;">Maximum loan to affiliate:</p> <p style="padding-left: 80px;">Short-term loans:</p> <p style="padding-left: 120px;">Amount</p> <p style="padding-left: 120px;">Date</p> <p style="padding-left: 80px;">Maximum loan to affiliate:</p> <p style="padding-left: 120px;">Long-term loans:</p> <p style="padding-left: 160px;">Amount</p> <p style="padding-left: 160px;">Date</p> <p style="padding-left: 80px;">Maximum loan from affiliate:</p> <p style="padding-left: 120px;">Short-term loans:</p> <p style="padding-left: 160px;">Amount</p> <p style="padding-left: 160px;">Date</p> <p style="padding-left: 80px;">Maximum loan from affiliate:</p> <p style="padding-left: 120px;">Long-term loans:</p> <p style="padding-left: 160px;">Amount</p> <p style="padding-left: 160px;">Date</p>	<p>\$23,824,223</p> <p>January 6, 2009</p> <p>N/A</p> <p>N/A</p> <p>\$ -</p> <p>N/A</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>Pursuant to 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: 40px;">Short-term loans:</p> <p style="padding-left: 80px;">Interest paid</p> <p style="padding-left: 80px;">Interest received</p> <p style="padding-left: 40px;">Long-term loans:</p> <p style="padding-left: 80px;">Interest charged or credited</p>	<p>\$ -</p> <p>\$50,646</p> <p>(b)</p> <p>N/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")
2009

Month	Net Principal Advanced To PacifiCorp	Net Principal Repaid By PacifiCorp	Principal Advanced To PMI	Principal Repaid By PMI	Outstanding Month End Balance ^(a)	Interest Rate Range	Accrued Interest Paid By PacifiCorp	Interest Received By PacifiCorp
Jan-09	\$ -	\$ -	\$3,050,000	\$9,305,000	\$14,519,223	0.2363% - 0.9500%	\$ -	\$11,007
Feb-09	-	-	5,100,000	6,860,000	12,759,223	0.2363% - 0.3100%	-	3,753
Mar-09	-	-	9,440,000	6,855,000	15,344,223	0.2781% - 0.3288%	-	3,714
Apr-09	-	-	9,820,000	8,226,528	16,937,695	0.2063% - 0.2875%	-	2,728
May-09	-	-	-	10,029,596	6,908,099	0.6200% - 0.6500%	-	7,049
Jun-09	-	-	6,500,000	5,879,953	7,528,146	0.5800% - 0.6200%	-	5,363
Jul-09	-	-	3,560,000	3,595,084	7,493,062	0.5600% - 0.59000%	-	4,328
Aug-09	-	-	2,200,000	3,787,270	5,905,792	0.5000% - 0.5800%	-	3,769
Sep-09	-	-	6,900,000	5,132,702	7,673,090	0.3900% - 0.5000%	-	3,650
Oct-09	-	-	-	4,425,956	3,247,134	0.2900% - 0.3900%	-	1,764
Nov-09	-	-	6,200,000	3,960,208	5,486,926	0.2500% - 0.2900%	-	1,639
Dec-09	-	-	2,800,000	3,542,117	4,744,809	0.2500% - 0.3500%	-	1,882
TOTAL	\$ -	\$ -	\$55,570,000	\$71,599,414			\$ -	\$50,646

(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, 2009 and the balance as of December 31, 2009.

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

V. Other Transactions

A description of affiliated interest transactions other than services, loans or debt guarantees. Such transactions might include, among other things, asset transfers or equipment leases. State the annual charges or values used for assets and the basis used to determine pricing.

PacifiCorp is party to a tax-sharing arrangement and is part of the Berkshire Hathaway 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 PacifiCorp's direct parent company, PPW Holdings LLC. The tax payments are then remitted to MidAmerican Energy Holdings Company. At December 31, 2009, MidAmerican Energy Holdings Company owed PacifiCorp and its subsidiaries \$249,161,010 under this arrangement.

As of December 31, 2009, Pacific Minerals, Inc. ("PMI") owed PacifiCorp \$3,216,325 related to amounts paid by PacifiCorp on behalf of and subsequently reimbursed by PMI for payroll, benefits and other transactions, and also includes amounts billed for income taxes paid by PacifiCorp.

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, 2009

Executive, Management and Professional/Technical Employees

Affiliate	Job Title	Count
MidAmerican Energy Company	Managing Director, Plant	1
MidAmerican Energy Holdings Company	Manager, Transmission Strategy and Policy	1
Total		2

**Report of PacifiCorp Employee Transfers from Affiliates
During the Year Ended December 31, 2009**

Executive, Management and Professional/Technical Employees

Affiliate	Job Title	Count
Northern Natural Gas Company	Director, Procurement/Materials	1
Northern Natural Gas Company	VP, Resource Development and Construction	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, 2009

Overview/Introduction

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

On March 31, 2006, PacifiCorp entered into an Intercompany Administrative Services Agreement (“IASA”) between 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.

PacifiCorp’s Non-Regulated Activities and Affiliates

The following is a list of PacifiCorp’s Non-Regulated Activities:

- During the year ended December 31, 2009, PacifiCorp did not allocate costs to any non-regulated subsidiaries.
- During the year ended December 31, 2009, PacifiCorp was allocated costs by only one non-regulated affiliate: MEHC. Refer to section I.C. for a description of MEHC.

For PacifiCorp’s affiliates and subsidiaries that meet the requirements of ORS 757.015:

- Refer to section I for a list of PacifiCorp’s and a partial list of MEHC’s subsidiaries as of December 31, 2009. Refer to Exhibit 21.1 of the MEHC Form 10-K for a complete list of MEHC’s subsidiaries as of December 31, 2009.
- Refer to Exhibit 21 of the Berkshire Hathaway Form 10-K for a list of subsidiaries of MEHC’s parent company, Berkshire Hathaway, as of December 31, 2009.

Allocation Methods

MEHC to subsidiaries

In connection with the March 2006 acquisition of PacifiCorp by MEHC, MEHC committed to PacifiCorp’s state regulatory commissions to limit the amount of management fees that PacifiCorp pays to MEHC each year to \$9,000,000. This acquisition commitment expires December 31, 2010.

For the year ended December 31, 2009, MEHC invoiced PacifiCorp a total of \$11,568,011 in management service fees for services performed by MEHC and subsidiaries under the IASA. Pursuant to the commitment to state regulators, MEHC and PacifiCorp mutually agreed that PacifiCorp’s total liability to MEHC for management services provided for the year ended December 31, 2009 was a total of \$9,000,000. Refer to the attached IASA schedule for description of types of services provided. These services are based on the following:

- MEHC used six different formulae for allocating \$2,523,908 of management costs to PacifiCorp during the year ended December 31, 2009. These formulae are as follows:
 - L01: 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, 2009 was 44.37%.
 - L01 excluding HomeServices of America, Inc.: the same two factor formula as L01, except excluding the labor and assets of HomeServices of America, Inc. PacifiCorp's allocation percentage during the year ended December 31, 2009 was 47.30%.
 - L03: the same two factor formula as L01, except excluding the labor and assets of MEHC's international subsidiaries. PacifiCorp's allocation percentage during the year ended December 31, 2009 was 50.33%.
 - L05: the same two factor formula as L03 except excluding the labor and assets of HomeServices of America, Inc. PacifiCorp's allocation percentage during the year ended December 31, 2009 was 54.41%.
 - LR1: 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, 2009 was 30%.
 - Plant: 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, 2009 was 46.34%.
- In addition to the above allocated costs, PacifiCorp was apportioned \$6,476,092 in costs specifically identifiable to the management of PacifiCorp by MEHC and subsidiaries. These charges were based on actual labor, benefits and operational costs incurred.

Direct Charges

During the year ended December 31, 2009, PacifiCorp charged MEHC \$1,380,059, primarily for management, regulatory and financial services performed for MEHC and certain of its subsidiaries and unconsolidated investments pursuant to the IASA. During the year ended December 31, 2009, these subsidiaries and unconsolidated investments were MidAmerican Energy Company, Kern River Gas Transmission Company, BYD Company Ltd., M&M Ranch Holding Company LLC, MidAmerican Nuclear Energy Company LLC, PPW Holdings LLC and Constellation Energy Group, Inc. These charges were based on actual labor, benefits and operational costs incurred. Please see "Payroll Loadings and Overheads" below.

During the year ended December 31, 2009, PacifiCorp charged MEHC for administrative services, the ultimate beneficiary of which was NetJets. Services provided outside of the IASA are priced consistent with state and federal transfer pricing rules.

Payroll Loadings and Overheads

PacifiCorp includes the following types of charges in its labor rates charged to affiliates: salaries, pension, 401(k), medical benefits, payroll taxes and other administrative and general overheads.

Service Provider and Administrative Allocations

Refer to the attached IASA schedule for list of services provided by MEHC under the IASA.

Organization Chart

Refer to Section I for the organization chart.

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

NNGC ACQUISITION, LLC

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

PPW HOLDINGS LLC

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

KR HOLDING, LLC

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

CE ELECTRIC UK FUNDING COMPANY

By: PJ Good
Patrick J. Goodman
Title: Director

CALENERGY INTERNATIONAL SERVICES, INC.

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

HOME SERVICES OF AMERICA, INC.

By: Paul J. Leighton
Paul J. Leighton
Title: Asst Secy

CE CASECNAN WATER AND ENERGY COMPANY, INC.

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

MIDAMERICAN FUNDING, LLC

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