

2016 EEI Financial Conference

November 2016

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Executive Vice President and Chief Financial Officer



Forward-Looking Statements

This presentation contains statements that do not directly or exclusively relate to historical facts. These statements are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements can typically be identified by the use of forward-looking words, such as "will," "may," "could," "project," "believe," "anticipate," "expect," "estimate," "continue," "intend," "potential," "plan," "forecast" and similar terms. These statements are based upon Berkshire Hathaway Energy Company ("BHE") and its subsidiaries, PacifiCorp and its subsidiaries, MidAmerican Funding, LLC and its subsidiaries, MidAmerican Energy Company, Nevada Power Company and its subsidiaries or Sierra Pacific Power Company and its subsidiaries (collectively, the "Registrants"), as applicable, current intentions, assumptions, expectations and beliefs and are subject to risks, uncertainties and other important factors. Many of these factors are outside the control of each Registrant and could cause actual results to differ materially from those expressed or implied by such forward-looking statements. These factors include, among others:

- general economic, political and business conditions, as well as changes in, and compliance with, laws and regulations, including reliability and safety standards, affecting the Registrants' operations or related industries;
- changes in, and compliance with, environmental laws, regulations, decisions and policies that could, among other items, increase operating and capital costs, reduce facility output, accelerate facility retirements or delay facility construction or acquisition;
- the outcome of rate cases and other proceedings conducted by regulatory commissions or other governmental and legal bodies and the Registrants' ability to recover costs through rates in a timely manner;
- changes in economic, industry, competition or weather conditions, as well as demographic trends, new technologies and various conservation, energy efficiency and distributed generation measures and programs, that could affect customer growth and usage, electricity and natural gas supply or the Registrants' ability to obtain long-term contracts with customers and suppliers;
- performance, availability and ongoing operation of the Registrants' facilities, including facilities not operated by the Registrants, due to the impacts of market conditions, outages and repairs, transmission constraints, weather, including wind, solar and hydroelectric conditions, and operating conditions;
- a high degree of variance between actual and forecasted load or generation that could impact the Registrant's hedging strategy and the cost of balancing its generation resources with its retail load obligations;
- changes in prices, availability and demand for wholesale electricity, coal, natural gas, other fuel sources and fuel transportation that could have a significant impact on generating capacity and energy costs;
- the financial condition and creditworthiness of the Registrants' significant customers and suppliers;
- changes in business strategy or development plans;
- availability, terms and deployment of capital, including reductions in demand for investment-grade commercial paper, debt securities and other sources of debt financing and volatility in the London Interbank Offered Rate, the base interest rate for the Registrants' credit facilities;
- changes in the Registrant's respective credit ratings;
- risks relating to nuclear generation, including unique operational, closure and decommissioning risks;
- hydroelectric conditions and the cost, feasibility and eventual outcome of hydroelectric relicensing proceedings;
- the impact of certain contracts used to mitigate or manage volume, price and interest rate risk, including increased collateral requirements, and changes in commodity prices, interest rates and other conditions that affect the fair value of certain contracts;

Forward-Looking Statements

- the impact of inflation on costs and the ability of the respective Registrants to recover such costs in regulated rates;
- fluctuations in foreign currency exchange rates, primarily the British pound and the Canadian dollar;
- increases in employee healthcare costs;
- the impact of investment performance and changes in interest rates, legislation, healthcare cost trends, mortality and morbidity on pension and other postretirement benefits expense and funding requirements;
- changes in the residential real estate brokerage and mortgage industries and regulations that could affect brokerage and mortgage transactions;
- unanticipated construction delays, changes in costs, receipt of required permits and authorizations, ability to fund capital projects and other factors that could affect future facilities and infrastructure additions;
- the availability and price of natural gas in applicable geographic regions and demand for natural gas supply;
- the impact of new accounting guidance or changes in current accounting estimates and assumptions on the consolidated financial results of the respective Registrants;
- the ability to successfully integrate future acquired operations into a Registrant's business;
- the effects of catastrophic and other unforeseen events, which may be caused by factors beyond the control of each respective Registrant or by a breakdown or failure of the Registrants' operating assets, including storms, floods, fires, earthquakes, explosions, landslides, mining accidents, litigation, wars, terrorism, and embargoes; and
- other business or investment considerations that may be disclosed from time to time in the Registrants' filings with the United States Securities and Exchange Commission ("SEC") or in other publicly disseminated written documents.

Further details of the potential risks and uncertainties affecting the Registrants are described in the Registrants' filings with the SEC. Each Registrant undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The foregoing factors should not be construed as exclusive.

This presentation includes certain non-Generally Accepted Accounting Principles ("GAAP") financial measures as defined by the SEC's Regulation G. Refer to the BHE Appendix in this presentation for a reconciliation of those non-GAAP financial measures to the most directly comparable GAAP measures.

Berkshire Hathaway Energy

Vision

To be the **best** energy company in serving our customers, while delivering sustainable energy solutions

Culture

Personal responsibility to our customers

Strategy

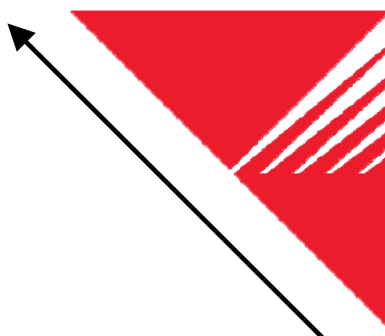
Reinvest in our businesses

- Position our regulated assets to provide excellent service and competitive rates to our customers
- Participate in energy policy development, transforming our businesses and assets
- Actively manage risk
- Continue to invest in our employees and hard assets



Internal growth

- Invest in renewable energy
- Invest in reliable energy grid and gas pipeline infrastructure



Acquire companies

- Strong strategic fit

Competitive Advantage

Berkshire Hathaway Ownership

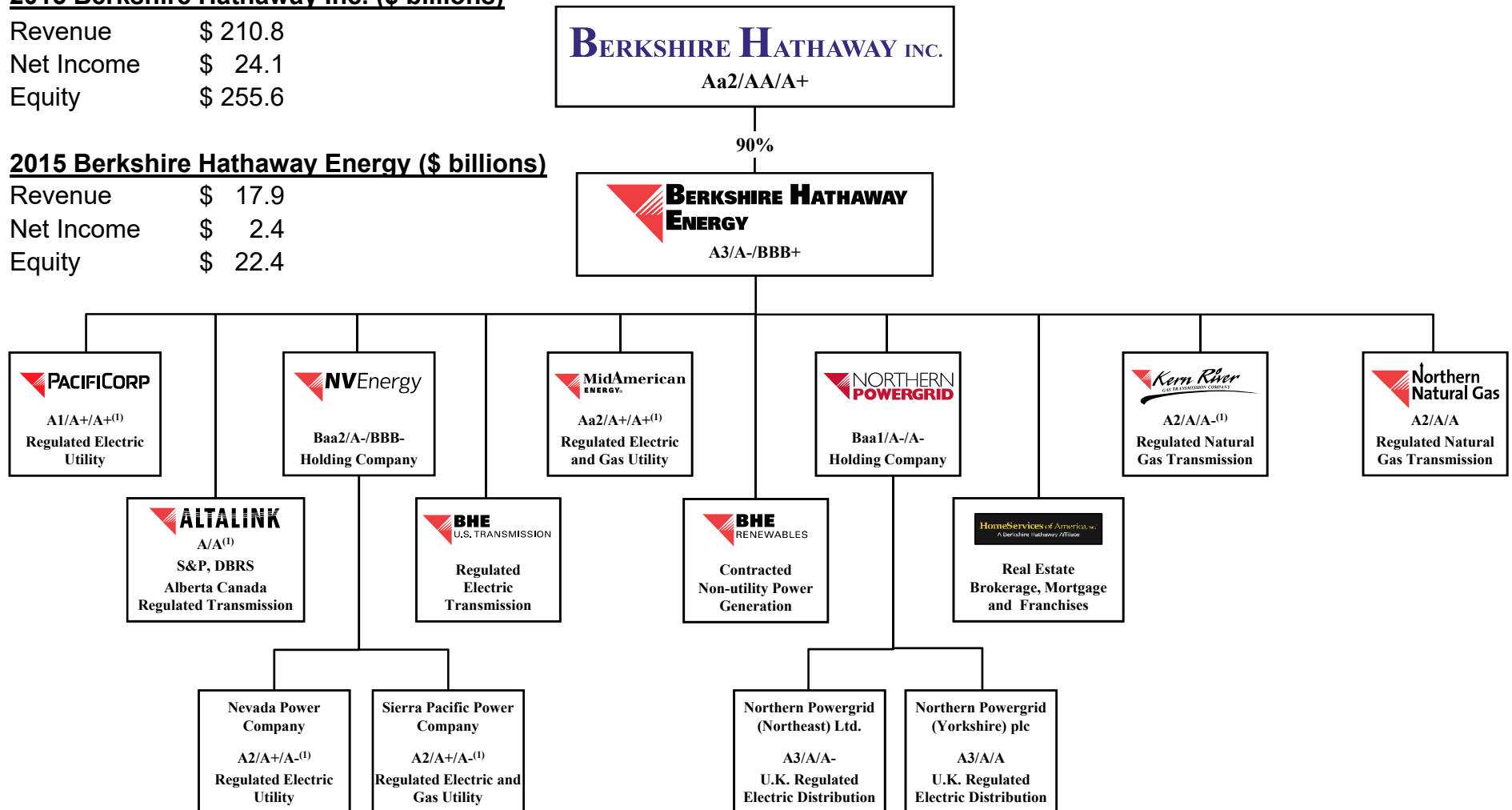
Organizational Structure

2015 Berkshire Hathaway Inc. (\$ billions)

Revenue	\$ 210.8
Net Income	\$ 24.1
Equity	\$ 255.6

2015 Berkshire Hathaway Energy (\$ billions)

Revenue	\$ 17.9
Net Income	\$ 2.4
Equity	\$ 22.4



⁽¹⁾ Ratings for PacifiCorp, MidAmerican Energy Company, Nevada Power Company, Sierra Pacific Power Company, AltaLink L.P., and Kern River Funding Corp. are senior secured ratings

Significant Scale

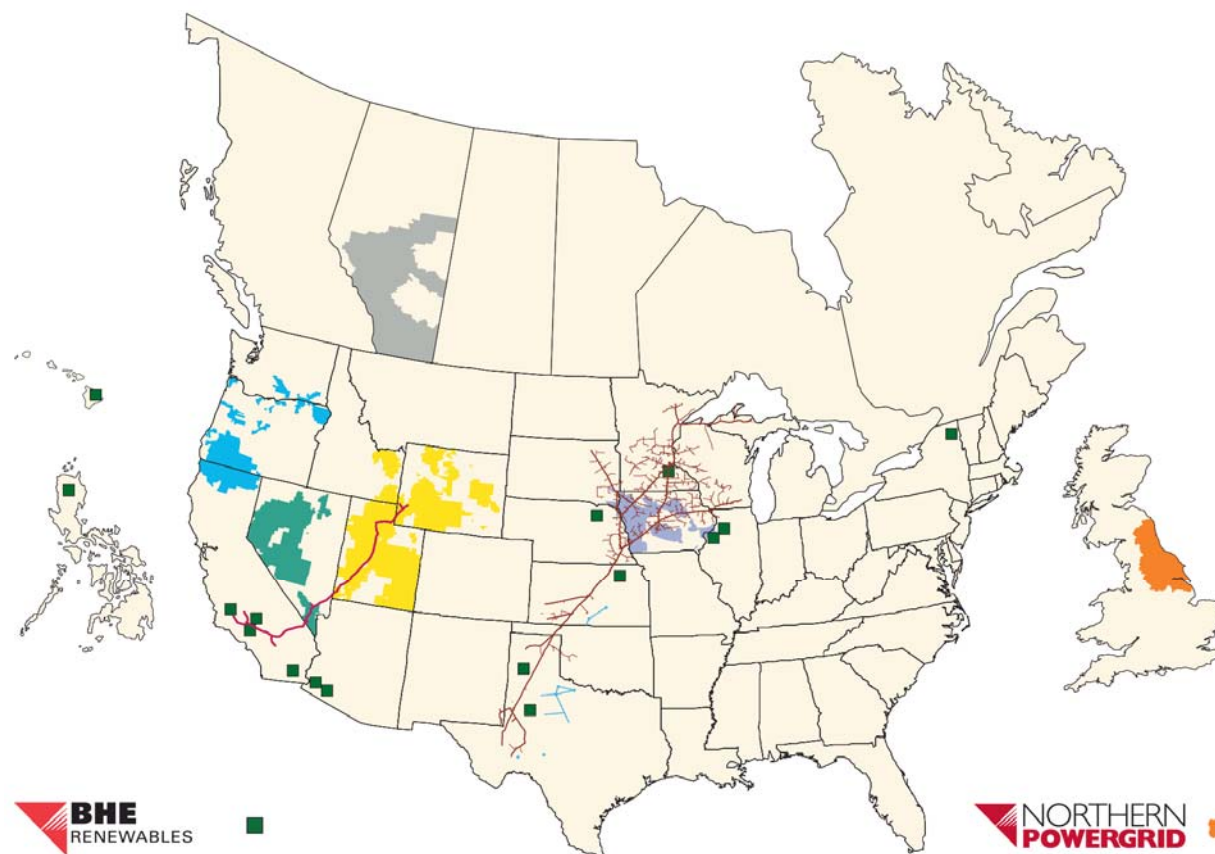
- Berkshire Hathaway Energy's integrated utilities operate in 11 states and serve approximately 4.7 million customers
- Northern Powergrid has 3.9 million end-users, making it the third-largest distribution company in Great Britain
- With our assets at PacifiCorp, NV Energy and AltaLink, we are the largest transmission owner in the Western Interconnection
- Together, Northern Natural Gas and Kern River transported approximately 7% of the natural gas consumed in the U.S. during 2015
- We have invested approximately \$17 billion in solar, wind, geothermal and biomass generation and own 7% of the wind generation and 6% of the solar generation in the United States
- Comparable companies

Company Name	Sept. 30, 2016 Market Cap ⁽¹⁾ (billions)	LTM June 30, 2016 Net Income ⁽¹⁾ (billions)	LTM June 30, 2016 Payout Ratio ⁽¹⁾
NextEra Energy Inc.	\$56.5	\$2.6	58%
Duke Energy	\$55.1	\$2.6	87%
Southern Company	\$50.2	\$2.3	86%
Dominion Resources	\$46.6	\$1.9	84%
American Electric Power	\$31.6	\$2.0	55%

**BHE Net Income:
LTM September 30, 2016
\$2.5 billion
BHE retains more equity than
any of its utility peers**

⁽¹⁾ As reported by S&P Capital IQ

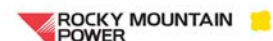
Energy Assets



As of and for the last 12 months ended September 30, 2016

Assets	\$86 billion
Revenues	\$17.4 billion
Customers⁽¹⁾	8.6 million
Employees	20,800
Transmission Line Miles	33,200
Natural Gas Pipeline Miles	16,400
Generation Capacity	
31,600 MW ⁽²⁾	
Renewables	36%
Natural Gas	33%
Coal	30%
Nuclear and Other	1%

- (1) Includes both electric and natural gas customers and end-users worldwide. Additionally, AltaLink serves approximately 85% of Alberta, Canada's population
- (2) Net MW owned in operation and under construction as of September 30, 2016

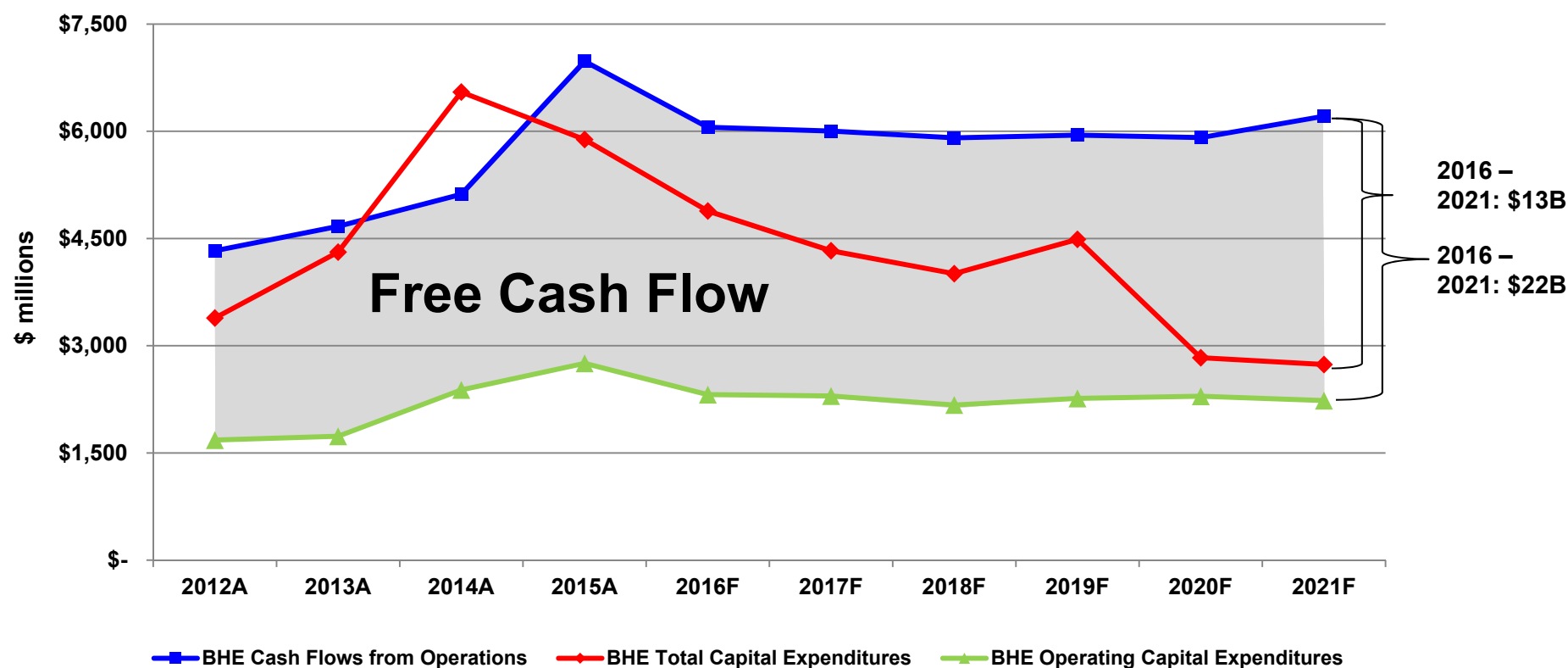


BHE Competitive Advantage

- **Diversified portfolio of regulated assets**
 - Weather, customer, regulatory, generation, economic and catastrophic risk diversity
- **Berkshire Hathaway ownership**
 - Access to capital from Berkshire Hathaway allows us to take advantage of market opportunities
 - Berkshire Hathaway is a long-term holder of assets; its owner for life philosophy promotes stability and helps make BHE the buyer of choice in many circumstances
 - Tax appetite of Berkshire Hathaway has allowed us to receive significant cash tax benefits from our parent of \$860 million in 2016 year-to-date and \$1.8 billion in 2015
- **No dividend requirement**
 - Cash flow is retained in the business and used to help fund growth and strengthen our balance sheet

Capital Expenditures and Cash Flows

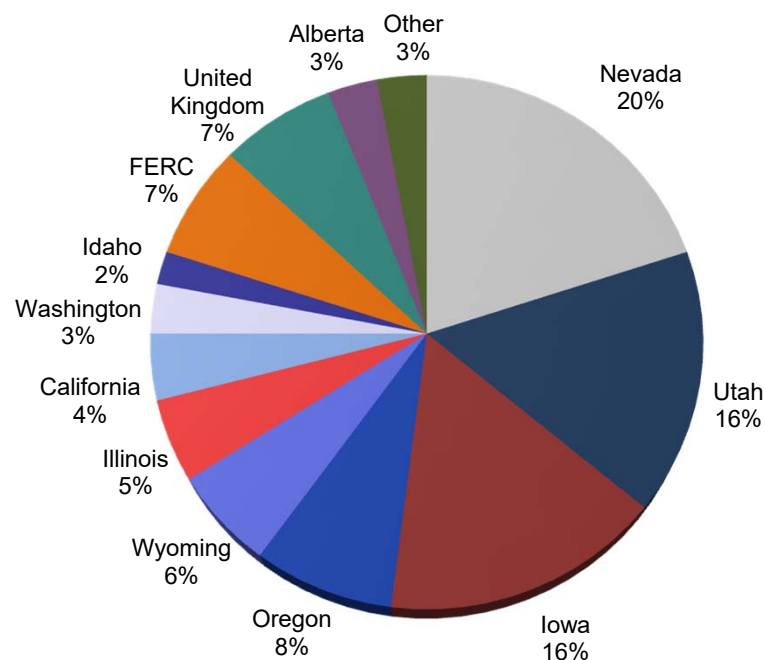
- Berkshire Hathaway Energy and its subsidiaries will spend approximately \$13.2 billion from 2016 – 2018 for development and maintenance capital expenditures, which includes new generation project expansions, primarily wind, transmission and distribution, and environmental capital expenditures



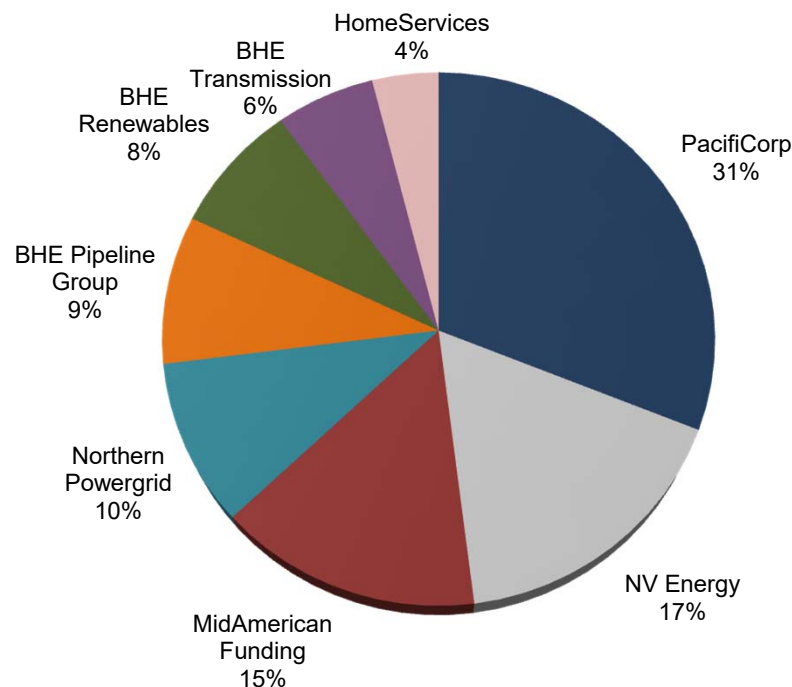
Revenue and EBITDA Diversification

- Diversified revenue sources reduce regulatory concentrations
- For the last 12 months ended September 30, 2016, 88% of EBITDA is from investment-grade regulated subsidiaries. A significant portion of the remaining non-regulated EBITDA is from fully contracted generation assets at BHE Renewables

**BHE LTM Sept. 30, 2016
Energy Revenue⁽¹⁾: \$15 Billion**



**BHE LTM Sept. 30, 2016
EBITDA⁽²⁾: \$7 Billion**



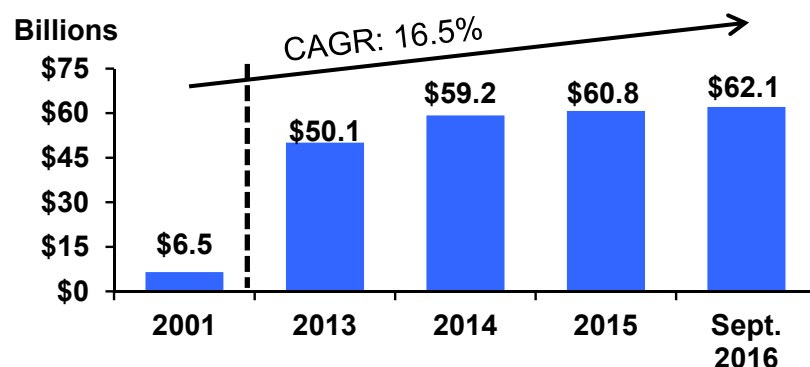
⁽¹⁾ Excludes HomeServices and equity income, which add further diversification

⁽²⁾ Refer to the Appendix for the calculation of EBITDA; percentages exclude Corporate/other

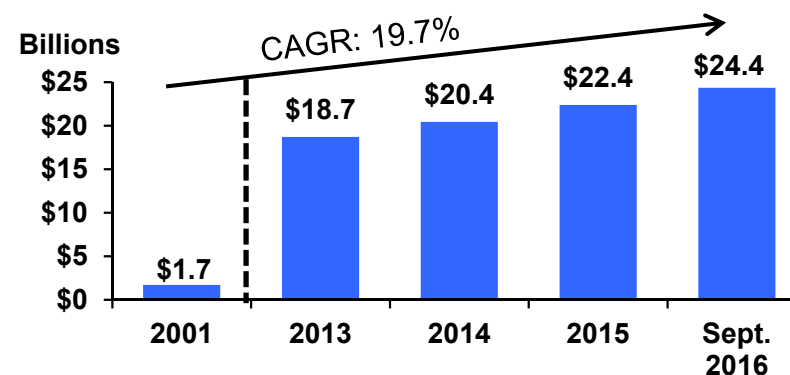
Berkshire Hathaway Energy Financial Summary

- Since being acquired by Berkshire Hathaway in March 2000, BHE has realized significant growth in its assets, net income and cash flows

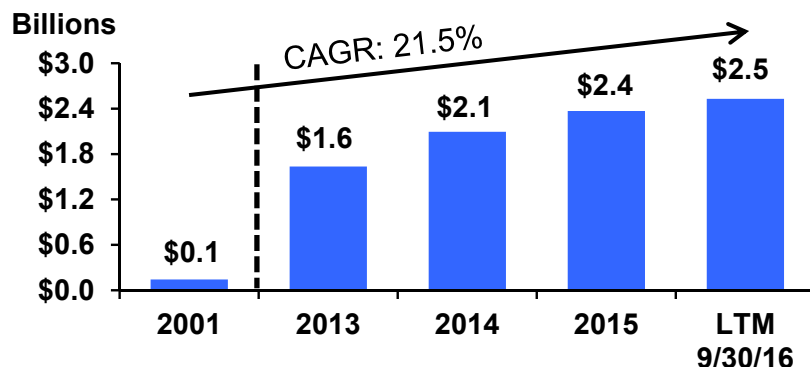
Property, Plant and Equipment (Net)



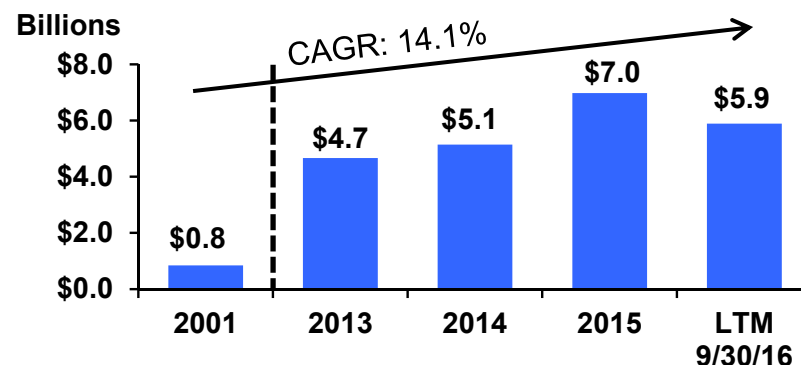
BHE Shareholders' Equity



Net Income Attributable to BHE



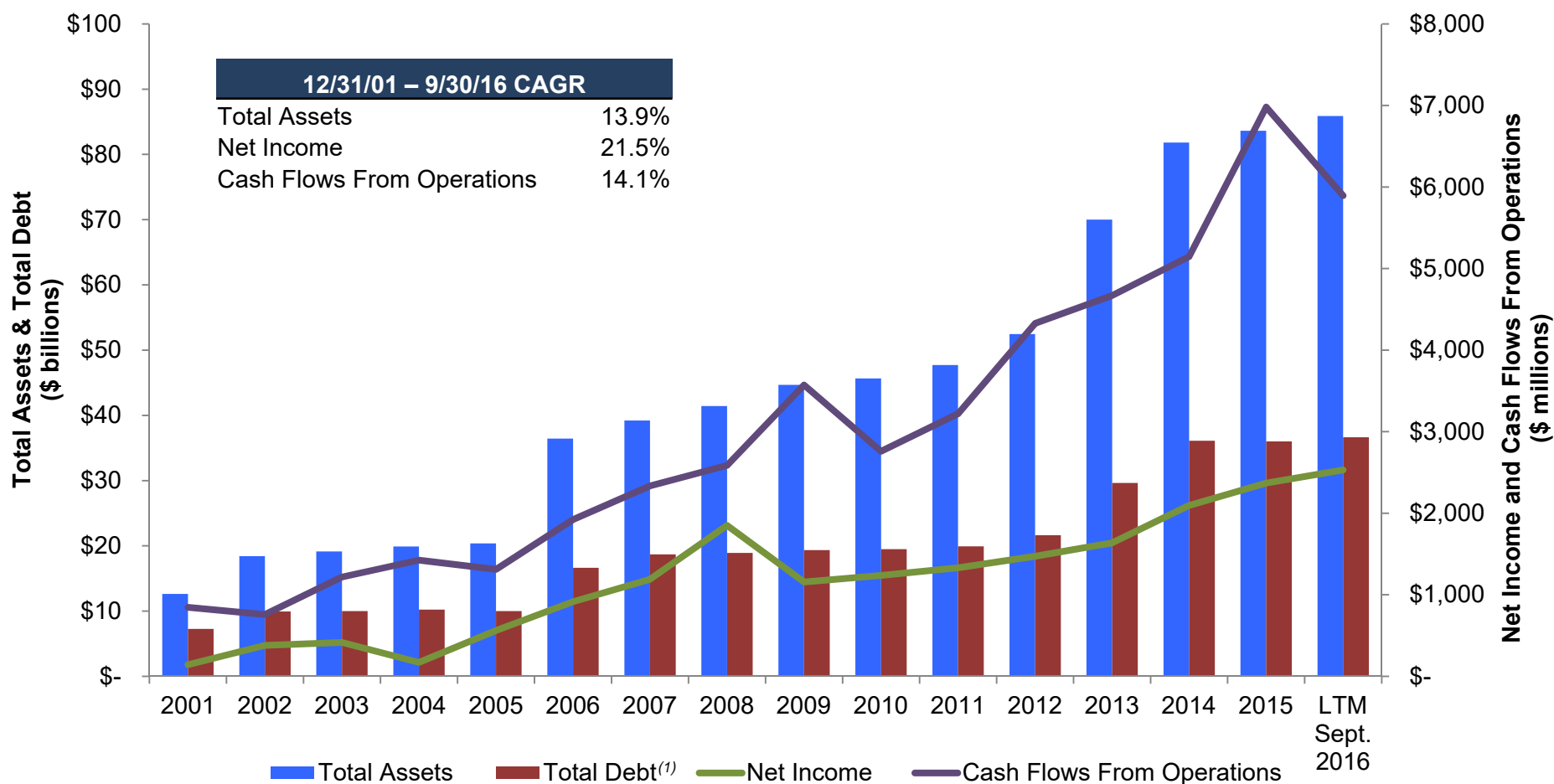
Cash Flows From Operations



Long-Term Perspective

Growing the Business

- We have grown our assets significantly since 2001 while de-risking the business, reducing total debt / total assets from 58% to 43% as of September 30, 2016



⁽¹⁾ Total Debt excludes Junior Subordinated Debentures and BHE trust preferred securities

Customer Service – Deliver Reliable and Affordable Service

Mastio Results

Interstate Pipelines	2003	2016
Kern River	10	1
Northern Natural Gas	43	2

**11th No. 1 for the
consecutive year**

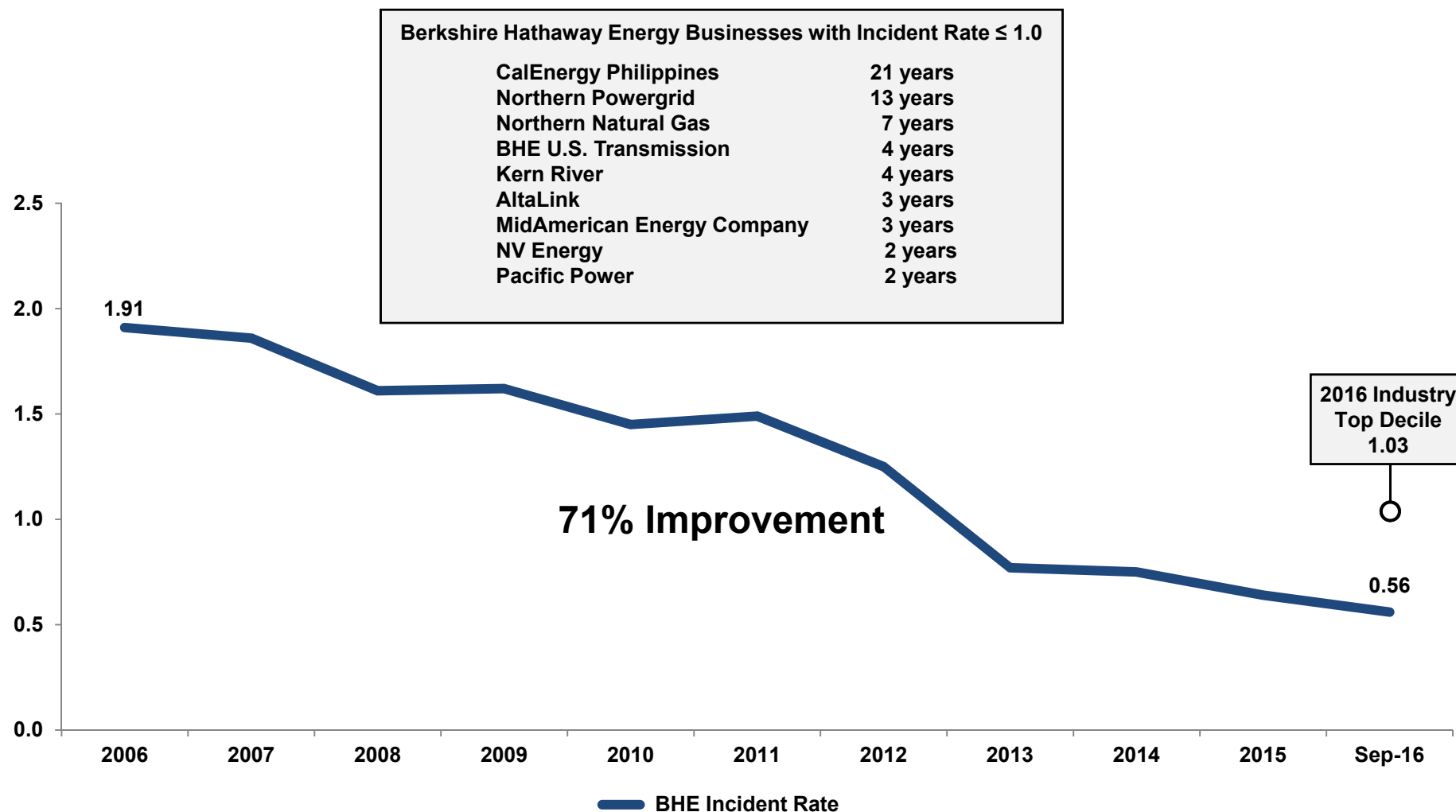
TQS Results

2016 Top 5 Utilities on Overall Customer Satisfaction		
Rank	Utility	Very Satisfied
1	Berkshire Hathaway Energy	96.1%
2	Company A	95.9%
3	Company B	93.4%
4	Company C	92.3%
5	Company D	86.6%
↓		
47	Company name not available	20.0%

**13th Top 3 for the
consecutive year**

Employee Commitment – Improve Safety Culture and Work Environment

Berkshire Hathaway Energy Incident Rate



Environmental Respect – Invest in Renewable Energy

Owned Wind and Solar Generation Capacity (MW)					
	Regulated			Unregulated	Total
	PacifiCorp	MidAmerican Energy	NVE	BHE Renewables	
1999-2013	1,030	2,324	-	821	4,175
2014	-	508	-	652	1,160
2015	-	581	15	486	1,082
2016-2019	-	2,594	-	708	3,302
Total	1,030	6,007	15	2,667	9,718
Investment (billions)	\$2	\$10	\$0	\$9	\$21

- In August 2016, the IUB approved MidAmerican Energy's request to construct up to 2,000 MW of additional wind-powered generating facilities which are expected to be placed in service in 2017 through 2019 with a cost cap of \$3.6 billion
 - “Wind XI puts Iowa on track to be the first state in the nation to generate more than 40 percent of its energy needs from wind power – far ahead of any other state. Today, Iowa is the only state to have crossed the 30 percent mark” – *Iowa Governor Terry E. Branstad*
- BHE has entered into renewable tax equity investments of approximately \$975 million of which \$644 million has been funded to date, and \$331 million has been committed through 2018
- Evaluation of wind repowering opportunities is ongoing

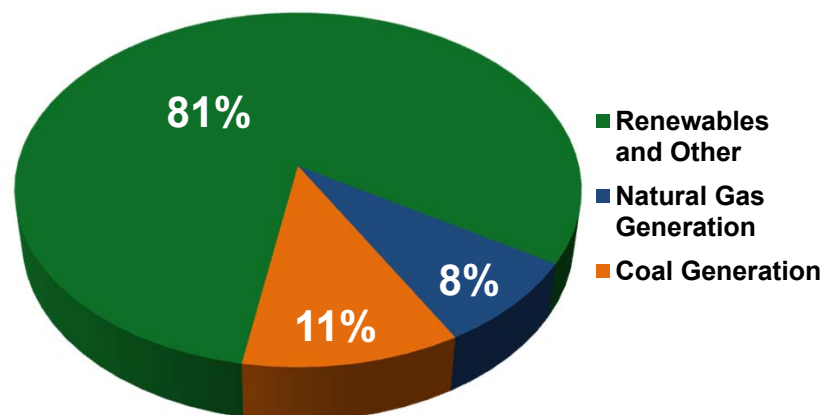
Environmental Respect – Asset & Generation Diversity



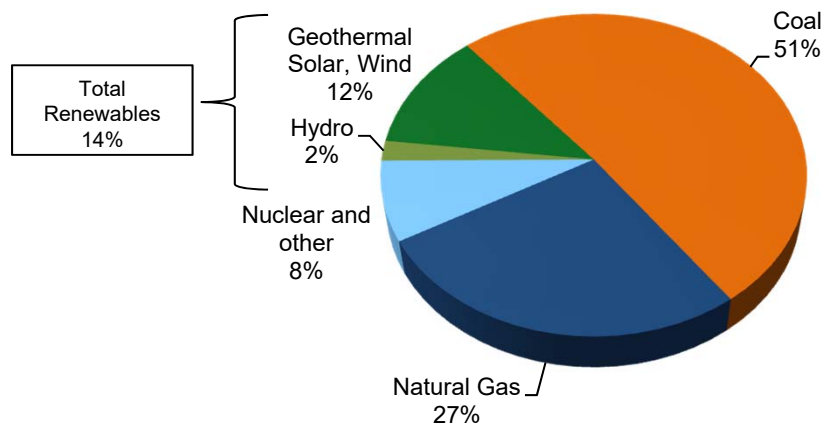
- Berkshire Hathaway Energy signed American Business Act on Climate Pledge in July 2015
- Berkshire Hathaway Energy was the first energy company to join the pledge

BHE Asset Profile

Net Property, Plant and Equipment as of Dec. 31, 2015

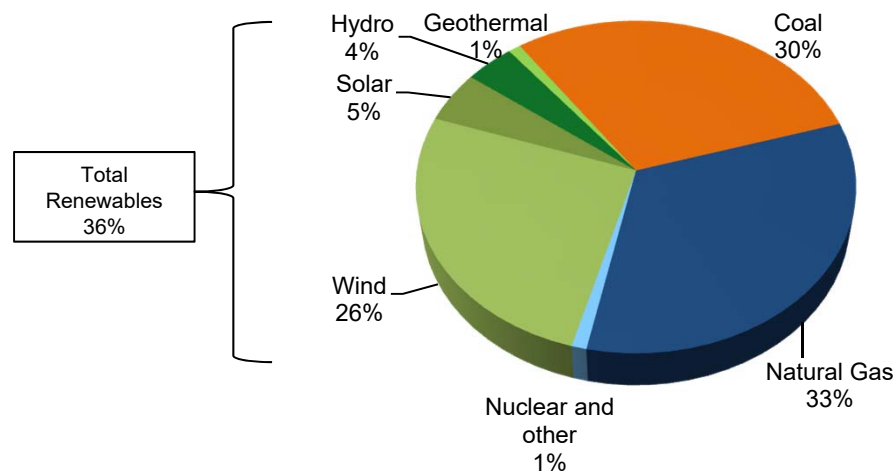


Dec. 31, 2000 BHE Generation Capacity – 5,618 MW ⁽¹⁾



⁽¹⁾ Net MW owned in operation and under construction

Sept. 30, 2016 BHE Generation Capacity – 31,600 MW ⁽¹⁾



Regulatory Integrity – Achieve Balanced Outcomes

Company	Average Retail Rate (\$/kWh)	
Pacific Region⁽¹⁾		
Pacific Power	\$0.0942	Relative to Pacific Region : Pacific Power 35% lower Nevada Power 30% lower
Nevada Power	\$0.1012	
Pacific Region	\$0.1447	
Mountain Region⁽¹⁾		
Rocky Mountain Power	\$0.0811	Relative to Mountain Region : Rocky Mountain Power 15% lower Sierra Pacific Power 16% lower
Sierra Pacific Power	\$0.0805	
Mountain Region	\$0.0954	
Midwest Region⁽²⁾		
MidAmerican Energy	\$0.0687	Relative to Midwest Region : MidAmerican Energy 29% lower
Midwest Region	\$0.0963	

Highest Average Rates (\$/kWh) by State⁽¹⁾: Hawaii – \$0.2395; Massachusetts – \$0.1816; Connecticut – \$0.1768; Rhode Island – \$0.1717; New York – \$0.1674

⁽¹⁾ Source: Edison Electric Institute (Summer 2016)

⁽²⁾ Source: U.S. Energy Information Administration

Financial Strength – Strong Credit Profile

- BHE key credit ratios⁽¹⁾
 - Credit ratios continue to be strong and supportive of our credit ratings

	LTM		
	<u>9/30/16</u>	<u>2015</u>	<u>2014</u>
FFO Interest Coverage	4.4x	4.5x	4.9x
FFO to Adjusted Debt Excluding Acquisition Related Debt ⁽²⁾	16.5%	17.6%	20.6%
Adjusted Debt to Total Capitalization	58.6%	58.6%	59.7%

- Ratings (issuer or senior unsecured ratings unless noted)

	<u>Moody's</u>	<u>S&P</u>	<u>Fitch</u>		<u>Moody's</u>	<u>S&P</u>	<u>Fitch</u>	<u>DBRS</u>
Berkshire Hathaway Energy	A3	A-	BBB+	Kern River Funding Corp. ⁽³⁾	A2	A	A-	-
PacifiCorp ⁽³⁾	A1	A+	A+	Northern Powergrid (Northeast)	A3	A	A-	-
MidAmerican Energy Company ⁽³⁾	Aa2	A+	A+	Northern Powergrid (Yorkshire)	A3	A	A	-
Nevada Power Company ⁽³⁾	A2	A+	A-	AltaLink L.P. ⁽³⁾	-	A	-	A
Sierra Pacific Power ⁽³⁾	A2	A+	A-					
Northern Natural Gas Company	A2	A	A					

(1) Refer to the Appendix for the calculations of key ratios

(2) 2014 calculation excludes AltaLink debt and BHE acquisition debt related to AltaLink acquisition

(3) Ratings are senior secured ratings

Financial Strength – Credit Metrics

Regulated U.S. Utilities

LTM			
9/30/16	2015	2014	

PacifiCorp

FFO Interest Coverage	5.7x	5.4x	5.2x
FFO to Debt	25.4%	23.2%	22.4%
Debt to Total Capitalization	48.4%	48.9%	47.6%

MidAmerican Energy

FFO Interest Coverage	7.6x	7.2x	7.1x
FFO to Debt	30.3%	26.6%	25.9%
Debt to Total Capitalization	45.4%	47.6%	49.0%

Nevada Power Company

FFO Interest Coverage	5.1x	6.1x	4.8x
FFO to Debt	25.5%	29.5%	22.5%
Debt to Total Capitalization	50.1%	50.9%	55.1%

Sierra Pacific Power Company

FFO Interest Coverage	5.3x	6.1x	5.1x
FFO to Debt	21.0%	25.7%	21.1%
Debt to Total Capitalization	51.3%	52.8%	54.4%

Regulated Pipelines and Electric Distribution

LTM			
9/30/16	2015	2014	

Northern Natural Gas

FFO Interest Coverage	11.4x	10.4x	8.3x
FFO to Debt	51.3%	48.7%	36.6%
Debt to Total Capitalization	35.7%	36.1%	40.2%

Northern Powergrid

FFO Interest Coverage	4.8x	5.1x	5.3x
FFO to Debt	20.4%	21.2%	24.4%
Debt to Total Capitalization	42.5%	44.3%	42.7%

AltaLink, L.P.

FFO Interest Coverage	3.2x	2.6x	3.0x
FFO to Debt	11.9%	9.6%	10.4%
Debt to Total Capitalization	62.4%	62.4%	61.3%

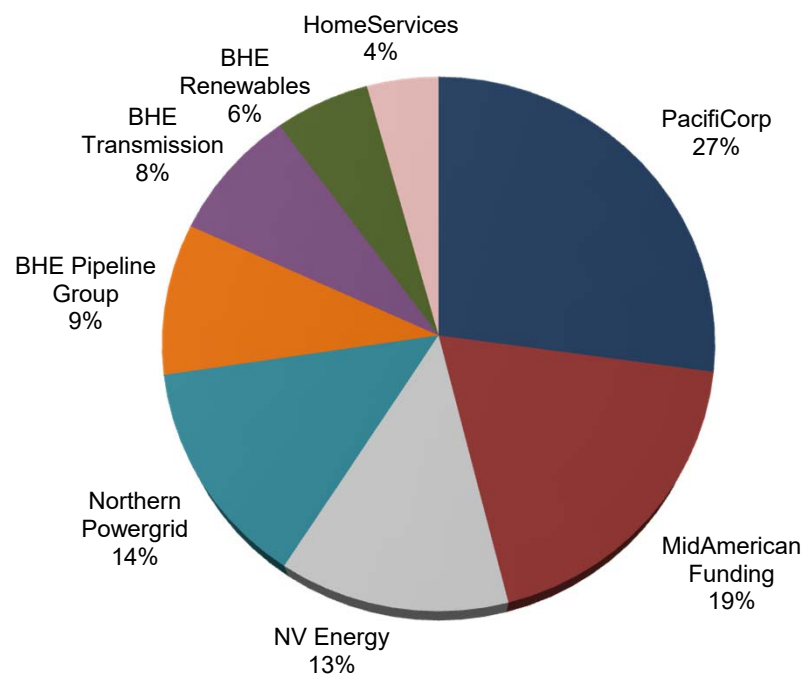
Note: Refer to the appendix for the calculations of key ratios, excluding AltaLink, L.P. AltaLink financial information is disclosed in the Management's Discussion and Analysis section as presented in its Canadian public financial filings

Financial Information (\$ millions)

- Our businesses continue to perform well

BHE LTM Sept. 30, 2016
Net Income⁽¹⁾ : \$2.5 Billion

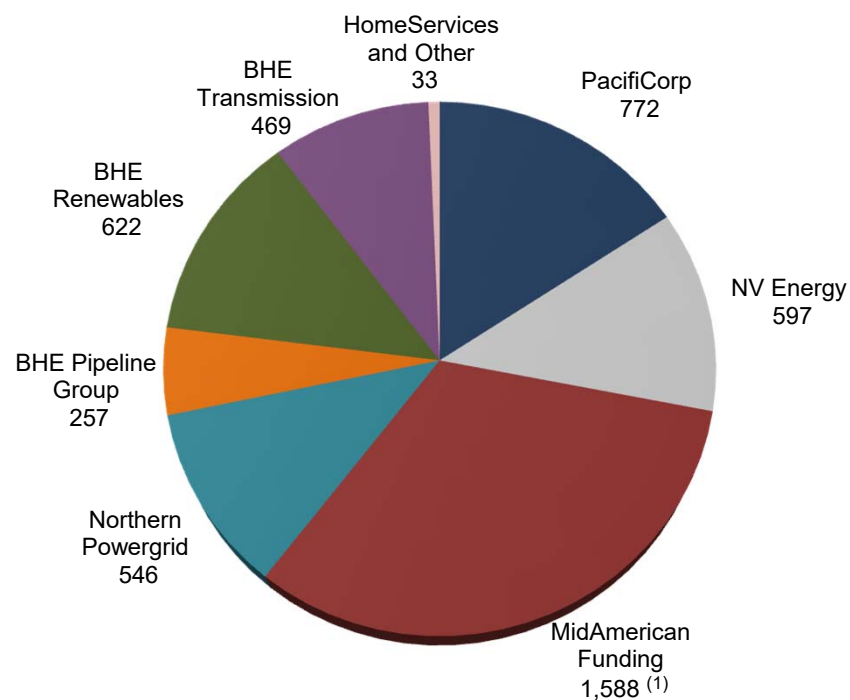
Net Income Attributable to BHE	LTM Years Ended		
	9/30/2016	12/31/2015	12/31/2014
PacifiCorp	\$ 742	\$ 697	\$ 700
MidAmerican Funding	511	442	393
NV Energy	357	379	354
Northern Powergrid	369	422	412
BHE Pipeline Group	250	243	230
BHE Transmission	222	186	56
BHE Renewables	157	124	121
HomeServices	118	104	83
BHE and Other	(195)	(227)	(254)
Net income attributable to BHE	<u>\$ 2,531</u>	<u>\$ 2,370</u>	<u>\$ 2,095</u>



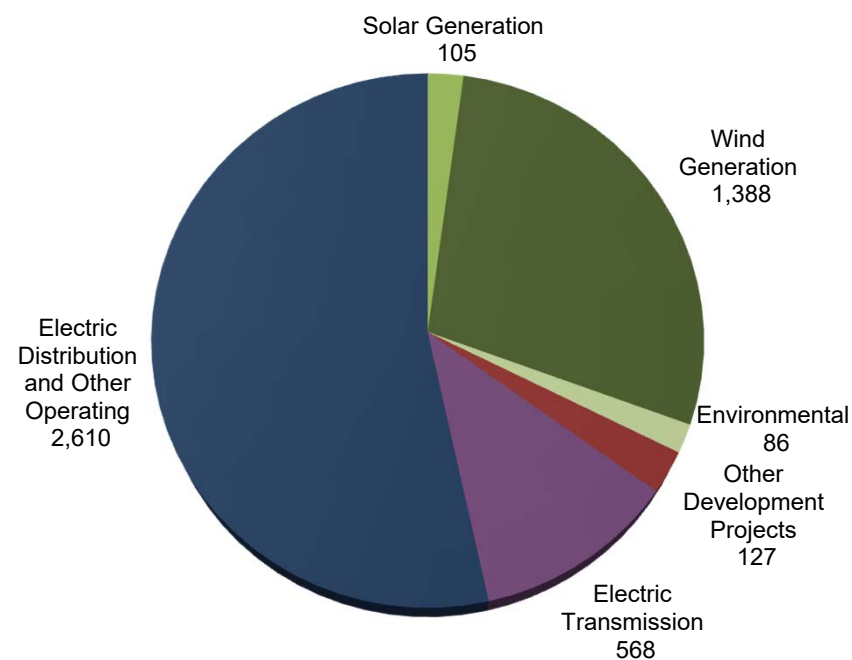
⁽¹⁾ Percentages exclude Corporate/other

2016 Projected Capital Expenditures – \$4.9 Billion

Capital Expenditures by Business (\$m)

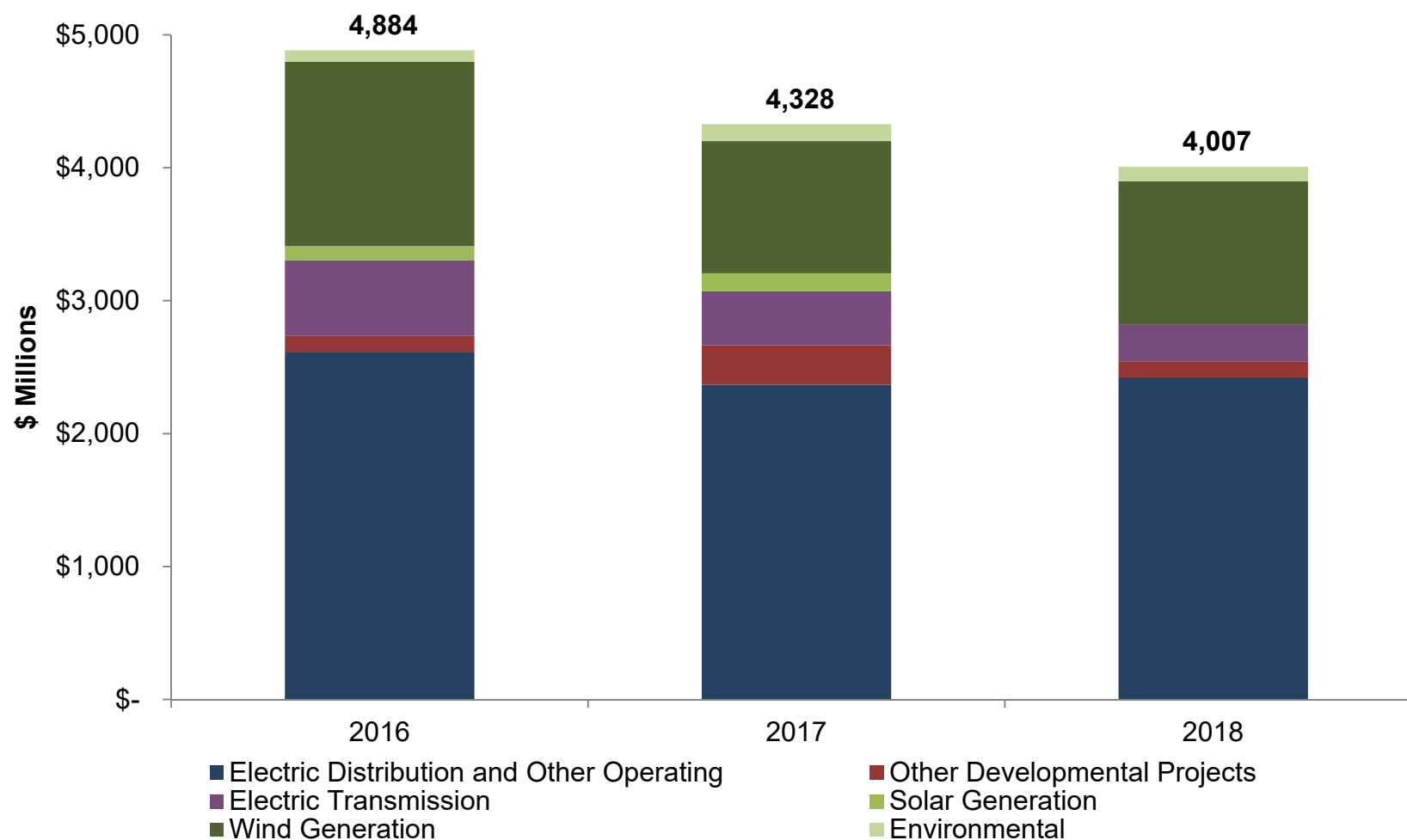


Capital Expenditures by Type (\$m)

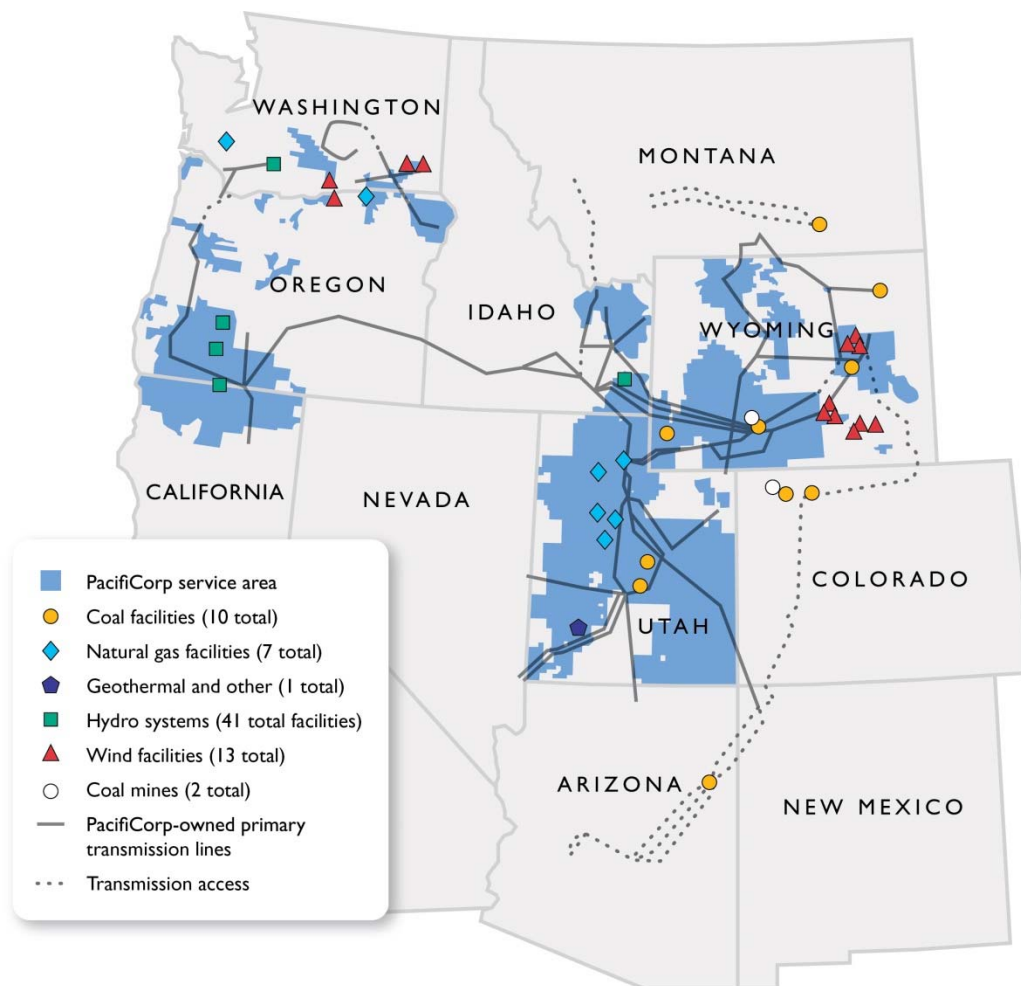


⁽¹⁾ MidAmerican Funding includes Wind XI capital expenditures

2016 – 2018 Projected Capital Expenditures



PacifiCorp



- Headquartered in Portland, Oregon
- 5,600 employees
- 1.8 million electric customers in six western states
- 10,894 MW of owned capacity⁽¹⁾
- Owned capacity by fuel type:

	9/30/16	3/31/06
– Coal	54%	72%
– Natural gas	25%	13%
– Hydro ⁽²⁾	11%	14%
– Wind, geothermal and other ⁽²⁾	10%	1%

⁽¹⁾ Net MW owned in operation as of September 30, 2016

⁽²⁾ All or some of the renewable energy attributes associated with generation from these generating facilities may be: (a) used in future years to comply with renewable portfolio standards or other regulatory requirements or (b) sold to third parties in the form of renewable energy credits or other environmental commodities

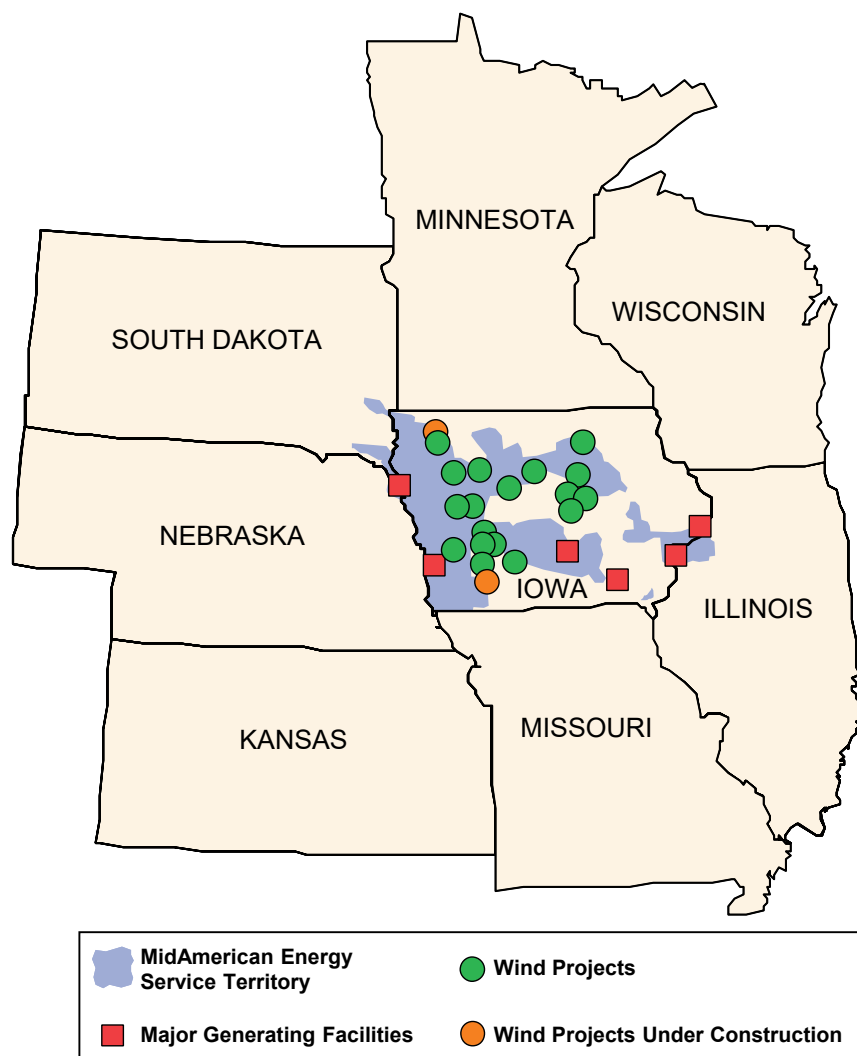
PacifiCorp – Business Update

- Strong cost containment helps minimize need for rate increases while continuing to improve safety, reliability and customer service
- Actual retail load for the nine-months ended September 30, 2016, was 40,776 gigawatt-hours, a 0.4% decrease versus the same time period for 2015 due to lower commercial and industrial customer usage, partially offset by higher residential customer usage and an increase in average number of residential and commercial customers primarily in Utah
- Multi-year rate plans are in effect in several states, and energy cost adjustment mechanisms exist in all six states PacifiCorp has operations
- Utah Sustainable Transportation and Energy Plan (“STEP”)
 - The Company filed in September 2016 for approval by Utah regulators to implement the STEP passed by Utah legislators during March 2016. The Company proposed a five-year pilot program with a budget of \$10 million each year, including:
 - Electric vehicle charging infrastructure programs
 - Commercial line incentives for business
 - Curtailment of Gadsby Plant emissions during periods of air quality alerts
 - Investigate and implement new technologies
 - Clean Coal research programs
 - Cost recovery of Utah Solar Incentive Program pre-2017 expenditures
 - The plan also includes a risk mitigation fund to minimize the rate impact to customers in the event coal fueled generation plants are closed prematurely due to compliance requirements
 - Mandates full recovery of Utah’s share of fuel, purchased power and other supply costs through EBA that are not fully in the base rates

PacifiCorp – Business Update

- Oregon Clean Electricity and Coal Transition Plan signed into law by Gov. Brown in March 2016
 - Doubles renewable energy portfolio standard to 50%
 - 20% by 2020, 27% by 2025, 35% by 2030, 40% by 2035, 50% by 2040
 - Incorporates renewable energy credit banking provisions
 - Removes coal costs from Oregon rates by January 1, 2030
 - Provisions to protect customers and utilities
- Washington regulators authorized a two-step rate increase of \$5.7 million (1.7%) effective October 2016 and \$8.0 million (2.3%) effective September 2017
 - Washington regulators also approved PacifiCorp's proposed accelerated depreciation schedule for Jim Bridger and Colstrip plants and a revenue decoupling mechanism. The Commission approved recovery of the costs of the selective catalytic reduction systems at Jim Bridger Units 3 and 4 but will not allow the Company to earn a return on those investments

MidAmerican Energy



- Headquartered in Des Moines, Iowa
- 3,300 employees
- 1.5 million electric and natural gas customers in four Midwestern states
- 10,595 MW⁽¹⁾ of owned capacity
- Owned capacity by fuel type:

	<u>9/30/16⁽¹⁾</u>	<u>12/31/00</u>
– Coal	26%	70%
– Natural gas	13%	19%
– Wind ⁽²⁾	57%	0%
– Nuclear and other	4%	11%

⁽¹⁾ Net MW owned in operation and under construction as of September 30, 2016

⁽²⁾ All or some of the renewable energy attributes associated with generation from these generating facilities may be: (a) used in future years to comply with renewable portfolio standards or other regulatory requirements or (b) sold to third parties in the form of renewable energy credits or other environmental commodities

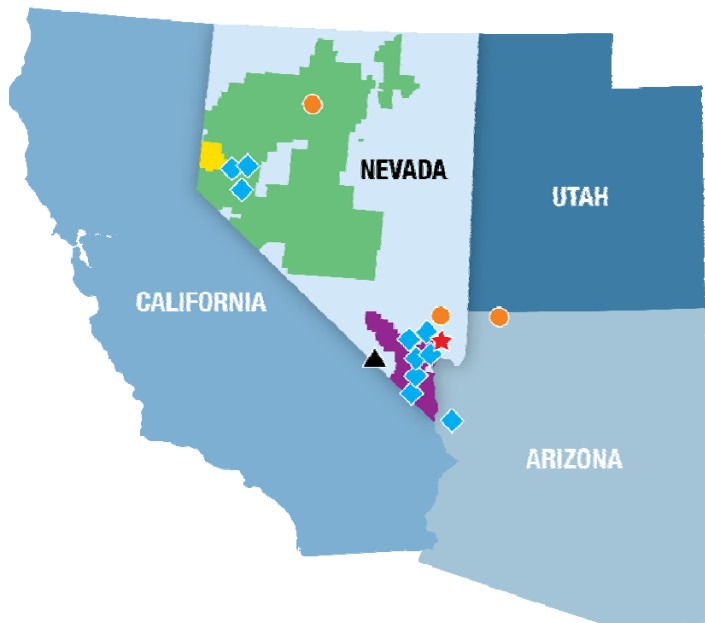
MidAmerican Energy – Business Update

- Final rates associated with an Iowa electric rate increase filed May 17, 2013, resulted in a phased-in increase to base rates of \$135 million at annualized amounts of \$45 million (3.6%) effective August 2013, \$45 million effective January 2015, and \$45 million effective January 2016; and adjustment clauses for retail energy, including the pre-tax value of federal production tax credits, and Midcontinent Independent System Operator (“MISO”) transmission costs
- All electric and gas jurisdictions have adjustment clauses to recover actual fuel costs, and the Iowa and South Dakota electric clauses include the pre-tax value of federal production tax credits
- MidAmerican Energy continues to rank high in customer satisfaction as evidenced by being ranked No. 1 in overall customer satisfaction in the Midwest Large Segment in two J.D. Power studies (Residential Electric and Residential Natural Gas); being named a Most Trusted Business Partner in the Cogent Reports 2016 Utility Trusted Brand & Customer Engagement Study: Commercial; and by earning its highest overall customer satisfaction score in company history in the TQS Key Accounts study
- Customer growth, warmer-than-normal summer weather and improved industrial sales helped offset mild winter weather, resulting in an increase in actual retail electric sales to 18,089 gigawatt-hours for the nine-months ended September 30, 2016, a 2.9% increase over the same period for 2015

MidAmerican Energy – Business Update

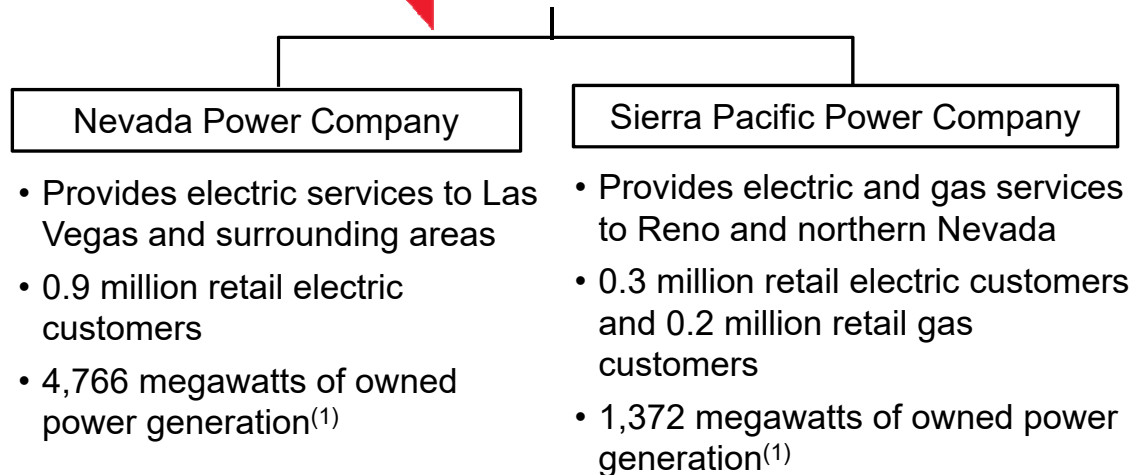
- Wind X Project – Currently completing construction of the 551 MW (nominal ratings) wind-powered generation project in Iowa. As of September 30, 2016, MidAmerican Energy has placed in-service 123 MW and expects to place the remaining 428 MW in-service by the end of 2016 within the \$888 million cost cap established by the Iowa Utilities Board (IUB)
- Wind XI Project – In August 2016, the IUB approved rate-making principles related to the construction of up to 2,000 MW of additional wind-powered generating facilities expected to be placed in-service between 2017 and 2019 with a cost cap of \$3.6 billion
- Constructing transmission lines in Iowa and Illinois that are expected to be in-service in 2016-2018, with an estimated cost of \$555 million; projects have been designated as Multi-Value Projects by the MISO
- In June 2016, Exelon Generation Company, LLC announced its intention to shut down Quad Cities Generating Station Units 1 and 2 (“Quad Cities Station”) on June 1, 2018, as a result of Illinois not passing adequate legislation and Quad Cities Station not clearing the 2019-2020 PJM Interconnection, L.L.C. capacity auction. MidAmerican Energy Company has a 25% ownership in Quad Cities Station and continues to work with Exelon Generation on solutions that will lead to continued operation of the facility through the end of its operating license in 2032

NV Energy



- **NVE SPPC Electric Service Territory**
- **NVE NPC Electric Service Territory**
- **NV Energy Gas Service Territory**
- **Coal Plants**
- ◆ **Natural Gas Plants**
- ▲ **Energy Recovery Plant**
- ★ **Solar Energy Plant**

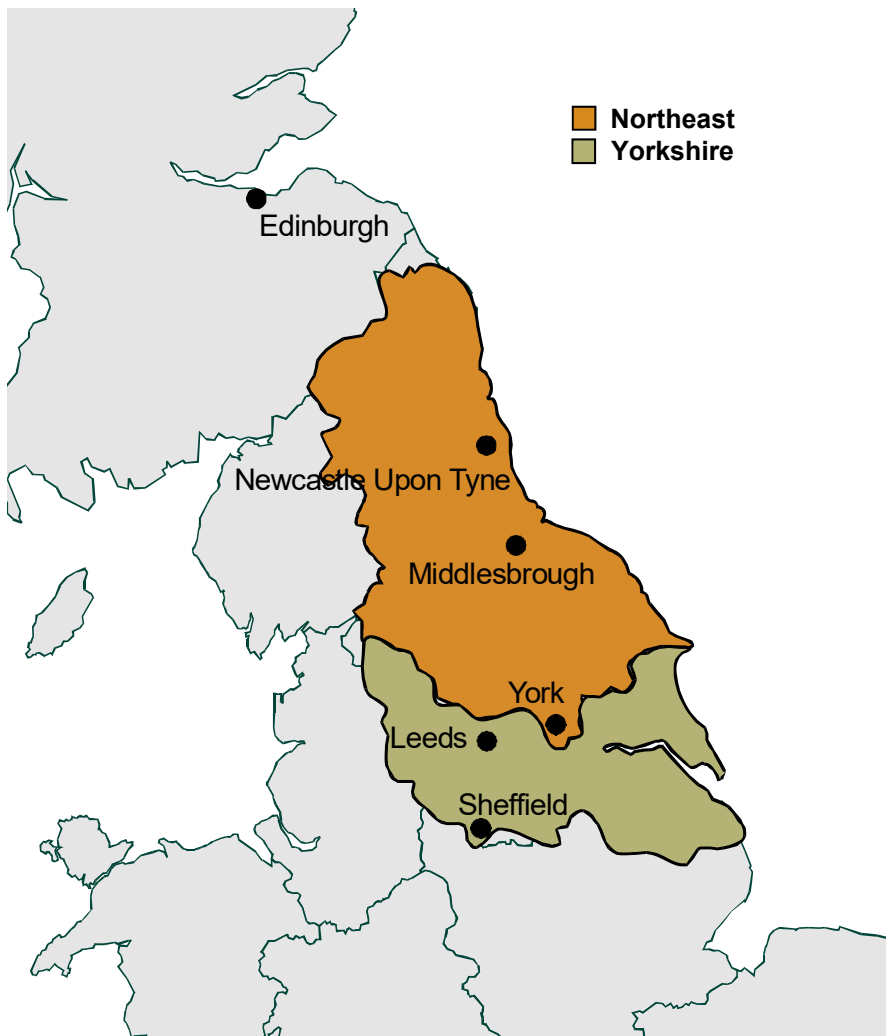
- Headquartered in Las Vegas, Nevada
- 2,500 employees
- 1.2 million electric and 0.2 million gas customers
- Provides service to 90% of Nevada population, along with tourist population of 41.0m
- 6,138 megawatts of owned power generation capacity (87% natural gas, 13% coal & other)
 - All owned coal plants will either be shutdown or ownership interest divested by 2025
- 1,588 megawatts of renewable energy in Nevada through power purchase agreements (43% solar, 30% geothermal, 16% hydro, 11% wind/other)



NV Energy – Business Update

- Private generation:
 - On September 12, 2016, the state district court affirmed a February 2016 Public Utilities Commission of Nevada (“PUCN”) order establishing different rates and a lower excess energy credit for new private generation customers (i.e., those who did not have an interconnection application pending on December 31, 2015)
 - On September 16, 2016, the PUCN approved NV Energy’s proposal to “grandfather” 32,000 private generation customers who had installed systems before December 31, 2015, or an active interconnection application pending on December 31, 2015
 - As a result, new private generation customers are governed by the PUCN’s February 2016 order, while existing private generation customers will benefit from the net energy metering rules that existed before that order
- Proposed amendment to the Nevada Constitution known as the Energy Choice Initiative would require the Nevada Legislature to adopt legislation providing for a competitive electric market by 2023. NV Energy remains neutral and developed Key Principles, designed for healthy dialogue around future policy changes. Measure needs a majority vote in 2016 and 2018 general elections, with legislative action
- Sierra Pacific Power Company filed the triennial rate review application for its electric and gas operations June 6, 2016. The Company, PUCN staff, and intervenors entered into a stipulation agreement October 17, 2016, which resolved most of the rate case issues. The PUCN is expected to vote on the stipulation later this year and if approved, the stipulation will annually reduce electric revenues by \$2.9 million and natural gas revenues by \$2.4 million, effective January 1, 2017
- Energy imbalance market first-year savings already exceed \$5.1 million annual target
- Nevada Gov. Sandoval announced two new appointments to the three-member PUCN

Northern Powergrid



- 3.9 million end-users in northern England
- Approximately 58,000 miles of distribution lines
- Approximately 67% of 2016 distribution revenue from residential and commercial customers through September 30, 2016

- Distribution revenue (£ millions):

	<u>Nine Months Ended</u>	
	<u>9/30/16</u>	<u>9/30/15</u>
Residential	243	257
Commercial	81	88
Industrial	154	154
Other	<u>5</u>	<u>5</u>
Total	<u>482</u>	<u>504</u>

- Strong start to the ED1 period (eight-year price control started April 2015) with total expenditure for the 2015/16 regulatory year at 97.1% of allowances and outputs 14.3% ahead of target. Groundwork now laid for delivering commitments effectively over the eight-year period
- In 2016 a step-change is being achieved in overall customer satisfaction, from an average ranking of 5th in 2015 to an average ranking of 2nd or 3rd in 2016

Northern Natural Gas



- 14,700 miles of natural gas pipeline
- 5.7 Bcf per day of market area design capacity; 1.7 Bcf per day field area capacity
- More than 73 Bcf firm service and operational storage cycle capacity
- 90% of transportation and storage revenue through September 30, 2016, is based on demand charges
- Increased the integrity and reliability of the pipeline while managing operating costs and staffing
- Ranked No. 1 among 16 mega-pipelines and No. 2 among 42 interstate pipelines in 2016 Mastio & Company customer satisfaction survey
- Over the past decade, approximately \$200 million in capital has been invested to ensure compliance with Pipeline Safety Act requirements
- Excellent performance
 - 2015-2016 heating season 10% warmer than normal compared to 9% colder than normal for 2014-2015 heating season. November & December 2015 were a combined 16% warmer than normal
 - Set new Market Area peak daily delivery record of 5.158 Bcf January 18, 2016
 - Pipeline system operated dependably and safely. No lost-time safety-related incidents

Kern River



- 1,700 miles of natural gas pipeline
- Design capacity of 2.2 million Dth per day of natural gas
- 97% of revenue through September 30, 2016, is based on demand charges
- Kern River delivered nearly 20%⁽¹⁾ of California's natural gas demand in 2015
- Ranked No. 1 among 42 interstate pipelines in 2016 Mastio & Company customer satisfaction survey
- Existing shippers chose to extend service with Kern River for approximately 94% of the 891,471 Dth/day of capacity that expired in 2016 or is due to expire in 2017
 - 25% of the capacity contracted for 10 years
 - 69% of the capacity contracted for 15 years

⁽¹⁾ 2016 California Gas Report

AltaLink, L.P.



- AltaLink is a transmission-only service provider
 - Supplies electricity to approximately 85% of Alberta's population
- AltaLink owns approximately 8,100 miles of 69 kilovolt and higher line, and approximately 300 substations within the transmission system in Alberta
 - No volume or commodity exposure
 - Strong, stable regulatory environment
 - Revenue from AA- rated Alberta Electric System Operator
- Mid-year 2016 rate base and CWIP per the most recent regulatory update was C\$7.3 billion

AltaLink Regulatory Update

2012-2013 Deferral Account Reconciliation Application (“DACDA”)

- On June 6, 2016, the Alberta Utilities Commission (“AUC”) approved C\$1,862 million of the total C\$1,977 million of capital projects included in the 2012-2013 DACDA application. Project costs of C\$109 million were deferred to a future hearing

2015-2016 General Tariff Application (“GTA”)

- On May 9, 2016, the AUC approved AltaLink’s proposed immediate tariff relief of C\$415 million for 2015 and 2016 (as well as an additional C\$185 million for 2017-2018) through the:
 - Discontinuance of CWIP in rate base and the return to AFUDC accounting effective January 1, 2015, and the refund of previously collected CWIP in rate base as part of AltaLink’s tariffs during 2012-2014 less the related returns
 - Adoption of the flow-through tax methodology for the calculation of deemed income taxes effective January 1, 2016

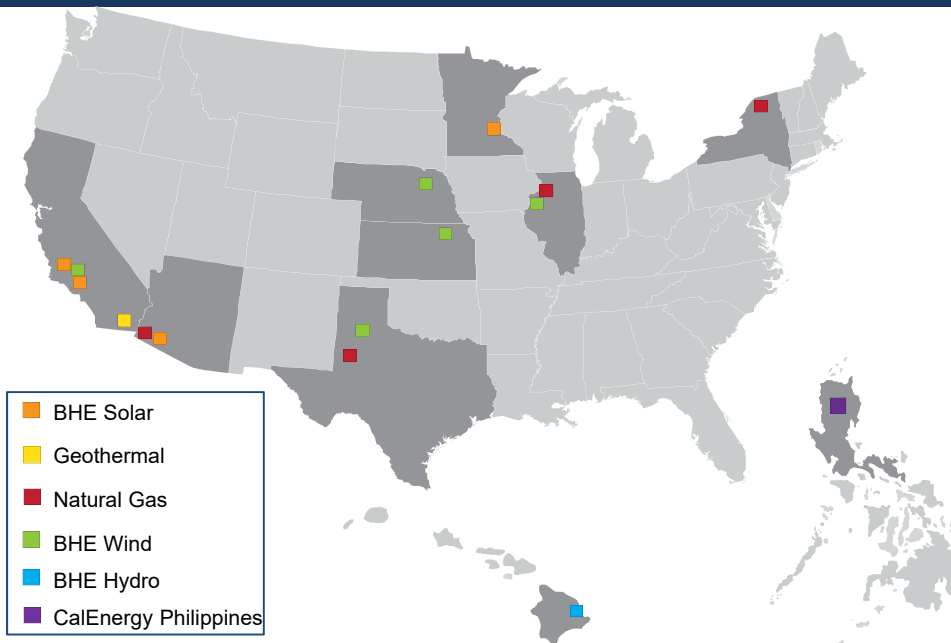
2016-2017 Generic Cost of Capital Decision (“GCOC”)

- On October 7, 2016, the AUC approved an ROE of 8.3% for 2016 and 8.5% for 2017 (8.3% for 2013-2015) and an equity thickness of 37% for 2016 and 2017 (36% for 2013-2015)
- The AUC was consistent with its approach in past GCOC decisions to award common equity ratios that are on a stand-alone basis consistent with credit ratings in the A category

2017-2018 GTA

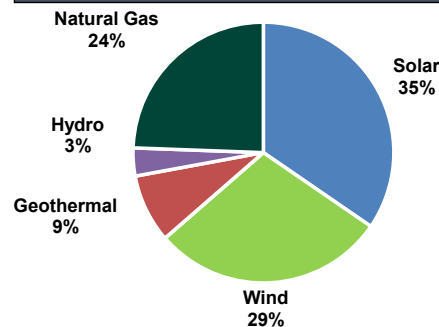
- On October 28, 2016, AltaLink filed an amendment to its 2017-2018 GTA seeking approval for revenue requirement of C\$891 million in 2017 and C\$919 million in 2018
- AltaLink is seeking AUC approval to engage in settlement discussions on some or all of the issues within the 2017-2018 GTA

BHE Renewables

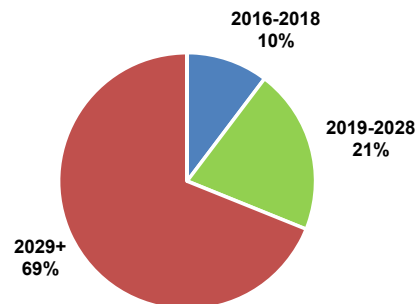


	Location	Installed	PPA Expiration	Power Purchaser	Net or Contract Capacity (MW)	Net Owned Capacity (MW)
SOLAR						
Solar Star I & II	CA	2013-2015	2035	SCE	586	586
Topaz	CA	2013-2014	2040	PG&E	550	550
Agua Caliente	AZ	2012-2013	2039	PG&E	290	142
Community Solar Gardens	MN	2016-2017	(2)	(2)	96	96
					<u>1,522</u>	<u>1,374</u>
WIND						
Pinyon Pines I & II	CA	2012	2035	SCE	300	300
Jumbo Road	TX	2015	2033	Austin Energy	300	300
Bishop Hill II	IL	2012	2032	Ameren	81	81
Grande Prairie	NE	2016	2037	OPPD	400	400
Marshall Wind	KS	2016	2036	(3)	72	72
					<u>1,153</u>	<u>1,153</u>
GEO THERMAL						
Imperial Valley	CA	1982-2000	(4)	(4)	<u>338</u>	<u>338</u>
HYDROELECTRIC						
Casecanan	Phil.	2001	2021	NIA	150	128
Wailuku	HI	1993	2023	Hawaii Electric	10	10
					<u>160</u>	<u>138</u>
NATURAL GAS						
Cordova	IL	2001	2019	Exelon Generation	512	512
Power Resources	TX	1988	2018	EDF Trading	212	212
Saranac	NY	1994	2017	TransAlta Energy Mktg	245	196
Yuma	AZ	1994	2024	SDG&E	50	50
					<u>1,019</u>	<u>970</u>
Total Owned and Under Construction					<u>4,192</u>	<u>3,973</u>

Portfolio Composition (1)



Contract Maturities (1)



(1) Based on net owned capacity of 3,973 MW in operation and under construction as of September 30, 2016

(2) Forecast approximately 100 off-takers for the purchase of all the energy produced by the solar portfolio for a period up to 25 years

(3) Separate PPA's exist with Missouri Joint Municipal Electric Commission (20 MW), Kansas Power Pool (25 MW), City of Independence, Missouri (20 MW), with the remaining (7 MW) still in negotiation

(4) 83% of the Company's interests in the Imperial Valley Projects' Contract Capacity are currently sold to Southern California Edison Company under long-term power purchase agreements expiring in 2016 through 2026. Certain long-term power purchase agreement renewals for 244 MW have been entered into with other parties at fixed prices that expire from 2028-2039, of which 202 MW mature 2039

BHE Renewables Update

Solar

- Community Solar Gardens
 - Phase 1 of 32 MW is expected to reach commercial operations in December 2016
 - Phase 2 of 63.9 MW is expected to reach commercial operations in third quarter of 2017

Wind

- Grande Prairie
 - 400 MW project acquired in February 2015
 - Estimated commercial operation in fourth quarter 2016
- Marshall
 - 72 MW project acquired in September 2015
 - Commercial operation commenced in April 2016

Tax Equity

- Executed agreements to provide tax equity of \$975 million
 - Tax equity sized to earn a preferred return through a targeted flip date, generally over a 10-year period

Geothermal

- Imperial Valley projects have 328 MW out of 338 MW with long-term contracts that expire between 2016 to 2026. Of the 338 MW, 244 MW have been re-contracted, with maturities between 2028-2039; 42 MW are being marketed, and the remaining 52 MW do not become available until 2026-2030

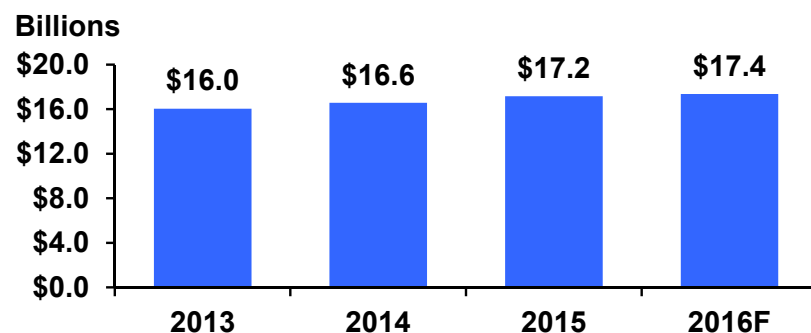
Near-Term Financing Plan

- **Berkshire Hathaway Energy**
 - Potential for \$500 million – \$1.0 billion in short-dated parent debt financing in late 2016 or early 2017 to refinance existing short-term commercial paper balances due to the continued build out of renewable investment opportunities
- **MidAmerican Energy**
 - Anticipate a \$40 – \$50 million tax-exempt debt financing in late 2016 or early 2017
 - Anticipate up to \$750 million debt financing in the first half 2017
- **Nevada Power Company**
 - Anticipate up to \$250 million debt financing first half 2017
- **AltaLink, L.P.**
 - Anticipate debt financings of up to C\$500 million in late 2016, and up to C\$300 mid-2017

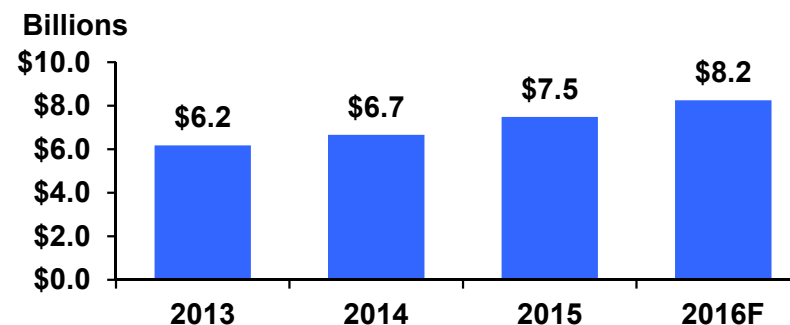
Appendix

Rate Base Profile

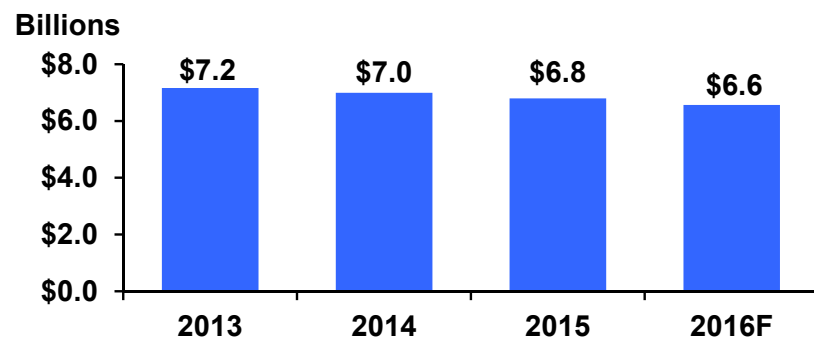
PacifiCorp



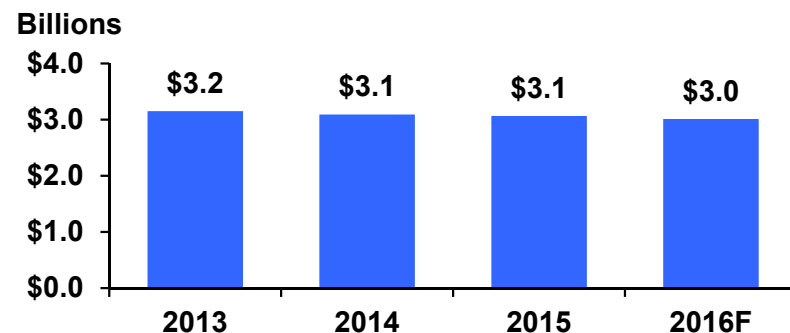
MidAmerican Energy



NV Energy



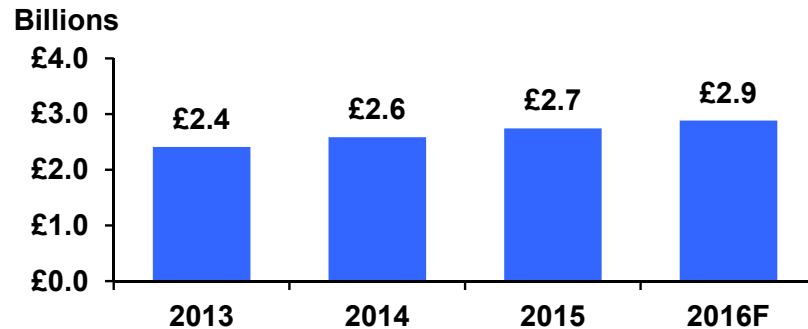
BHE Pipeline Group



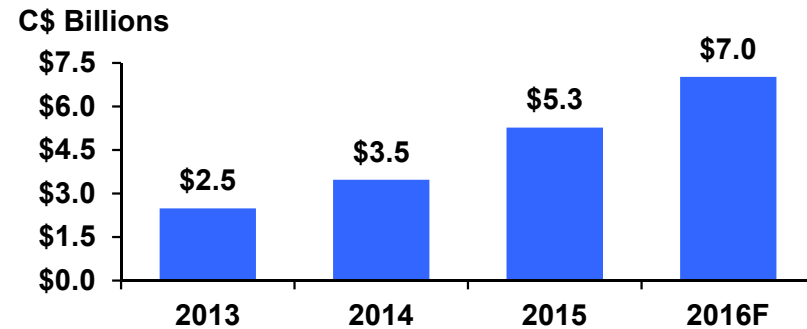
Note: Rate base represents mid-year averages

Rate Base Profile

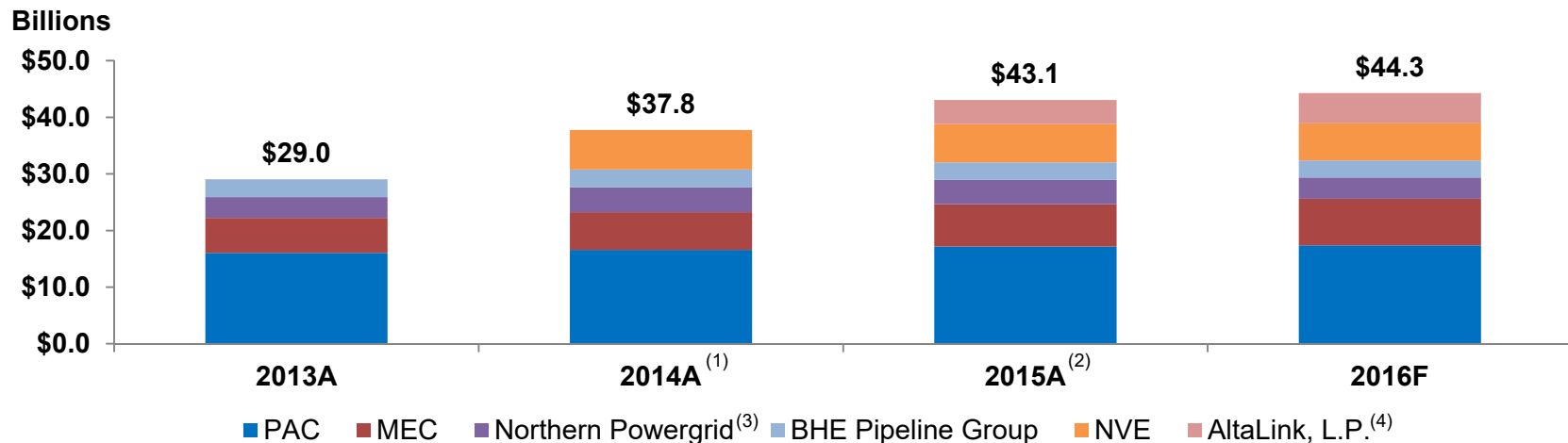
Northern Powergrid



AltaLink, L.P.



Berkshire Hathaway Energy



Note: Rate base represents mid-year averages

(1) 2014 includes the addition of NV Energy Inc., which was acquired December 19, 2013

(2) 2015 includes the addition of AltaLink, L.P., which was acquired December 1, 2014

(3) Northern Powergrid rate base converted into USD in 2013-2015 at the June 30 USD/GBP FX rate each year including 1.5213 (2013), 1.7106 (2014), 1.5712 (2015). Rate base in 2016 converted at the September 30, 2016 FX rate of 1.2972

(4) AltaLink, L.P. rate base converted into USD in 2015 at the June 30, 2015 CAD/USD FX rate of 1.2494, and in 2016 at the September 30, 2016 FX rate of 1.3127

Regulatory Integrity – Distributed Generation Penetration Rate

Berkshire Hathaway Energy – Impact of Distributed Generation

	Total Electric Customers as of September 2016	Private Solar Customers as of September 2016	Private Solar Portion of Total Customers
MidAmerican Energy Company			
Iowa	671,552	360	0.05%
Illinois	85,046	18	0.02%
South Dakota	4,902	0	0.00%
PacifiCorp			
Utah	877,736	13,580	1.55%
Oregon	575,351	5,103	0.89%
Wyoming	140,267	233	0.17%
Washington	129,846	550	0.42%
Idaho	76,523	200	0.26%
California	44,969	277	0.62%
NV Energy			
Nevada	1,245,913	24,063	1.93%
Total BHE Customers	3,852,105	44,384	1.15%

Consolidated Environmental Position

- Owned coal-fueled capacity has declined as a percentage of BHE's generation portfolio from 51% in 2000, to 30% as of September 30, 2016
- Coal Combustion Residuals – managing under new regulatory requirements
 - PacifiCorp has 6 active surface impoundments and 4 landfills; 3 inactive surface impoundments are undergoing closure
 - MidAmerican Energy has 3 active surface impoundments and 4 landfills; 4 inactive surface impoundments are undergoing closure
 - NV Energy operates 2 active evaporative surface impoundments and 2 landfills; all other surface impoundments are undergoing closure by removal
- Effluent Limitation Guidelines
 - For BHE's operating companies, impacted waste streams are limited to bottom ash or fly ash transport water, combustion residual leachate and non-metal cleaning wastes
 - With minor exceptions, most new requirements are addressed by compliance with the coal combustion residuals rule
- The U.S. Supreme Court issued a stay February 9, 2016 of the implementation of the Clean Power Plan pending the outcome of the litigation pending in the D.C. Circuit Court of Appeals and through any action taken on appeal to the U.S. Supreme Court
 - Oral arguments were held September 27, 2016, before ten judges in the D.C. Circuit; decision is expected in early 2017
- Paris Agreement became effective November 4, 2016, after ratification by the requisite number of parties representing 55 countries and 55% of global greenhouse gas emissions. Under the agreement, the U.S. committed to reducing greenhouse gas emissions 26-28% from 2005 levels by 2025. A party cannot withdraw until November 4, 2019, and the withdrawal would take effect one year later

Reducing Carbon Footprint

- Through fuel switching and retirements, BHE's utilities expect to eliminate approximately 2,560 MW of coal generation through 2025

Coal MW as of Dec. 31, 2013⁽¹⁾	10,526 MW
Riverside 3 – retired in 2014	(4) MW
Reid Gardner 1-3 – retired in 2014	(300) MW
Carbon 1 and 2 – removed from service in 2015	(172) MW
Riverside 5 – conversion to natural gas in 2015	(124) MW
Walter Scott 1 and 2 – retired in 2015	(124) MW
Neal 1 and 2 – retired in 2016	(390) MW
Reid Gardner 4 – to be retired in 2017	(257) MW
Cholla 4 – natural gas conversion or retire	(395) MW
Naughton 3 – natural gas conversion or retire	(280) MW
Navajo – Interest to be divested in 2019	(255) MW
North Valmy – to be retired in 2025	(261) MW
Coal MW as of Dec. 31, 2025	7,964 MW

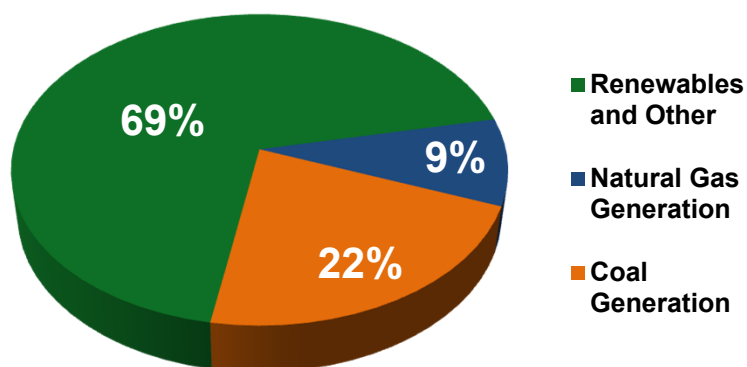
⁽¹⁾ Adjusted for re-rating of coal plants between December 31, 2013 and September 30, 2016, including plants still in operation and retired

PacifiCorp Environmental Position

- EPA published its proposal to approve the Arizona Regional Haze SIP in the *Federal Register* on July 19, 2016. The SIP contemplates operation of Cholla Unit 4 as a coal-fueled resource through April 2025, with natural gas conversion or shutdown thereafter in lieu of installation of selective catalytic reduction equipment (“SCR”). The public comment period closed September 2, 2016; the EPA is expected to take final action in the first half of 2017
- PacifiCorp and the owners of Craig Unit 1 have agreed with state and federal agencies and environmental groups to amend the Colorado Regional Haze SIP to allow Unit 1 to retire by December 31, 2025, or convert to natural gas under certain schedule requirements in lieu of installation of SCR
- EPA published its final action on the updated Utah Regional Haze SIP in the *Federal Register* on July 5, 2016, requiring SCR on Hunter Units 1 and 2 and Huntington Units 1 and 2 by August 4, 2021. PacifiCorp has filed a request for reconsideration and request for administrative stay with EPA, as well as a petition for review with the 10th Circuit Court
- PacifiCorp continues to assess compliance options for the 280 MW Naughton Unit 3, including conversion to natural gas or accelerated retirement in lieu of SCR and baghouse retrofits prescribed by the Wyoming Regional Haze SIP⁽¹⁾
- Forecast⁽²⁾ environmental expenditures include \$62 million in 2016, \$28 million in 2017, \$33 million in 2018, and \$46 million in 2019

PacifiCorp Asset Profile

Net Property, Plant and Equipment as of Dec. 31, 2015



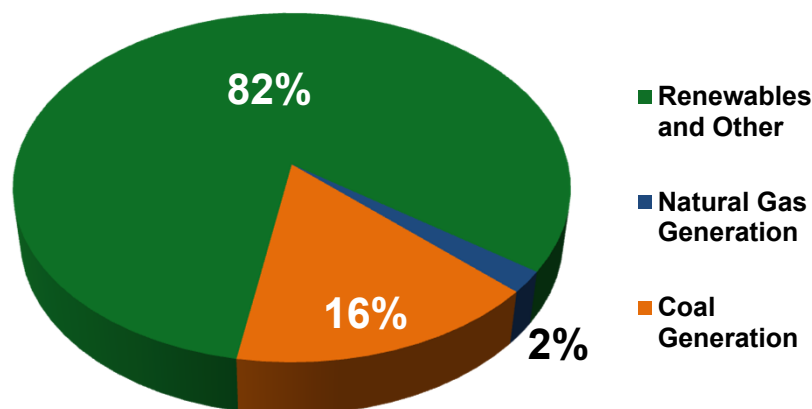
⁽¹⁾ Natural gas conversion of Naughton Unit 3 is currently permitted by the State of Wyoming to occur by June 2018. The state will submit to the EPA for approval

⁽²⁾ Environmental expenditures forecast includes PacifiCorp's share of minority-owned Craig, Colstrip and Hayden plants. Amounts include debt AFUDC and escalation but exclude non-cash equity AFUDC

MidAmerican Energy Environmental Position

- Reduced coal exposure – Riverside Unit 3 (4 MW) retired in 2014, Riverside Unit 5 (124 MW) was converted to natural gas in 2015, Walter Scott, Jr. Energy Center Units 1 and 2 (124 MW) retired in 2015, and Neal Energy Center Units 1 and 2 (390 MW) retired in 2016
- Forecast⁽¹⁾ environmental expenditures include \$54 million in 2016, \$143 million in 2017, \$115 million in 2018, and \$19 million in 2019

MidAmerican Energy Asset Profile
Net Property, Plant and Equipment as of Dec. 31, 2015



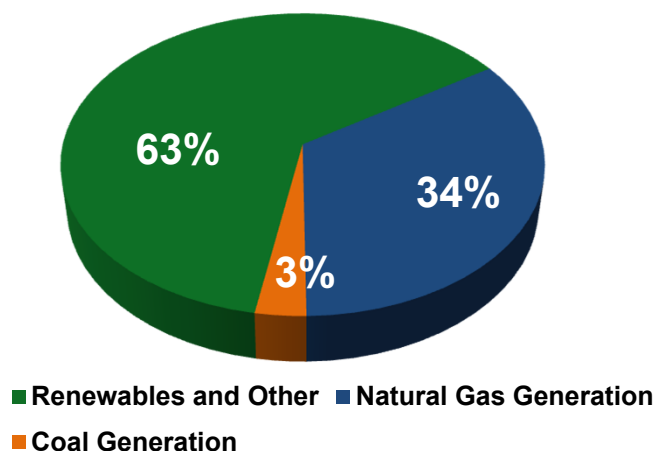
⁽¹⁾ Excludes equity AFUDC

NV Energy Environmental Position

- NV Energy is reducing utilization of coal-fueled generation
 - 2017 retirement of Reid Gardner Unit 4 (257 megawatts)
 - 2019 elimination of Navajo interest (255 megawatts)
 - 2025 retirement of North Valmy (261 megawatts)
- Forecast⁽¹⁾ environmental expenditures include \$11 million in 2016, \$16 million in 2017, \$4 million in 2018, and \$9 million in 2019

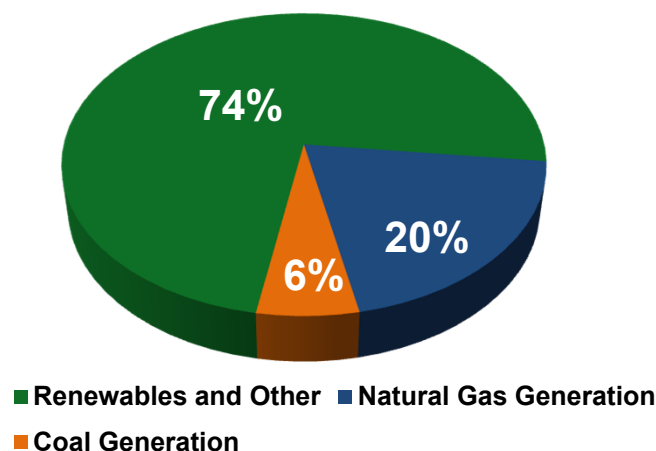
Nevada Power Asset Profile

Net Property, Plant and Equipment as of Dec. 31, 2015



Sierra Pacific Power Asset Profile

Net Property, Plant and Equipment as of Dec. 31, 2015



⁽¹⁾ Environmental expenditures forecast excludes equity AFUDC

Retail Electric Sales – Weather Normalized

(GWh)	Year-to-Date September 30		Variance	
	2016	2015	Actual	Percent
PacifiCorp				
Residential	11,910	11,564	346	3.0%
Commercial	12,502	12,853	(350)	-2.7%
Industrial and Other	16,229	16,512	(284)	-1.7%
Total	40,641	40,929	(288)	-0.7%
MidAmerican Energy				
Residential	4,832	4,824	8	0.2%
Commercial	2,815	2,904	(89)	-3.1%
Industrial and Other	10,212	9,812	400	4.1%
Total	17,859	17,539	319	1.8%
Nevada Power				
Residential	7,639	7,406	234	3.2%
Commercial	3,572	3,519	53	1.5%
Industrial and Other	5,901	5,885	16	0.3%
Total	17,112	16,810	303	1.8%
Sierra Pacific Power				
Residential	1,821	1,736	85	4.9%
Commercial	2,241	2,241	-	0.0%
Industrial and Other	2,244	2,224	21	0.9%
Total	6,305	6,200	105	1.7%
Northern Powergrid				
Residential	9,349	9,206	143	1.6%
Commercial	4,069	4,244	(175)	-4.1%
Industrial and Other	13,253	13,553	(300)	-2.2%
Total	26,671	27,003	(332)	-1.2%

Retail Electric Sales – Actual

(GWh)	Year-to-Date September 30		Variance	
	2016	2015	Actual	Percent
PacifiCorp				
Residential	11,909	11,409	500	4.4%
Commercial	12,597	12,924	(327)	-2.5%
Industrial and Other	16,270	16,604	(334)	-2.0%
Total	40,776	40,937	(161)	-0.4%
MidAmerican Energy				
Residential	5,018	4,862	157	3.2%
Commercial	2,859	2,914	(55)	-1.9%
Industrial and Other	10,212	9,812	400	4.1%
Total	18,089	17,588	502	2.9%
Nevada Power				
Residential	7,802	7,586	216	2.9%
Commercial	3,600	3,560	40	1.1%
Industrial and Other	5,927	5,943	(16)	-0.3%
Total	17,330	17,089	241	1.4%
Sierra Pacific Power				
Residential	1,798	1,734	64	3.7%
Commercial	2,241	2,244	(3)	-0.1%
Industrial and Other	2,247	2,231	17	0.8%
Total	6,286	6,208	78	1.3%
Northern Powergrid				
Residential	9,264	9,193	72	0.8%
Commercial	4,049	4,229	(180)	-4.3%
Industrial and Other	13,253	13,553	(300)	-2.2%
Total	26,566	26,975	(409)	-1.5%

Financial Information

(\$ millions)

Operating Revenue	LTM	Years Ended	
	9/30/2016	12/31/2015	12/31/2014
PacifiCorp	\$ 5,209	\$ 5,232	\$ 5,252
MidAmerican Funding	2,539	2,515	2,844
NV Energy	2,995	3,351	3,241
Northern Powergrid	1,036	1,140	1,283
BHE Pipeline Group	984	1,016	1,078
BHE Transmission	473	592	62
BHE Renewables	727	728	623
HomeServices	2,727	2,526	2,144
BHE and Other	706	780	799
Total Operating Revenue	<u>\$ 17,396</u>	<u>\$ 17,880</u>	<u>\$ 17,326</u>

Financial Information

(\$ millions)

Depreciation and Amortization	LTM	Years Ended	
	9/30/2016	12/31/2015	12/31/2014
PacifiCorp	\$ 785	\$ 780	\$ 745
MidAmerican Funding	445	407	351
NV Energy	418	410	379
Northern Powergrid	203	202	198
BHE Pipeline Group	213	204	196
BHE Transmission	215	185	13
BHE Renewables	225	216	152
HomeServices	33	29	29
BHE and Other	(1)	(5)	(6)
Total depreciation and amortization	<u>\$ 2,536</u>	<u>\$ 2,428</u>	<u>\$ 2,057</u>

Financial Information

(\$ millions)

Operating Income	LTM	Years Ended	
	9/30/2016	12/31/2015	12/31/2014
PacifiCorp	\$ 1,415	\$ 1,344	\$ 1,308
MidAmerican Funding	553	451	395
NV Energy	771	812	791
Northern Powergrid	514	593	674
BHE Pipeline Group	462	464	439
BHE Transmission	129	260	16
BHE Renewables	263	255	314
HomeServices	202	184	125
BHE and Other	(62)	(35)	(16)
Total Operating Income	\$ 4,247	\$ 4,328	\$ 4,046

Financial Information

(\$ millions)

Interest Expense	LTM	Years Ended	
	9/30/2016	12/31/2015	12/31/2014
PacifiCorp	\$ 382	\$ 383	\$ 386
MidAmerican Funding	220	206	197
NV Energy	257	262	283
Northern Powergrid	142	145	151
BHE Pipeline Group	54	66	76
BHE Transmission	150	146	14
BHE Renewables	197	193	175
HomeServices	2	3	4
BHE and Other	478	500	425
Total interest expense	<u>\$ 1,882</u>	<u>\$ 1,904</u>	<u>\$ 1,711</u>

Financial Information

(\$ millions)

Capital Expenditures⁽¹⁾	LTM	Years Ended	
	9/30/2016	12/31/2015	12/31/2014
PacifiCorp	\$ 861	\$ 916	\$ 1,066
MidAmerican Funding	1,697	1,448	1,527
NV Energy	590	571	558
Northern Powergrid	574	674	675
BHE Pipeline Group	235	240	257
BHE Transmission	617	966	222
BHE Renewables	541	1,034	2,221
HomeServices	21	16	17
BHE and Other	9	10	12
Total capital expenditures	\$ 5,145	\$ 5,875	\$ 6,555

⁽¹⁾ Excludes amounts for non-cash equity allowances for funds used during construction and other non-cash items

Financial Information

(\$ millions)

Total Assets	9/30/2016	12/31/2015	12/31/2014
PacifiCorp	\$ 23,557	\$ 23,550	\$ 23,404
MidAmerican Funding	17,199	16,315	15,165
NV Energy	14,424	14,656	14,256
Northern Powergrid	6,727	7,317	7,059
BHE Pipeline Group	5,115	4,953	4,951
BHE Transmission	8,493	7,553	7,979
BHE Renewables	6,775	5,892	6,082
HomeServices	1,947	1,705	1,622
BHE and Other	1,651	1,677	1,298
Total assets	\$ 85,888	\$ 83,618	\$ 81,816

Capitalization

(\$ millions)

BHE Debt to Capitalization Comparison	9/30/2016	12/31/2015
Short-term debt	\$ 1,886	\$ 974
Current portion of long-term debt	1,108	1,148
BHE senior debt	7,417	7,814
Subsidiary debt	26,234	26,066
Total adjusted debt ⁽¹⁾	36,645	36,002
BHE junior subordinated debentures	1,444	2,944
Noncontrolling interests	142	134
BHE shareholders' equity	24,354	22,401
Total capitalization	\$ 62,585	\$ 61,481
Adjusted debt/capitalization	58.6%	58.6%

- As of September 30, 2016, approximately 94% of total debt was fixed-rate debt
- As of September 30, 2016, long-term adjusted debt had a weighted average life of approximately 13 years and a weighted average interest rate of approximately 5.0%

⁽¹⁾ Debt includes short-term debt, Berkshire Hathaway Energy senior debt, and subsidiary debt (including current maturities), but excludes Berkshire Hathaway Energy subordinated debt

Non-GAAP Financial Measures

Berkshire Hathaway Energy

(\$ millions)

	LTM		
	9/30/2016	2015	2014
FFO			
Net cash flows from operating activities	\$ 5,895	\$ 6,980	\$ 5,146
+/- Changes in other operating assets and liabilities, net of effects from acquisitions	163	(649)	1,170
FFO	\$ 6,058	\$ 6,331	\$ 6,316
Adjusted Interest			
Interest expense	\$ 1,882	\$ 1,904	\$ 1,711
Interest expense on subordinated debt	(77)	(104)	(78)
Adjusted Interest	\$ 1,805	\$ 1,800	\$ 1,633
FFO Interest Coverage⁽¹⁾	4.4x	4.5x	4.9x
Adjusted Debt			
Debt ⁽²⁾	\$ 38,089	\$ 38,946	\$ 39,897
Subordinated debt	(1,444)	(2,944)	(3,794)
Adjusted Debt	\$ 36,645	\$ 36,002	\$ 36,103
Acquisition Financing Debt			(1,500)
Acquisition Subsidiary Debt			(4,007)
Adjusted Debt Excluding Acquisition Related Debt		\$ 36,002	\$ 30,596
FFO to Adjusted Debt Excluding Acquisition Related Debt⁽³⁾	16.5%	17.6%	20.6%
Capitalization			
Total BHE shareholders' equity	\$ 24,354	\$ 22,401	\$ 20,442
Adjusted debt	36,645	36,002	36,103
Subordinated debt	1,444	2,944	3,794
Noncontrolling interests	142	134	131
Capitalization	\$ 62,585	\$ 61,481	\$ 60,470
Adjusted Debt to Total Capitalization⁽⁴⁾	58.6%	58.6%	59.7%

⁽¹⁾ FFO Interest Coverage equals the sum of FFO and Adjusted Interest divided by Adjusted Interest

⁽²⁾ Debt includes short-term debt, Berkshire Hathaway Energy senior debt, Berkshire Hathaway Energy subordinated debt and subsidiary debt (including current maturities)

⁽³⁾ 2014 calculation excludes AltaLink debt and BHE acquisition debt related to AltaLink acquisition

⁽⁴⁾ Adjusted Debt to Total Capitalization equals Adjusted Debt divided by Capitalization

Non-GAAP Financial Measures

PacifiCorp

(\$ millions)

	LTM		
FFO	9/30/2016	2015	2014
Net cash flows from operating activities	\$ 1,595	\$ 1,734	\$ 1,570
+/- Changes in other operating assets and liabilities	210	(74)	10
FFO	\$ 1,805	\$ 1,660	\$ 1,580
Interest expense	\$ 381	\$ 379	\$ 379
FFO Interest Coverage⁽¹⁾	5.7x	5.4x	5.2x
Debt⁽²⁾	\$ 7,093	\$ 7,166	\$ 7,039
FFO to Debt⁽³⁾	25.4%	23.2%	22.4%
Capitalization			
PacifiCorp shareholders' equity	\$ 7,547	\$ 7,503	\$ 7,756
Debt	7,093	7,166	7,039
Capitalization	\$ 14,640	\$ 14,669	\$ 14,795
Debt to Total Capitalization⁽⁴⁾	48.4%	48.9%	47.6%

⁽¹⁾ FFO Interest Coverage equals the sum of FFO and Interest divided by Interest

⁽²⁾ Debt includes short-term debt and current maturities

⁽³⁾ FFO to Debt equals FFO divided by Debt

⁽⁴⁾ Debt to Total Capitalization equals Debt divided by Capitalization

Non-GAAP Financial Measures

MidAmerican Energy

(\$ millions)

	LTM		
FFO	9/30/2016	2015	2014
Net cash flows from operating activities	\$ 1,281	\$ 1,351	\$ 823
+/- Changes in other operating assets and liabilities	12	(216)	235
FFO	\$ 1,293	\$ 1,135	\$ 1,058
Interest expense	\$ 197	\$ 183	\$ 174
FFO Interest Coverage⁽¹⁾	7.6x	7.2x	7.1x
Debt⁽²⁾	\$ 4,268	\$ 4,271	\$ 4,084
FFO to Debt⁽³⁾	30.3%	26.6%	25.9%
Capitalization			
MidAmerican Energy shareholders' equity	\$ 5,143	\$ 4,705	\$ 4,250
Debt	4,268	4,271	4,084
Capitalization	\$ 9,411	\$ 8,976	\$ 8,334
Debt to Total Capitalization⁽⁴⁾	45.4%	47.6%	49.0%

⁽¹⁾ FFO Interest Coverage equals the sum of FFO and Interest divided by Interest

⁽²⁾ Debt includes short-term debt and current maturities

⁽³⁾ FFO to Debt equals FFO divided by Debt

⁽⁴⁾ Debt to Total Capitalization equals Debt divided by Capitalization

Non-GAAP Financial Measures

Nevada Power Company

(\$ millions)

	LTM		
FFO	9/30/2016	2015	2014
Net cash flows from operating activities	\$ 871	\$ 892	\$ 704
+/- Changes in other operating assets and liabilities	(89)	77	95
FFO	\$ 782	\$ 969	\$ 799
Interest expense	\$ 189	\$ 190	\$ 208
FFO Interest Coverage⁽¹⁾	5.1x	6.1x	4.8x
Debt⁽²⁾	\$ 3,065	\$ 3,285	\$ 3,544
FFO to Debt⁽³⁾	25.5%	29.5%	22.5%
Capitalization			
Nevada Power shareholder's equity	\$ 3,054	\$ 3,163	\$ 2,888
Debt	3,065	3,285	3,544
Capitalization	\$ 6,119	\$ 6,448	\$ 6,432
Debt to Total Capitalization⁽⁴⁾	50.1%	50.9%	55.1%

⁽¹⁾ FFO Interest Coverage equals the sum of FFO and Interest divided by Interest

⁽²⁾ Debt includes short-term debt and current maturities

⁽³⁾ FFO to Debt equals FFO divided by Debt

⁽⁴⁾ Debt to Total Capitalization equals Debt divided by Capitalization

Non-GAAP Financial Measures

Sierra Pacific Power Company

(\$ millions)

	LTM		
FFO	9/30/2016	2015	2014
Net cash flows from operating activities	\$ 242	\$ 342	\$ 246
+/- Changes in other operating assets and liabilities	1	(33)	5
FFO	\$ 243	\$ 309	\$ 251
Interest expense	\$ 57	\$ 61	\$ 61
FFO Interest Coverage⁽¹⁾	5.3x	6.1x	5.1x
Debt⁽²⁾	\$ 1,155	\$ 1,202	\$ 1,190
FFO to Debt⁽³⁾	21.0%	25.7%	21.1%
Capitalization			
Sierra Pacific Power shareholder's equity	\$ 1,095	\$ 1,076	\$ 998
Debt	1,155	1,202	1,190
Capitalization	\$ 2,250	\$ 2,278	\$ 2,188
Debt to Total Capitalization⁽⁴⁾	51.3%	52.8%	54.4%

⁽¹⁾ FFO Interest Coverage equals the sum of FFO and Interest divided by Interest

⁽²⁾ Debt includes short-term debt and current maturities

⁽³⁾ FFO to Debt equals FFO divided by Debt

⁽⁴⁾ Debt to Total Capitalization equals Debt divided by Capitalization

Non-GAAP Financial Measures

Northern Natural Gas

(\$ millions)

	LTM		
FFO	9/30/2016	2015	2014
Net cash flows from operating activities	\$ 386	\$ 362	\$ 297
+/- Changes in other operating assets and liabilities	22	25	31
FFO	\$ 408	\$ 387	\$ 328
Interest expense	\$ 39	\$ 41	\$ 45
FFO Interest Coverage⁽¹⁾	11.4x	10.4x	8.3x
Debt⁽²⁾	\$ 795	\$ 795	\$ 895
FFO to Debt⁽³⁾	51.3%	48.7%	36.6%
Capitalization			
Northern Natural Gas shareholder's equity	\$ 1,432	\$ 1,410	\$ 1,330
Debt	795	795	895
Capitalization	\$ 2,227	\$ 2,205	\$ 2,225
Debt to Total Capitalization⁽⁴⁾	35.7%	36.1%	40.2%

⁽¹⁾ FFO Interest Coverage equals the sum of FFO and Interest divided by Interest

⁽²⁾ Debt includes short-term debt and current maturities

⁽³⁾ FFO to Debt equals FFO divided by Debt

⁽⁴⁾ Debt to Total Capitalization equals Debt divided by Capitalization

Non-GAAP Financial Measures

Northern Powergrid

(£ millions)

	LTM		
FFO	9/30/2016	2015	2014
Net cash flows from operating activities	£ 339	£ 345	£ 336
+/- Changes in other operating assets and liabilities	40	48	54
FFO	£ 379	£ 393	£ 390
Interest expense	£ 100	£ 95	£ 91
FFO Interest Coverage⁽¹⁾	4.8x	5.1x	5.3x
Debt⁽²⁾			
	£ 1,863	£ 1,858	£ 1,601
FFO to Debt⁽³⁾	20.4%	21.2%	24.4%
Capitalization			
Northern Powergrid shareholders' equity	£ 2,486	£ 2,297	£ 2,108
Debt	1,863	1,858	1,601
Noncontrolling interests	36	36	37
Capitalization	£ 4,386	£ 4,191	£ 3,746
Debt to Total Capitalization⁽⁴⁾	42.5%	44.3%	42.7%

⁽¹⁾ FFO Interest Coverage equals the sum of FFO and Interest divided by Interest

⁽²⁾ Debt includes short-term debt and current maturities

⁽³⁾ FFO to Debt equals FFO divided by Debt

⁽⁴⁾ Debt to Total Capitalization equals Debt divided by Capitalization

Non-GAAP Financial Measures

EBITDA

(\$ millions)

BHE Consolidated EBITDA	LTM 9-30-2016
Net income attributable to BHE shareholders	2,531
Noncontrolling interests	32
Interest expense	1,882
Capitalized interest	(133)
Income tax expense	370
Depreciation and amortization	2,536
EBITDA	7,218

