




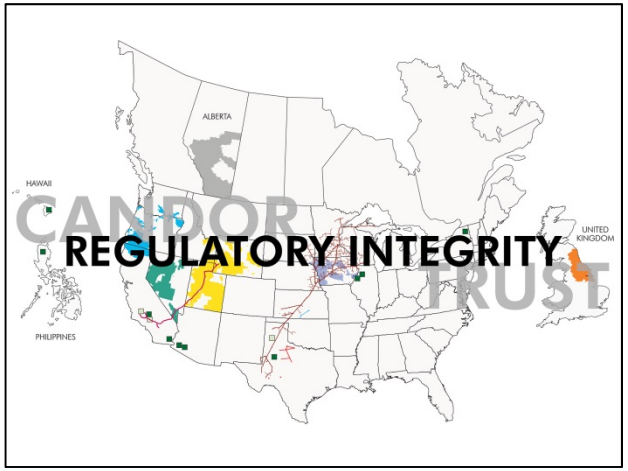




# Berkshire Hathaway Energy
# 2015 Fixed-Income Investor Conference

BERKSHIRE HATHAWAY ENERGY

A Berkshire Hathaway Company

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# 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's ("BHE") and its subsidiaries' (collectively, the "Company") 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 the Company 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 Company's 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 Company's ability to recover costs in 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 Company's ability to obtain long-term contracts with customers and suppliers;
- performance and availability of the Company's facilities, including the impacts of 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 Company'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 Company's 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 BHE's and its subsidiaries' credit facilities;

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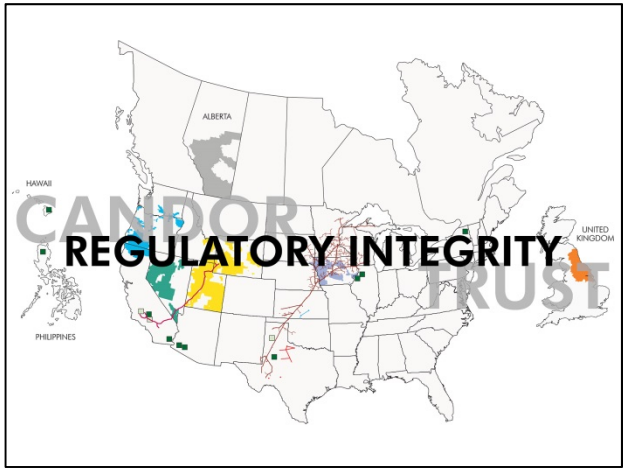
# Forward-Looking Statements

- changes in BHE's and its subsidiaries' credit ratings;
- risks relating to nuclear generation;
- 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;
- the impact of inflation on costs and the Company's ability to recover such costs in regulated rates;
- increases in employee healthcare costs, including the implementation of the Affordable Care Act;
- 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 transaction levels;
- 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 Company's consolidated financial results;
- the Company's ability to successfully integrate AltaLink and future acquired operations into its business;
- the effects of catastrophic and other unforeseen events, which may be caused by factors beyond the Company's control or by a breakdown or failure of the Company's 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 BHE's 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 Company are described in BHE's filings with the SEC. The Company 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-GAAP financial measures as defined by the SEC's Regulation G. Refer to the Appendix in this presentation for a reconciliation of those non-GAAP financial measures to the most directly comparable GAAP measures.






# 2015 Fixed-Income Investor Conference


## Pat Goodman

Executive Vice President and Chief Financial Officer

Berkshire Hathaway Energy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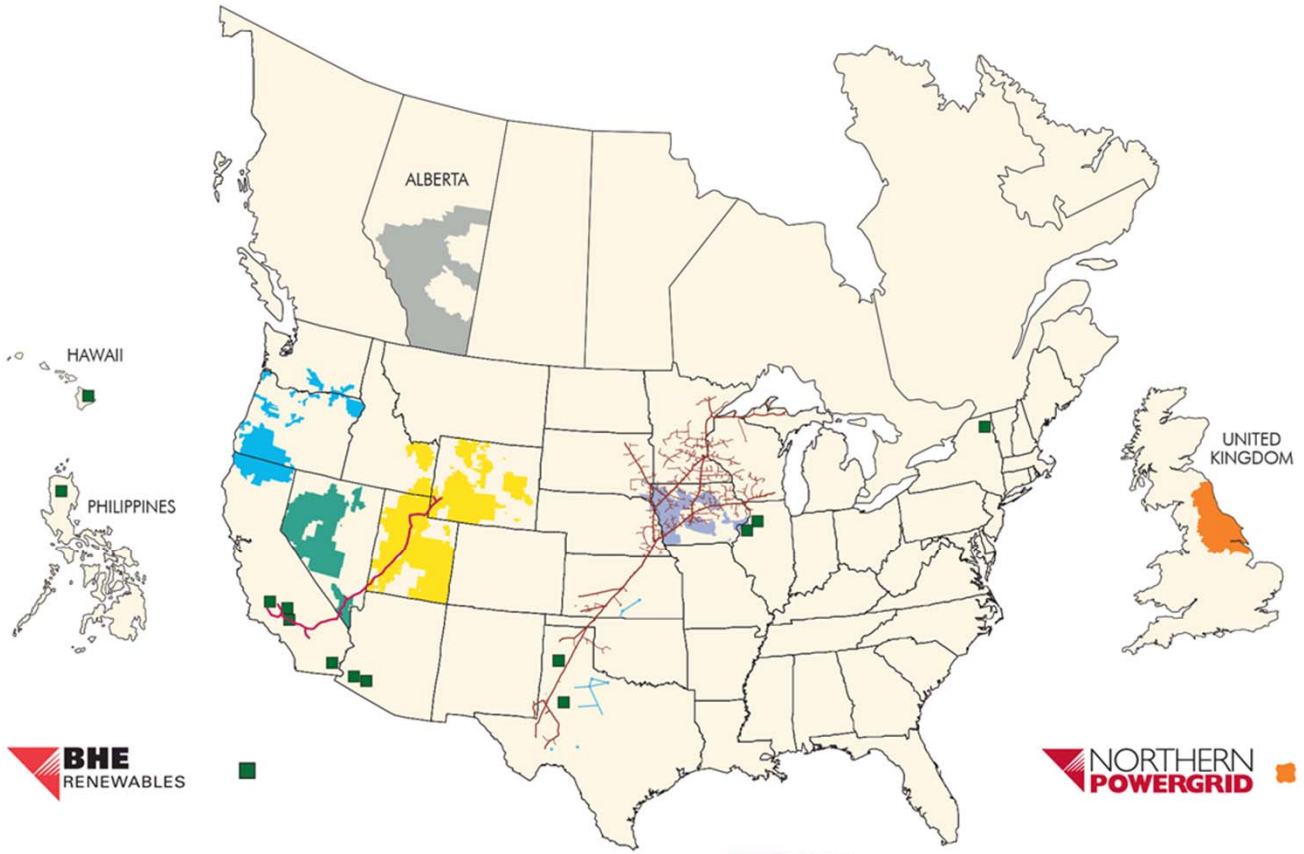
# Energy Assets




BHE RENEWABLES

NORTHERN POWERGRID

PACIFICORP

PACIFIC POWER

ROCKY MOUNTAIN POWER

PACIFICORP TRANSMISSION

NVEnergy

MidAmerican ENERGY

BHE PIPELINE GROUP

Northern Natural Gas

Kern River GAS TRANSMISSION COMPANY

ALTALINK

BHE U.S. TRANSMISSION

| | |
|---|---|
| **Assets** | $82 billion |
| **Revenues**(1) | $17.9 billion |
| **Customers**(2) | 8.5 million |
| **Employees** | 20,900 |
| **Transmission Line Miles** | 32,600 |
| **Natural Gas Pipeline Miles** | 16,400 |

**Generation Capacity**

29,200 MW(3)

| | |
|---|---|
| Natural Gas | 35% |
| Coal | 35% |
| Renewables | 28% |
| Nuclear and Other | 2% |

*(1) Pro forma 2014 including AltaLink*

*(2) Includes both electric and natural gas customers and end-users worldwide. Additionally, AltaLink serves approximately 85% of Alberta, Canada's population*

*(3) Net MW owned in operation and under construction as of Dec. 31, 2014*

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# Core Principles


**Six core principles are the moat**

**Plan – Execute – Measure – Correct**

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# 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 allows us to realize significant tax benefits
- No dividend requirement
  - Cash flow is retained in the business and used to help fund growth and strengthen our balance sheet

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# AltaLink Transaction

- On December 1, 2014, Berkshire Hathaway Energy acquired AltaLink for $2.7 billion
- AltaLink owns and operates a regulated transmission-only business headquartered in Alberta, Canada
- The acquisition of AltaLink:
  - Aligns well with Berkshire Hathaway Energy core principles
  - Allows Berkshire Hathaway Energy to continue to diversify its regulated business mix
  - Provides additional opportunities to deploy capital and grow
- Following the close of the AltaLink Transaction in December 2014, S&P upgraded AltaLink Investments, L.P. from BBB- to BBB+, further demonstrating the benefits of Berkshire Hathaway Energy ownership
  - Maintained ring-fencing structure at AltaLink Investments

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# Diverse Operations with Significant Scale

- Berkshire Hathaway Energy's integrated utilities operate in 11 states
- 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 deliver approximately 8% of the natural gas consumed in the U.S.
- Berkshire Hathaway Energy has 1,092 MW of solar generation in operation – 7% of the U.S. solar market
- Berkshire Hathaway Energy has 4,243 MW of wind generation in operation – 6% of the U.S. wind market
- Comparable companies

| **Company Name** | **Market Cap** (billions) **Dec. 31, 2014** | **Net Income** (billions) **Dec. 31, 2014**[(1)] |
|---|---|---|
| Duke Energy | $59.1 | $2.5 |
| NextEra Energy Inc. | $46.4 | $2.5 |
| Dominion Resources | $44.9 | $1.3 |
| Southern Company | $44.2 | $2.0 |
| Exelon Corp. | $31.9 | $1.6 |

**BHE 2014 Net Income: $2.1 billion**

***BHE retains more equity than any of its utility peers***

[(1)] *Net Income excludes income or loss from discontinued operations, net of tax*

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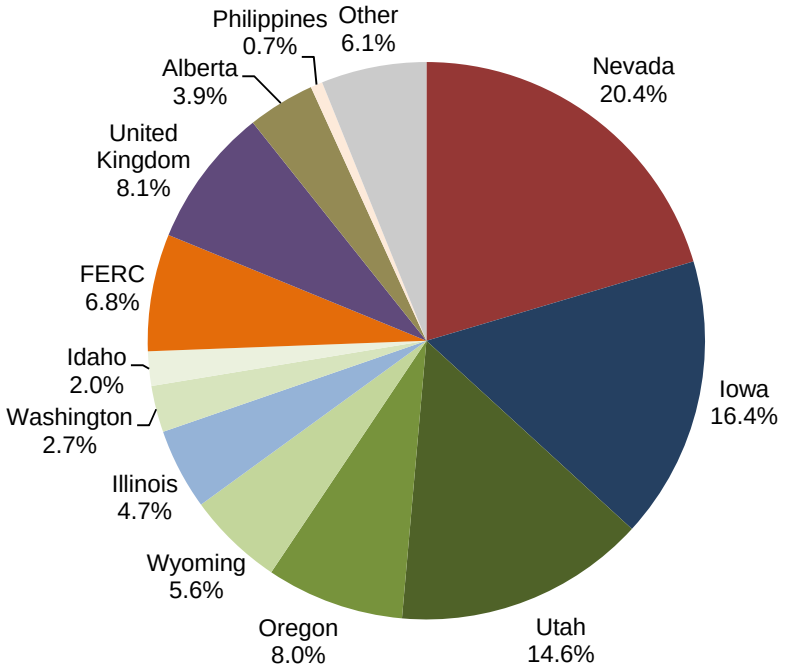
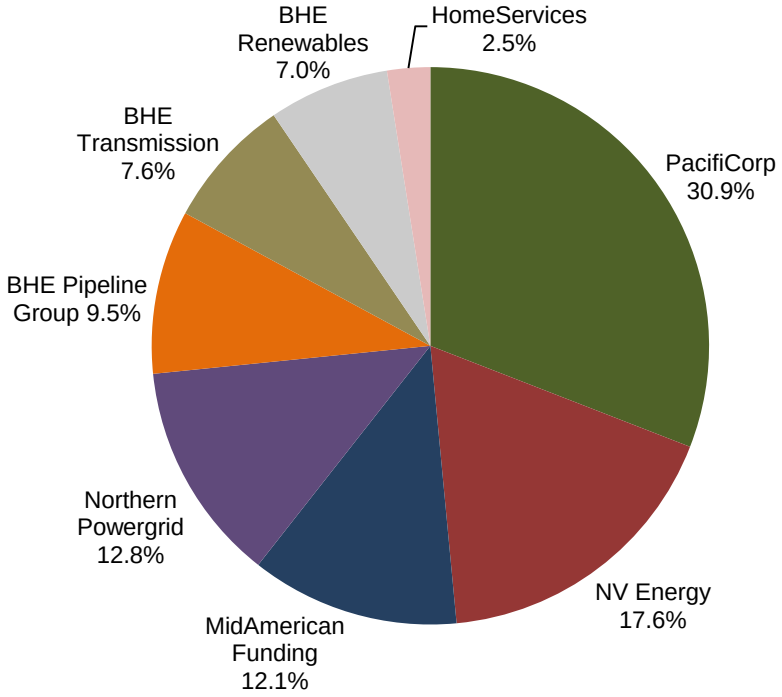
# Financial Strength – Pro Forma Revenue and EBITDA Diversification

- Diversified revenue sources reduce regulatory concentrations
- In 2014, 89% of pro forma EBITDA was from investment-grade regulated subsidiaries

**BHE 2014 Pro Forma Energy Revenue[(1)]: $15.9 Billion**




**BHE 2014 Pro Forma EBITDA[(2)]: $6.8 Billion**

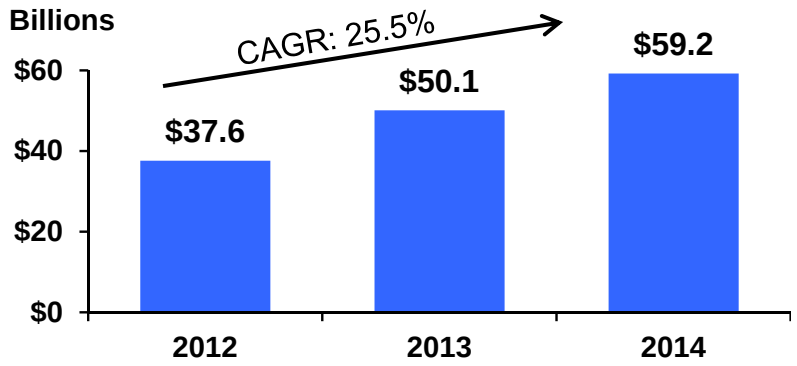



*(1) Excludes HomeServices and equity income, which add further diversification*
*(2) Refer to the Appendix for the calculation of EBITDA; percentages exclude Corporate/other. Pro Forma includes AltaLink as part of BHE Transmission.*

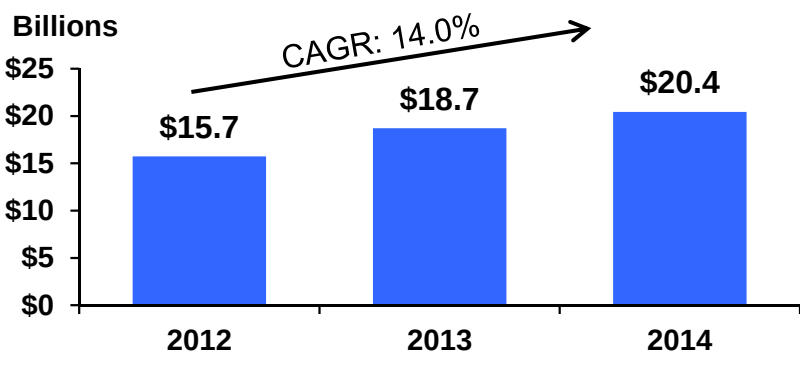
# Berkshire Hathaway Energy
# Financial Summary

- BHE has realized significant growth in its assets, net income and cash flows over the past three years

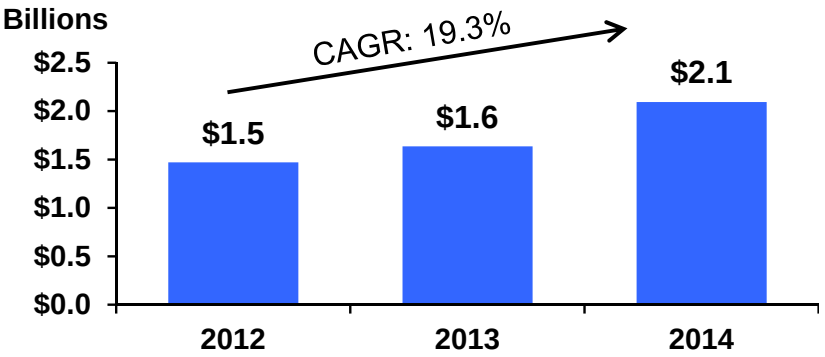
**Property, Plant and Equipment (Net)**



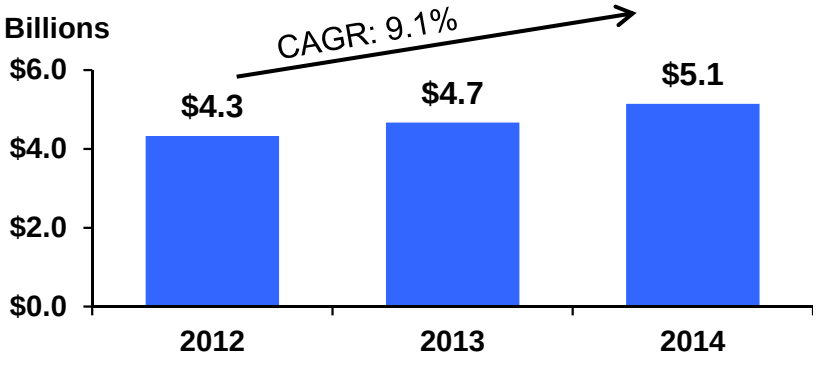

**BHE Shareholders' Equity**




**Net Income Attributable to BHE**




**Cash Flows From Operations**

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# Reportable Segment Information

| *($ millions)* | Years Ended Dec. 31 | | |
|---|---|---|---|
| | **2014** | **2013** | **2012** |
| Operating Income: | | | |
| PacifiCorp | $ 1,308 | $ 1,275 | $ 1,034 |
| MidAmerican Funding | 423 | 357 | 369 |
| NV Energy | 791 | (42) | - |
| Northern Powergrid | 674 | 501 | 565 |
| BHE Pipeline Group | 439 | 446 | 465 |
| BHE Transmission | 16 | (5) | (2) |
| BHE Renewables | 314 | 223 | 93 |
| HomeServices | 125 | 129 | 62 |
| BHE and Other | (44) | (49) | (19) |
| Total operating income | 4,046 | 2,835 | 2,567 |
| Interest expense - senior & subsidiary | (1,633) | (1,219) | (1,176) |
| Interest expense - junior subordinated debentures | (78) | (3) | - |
| Capitalized interest and other, net | 267 | 228 | 184 |
| Income before income tax expense and equity income (loss) | 2,602 | 1,841 | 1,575 |
| Income tax expense | 589 | 130 | 148 |
| Equity income (loss) | 109 | (35) | 68 |
| Net income | 2,122 | 1,676 | 1,495 |
| Net income attributable to noncontrolling interests | 27 | 40 | 23 |
| Net income attributable to BHE shareholders | $ 2,095 | $ 1,636 | $ 1,472 |

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# Credit Metrics and Financial Strength

- BHE Key Credit Ratios[1]
  - Acquisitions have increased debt leverage in the near-term; however, operations have strengthened with increased diversification and the addition of incremental regulated cash flows

| | Pro Forma 2014 | 2014 | 2013 | 2012 |
|---|---|---|---|---|
| FFO Interest Coverage | 4.5x | 4.9x | 4.5x | 4.6x |
| FFO to Adjusted Debt Excluding Acquisition Related Debt [2] | 17.8% | 20.5% | 18.9% | 19.8% |
| Adjusted Debt to Total Capitalization | 59.8% | 59.8% | 58.1% | 57.6% |

- Ratings Summary (issuer or senior unsecured ratings unless noted)

| | Moody's | S&P | Fitch | | Moody's | S&P | Fitch | DBRS |
|---|---|---|---|---|---|---|---|---|
| Berkshire Hathaway Energy | A3 | BBB+ | BBB+ | Kern River Funding Corp.[3] | A2 | A- | A- | |
| PacifiCorp[3] | A1 | A | A | Northern Powergrid (Northeast) | A3 | A- | A- | |
| MidAmerican Energy[3] | Aa2 | A | A+ | Northern Powergrid (Yorkshire)[4] | A3 | A- | A- | |
| Nevada Power[3] | A2 | A | A- | AltaLink, L.P.[3] | NR | A- | NR | A |
| Sierra Pacific Power[3] | A2 | A | A- | AltaLink Investments, L.P. | NR | BBB+ | NR | BBB |
| Northern Natural Gas | A2 | A- | A | | | | | |

*(1) Refer to the Appendix for the calculations of key ratios*
*(2) Pro Forma 2014 column includes AltaLink related debt. 2014 column excludes AltaLink debt and BHE acquisition debt related to AltaLink acquisition. 2013 column excludes NVE debt and BHE acquisition debt related to NVE acquisition*
*(3) Ratings are senior secured ratings*
*(4) Issuer ratings*

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# Credit Metrics

| Regulated U.S. Utilities | 2014 | 2013 | 2012 |
|---|---|---|---|
| *PacifiCorp* | | | |
| FFO Interest Coverage | 5.2x | 5.0x | 4.8x |
| FFO to Debt | 22.3% | 22.1% | 21.3% |
| Debt to Total Capitalization | 47.7% | 46.9% | 47.3% |
| *MidAmerican Energy* | | | |
| FFO Interest Coverage | 7.1x | 6.9x | 7.7x |
| FFO to Debt | 25.8% | 24.9% | 29.2% |
| Debt to Total Capitalization | 49.1% | 48.0% | 47.3% |
| *Nevada Power* | | | |
| FFO Interest Coverage | 4.8x | 3.5x | 4.1x |
| FFO to Debt | 22.3% | 14.8% | 20.2% |
| Debt to Total Capitalization | 55.3% | 55.3% | 53.3% |
| *Sierra Pacific Power* | | | |
| FFO Interest Coverage | 5.1x | 4.9x | 5.2x |
| FFO to Debt | 20.9% | 20.2% | 23.3% |
| Debt to Total Capitalization | 54.6% | 54.2% | 53.2% |

| Pipelines and Electric Distribution | 2014 | 2013 | 2012 |
|---|---|---|---|
| *Northern Natural Gas* | | | |
| FFO Interest Coverage | 8.3x | 7.9x | 6.3x |
| FFO to Debt | 36.5% | 33.9% | 30.8% |
| Debt to Total Capitalization | 40.3% | 39.8% | 41.1% |
| *Kern River* | | | |
| FFO Interest Coverage | 8.2x | 7.2x | 7.0x |
| FFO to Debt | 47.5% | 40.5% | 39.5% |
| Debt to Total Capitalization | 36.3% | 39.8% | 41.6% |
| *Northern Powergrid* | | | |
| FFO Interest Coverage | 5.3x | 4.3x | 4.7x |
| FFO to Debt | 24.2% | 19.1% | 21.9% |
| Debt to Total Capitalization | 42.9% | 45.2% | 47.5% |

*Note: Credit metrics for Northern Powergrid are in GBP*

# Return on Equity

| | Net Income Divided by Average Equity[1] | | |
|---|---|---|---|
| **Entity** | **2014** | **2013** | **Allowed ROE** |
| **PacifiCorp** | 9.2% | 9.0% | 9.8% |
| **MidAmerican Energy** | 10.2% | 9.5% | 10.9% |
| **Nevada Power** | 8.3% [2] | 7.9% [2] | 9.8% |
| **Sierra Pacific Power** | 9.0% [2] | 8.6% [2] | 9.8% |
| **Northern Natural Gas** | 11.6% | 11.6% | 12.0% |
| **Kern River** | 10.1% | 10.5% | 11.55% |

*[1] Based on 13-point average equity*
*[2] Excludes one-time items and merger-related expenses*

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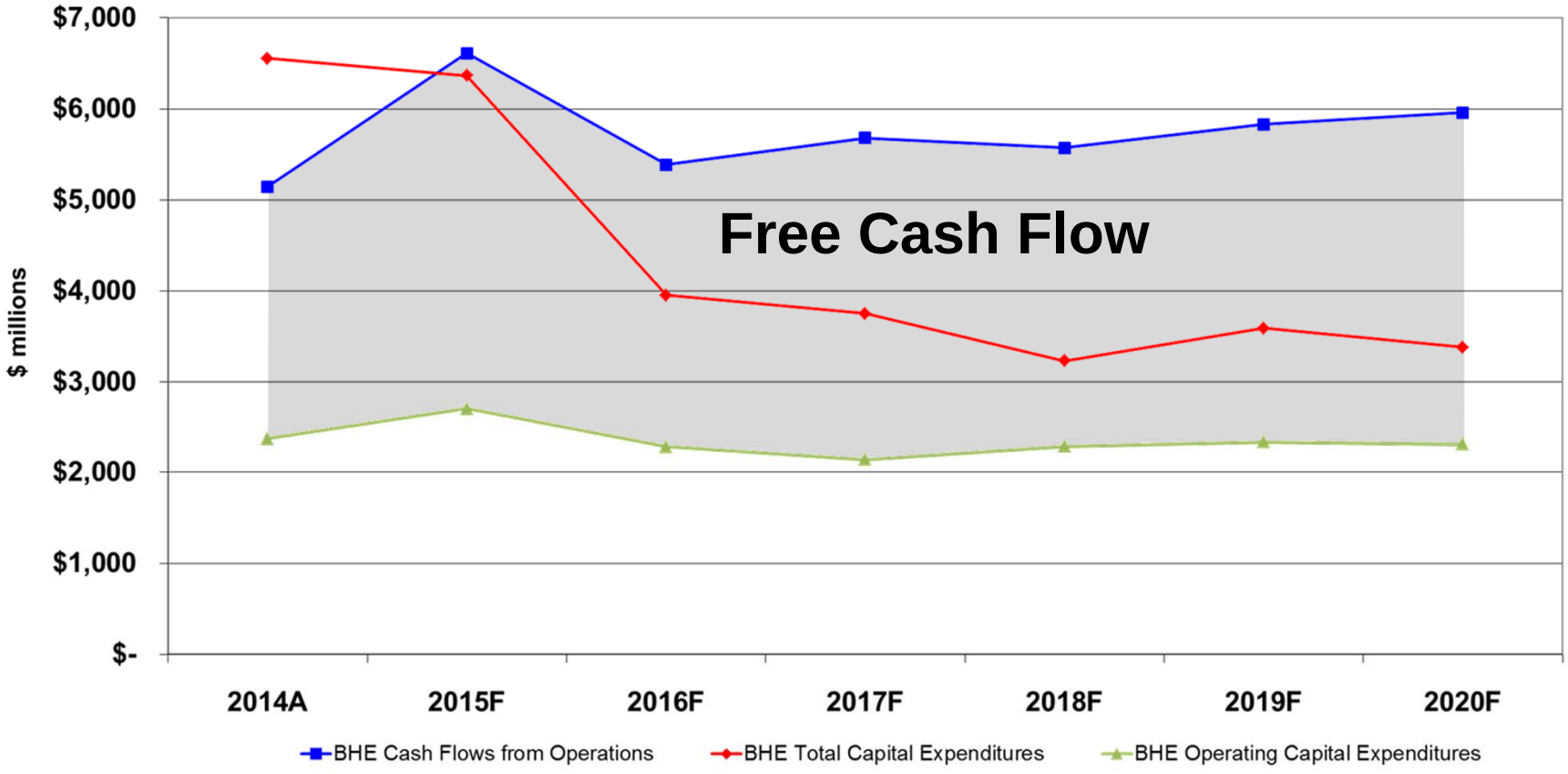
# Capital Expenditures and Cash Flows

- Berkshire Hathaway Energy and its subsidiaries will spend approximately $14.1b over the next three years for development and maintenance capital expenditures, which includes new environmental capital expenditures, transmission, and generation project expansions, including solar, wind and natural gas plant additions

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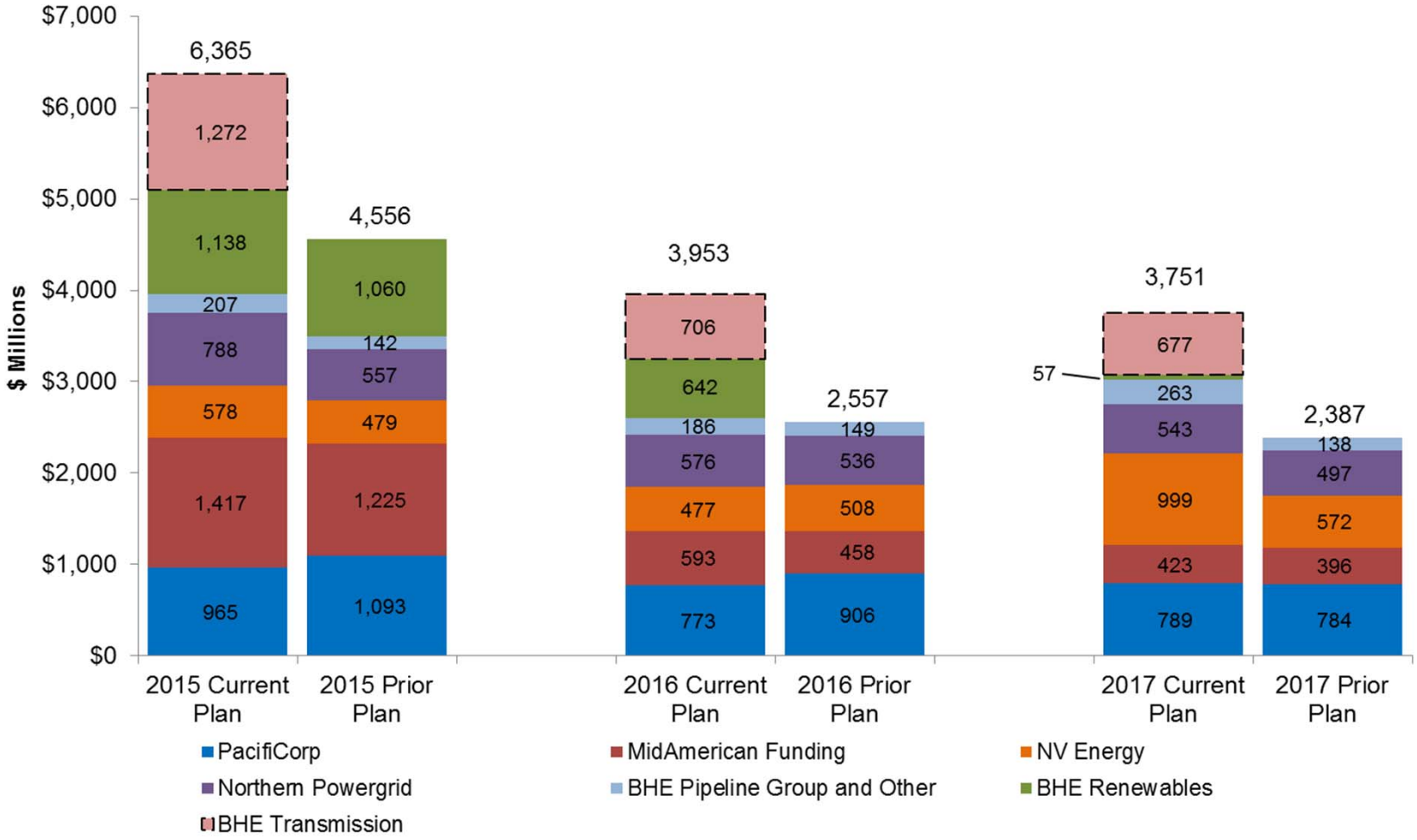
# Operational Excellence – Reinvesting in Our Business

- Excluding AltaLink and new renewable projects acquired in 2015, 2015-2017 capital expenditures projections have been increased by $1.1b from prior year projections, primarily due to developmental capital expenditures at NV Energy in 2017 and the Wind IX investment at MidAmerican Energy in 2015

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# Wind and Solar Investments

**Owned Wind and Solar Generation Capacity (MW)**

| | Regulated | | | Unregulated | |
|---|---|---|---|---|---|
| | PacifiCorp | MidAmerican Energy | NVE | BHE Renewables | Total |
| **1999-2012** | 1,030 | 2,280 | - | 497 | 3,807 |
| **2013** | - | 44 | - | 324 | 368 |
| **2014** | - | 508 | - | 652 | 1,160 |
| **2015-2016** | - | 625 | 15 | 953 | 1,593 |
| **Total** | **1,030** | **3,457** | **15** | **2,426** | **6,928** |
| **Investment** (billions) | $2 | $6 | $0 | $8 | $16 |

- On October 10, 2014 MEC announced plans to construct an additional 162 MW of wind generation
  - The project is expected to be completed by the end of 2015 and cost up to $243m
- In 2014 BHE Renewables acquired and began construction on the $408m Jumbo Road wind project in Texas
- On February 27, 2015 BHE Renewables acquired Grande Prairie Wind, LLC and Geronimo Community Solar Gardens, LLC which will add up to 400 MW of wind and 74 MW of solar generation, respectively
  - The projects are expected to be complete in 2016, with estimated total capital expenditures of $794m
- In early 2015, BHE committed to fund a wind project through tax equity investment of approximately $270m
- Continue to look for additional wind and solar opportunities

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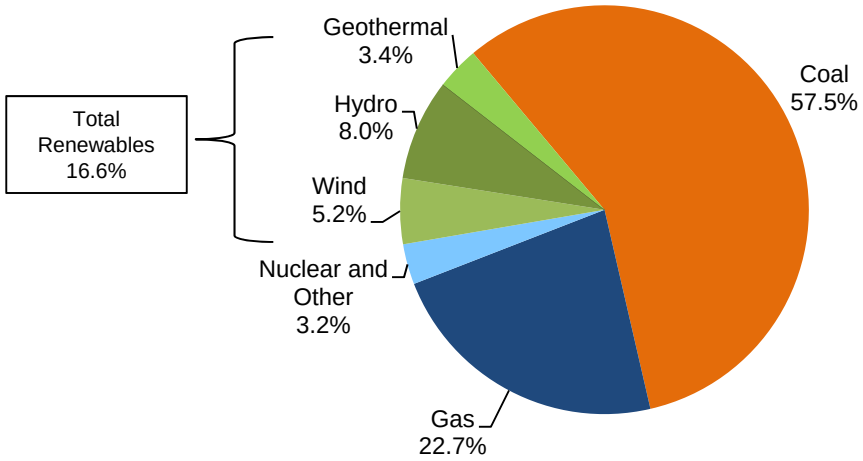
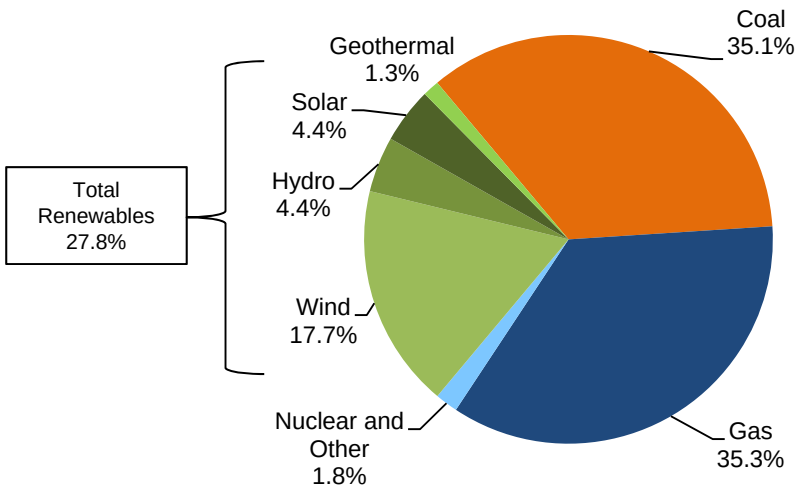
# Generation Diversification

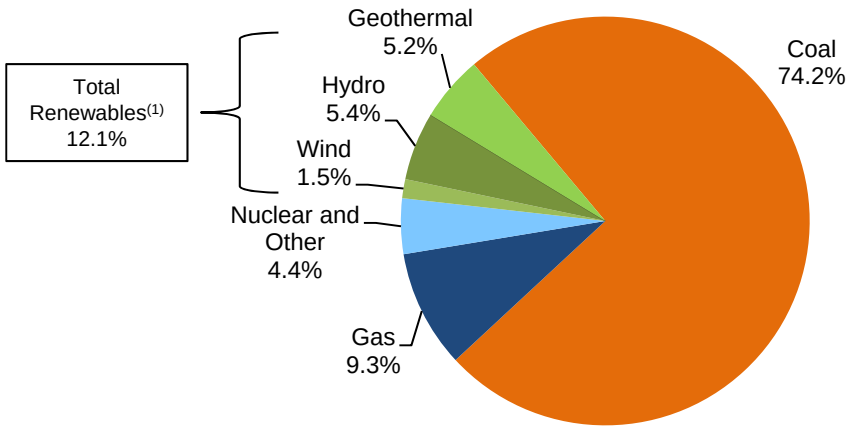
## 2006 BHE Capacity



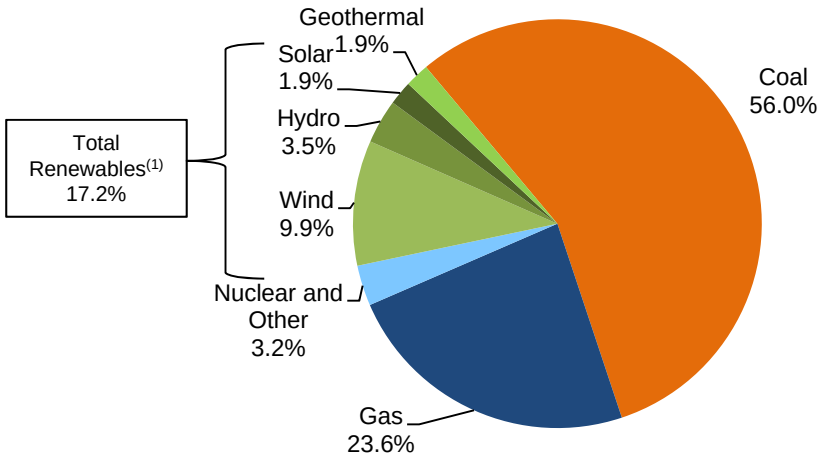

## 2014 BHE Capacity




## 2006 BHE Generation




## 2014 BHE Generation




*(1) 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 RPS or other regulatory requirements, (b) sold to third parties in the form of RECs or other environmental commodities, or (c) excluded from energy purchased.*

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# BHE Transmission

| Project | Location | Cost | Description |
|---|---|---|---|
| AltaLink | Alberta | Assets of $5.9b Purchased for $2.7b on December 1, 2014 | Owns a regulated electric transmission-only company consisting of approximately 7,800 miles of transmission lines and 300 substations in Alberta, Canada |
| Electric Transmission Texas | Texas | $2.2b in current rate base, approximately $3.1b in total investment planned | 50% ownership in joint venture with subsidiary of American Electric Power. Various projects throughout Texas |
| Prairie Wind Transmission | Kansas | $161.5m | 25% ownership in joint venture with Westar Energy and subsidiary of American Electric Power. The 345-kV project is complete and energized |
| Central Valley Power Connect | California | $157.0m | 50% ownership of 230-kV transmission line assets currently in development with Pacific Gas & Electric Company |
| TransCanyon | Western Electricity Coordinating Council (including California ISO) | $338.0m | 50% ownership in joint venture with Bright Canyon Energy, a subsidiary of Pinnacle West Capital Corporation. Delaney-to-Colorado River 500-kV project approved by the California ISO in July 2014, competitive solicitation submitted. California ISO expected to determine successful bidder in mid-2015. |

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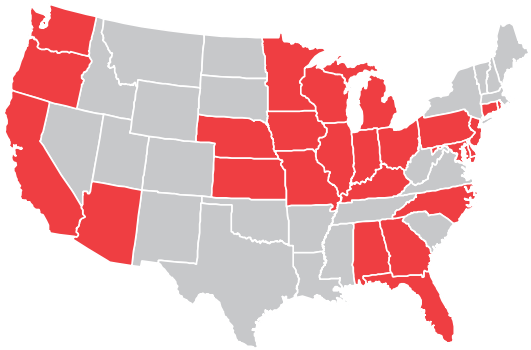
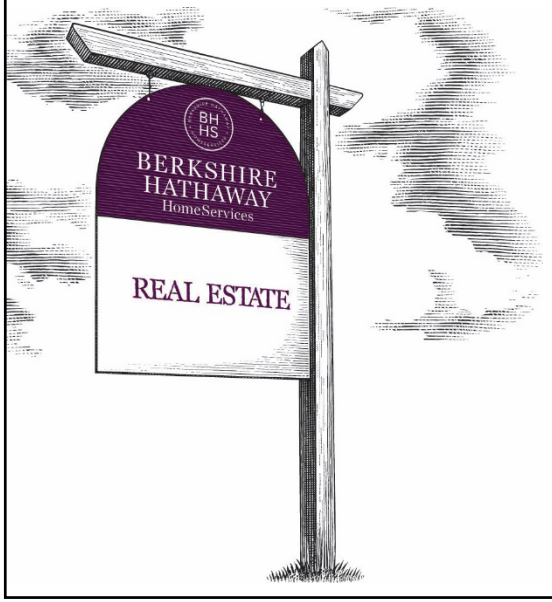
# HomeServices of America

**HomeServices is organized in three main businesses**

- **Brokerage**
- **Mortgage**
- **Franchise**

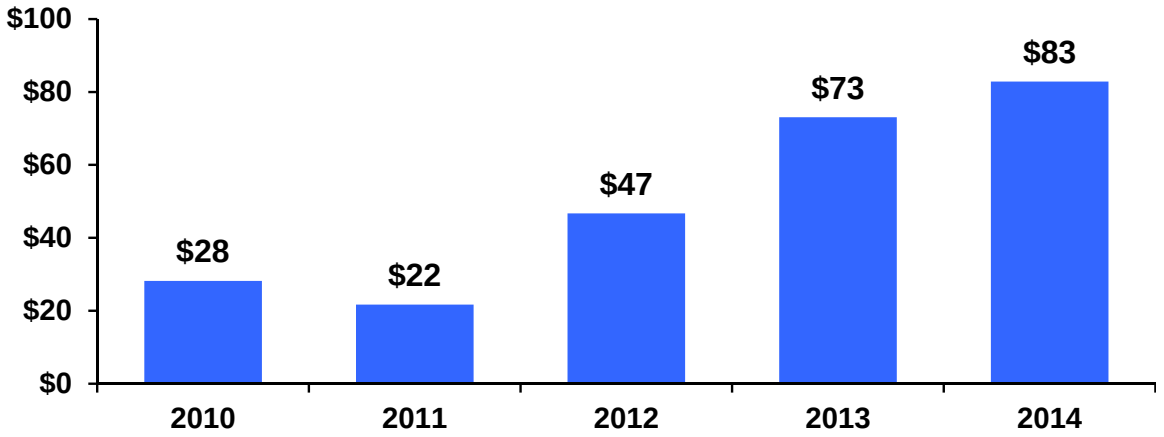


Located in 25 States




**Net Income Attributable to HomeServices**

***($ Millions)***

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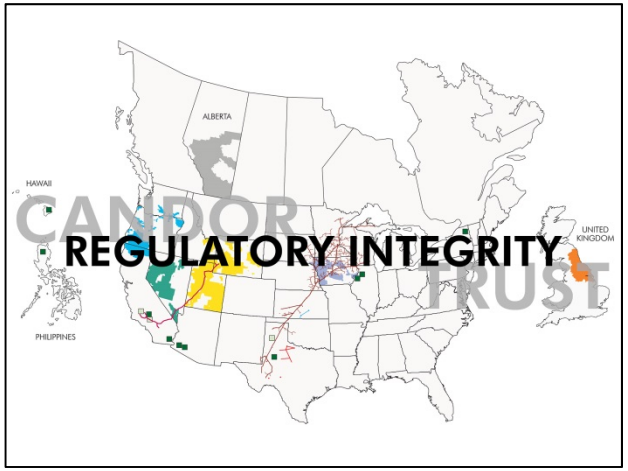
# Financing Plan 2015

- Solar Star
  - Completed nonrecourse project financing of $325m at 3.95% in March 2015
- PacifiCorp
  - Anticipate a $200m-$300m 2015 debt financing
- MidAmerican Energy
  - Anticipate a $500m-$600m 2015 debt financing primarily to fund wind capital expenditures and refinancings
- Northern Powergrid
  - Anticipate £400m of debt financings in 2015, split between Northern Powergrid (Yorkshire) and Northern Powergrid (Northeast). In late March 2015, a £150m financing at Northern Powergrid (Yorkshire) at 2.5% was completed
- AltaLink
  - Completed March 2015 debt issuance of C$200m 7-year notes at 2.244% to refinance existing short-term debt outstanding at AltaLink Investments, L.P.
  - Anticipate an additional C$800m in total debt financings for 2015 at AltaLink, L.P.
- Scheduled debt maturities total $1.2b

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Questions






# 2015 Fixed-Income Investor Conference


## Scott Thon

President and CEO

AltaLink


[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# AltaLink – Transmission Business


- Transmission-only company
- Serve 85% of Alberta's population
- Service area covers ~82,000 square miles
- ~7,800 miles of transmission lines
- ~300 substations
- Cost of Service Framework

**Other Key Highlights**

- No volume or commodity price risk
- AESO determines transmission need
- Consistently ranked in top quartile for reliability, safety and cost efficiency
- Experienced management team with proven track record
- AltaLink, L.P. credit rating stable at $A^-$ (S&P)

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

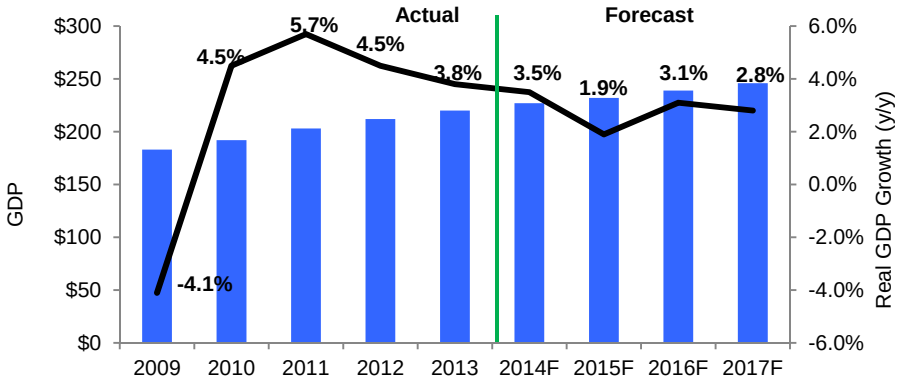
# Alberta – A Decade of Growth

## Overview of Alberta Economy

- Canada's third largest economy, with 18% of Canadian real GDP
- Canada's fourth largest province, with 11% of population
- One of North America's fastest growing economies
- Unemployment rate among lowest in North America
- Alberta is rated AAA by Moody's, S&P and DBRS

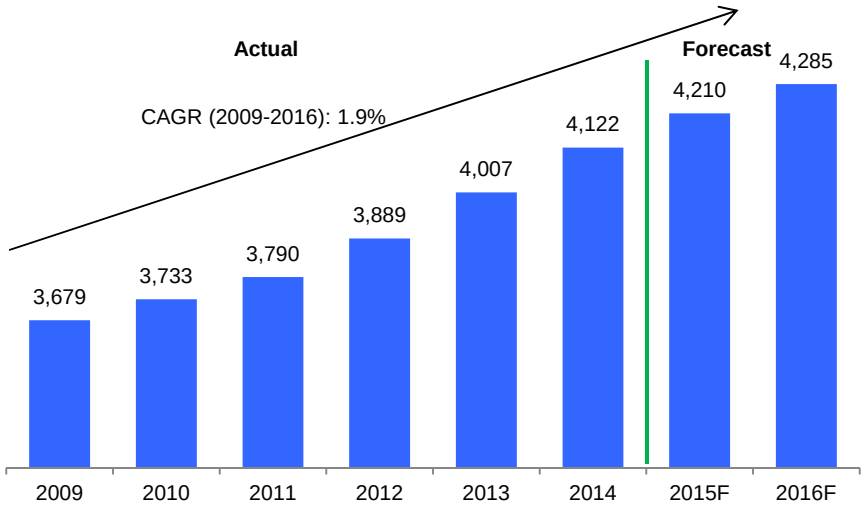
**Source:** Statistics Canada, Government of Alberta

## Real GDP (C$b in 2002 $'s)




**Source:** EDC Associates Ltd. (First Quarter 2015)

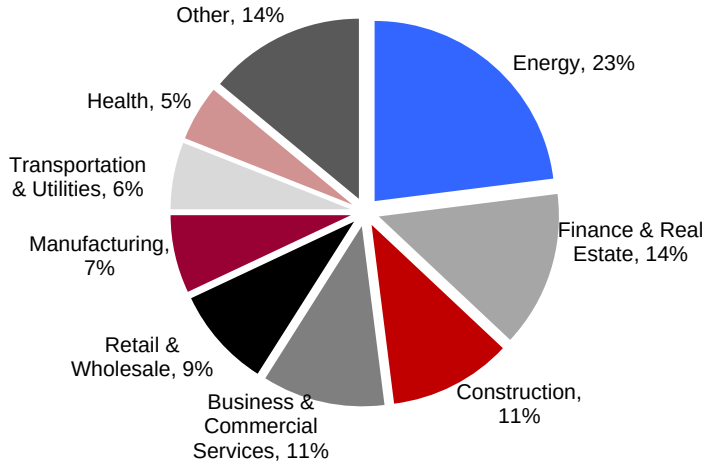
## Population (000s)




**Source:** EDC Associates Ltd. (First Quarter 2015)

## GDP, by Sector

*(Data as of 2013)*




**Source:** Government of Alberta – *Highlights of the Alberta Economy 2015*

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

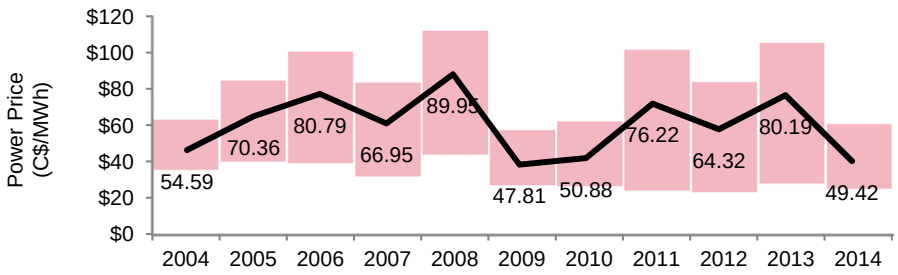
# Alberta's Competitive Power Market Supports Growth

## Overview of Alberta Power Market

- The Alberta Power Pool (wholesale market) was established in 1996 and is Canada's only truly deregulated spot power market
  - The AESO is responsible for the operation of the wholesale electricity market
  - Alberta is an energy-only market – there are no capacity payments made to generators
  - 9,000MW added since deregulation
- Coal sets the market price 56% of the time, while gas sets the price 42% of the time in 2012
  - Imports represented only 4.7% of Alberta's internal energy load in 2012

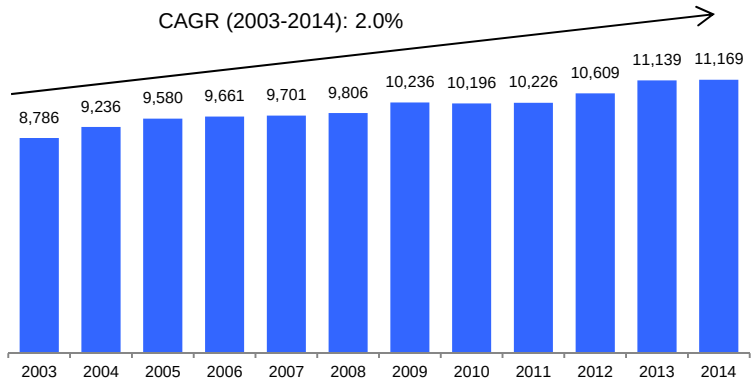
**Source**: Market Surveillance Administrator, Alberta Utilities Commission, Alberta Electric System Operator, The Conference Board of Canada

## Average Price (C$/MWh) with On-Off-Peak Range



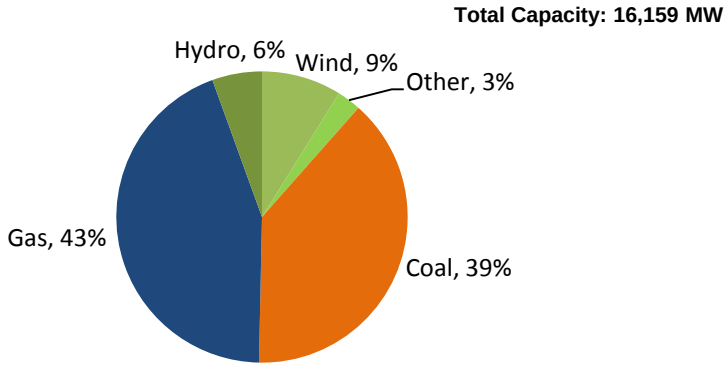

**Source**: Alberta Electric System Operator – *2014 Annual Market Statistics*

## Maximum Hourly Load (MW)




**Source**: Alberta Electric System Operator – *2014 Annual Market Statistics*

## Installed Generation Capacity, by Fuel




**Source**: Alberta Electric System Operator – *AESO Current Supply Demand Report (February 26, 2015)*

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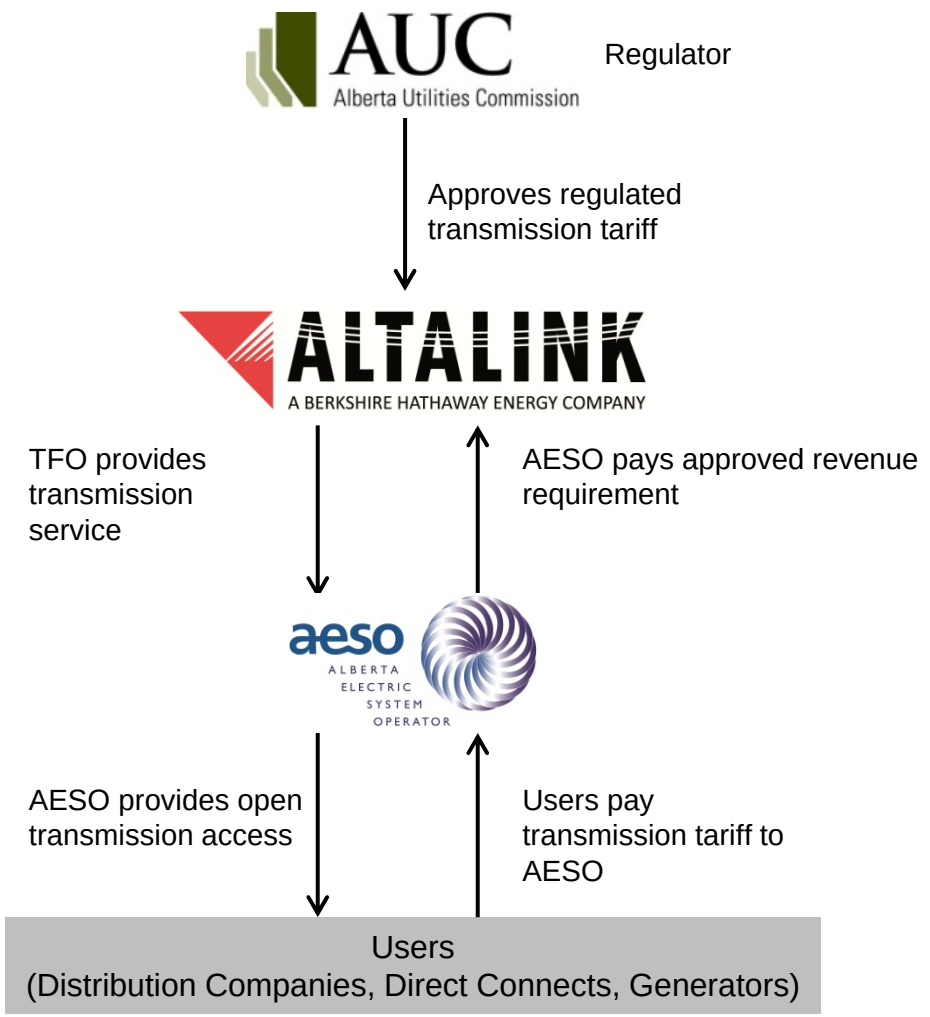
# Regulatory Framework Supports Predictable Revenue



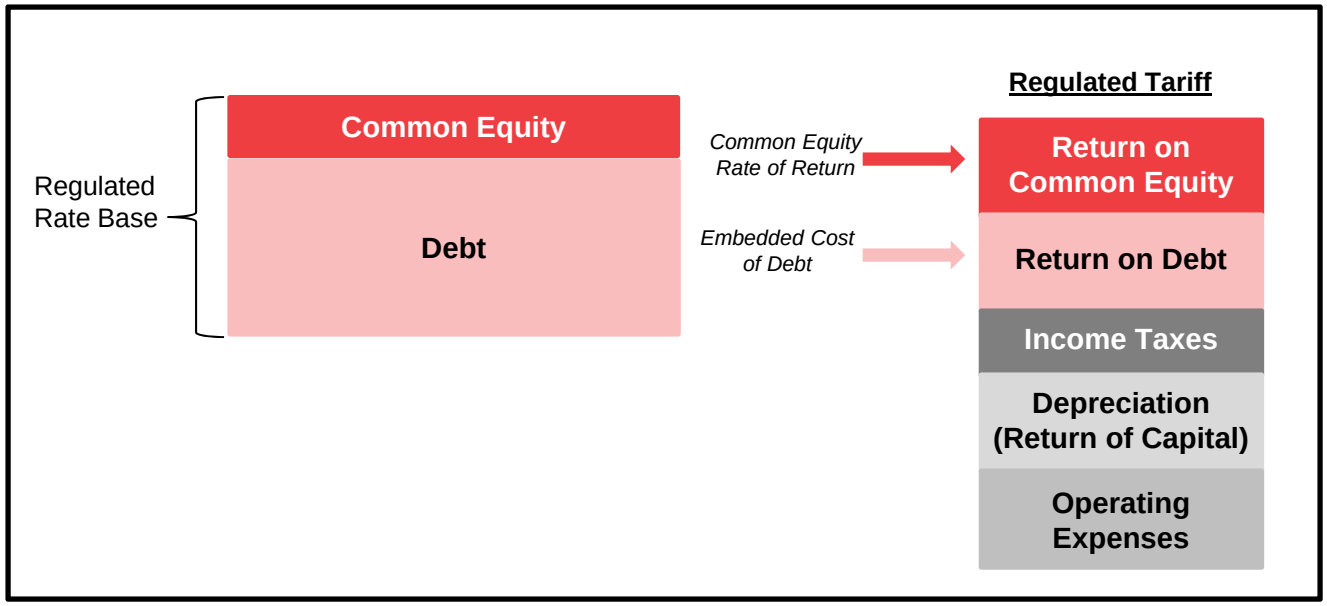

- AltaLink receives approved tariff from AESO in equal monthly installments
  - No exposure to variability in electricity prices
  - No electricity volume risk
- Tariffs based on cost-of-service regulatory model under a forward test year basis
- Nearly all capital spending is directed by the AESO, who is responsible for system planning

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Cost of Service Tariffs
## Predictable Earnings and Cash Flows

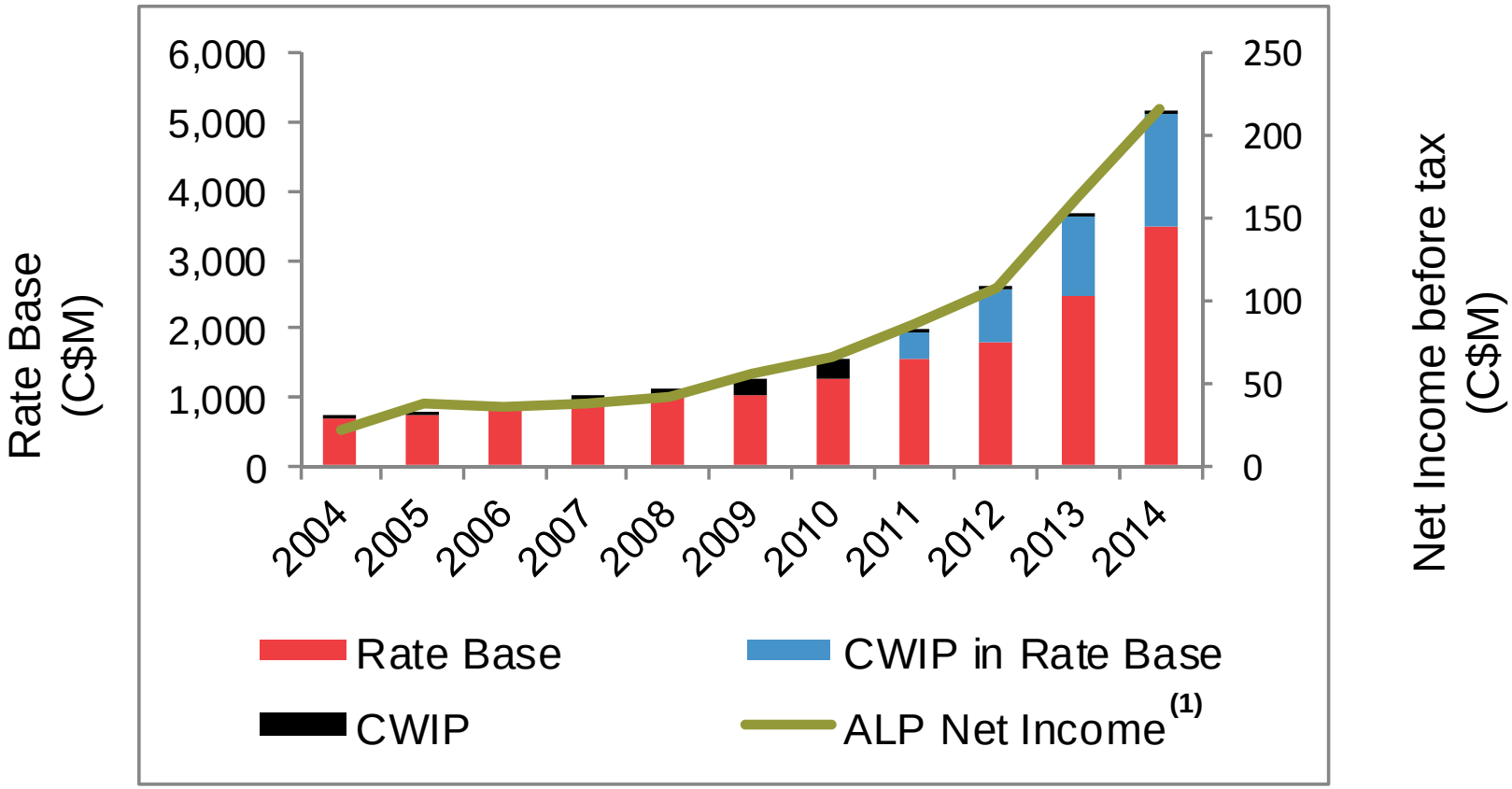
- Transmission tariffs include:
  - Opportunity to earn an authorized return
  - Recovery of prudent capital costs
  - Recovery of forecast operating expenses, interest costs and deemed income taxes

- Forecast risk is partially mitigated by deferral and reserve accounts
  - Direct Assign Capital deferral account
  - Long-term Debt deferral account
  - Property Tax deferral account
  - Annual Structure payments
  - Self Insurance reserve
  - Hearing Cost reserve



# Financial Strength

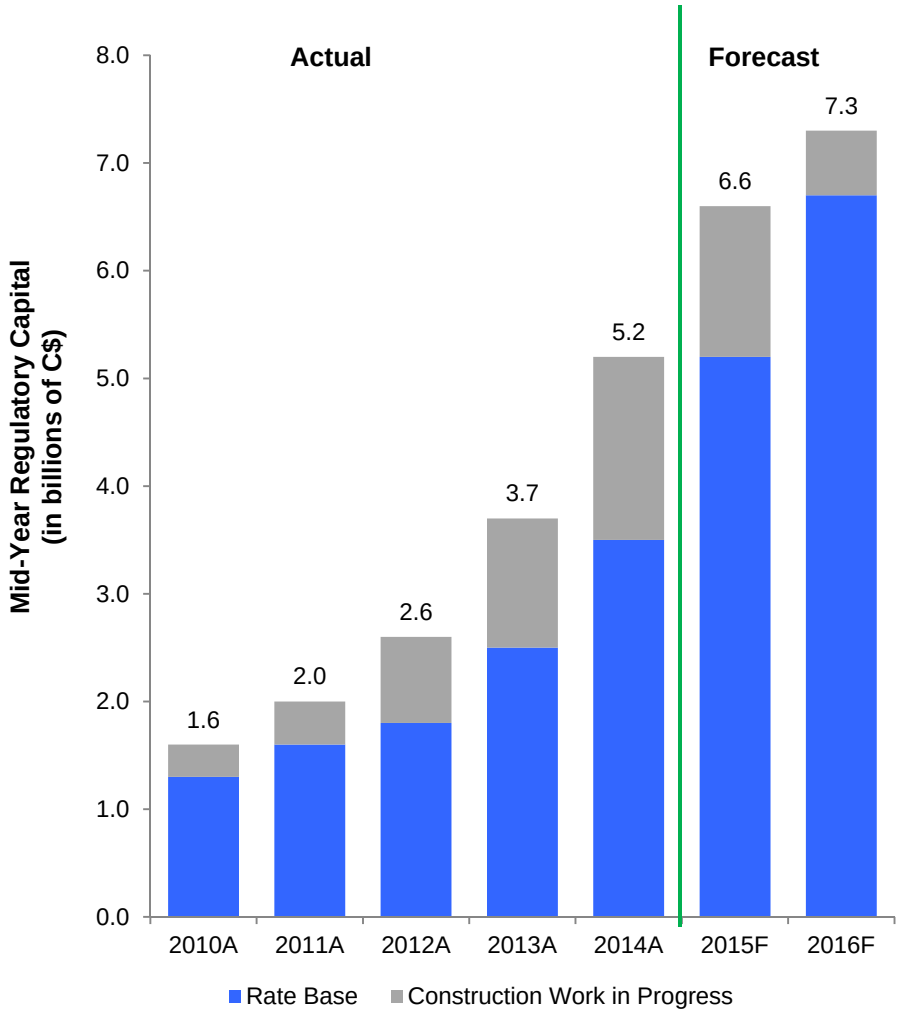
- Strong financial growth correlated with rate base investment

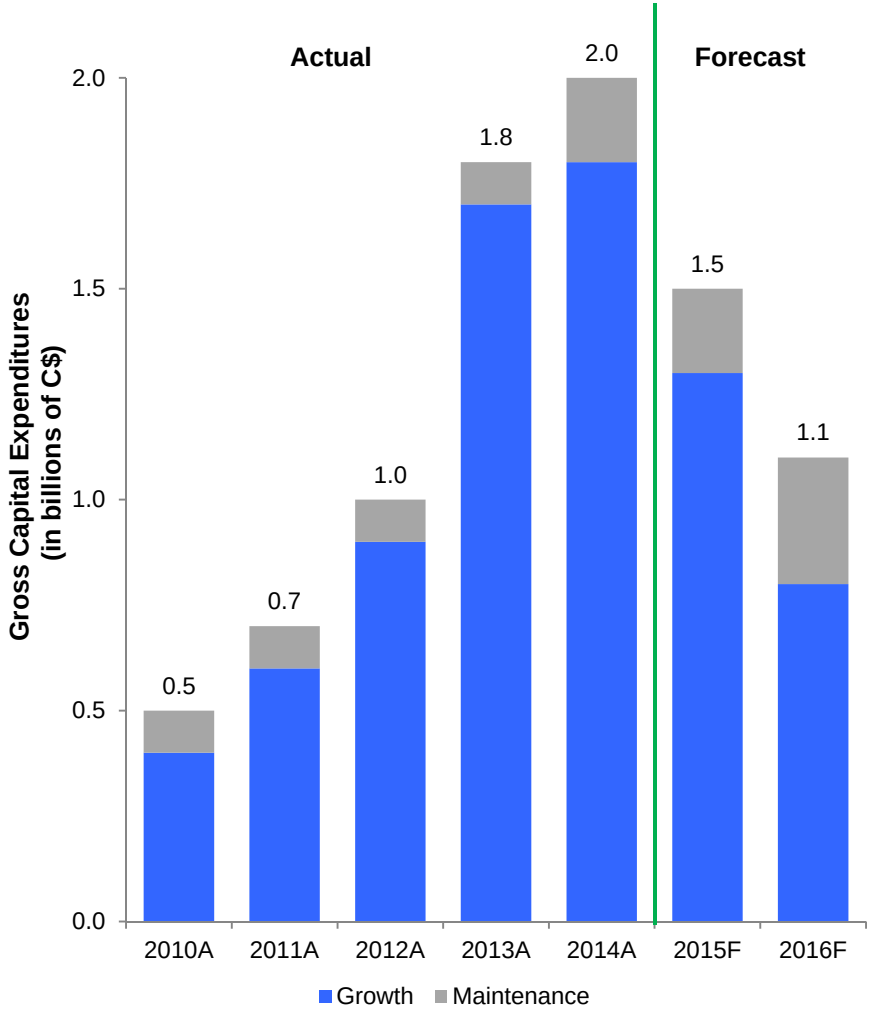



(1) Net Income based on IFRS

# Financial Strength
## Strong Growth in Regulatory Capital

C$2.9b to be added to rate base in 2015




**2015F and 2016F based on AltaLink's 2015-16 GTA Filing**

# 2015-2016 GTA Filed
## Large Increases Due to Capital Investment

**2015 Highlights**

- C$2.9b moves from CWIP into Rate Base
  - Increasing tariff for property tax, insurance, interest, depreciation, salvage and equity returns
- Additions subject to mid-year rule
- Revenue requirement forecast of C$810.5m (22.5% increase)

**2016 Highlights**

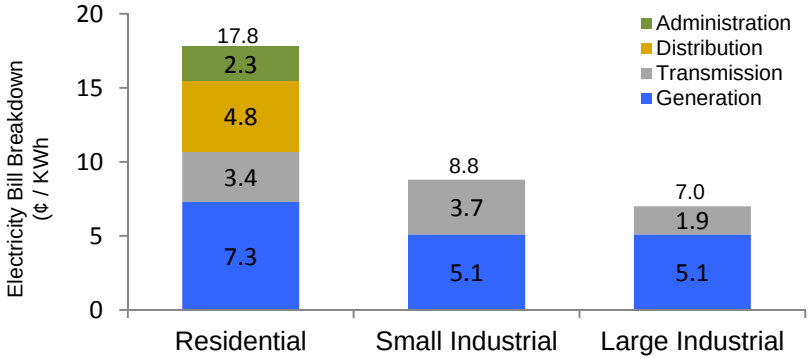
- Full year impact of 2015 additions
- Further C$0.8b moves into rate base
- Revenue requirement forecast of C$1,001.6m (23.6% increase)

**Rate mitigation measures**

- AltaLink has offered to end CWIP in rate base
- Stronger credit metrics in 2016 and beyond


### Breakdown of Average Electricity Bill

*(Data as of 2013)*

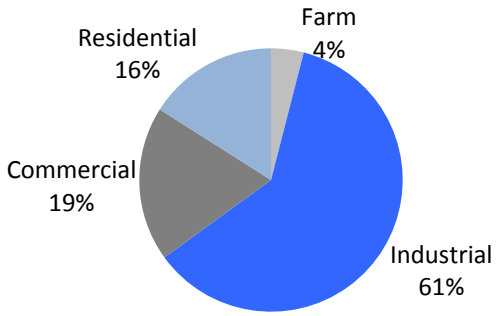



Average monthly residential bill is C$106.60

**Source**: AESO 2014 ISO Tariff Application

### Allocation of Transmission Costs in Alberta

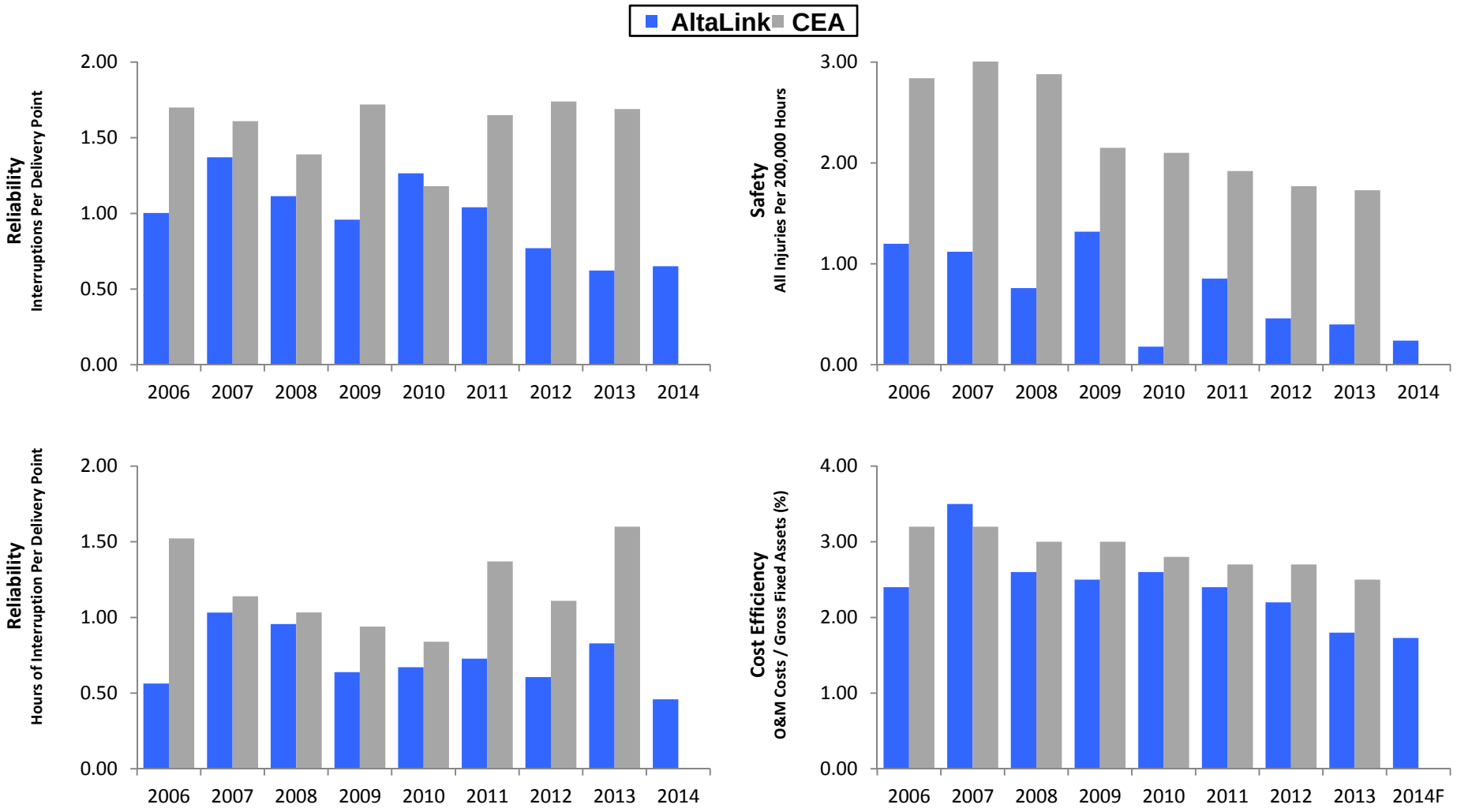
*(Data as of 2010)*




**Source**: Government of Alberta – *Talk About Transmission (September 2010)*

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Top Quartile Performance
## Industry Leader in Operational Performance




[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

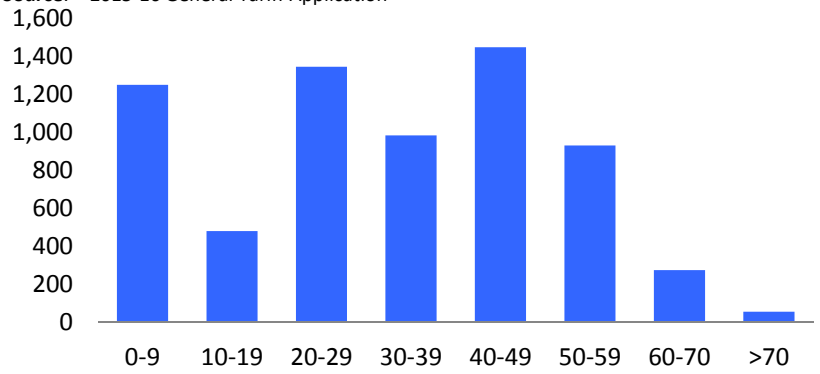
# Effective Management of Assets

- Asset profile is distributed in age
- Targeted maintenance investments support reliability
- Operational readiness and integration process ensures proactive integration of new assets and technology



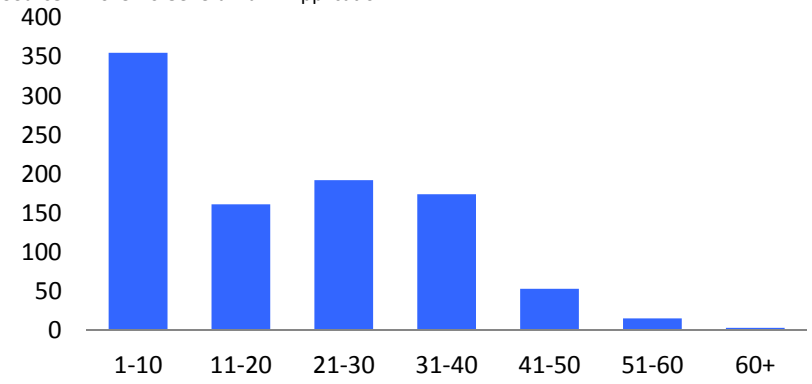

## AltaLink Transmission Lines by Km and Age

**Source**: 2015-16 General Tariff Application



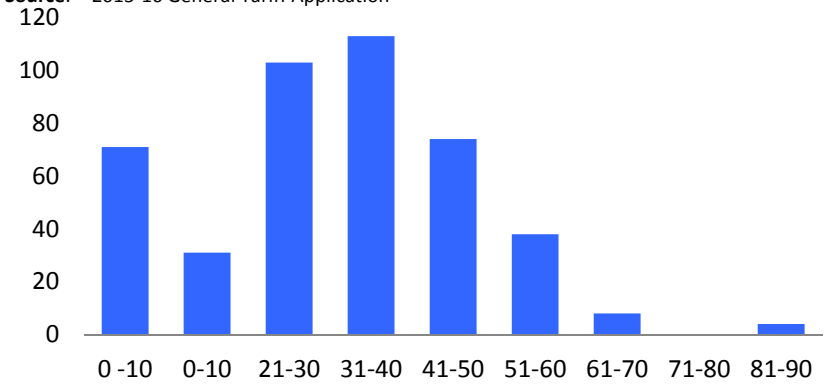

## AltaLink Breakers by Number of Units and Age

**Source**: 2015-16 General Tariff Application




## AltaLink Transformers by Number of Units and Age

**Source**: 2015-16 General Tariff Application




[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Unique Culture is Our Strength
## Top Decile in Employee Engagement

- Top decile employee engagement
  - 95% employee survey participation
  - 83% engagement score
- AltaLink employs over 800 people
  - 60% of employees are unionized

**Named one of Canada's top 10 most admired corporate cultures in 2014**

CANADA'S 10 MOST ADMIRED CORPORATE CULTURES™ 2014
Presented by Waterstone

- Recognizes organizations for having a culture that helps them enhance performance and sustain a competitive advantage
- Winning organizations outpaced the S&P/TSX three-year annual growth rate by more than 600%

# Leader in Sustainability
## Recognized as Sustainable Electricity Company

**First transmission company in Canada to achieve CEA Sustainable Company designation**

SustainableElectricityApproved™
Canadian Electricity Association


AltaLink achievements

- Avian protection plan
- Oil and power pole recycling programs
- Environmental assessments for projects
- Leading practices in external engagement and construction
- Comprehensive environmental management system based on ISO 14001
- Strong community engagement
- Comprehensive employee programs

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

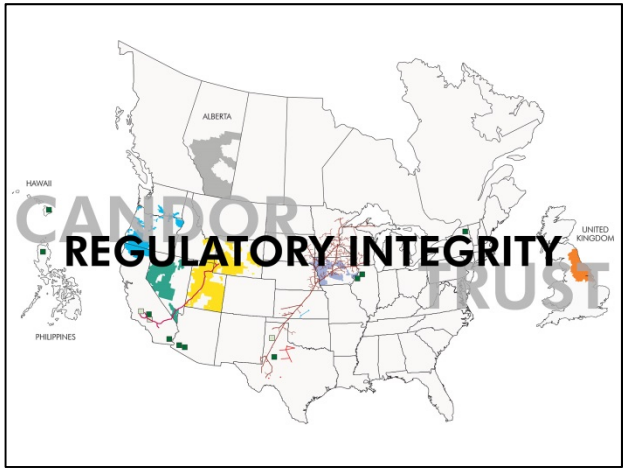
# Key Investment Highlights

| | |
|---|---|
| **Financial Strength and Performance** | • AltaLink, L.P. credit rating stable at A / A- (DBRS / S&P)<br>• AltaLink Investments, L.P. upgraded two notches by S&P to BBB+<br>• Significant increase in operating cash flow as CWIP projects enter rate base |
| **Predictable and Stable Cash Flows** | • Regulated under cost of service framework<br>• No volume or commodity price risk<br>• Limited counterparty risk (AESO and regulated utilities)<br>• Fixed monthly revenue payments from AESO (AA- rating S&P) |
| **Significant Growth** | • Strong financial results as reflected in 19.6% compounded annual growth rate for EBITDA from 2010 to 2014<br>• Growth driven by electricity demand, congestion relief and enabling Alberta's energy-only market<br>• Key projects have obtained all major approvals and are already under construction<br>• All 2014 transmission projects completed within or better than cost estimates and schedule |
| **Supportive Regulatory Environment** | • Well-established and transparent regulatory structure (lower risk than U.S.)<br>• Credit relief measures approved by AUC to support credit ratings<br>• Cost of service framework comparable to U.S. regulators |
| **Strong Operational Performance** | • Consistently ranked in top quartile for reliability, safety and cost efficiency<br>• Named one of Canada's 10 most admired corporate cultures in 2014<br>• Received top safety and sustainability designations from Canadian Electricity Association |
| **Experienced Management Team** | • Experienced management team with proven track record |

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Questions






# 2015 Fixed-Income Investor Conference

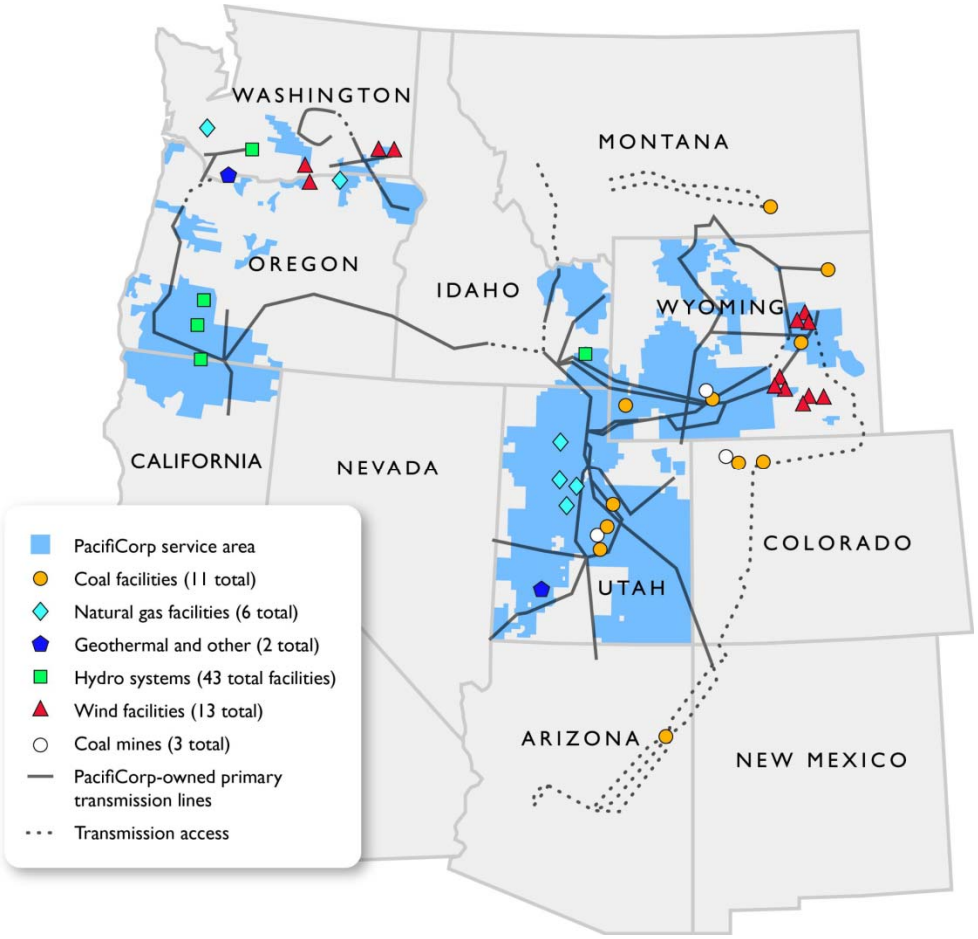
**Cindy Crane**
President and CEO
Rocky Mountain Power

**Stefan Bird**
President and CEO
Pacific Power

**Pat Reiten**
President and CEO
PacifiCorp Transmission

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# PacifiCorp Overview



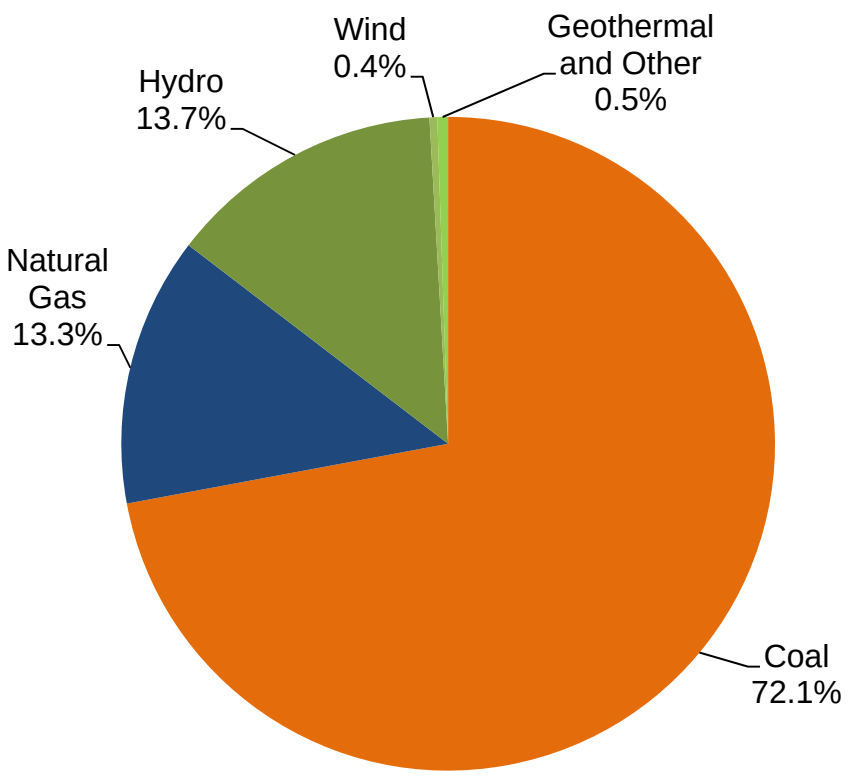

- Six-state service territory
  - Utah
  - Idaho
  - Wyoming
  - Oregon
  - Washington
  - California
- 5,900 employees
- 1.8 million electricity customers
- 143,000 square miles of service territory
- 16,400 transmission line miles
- 11,136 MW(1) owned generation capacity
  - Coal 55%
  - Natural gas 25%
  - Hydro(2) 10%
  - Wind, geothermal and other(2) 10%

*(1) Net MW owned in operation as of December 31, 2014*
*(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*

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

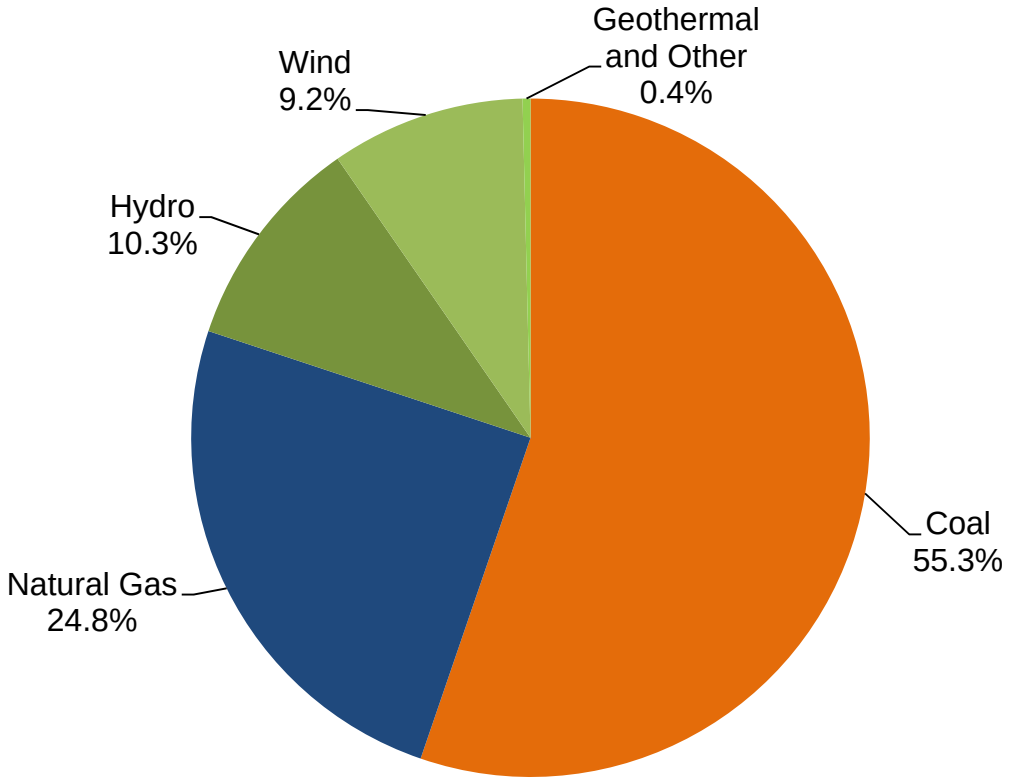
# Generating Capacity by Fuel Type

## March 31, 2006




**8,470 MW (1)**

## December 31, 2014




**11,136 MW (1)**

Generating fleet increase primarily attributed to the addition of:

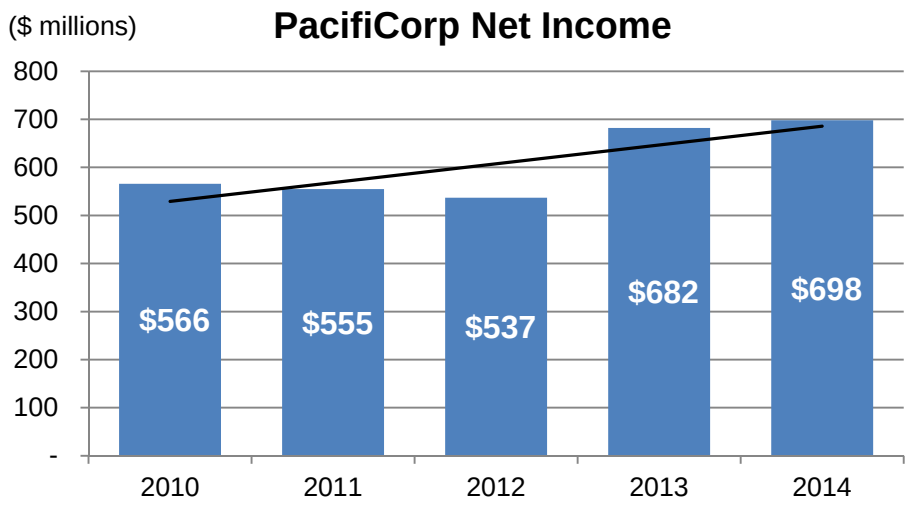
- 1,654 MW Natural Gas - Lake Side 1 & 2 and Chehalis
- 997 MW Wind - 594 MW Eastside and 404 MW Westside

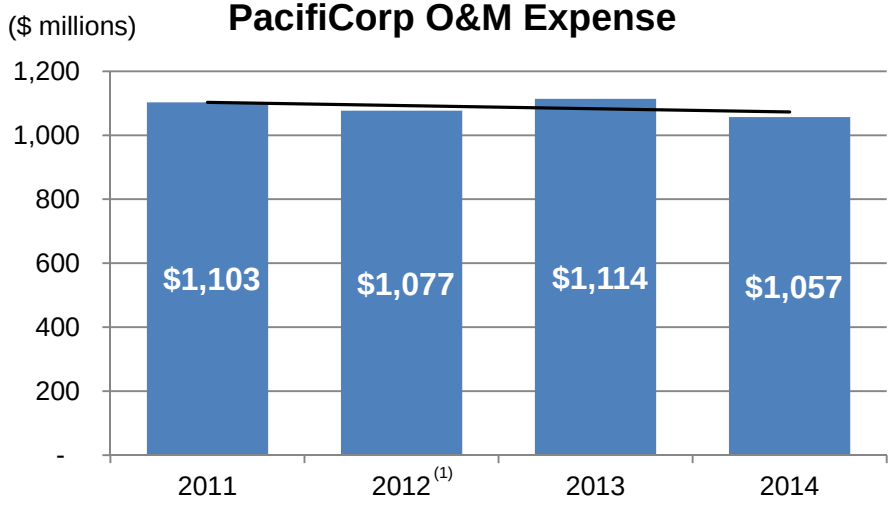
*(1) Net owned capacity (MW)*

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# PacifiCorp Financial Overview

- PacifiCorp's net income trend continues to grow. The 2012 decline was primarily due to charges for the USA Power litigation and certain fire and other damage claims
- Efforts to minimize customer rate increases while maintaining systems reliability, safety and customer service have resulted in generally flat operations and maintenance expenditures



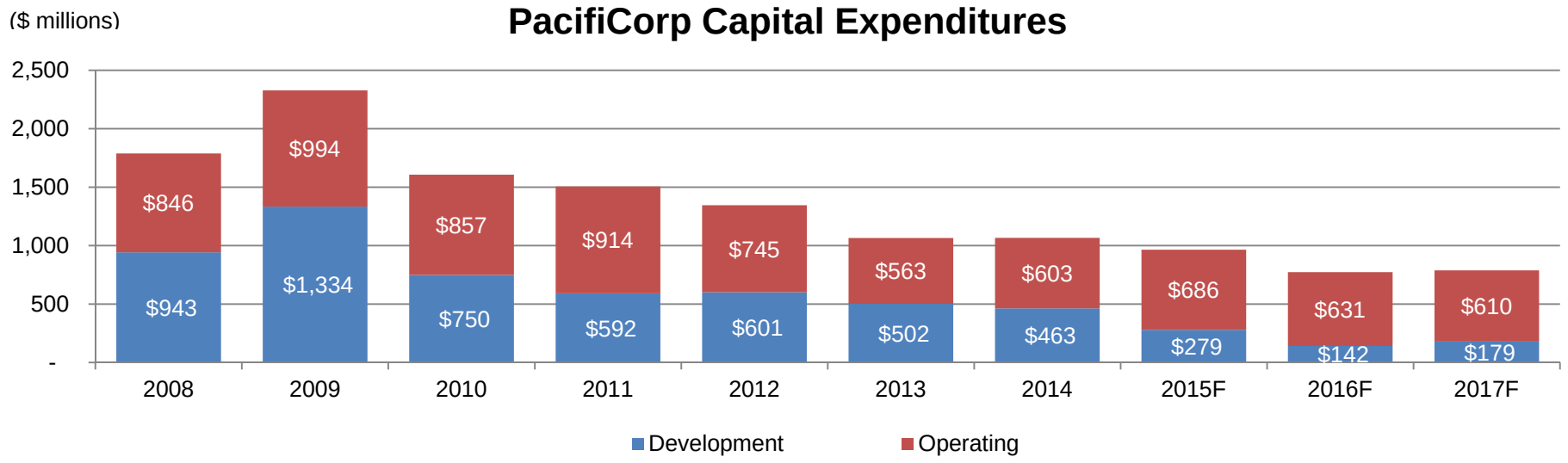




(1) *Excludes $165m of charges related to the USA Power litigation and certain fire and other damage claims*

# PacifiCorp Financial Overview

- Operating capital varies with plant overhauls and system requirements
- Development capital decreases with completion of major projects:
  - Wind generation installed 2008-2010
  - Lake Side 2 placed in-service 2014 (construction 2011-2014)
  - Environmental controls for $SO_2$, NOx, particulates and mercury (2008-2017)
  - Hydroelectric - Lewis River fish passage and Soda Springs (2011-2014)
  - Energy Gateway transmission segments (construction 2008-2015) include Populus-to-Terminal (2010), Mona-to-Oquirrh (2013), Sigurd-to-Red Butte (May 2015)

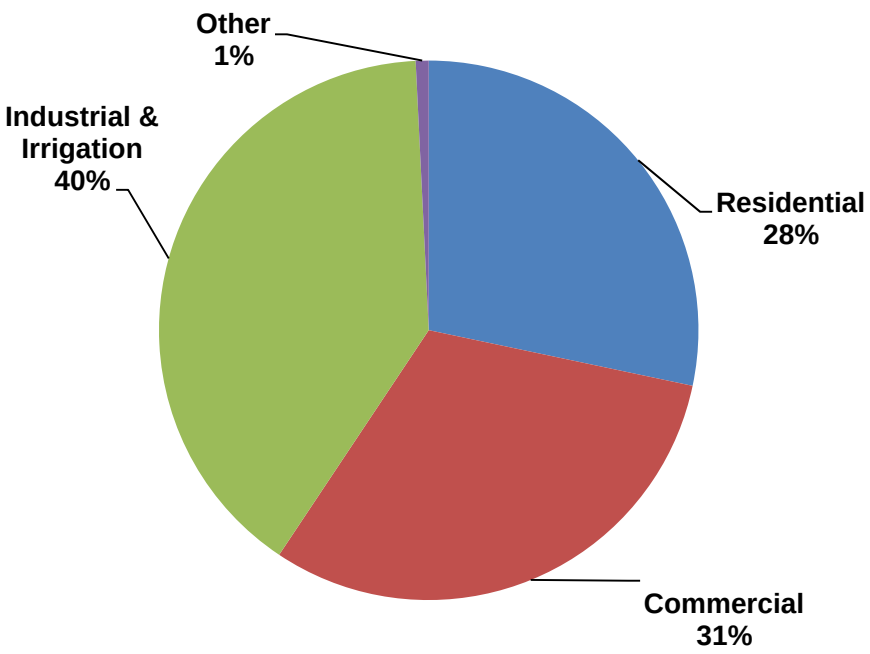
| ($ Millions) 2015-2017 | Current Plan | Prior Plan |
|---|---|---|
| Operating | $ 1,927 | $ 1,935 |
| Development | 600 | 848 |
| Total | $ 2,527 | $ 2,783 |



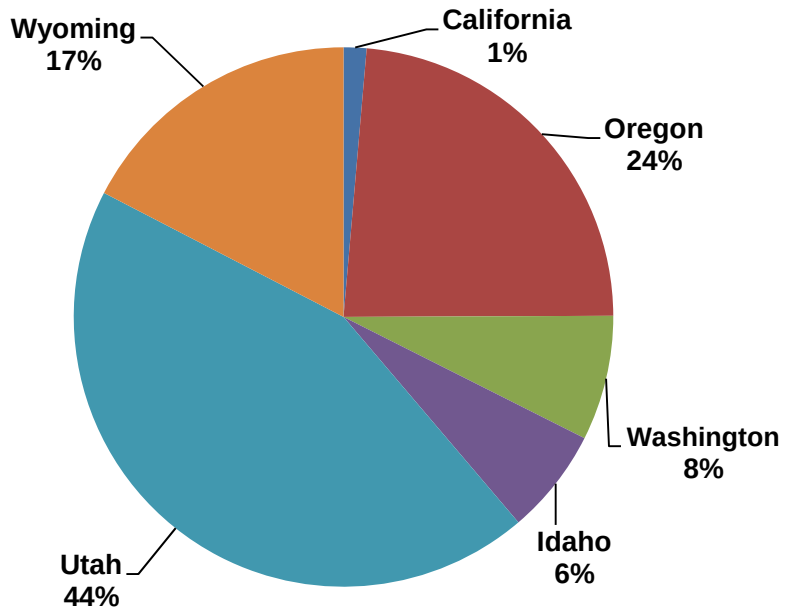

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Retail Sales

## 2014 Retail Sales by Class (GWh)




## 2014 Retail Sales by State (GWh)




**Total 2014 Retail Revenue: $4.7b**

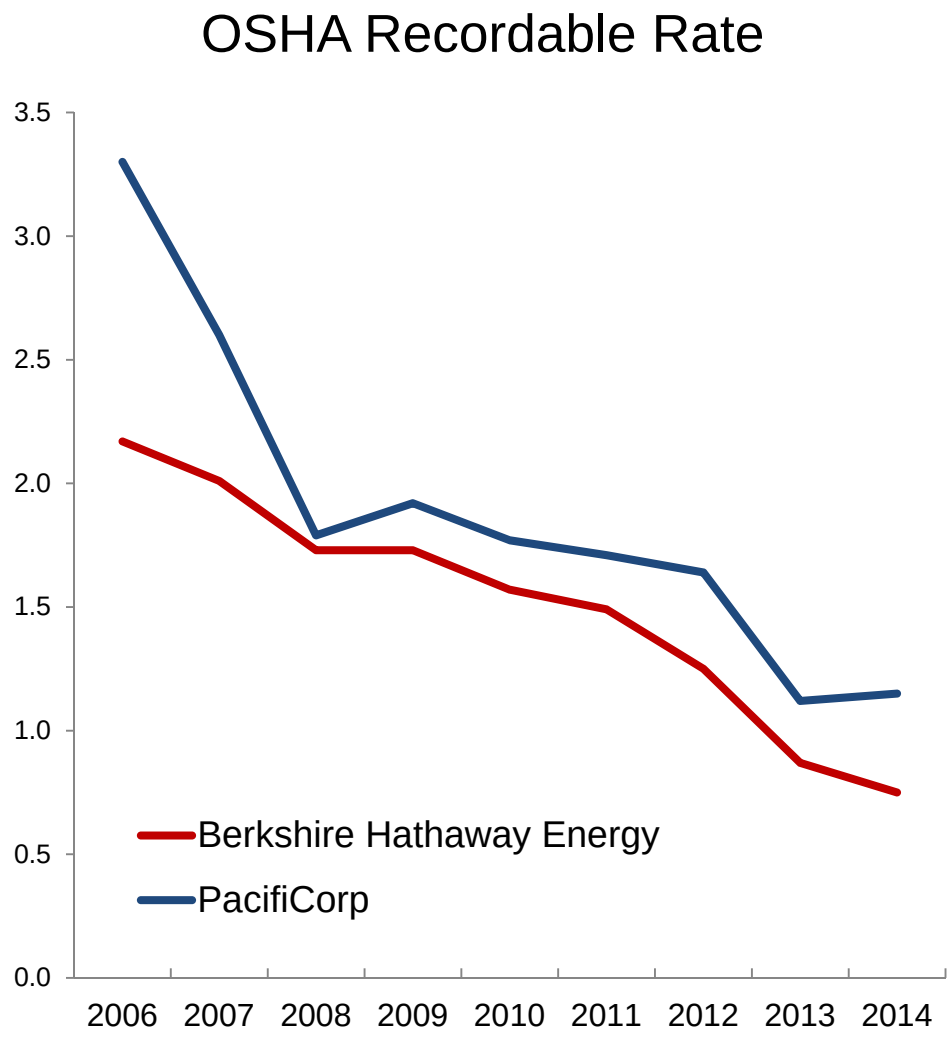
[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Employee Commitment

## Safety Culture and Work Environment

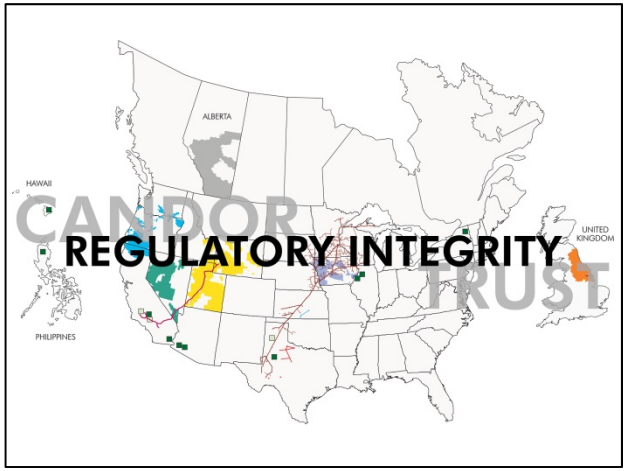
PacifiCorp Recordable Incidents

**2012:** 101 incidents
**2013:** 66 incidents
**2014:** 68 incidents




[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]





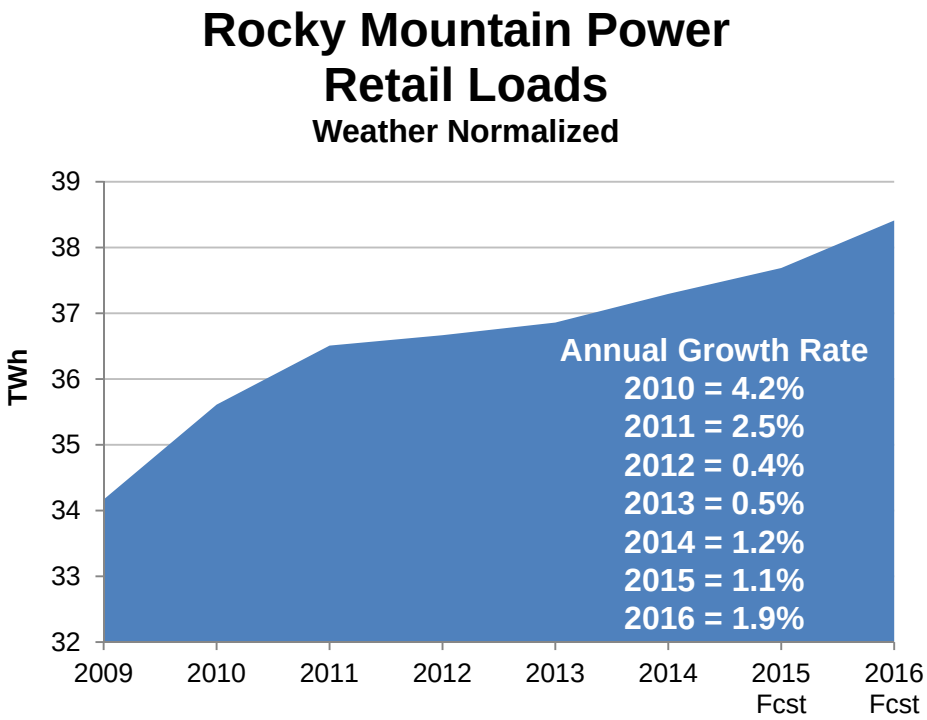

# 2015 Fixed-Income Investor Conference

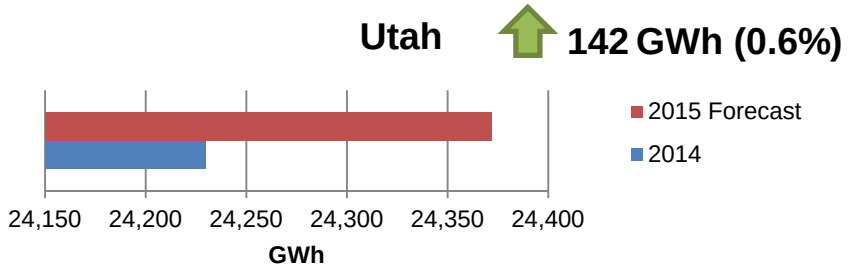
## Rocky Mountain Power

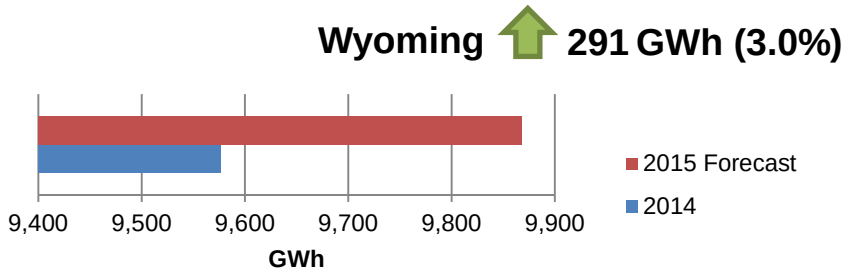
[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

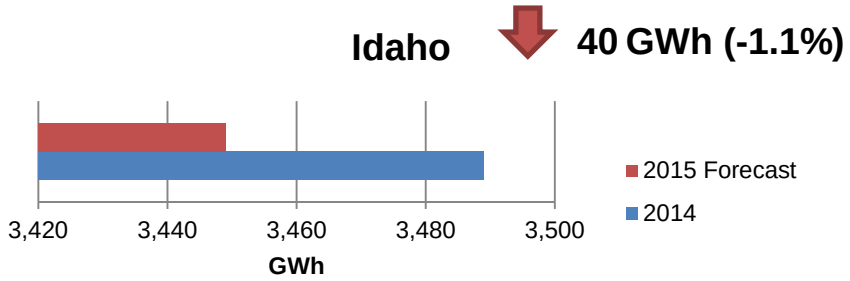
# Load Growth Rocky Mountain Power

Weather Normalized




- 2014 load growth primarily attributed to industrial expansion and data center growth
- Modest growth in 2015 and 2016 due to the continuing economic recovery partially offset by energy efficiencies

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Regulatory Accomplishments

**Strategy**

- Improve or implement power cost recovery mechanisms to enhance recovery of variable costs of energy production not reflected in base rates
- Manage capital expenditures in line with depreciation expense levels to reduce impact to customers rates
- Seek separate tariff riders where feasible for major capital projects
- Manage operations and maintenance expenses at or below levels reflected in rates
- Work with stakeholders to develop balanced outcomes that provide rate predictability to customers and cost recovery for the company

**Utah**

- Two-year rate plan in place through September 1, 2016

**Wyoming**

- General rate case order received December 2014 for rates effective January 2015
- General rate case filed March 2, 2015, for rates effective January 1, 2016, includes replacement of current energy cost adjustment mechanism expiring December 31, 2015

**Idaho**

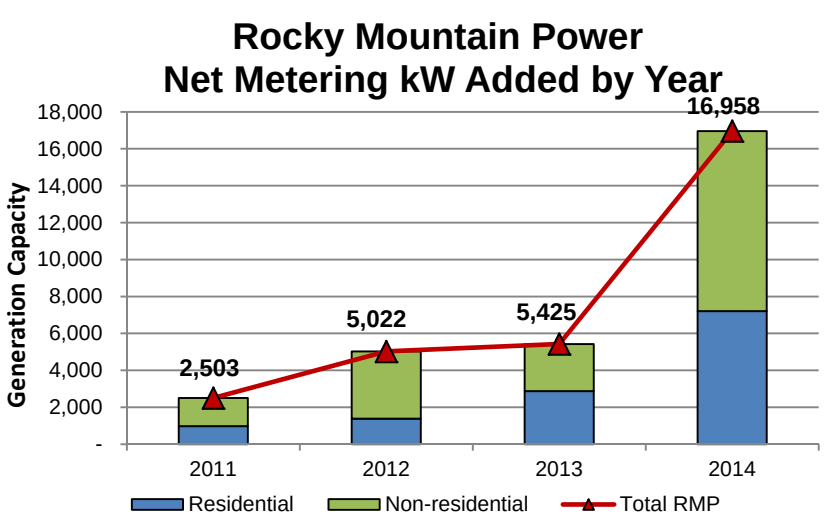
- Two-year rate plan in place through December 31, 2015

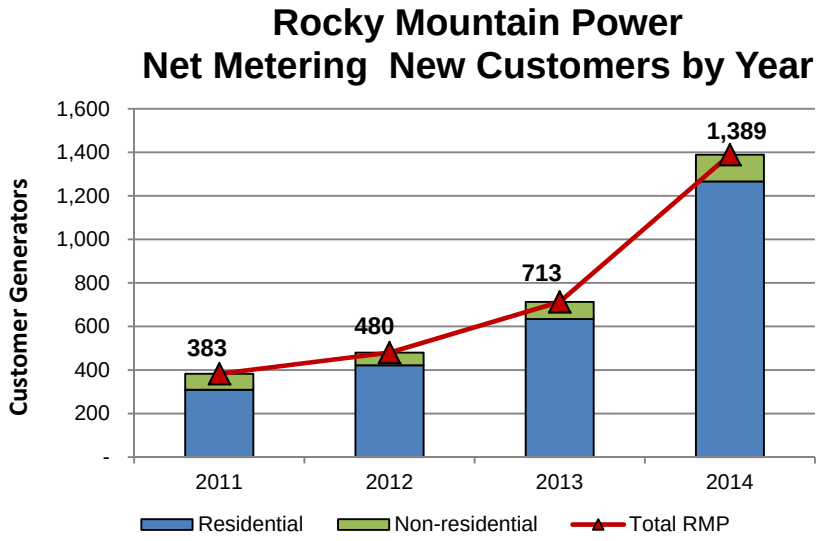
[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Rocky Mountain Power Customer Generation

| State | Residential Customers | Non-Residential Customers | Total DG Customers | Residential Size (kW) | Non-residential Size (kW) | Total Generation (kW) |
|---|---|---|---|---|---|---|
| ID | 110 | 23 | 133 | 483 | 357 | 840 |
| UT | 3,353 | 394 | 3,747 | 14,535 | 15,108 | 29,643 |
| WY | 149 | 45 | 194 | 542 | 392 | 934 |
| Total | 3,612 | 462 | 4,074 | 15,560 | 15,857 | 31,417 |

- Net metering customer participation grew by 50% in 2014. This represents 0.47% of customers
- Growth is due to declining costs of solar, including tax credits and solar incentive programs
- Net metering docket in process in Utah to address costs/benefits and rate structure redesign



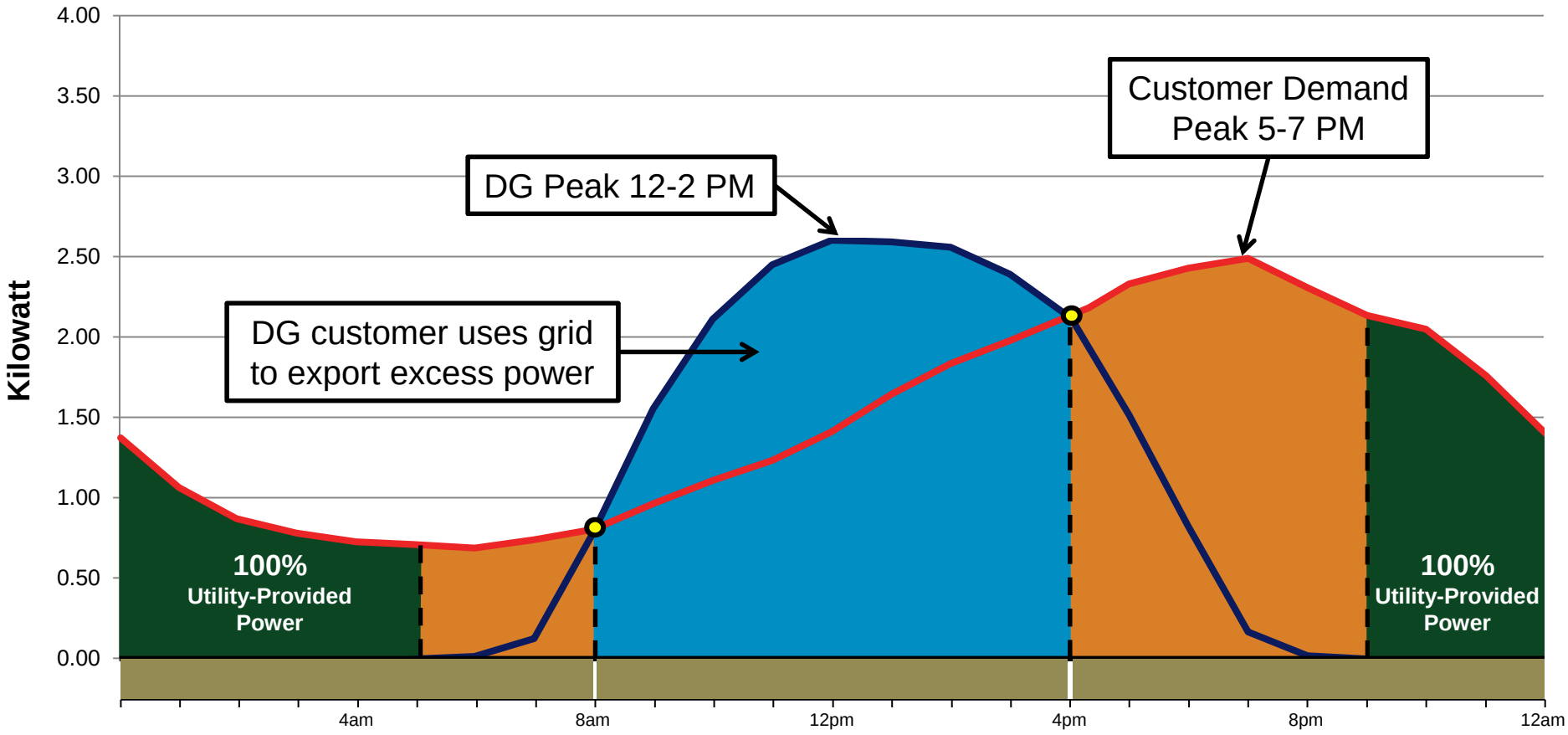

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Distributed Generation Strategy

- Modify tariff to prevent subsidization of distributed generation
  - Ongoing net metering docket with Utah Public Service Commission to set framework for future net metering tariff
  - Implement a rate design to recover fixed costs independent of usage
- Offer customers renewable energy options
  - Current programs
    - Blue Sky
    - Utah Solar Incentive Program
    - Service from Renewable Energy Facilities
  - New programs in development
    - Utah Subscriber Solar for residential and small commercial
    - Industrial renewables program
- Work with stakeholders to research new distributed generation
  - Net zero communities
  - Electric vehicle charging

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Utah Typical Residential Summer Demand with 4 $kW_{DC}$ Solar DG System




**Customer Demand**

**DG Generation**

**Utility-Provided Power**
8 hours/day utility provides 100% of power needed

**Utility and DG System-Provided Power**
8 hours/day both utility and DG system provides power

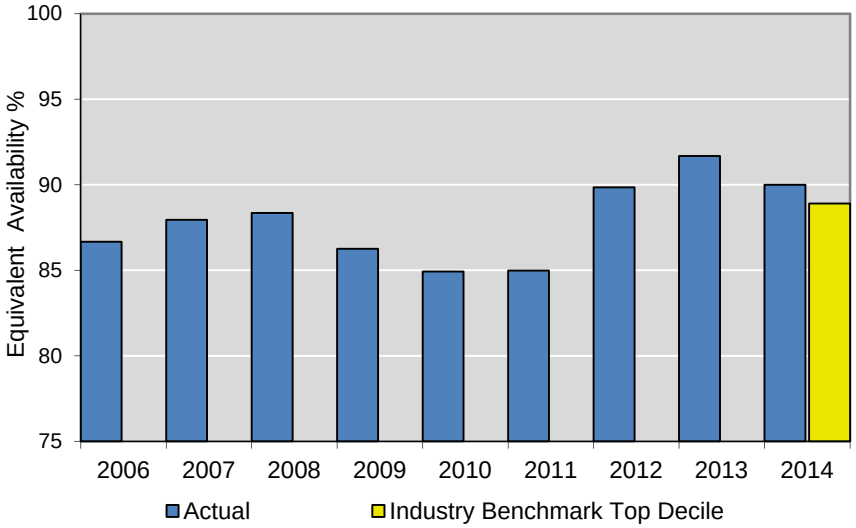
**DG System-Provided Power**
8 hours/day DG system provides 100% of power needed

**Utility-Provided Grid Services**
23.99 hours/day utility provides all grid services

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Operational Excellence

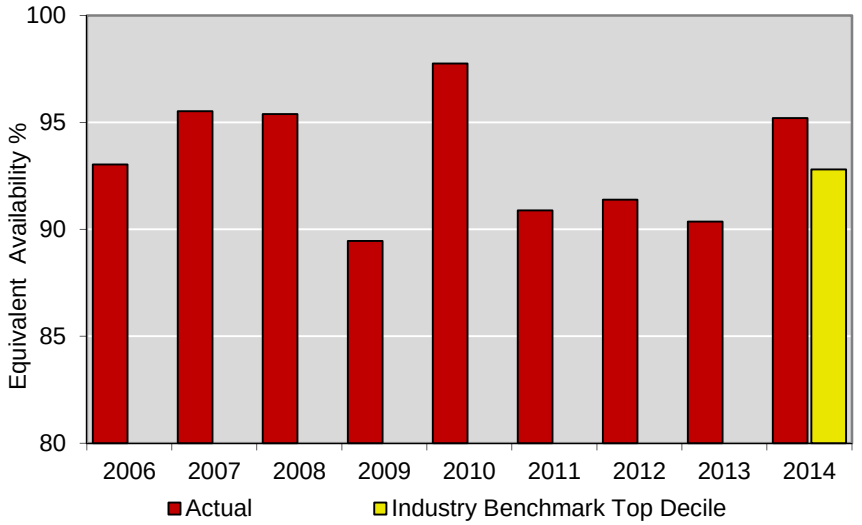
**Coal-Fueled Equivalent Availability**



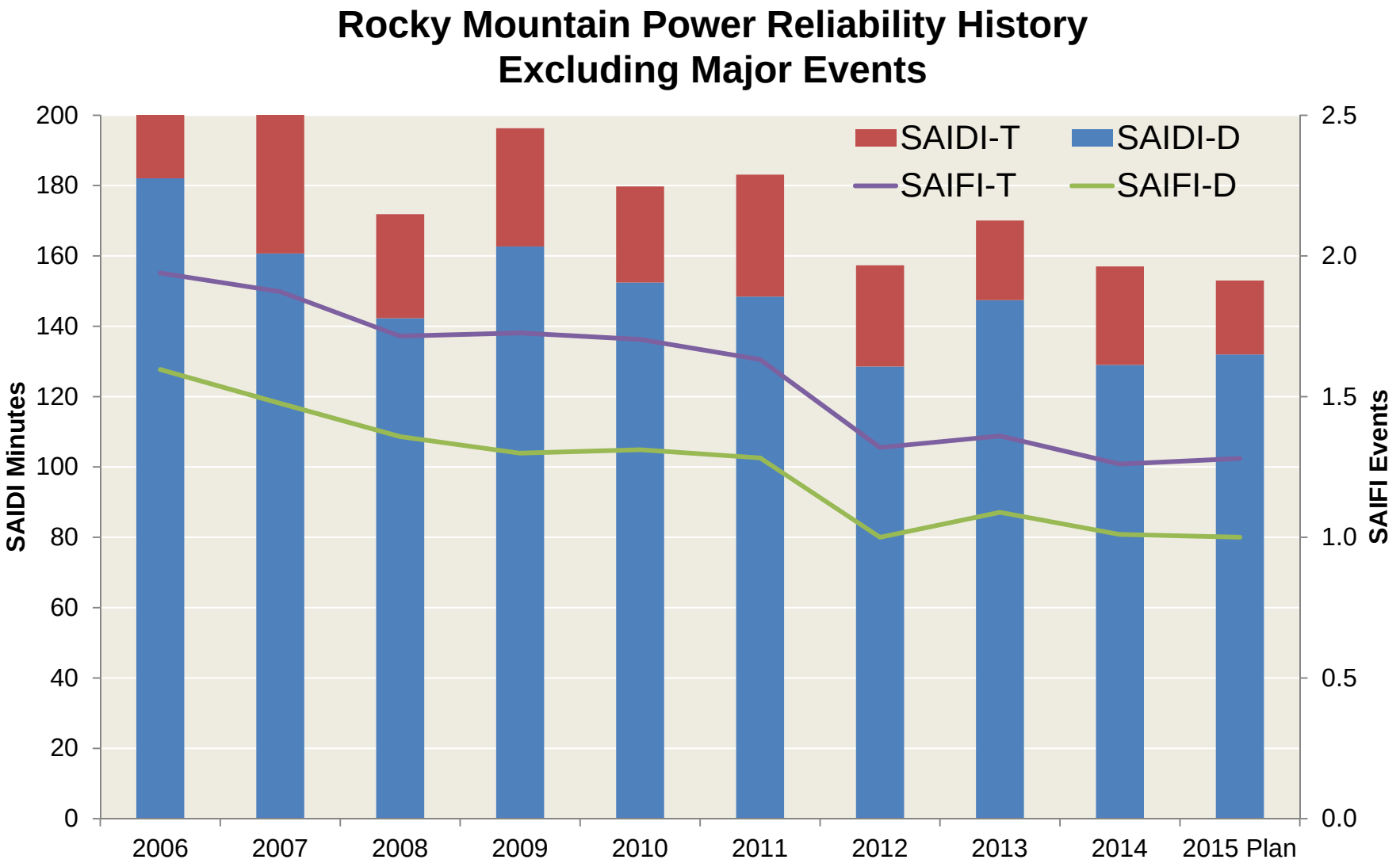

- 2014 coal-fueled equivalent availability exceeded industry top decile benchmark by 1.1%

- 2014 natural gas-fueled equivalent availability exceeded industry top decile benchmark by 2.4%

**Natural Gas-Fueled Equivalent Availability**



# Operational Excellence




[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Key Environmental Regulations

- Regional Haze Rules
- Mercury and Air Toxics Standard
- Clean Air Act §111(d) Rule Making
- National Ambient Air Quality Standards
- Clean Water Act §316(b) Cooling Water Intake Rule
- Coal Combustion Residuals Rule
- Steam Electric Power Generating Effluent Guidelines

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Coal-Fueled Environmental Compliance Position

- By April 2015, 5,981 MW[(1)] of owned coal-fueled generation
  - 97% will be controlled by scrubbers (Regional Haze, MATS, and NAAQS)
  - 59% will be controlled by baghouses (Regional Haze, MATS, and NAAQS)
  - 100% will meet mercury emissions requirements (MATS)
  - Carbon Units 1 and 2 (172 MW) planned to be retired mid-April 2015
- Regional Haze compliance projects under construction
  - Installation of selective catalytic reduction systems on Jim Bridger Units 3 and 4 (collectively 702 MW PacifiCorp share; 2015 and 2016 in-service dates)
  - Installation of selective catalytic reduction systems on Hayden Units 1 and 2 (collectively 78 MW PacifiCorp share; 2015 and 2016 in-service dates)
  - Installation of selective catalytic reduction system on Craig Unit 2 (83 MW PacifiCorp share; 2017 in-service date)
- Proposed Regional Haze alternative coal-to-natural gas conversions
  - Naughton Unit 3 by June 2018
  - Cholla Unit 4 by April 2025

*(1) Reflects Carbon plant retirement*

# Coal Combustion Residual Rule

- The final rule was released December 19, 2014, and will become effective 180 days after it is published in the federal register.
- As defined by the final rule, PacifiCorp operates 18 surface impoundments and seven landfills that contain coal combustion residuals.
- PacifiCorp is assessing its ability to eliminate several of the impoundments and landfills from regulation by either closing or cleaning them prior to the effective date of the rule.
- Plant studies, site inspections, and budget reviews are underway to ensure that the facilities meet the rule requirements and that operating budgets are aligned with final rule compliance requirements and deadlines.

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Environmental Capital Cost of Coal Plant Compliance

| Project | Regional Haze Rules | MATS | CCR | Effluent Limitations | Clean Water Act |
|---|---|---|---|---|---|
| NOx Controls (e.g. Selective Catalytic Reduction) | $770m | | | | |
| Mercury Controls | | $5m | | | |
| Coal Combustion Residuals Compliance (including asset retirement obligations) | | | $323m | | |
| Effluent Limitation Guidelines | | | | $68m | |
| Clean Water Act §316(b) Compliance | | | | | $3m |

Note: Including AFUDC and escalation

**Total 2015-2024 Environmental Capital for Coal Plants: $1.2b**

(2015-2017: $298m)

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Clean Air Act §111(d) Rule Making

- Stated goal to achieve 30% reduction in $CO_2$ emissions from 2005 levels by 2030
- Establishes state-by-state emission reduction requirements
- Initial compliance steps required by 2020
- Interim targets applied between 2020 and 2029
- Final target by 2030
- Final rule expected summer 2015
- State compliance plans 2016 - 2018

**Building Block 1**

6% heat rate improvement at coal-fueled units

**Building Block 2**

Re-dispatch NGCC units to 70%, displacing coal generation

**Building Block 3**

Increase deployment of zero-emitting resources based on regional targets

**Building Block 4**

Increase end-use energy efficiency of 1.5% of load; 10.7% average cumulative increase

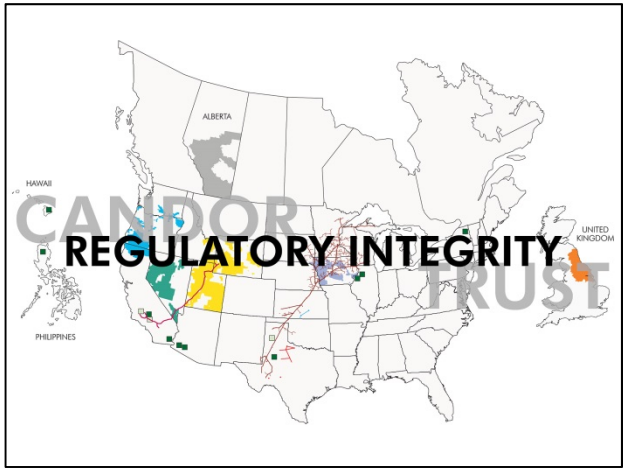
[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Deer Creek Mine Closure

- PacifiCorp closure of Deer Creek mine
  - Deteriorating quality of remaining coal reserves
  - Escalating cost of employee benefits for the mine's union (UMWA) employees
  - Follows unsuccessful 18-month attempt to sell operation
  - Best outcome for our customers
- Long-term replacement supply agreement for Huntington plant with a third-party
- Transaction on target for regulatory approval by May 31, 2015
- Underground mining concluded in January 2015
- Final mine closure underway

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]






# 2015 Fixed-Income Investor Conference


## Stefan Bird

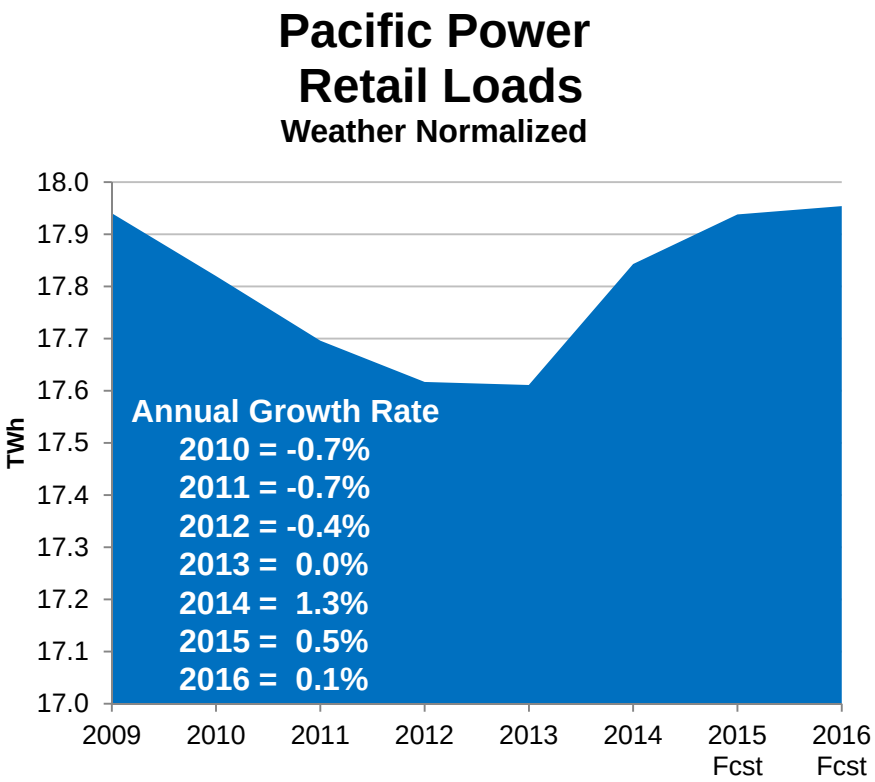
President and CEO

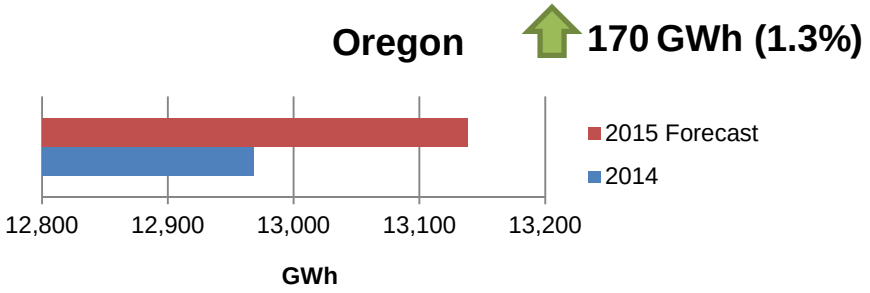
Pacific Power

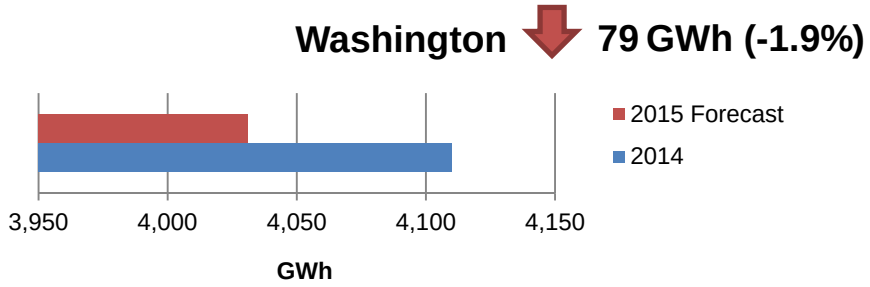

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

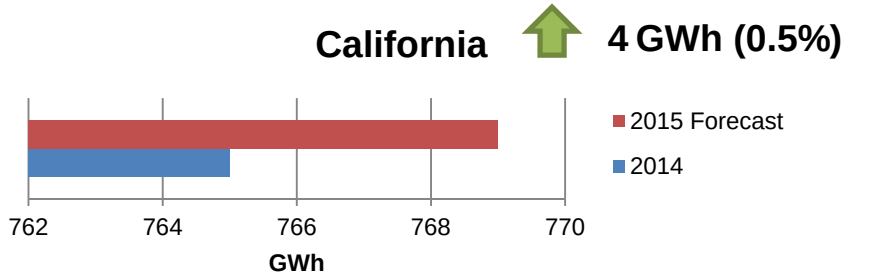
# Load Growth Pacific Power

Weather Normalized




- 2014 load growth primarily attributed to agricultural-related businesses
- Modest growth in 2015 and relatively flat in 2016 due to anticipated customer growth partially offset by energy efficiencies

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Regulatory Accomplishments

**Strategy**

- Improve or implement power cost recovery mechanisms to enhance recovery of variable costs of energy production not reflected in base rates
- Manage capital expenditures in line with depreciation expense levels to reduce impact to customers rates
- Seek separate tariff riders where feasible for major capital projects
- Manage operations and maintenance expenses at or below levels reflected in rates
- Work with stakeholders to develop balanced outcomes that provide rate predictability to customers and cost recovery for the company

**Oregon**

- No general rate cases filed in 2014 or 2015. Implemented separate tariff rider for Lake Side 2 in June 2014
- Opened docket for new mechanism to track variable costs of renewable resources

**Washington**

- 2014 general rate case order issued March 25, 2015
- Appeal of final order in the 2013 general rate case is pending

**California**

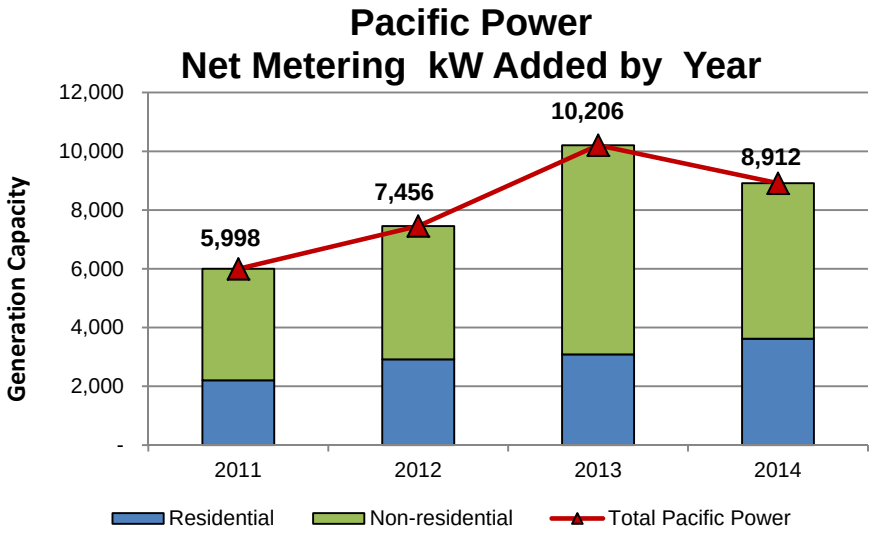
- No general rate case filed since 2009. Next case will be filed no sooner than November 2015

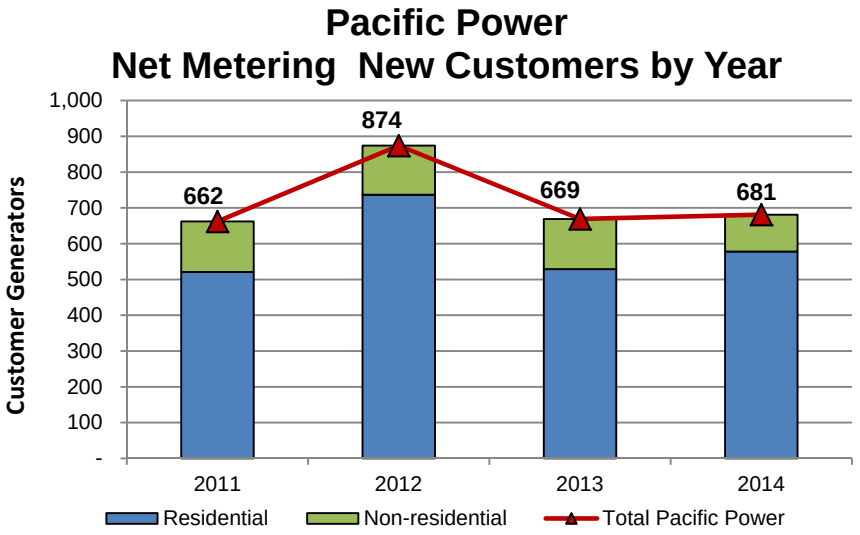
[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Pacific Power Customer Generation

| State | Residential Customers | Non-Residential Customers | Total DG Customers | Residential Size (kW) | Non-residential Size (kW) | Total Generation (kW) |
|---|---|---|---|---|---|---|
| CA | 149 | 31 | 180 | 1,090 | 1,854 | 2,944 |
| OR | 3,334 | 644 | 3,978 | 14,065 | 21,531 | 35,595 |
| WA | 210 | 43 | 253 | 1,279 | 704 | 1,984 |
| Total | 3,693 | 718 | 4,411 | 16,434 | 24,089 | 40,523 |

- Net metering customer participation grew by 18% in 2014. This represents 0.57% of customers
- Growth is due to declining costs of solar, tax credits and solar incentive programs
- The Oregon commission is opening a docket to evaluate the value of solar



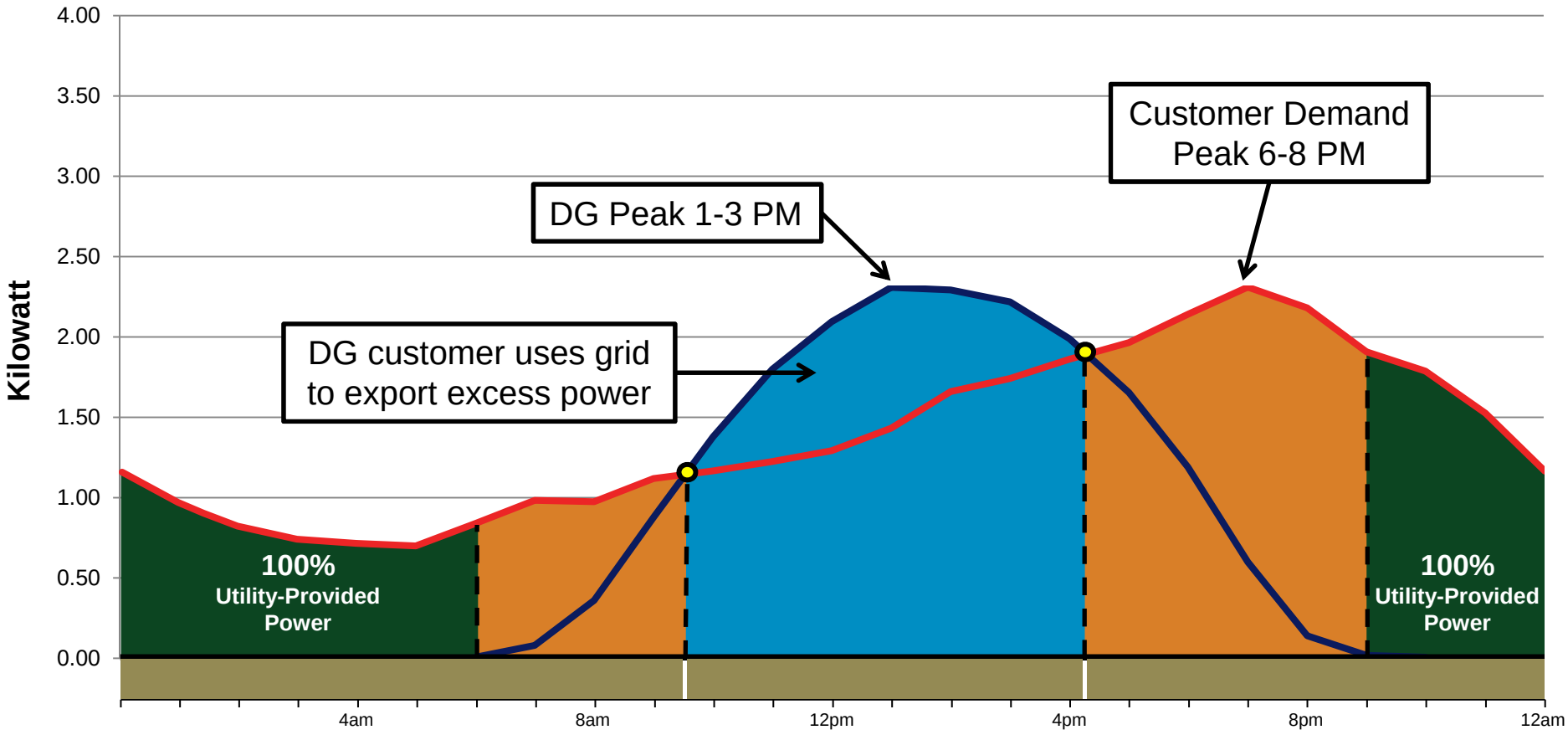

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Distributed Generation Strategy

- Modify tariff to prevent subsidization of distributed generation
  - Oregon Commission docket on value of solar opens April 9, 2015
  - Ongoing net metering dockets with the California Commission to establish a future net metering tariff
  - Implement a rate design to recover fixed costs independent of usage
- Offer customers renewable energy options
  - Current programs
    - Blue Sky
    - Oregon Solar Incentive Programs
    - California Solar Incentive Program
  - New programs in development
    - Potential Subscriber Solar for residential and small commercial
    - Expand Blue Sky renewable energy purchase offerings
- Work with stakeholders to research new distributed generation
  - Industrial voluntary renewable program
  - Electric vehicle charging programs

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Oregon Typical Residential Summer Demand with 4 $kW_{DC}$ Solar DG System




**Customer Demand**

**DG Generation**

**Utility-Provided Power**
9 hours/day utility provides 100% of power needed

**Utility and DG System-Provided Power**
8.5 hours/day both utility and DG system provides power

**DG System-Provided Power**
6.5 hours/day DG system provides 100% of power needed

**Utility-Provided Grid Services**
23.99 hours/day utility provides all grid services

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Customer Service
## Targeting Top Decile Performance

### Customer Satisfaction Scores by Customer Segment

| 2014 | J.D. Power Residential | J.D. Power Business | Market Strategies Residential | Market Strategies Business | TQS Large Industrial & Commercial |
|---|---|---|---|---|---|
| **PacifiCorp** | 2nd Quartile | Top Quartile | Top Decile | Top Decile | Top Decile |
| **Pacific Power** | 2nd Quartile | 2nd Quartile | Top Decile | Top Quartile | Top Decile |
| **Rocky Mountain Power** | 2nd Quartile | Top Quartile | Top Decile | Top Decile | Top Decile |

### Continuous Improvement

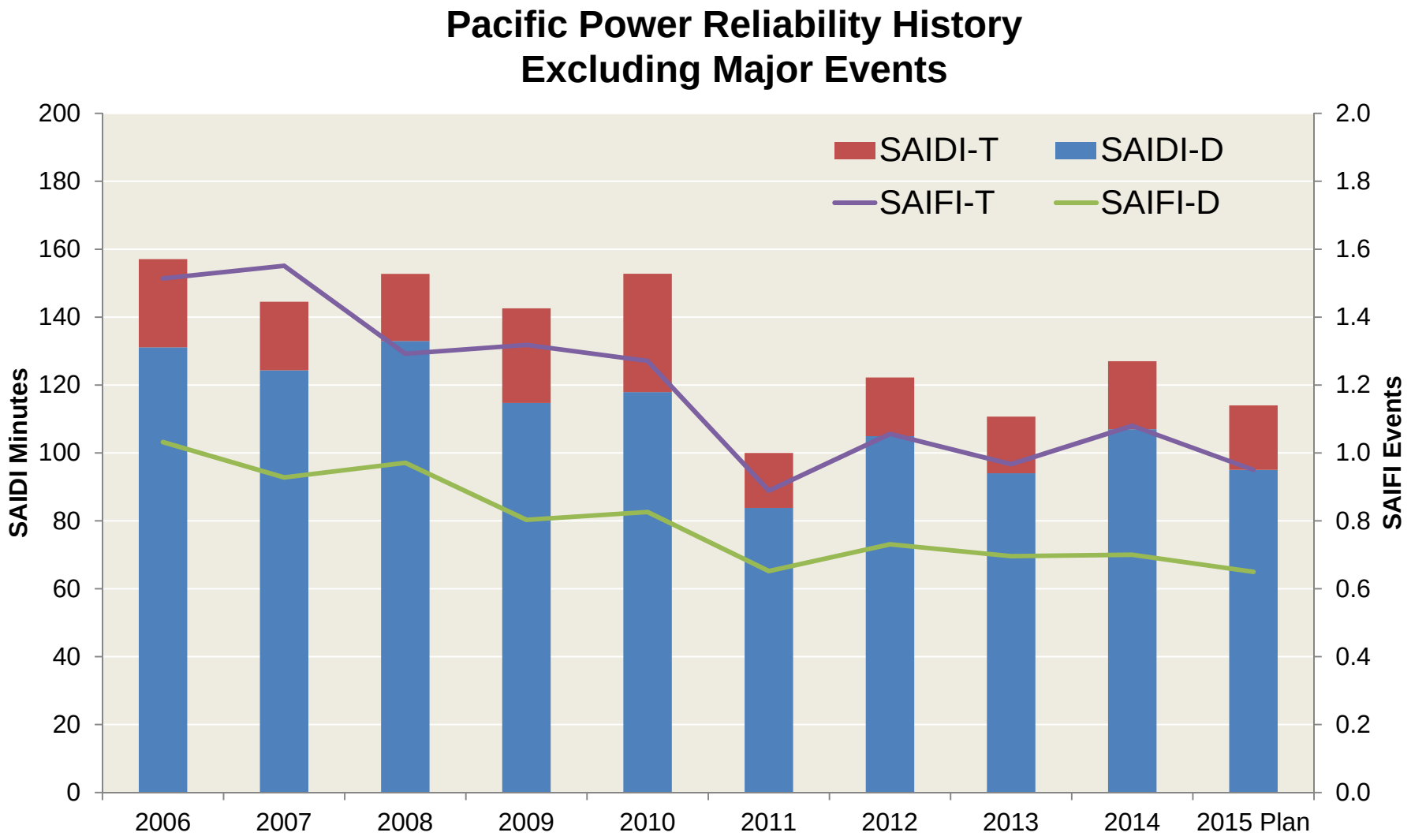
- Improved customer outage communications for planned outages
- Proactively communicate reliability improvements to customers
- Deliver community and customer safety programs
- Employees have customer service goal and training requirement
- Improved quality/consistency of call menus and automated call handling

**2015 Customer Service Plans**

- ➢ Deliver on the basics
- ➢ Engage customers
- ➢ Provide additional product and service options

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Operational Excellence

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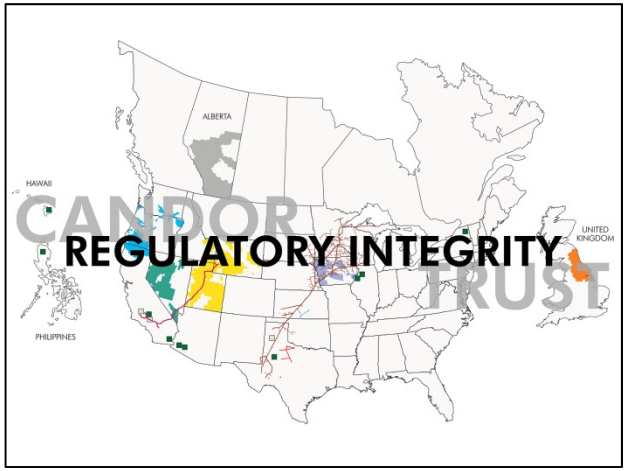





# 2015 Fixed-Income Investor Conference


## Pat Reiten

President and CEO

PacifiCorp Transmission


[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Major Transmission Capital Program

## Over $6 billion total cost planned; $1.3 billion placed in-service

- Sigurd-to-Red Butte
  - Construction started May 2013
  - Expected in-service May 2015
- Wallula-to-McNary
  - Permitting continues in 2015
  - Expected in-service 2017
- Gateway West
  - BLM record of decision on 8 of 10 segments November 2013
  - Remaining two segments across Idaho expected late 2016, following supplemental environmental impact analysis
- Gateway South
  - BLM record of decision expected year-end 2015
- Segments In-Service
  - Populus-to-Terminal November 2010
  - Mona-to-Oquirrh May 2013

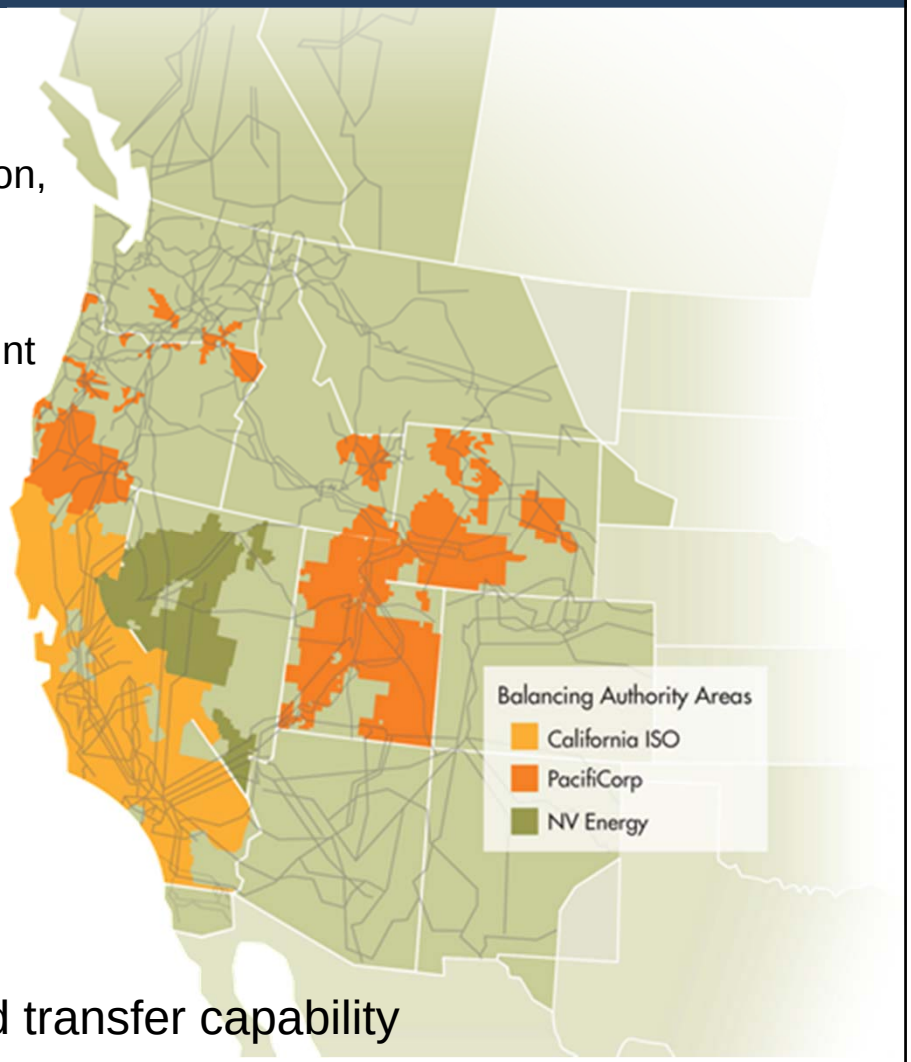
**Energy Gateway**


This map is for general reference only and reflects current plans.
It may not reflect the final routes, construction sequence or exact line configuration.

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

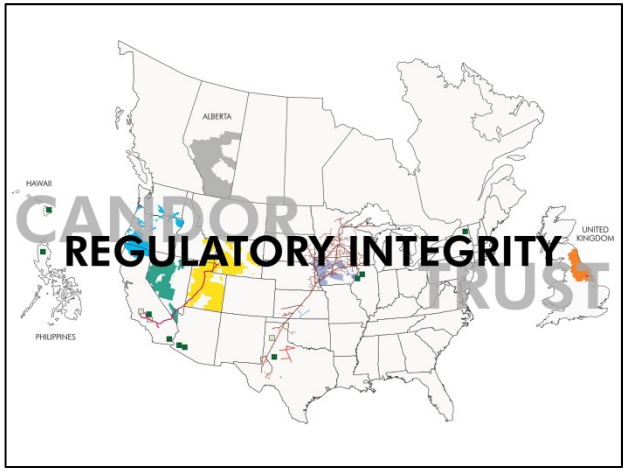
# Energy Imbalance Market

- Automatically optimizes load and generation across six-state footprint every five minutes
  - Efficient dispatch, renewable resource integration, improved situational awareness
  - $21m - $129m projected joint annual benefits
  - California ISO first quarterly report estimates joint benefits of $6m created in first two months ($4.7m to PacifiCorp customers)
- Executed on schedule and within budget
  - February 2013, PacifiCorp – California ISO memorandum of understanding
  - November 1, 2014, full market go-live
  - $20m PacifiCorp startup investment
  - $3m annual operating expense
- Benefits expected to grow with expanded participation bringing additional diversity and transfer capability
  - NV Energy and Puget Sound Energy are scheduled to join Fall 2015 and Fall 2016, respectively



# Questions






# 2015 Fixed-Income Investor Conference


## Paul Caudill

President & CEO

NV Energy


[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# NV Energy Overview

NVEnergy

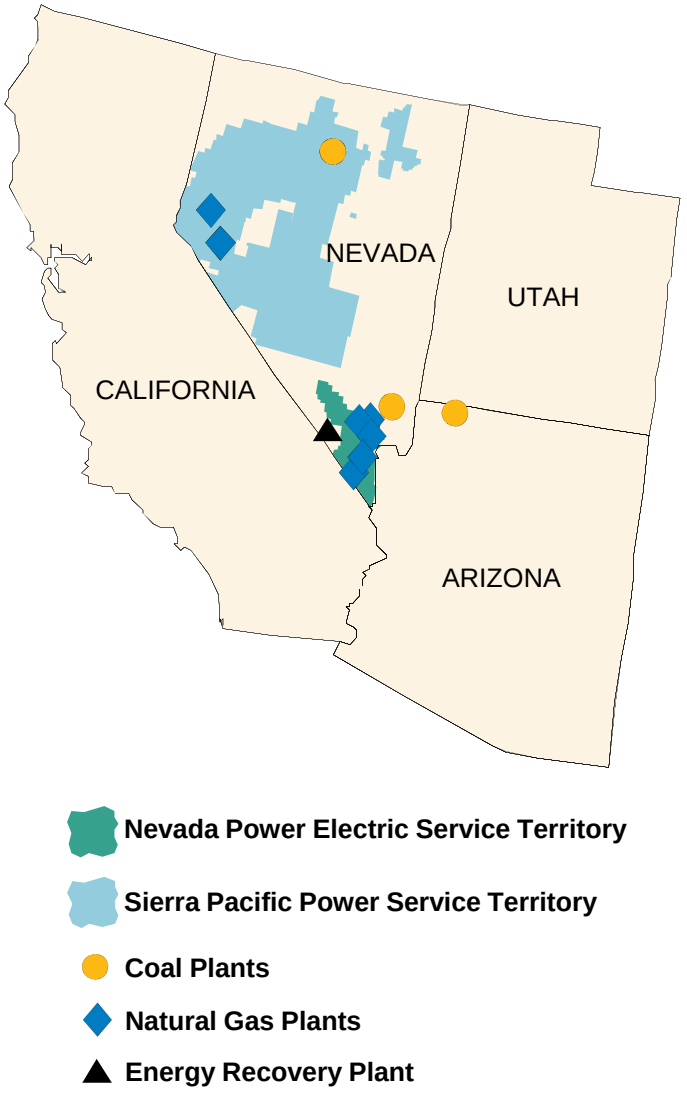
**Nevada Power**

- Provides electric services to Las Vegas and surrounding areas
- 4,752 MW of owned generation in operation as of Dec. 31, 2014

**Sierra Pacific Power**

- Provides electric and gas services to Reno and Northern Nevada
- 1,372 MW of owned generation in operation as of Dec. 31, 2014

- Serves approximately 1.2 million electric and 0.2 million gas customers
- 2,500 employees, two unions, representing 1,250 employees
- Summer peaking utility driven by loads in Las Vegas
- Generation resource mix heavily dependent on natural gas
- Provides service to 90% of Nevada's population, along with tourist population of 40 million




[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

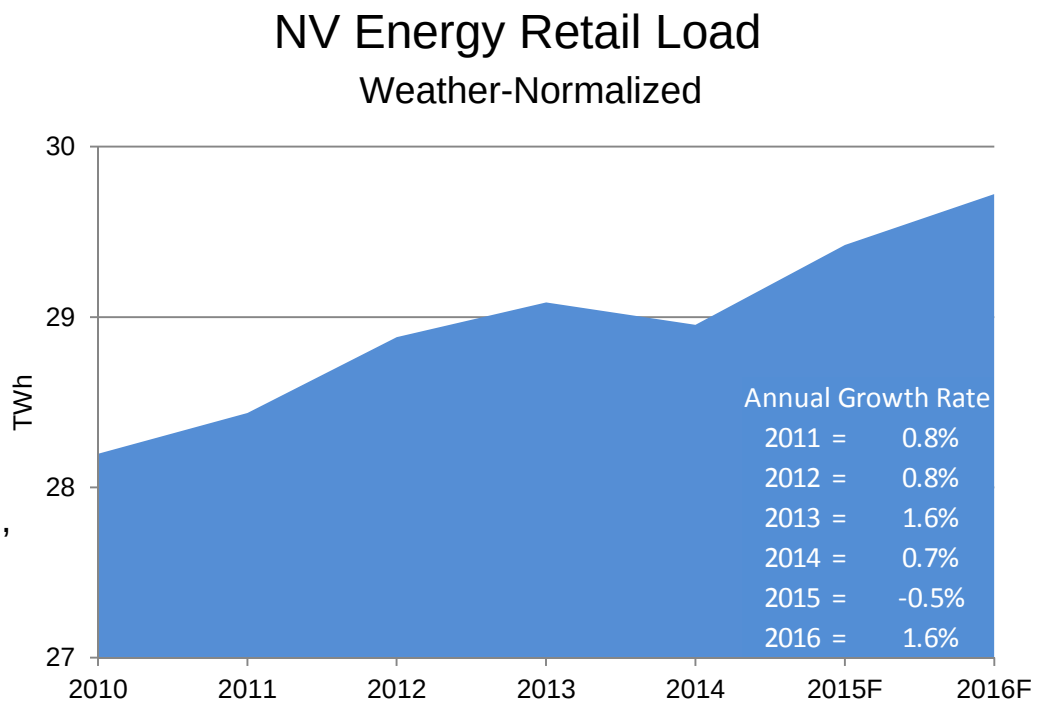
# Economic Outlook and Load Growth

## 2014 compared to 2013

- Mining load up 6.5%, but industrial load down 0.4% due to continued retrenchment in the tourism industry
- Commercial loads up 0.8% led by retail expansion
- Residential loads decreased 1.3% (weather normalized) due to energy efficiency programs

## Forecast for 2015 and 2016

- Mining, retail and manufacturing loads increase, contributing to non-residential load growth
- Slow residential growth as energy efficiency gains partially offset the addition of new customers




## Key Drivers

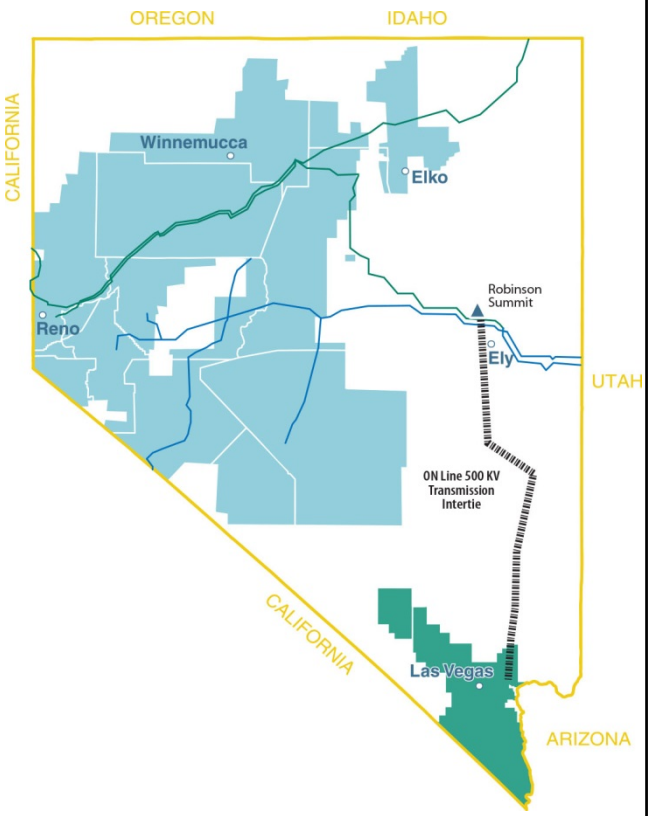
- No income tax and low business tax rates contribute to economic growth
- Unemployment has fallen substantially and is expected to continue to decline
- Several large retail developments, a large manufacturing plant addition, as well as mine expansions, will drive growth in 2015 and 2016
- Over the last five years, NV Energy has achieved an average of 237 GWh of annual electricity savings through customer participation in energy efficiency programs, at a cost of approximately $0.02 per kWh

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# One Nevada Line Transmission Project

- 231-mile 500-kV line interconnects northern and southern transmission systems
- Cost at December 31, 2014: $534.7m (excludes AFUDC)
- Joint project: 25% NV Energy, 75% Great Basin Transmission
  - NV Energy's ownership portion: $133.7m (excludes AFUDC)
- Placed in-service December 31, 2013
- Consolidated balancing area reviewed and certified by NERC in January 2014
- Optimizes generating resource economic dispatch and renewable energy delivery from northern Nevada to Las Vegas load center
  - 2014 joint dispatch savings of $12m

**ON Line**




[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# 2014 Nevada Power General Rate Case

- Filed May 2, 2014
- Certification filing proposed revenue requirement increase of $38.0m
- Prior to deadline for filing rebuttal testimony, company engaged Nevada commission staff and consumer advocate in settlement discussions
  - In addition to consumer advocate, 11 intervenors
- Case was settled and order issued October 15, 2014
  - Zero percent revenue requirement increase; the smallest in over a decade
- Stipulation agreement ensured a return of and return on more than $915m of plant in-service added since 2011 general rate case

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# 2014 Nevada Power
# Emissions Reduction Capacity Replacement Filing

| Filing | Order |
|---|---|
| Generation resource plan filed with Nevada commission May 1, 2014 | |
| Filing included schedule for retirement of 812 MW of coal generation and 550-MW capacity replacement plan | Accepted requirement plan, providing path to recover unamortized balance of plants, and estimated decommissioning and remediation costs of $561m |
| Also included plan for three, 100-MW renewable energy solicitations | Authorized by Commission |
| Requested approval of 15-MW Nellis Air Force Base Solar Array II | Commission approved construction of project, providing a path for recovery of estimated $54m investment |
| Requested approval of 200-MW Moapa Solar Project | Commission modified proposal and authorized 54-MW (planning capacity) and 35-MW (nameplate) of renewable generation, providing opportunity of additional estimated investment of $150m to $315m, depending on nature of resource additions |

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Nevada Power and Sierra Pacific Merger Filing

- May 31, 2013, company filed an application to merge two operating entities
- Request to withdraw application was filed March 14, 2014, due to a number of changes
  - Interim joint dispatch agreement approved by Federal Energy Regulatory Commission
  - Senate Bill 123 passed subsequent to May 2013 filing
  - One Nevada Transmission Line placed in-service December 31, 2013
- Through the March 2, 2015 filing, we are pursuing a permanent joint dispatch agreement
  - Plan to maintain current legal and regulatory structure

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# 2015 Regulatory Integrity Outlook

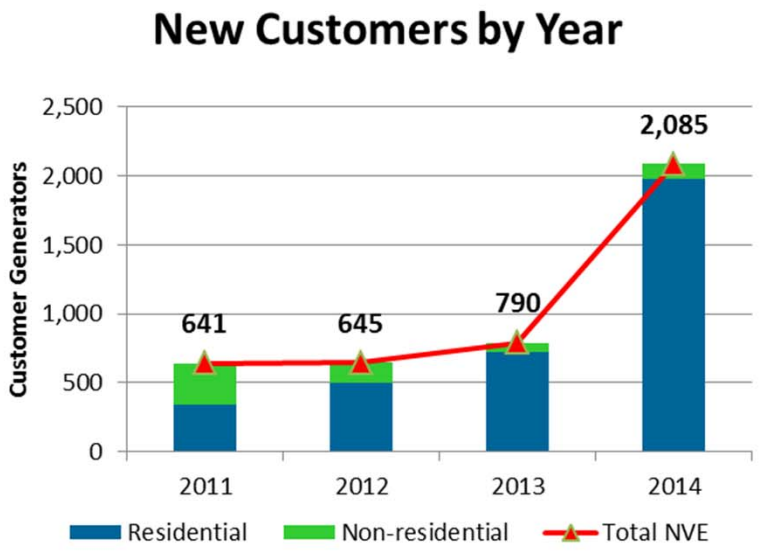
- NV Energy will not file electric or gas general rate case in 2015
  - Sierra Pacific scheduled to file in 2016 for rates effective January 1, 2017
  - Nevada Power scheduled to file in 2017 for rates effective January 1, 2018
- Annual deferred energy accounting adjustment filed February 27, 2015
  - Nevada commission will review results of joint dispatch
- State filing made March 2, 2015, to secure authorization for permanent joint dispatch of generation fleets
- Triennial filing of Nevada Power integrated resource plan July 1, 2015
  - Ensure company has ability to meet future load with reasonable and predictable rates
  - Meet federal greenhouse gas compliance requirements
- Achieve successful outcome with distributed generation strategy
  - 120-day biennial state legislature began in February 2015

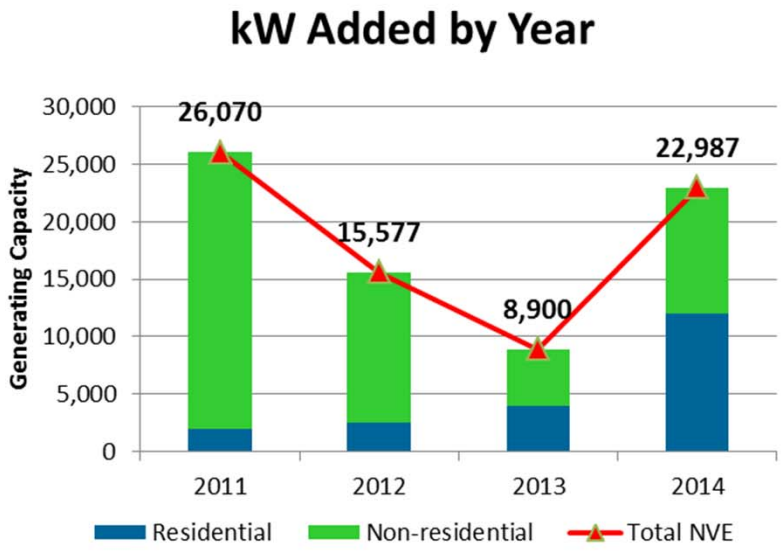
[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Customer Generation

| State | Total Customers | Residential Customers | Non-residential Customers | Residential Size (kW) | Non-residential Size (kW) | Total Generation (kW) |
|---|---|---|---|---|---|---|
| NV | 5,334 | 4,526 | 808 | 5.39 | 65.67 | 84,661 |

- In 2014 net metering customer participation grew year-over-year by 164%, reaching just over 2,000 customers or 73 megawatts. This equates to 1% of total generation
- Net metering docket in process to address cost of service to distributed generation customers and potentially change rate structure



# Current Distributed Generation Status

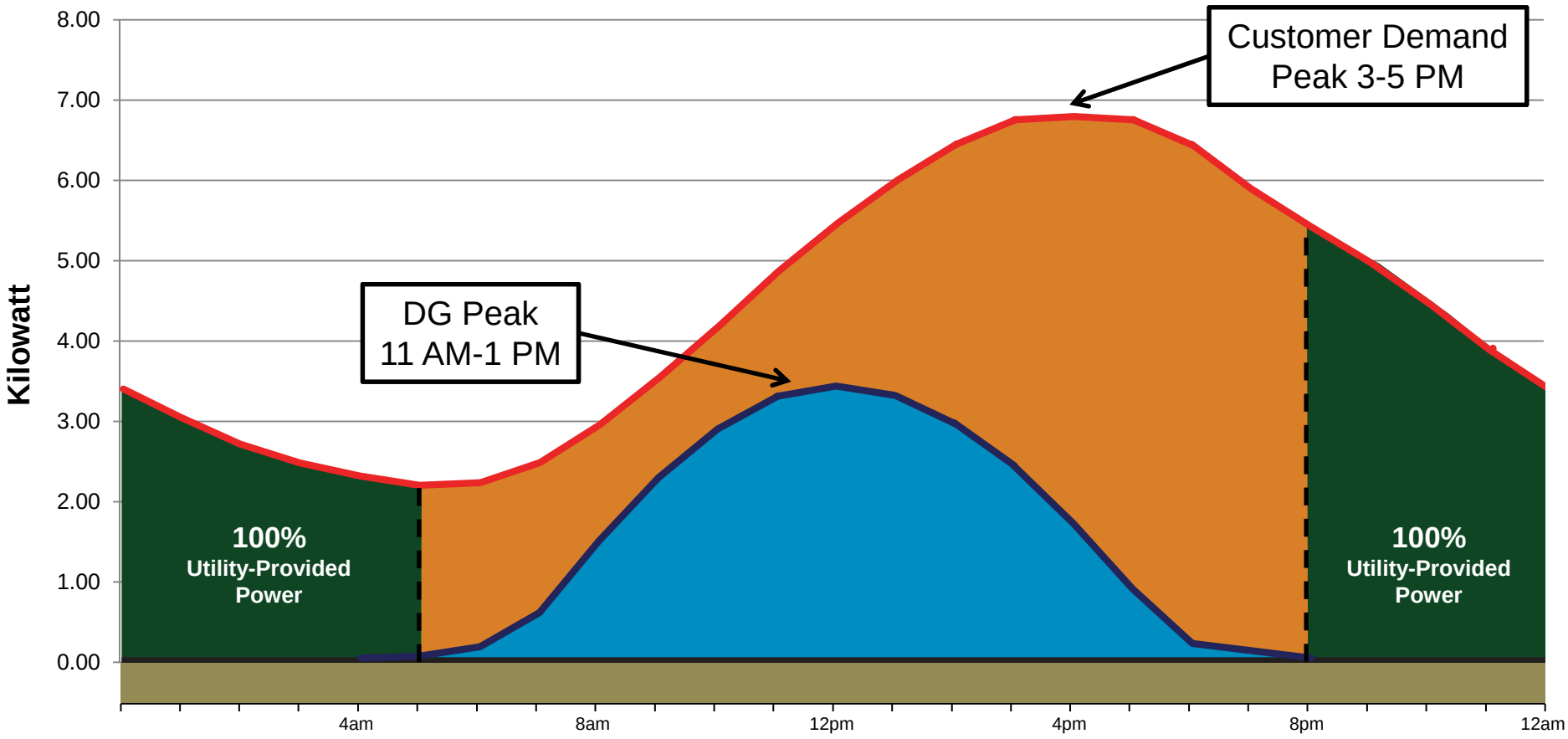
- Existing Utility Managed Programs
  - SolarGenerations
    - Net metering cap of 3% of peak demand, or approximately 220 megawatts
    - $255.3m in rebate funding provided by the 2009 Legislature with goal of leading to the installation of 250 megawatts of solar, 73 megawatts installed to date
    - Will likely reach the 3% cap in mid-2016
    - Rebates given on DG sizes up to 500 kilowatts
  - $40.0m for wind/hydro distributed generation
- Existing Renewable Energy Alternatives
  - Green rider at Sierra Pacific and Nevada Power
  - Green rider allows customized options for larger customers
  - Apple data center transaction provides 100% renewable energy through a 19 megawatt renewable resource dedicated to the customer

# Distributed Generation Strategy

- With biannual legislature currently in session, strategy is to:
  - Confirm Nevada Commission has statutory authority to set separate rates for partial requirement residential and commercial customers who choose to net meter and/or install rooftop solar
  - Support current open commission docket related to cost to serve partial requirements customers, to include appropriate prices to pay for net metered system production
  - With the decline in solar panel costs, lobby to hold the subsidized net metering cap at current 3% of peak demand
  - The 2015 integrated resource plan filing promotes community solar as a less expensive alternative to rooftop solar, and one that allows all customers the opportunity to participate

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Nevada Typical Residential Summer Demand with 5 $kW_{DC}$ Solar DG System




**Customer Demand**

**DG Generation**

**Utility-Provided Power**
8 hours/day utility provides 100% of power needed

**Utility-Provided Power**
15 hours/day utility provides power while DG system provides some power

**DG System-Provided Power**
15 hours/day DG system provides some of the power needed

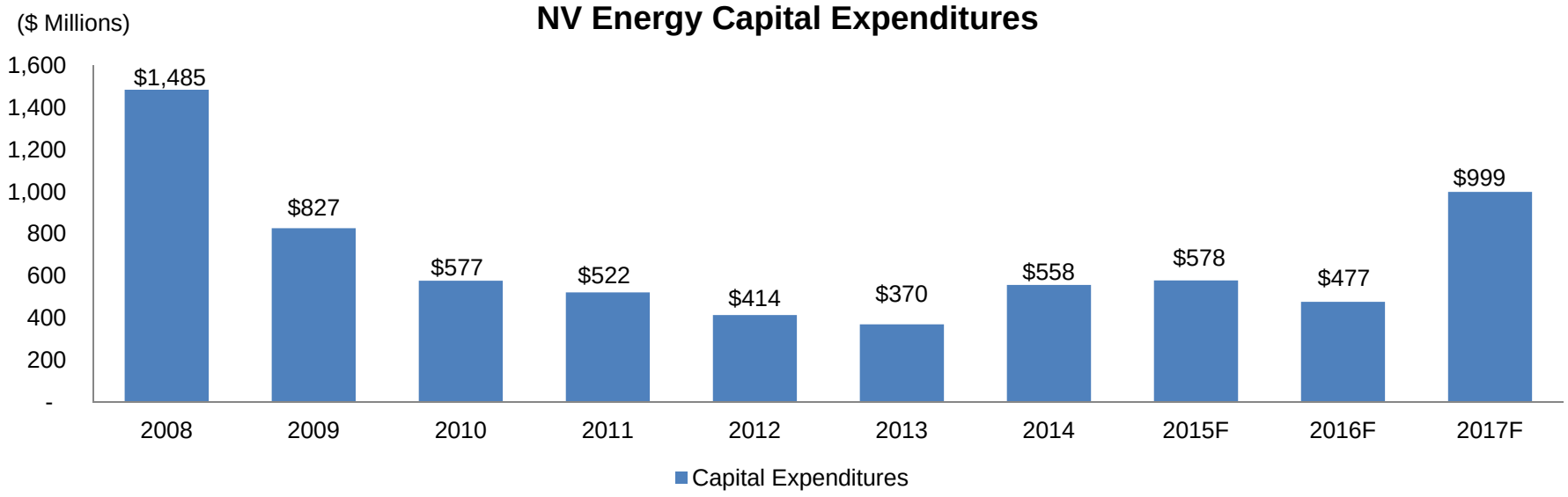
**Utility-Provided Grid Services**
24 hours/day utility provides all grid services

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Operational Capital Management

- Capital investment from 2015-2017 increased $494 million from prior plan primarily due to the following investments at Nevada Power:
  - $400m investment in 570 megawatt combined cycle gas turbine in 2017
  - $210m investment in 100 megawatt photovoltaic plant in 2017
  - $160m reduction due to timing of the construction spend on a 597 megawatt combined cycle gas turbine to be placed in-service in 2020

| ($ Millions) 2015-2017 | Current Plan | Prior Plan | Variance |
|---|---|---|---|
| Operating | $ 1,128 | $ 1,159 | $ (31) |
| Development | 925 | 400 | 525 |
| Total | $ 2,053 | $ 1,559 | $ 494 |



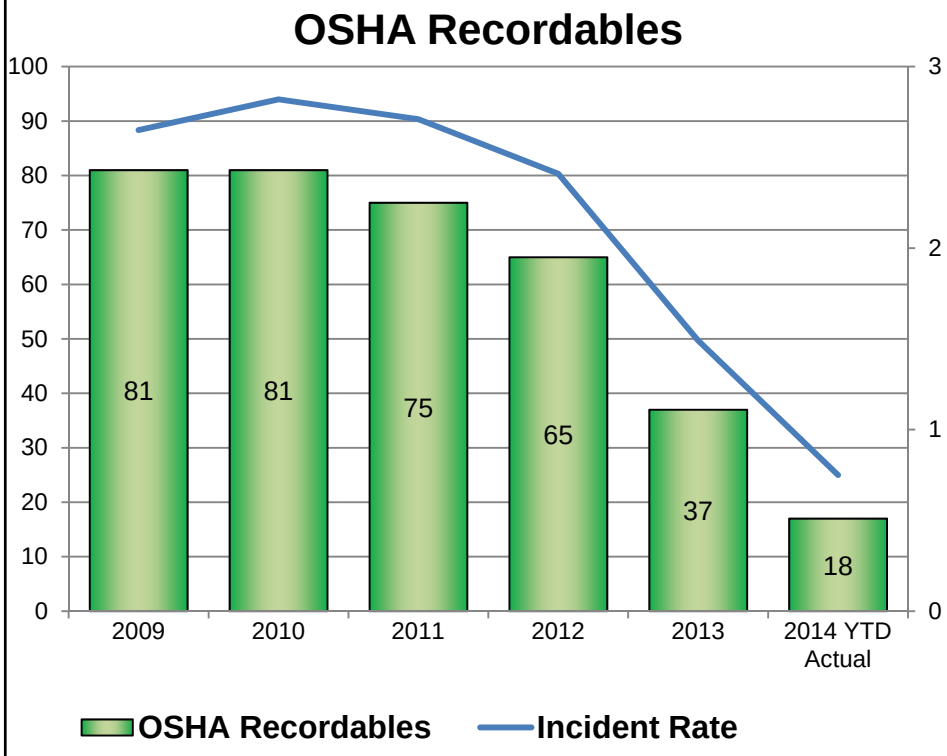
# Energy Imbalance Market

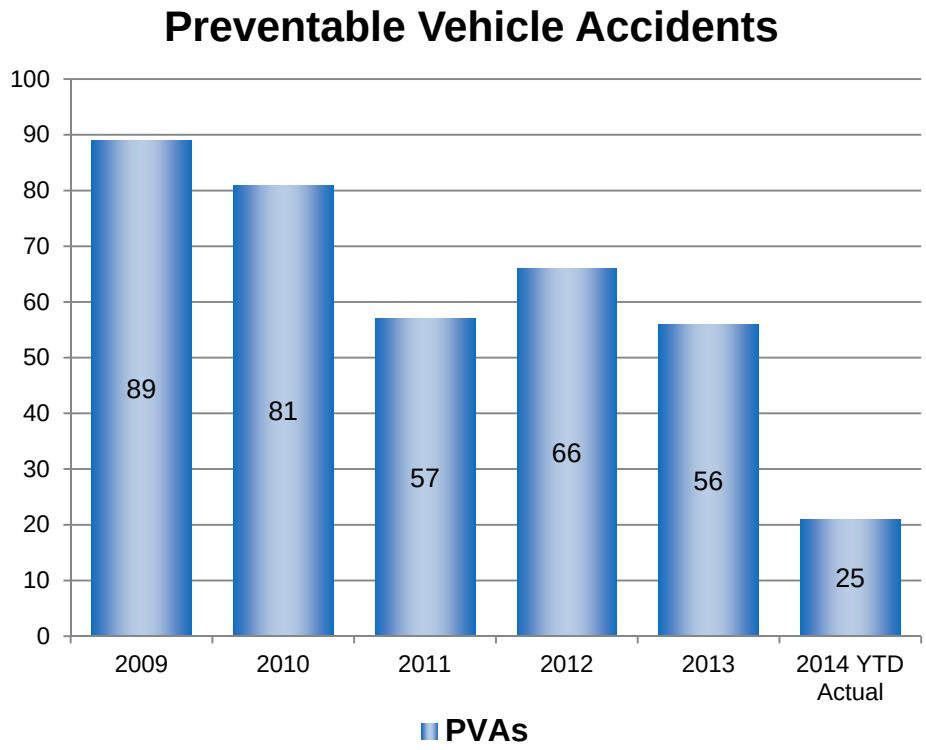
- Plan announced in November 2013 to join California ISO Energy Imbalance Market
- Nevada Commission unanimously approved in August 2014
- Targeting October 1, 2015, in-service date
- Benefits
  - Reduced costs through automated dispatch of least-cost resources over a larger and more diverse pool of resources and load
  - Enhanced reliability through increased visibility, situational awareness and automated outage response
  - Improved renewable energy integration due to load and resource diversity across a larger geographic footprint
  - The estimated annual net benefit to NV Energy customers is $1.6m-$5.1m in 2017 and $3.6m-$8.1m in 2022

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# 2014 – Employee Commitment and Safety

- Recordable incident rate at 0.74
- 25 preventable vehicle accidents

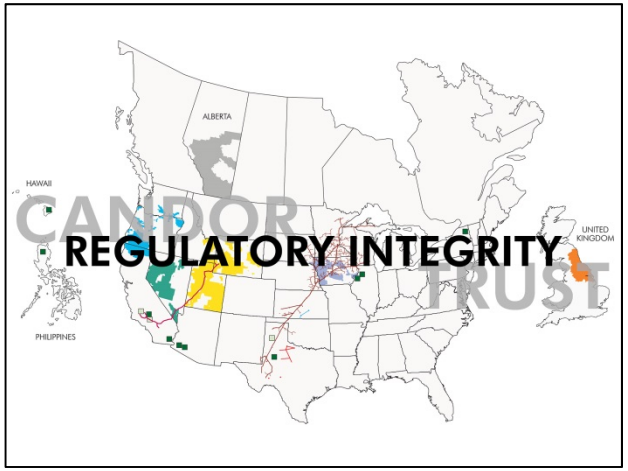



[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Questions






# 2015 Fixed-Income Investor Conference

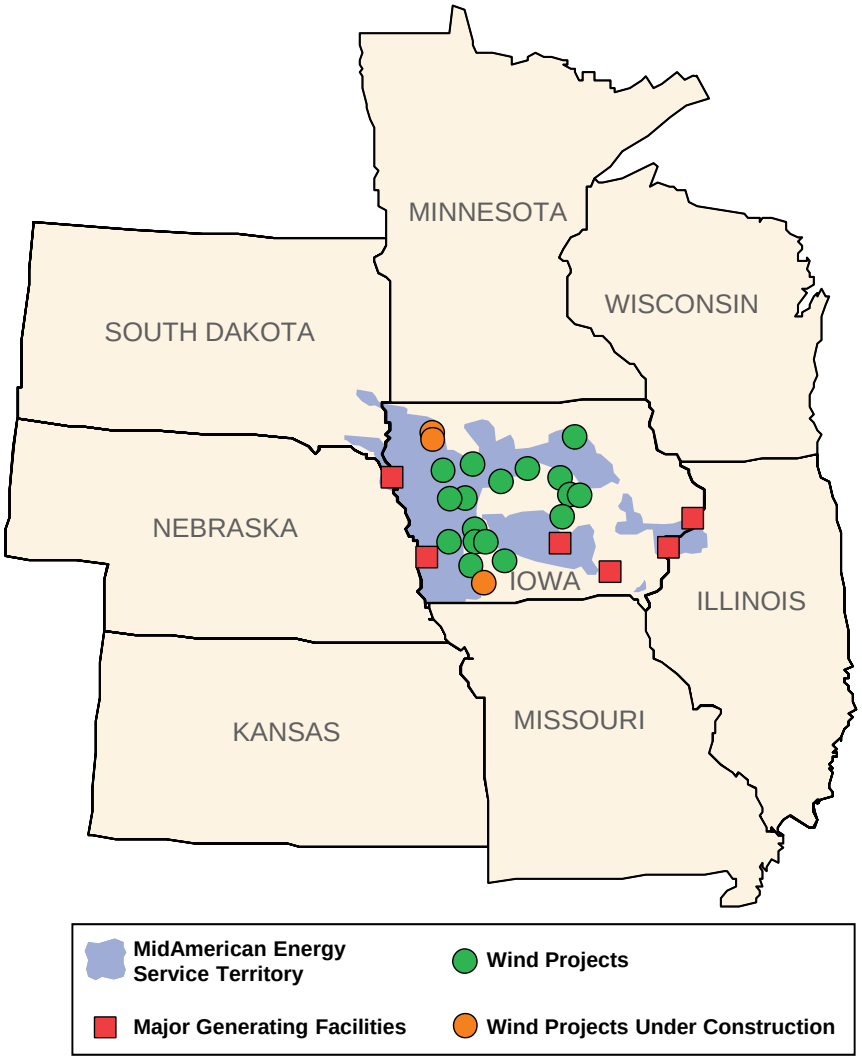

## Bill Fehrman

President and CEO

MidAmerican Energy Company


[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# MidAmerican Energy Company Overview




- Headquartered in Des Moines, Iowa
- 3,600 employees
- 1.4 million electric and natural gas customers in four Midwestern states
- 11,000 square miles of service territory
- 8,563 MW(1) owned generation capacity
- Generating capacity by fuel type(1)
  - Wind(2) 41%
  - Coal 39%
  - Natural Gas and Other 15%
  - Nuclear and Hydroelectric 5%

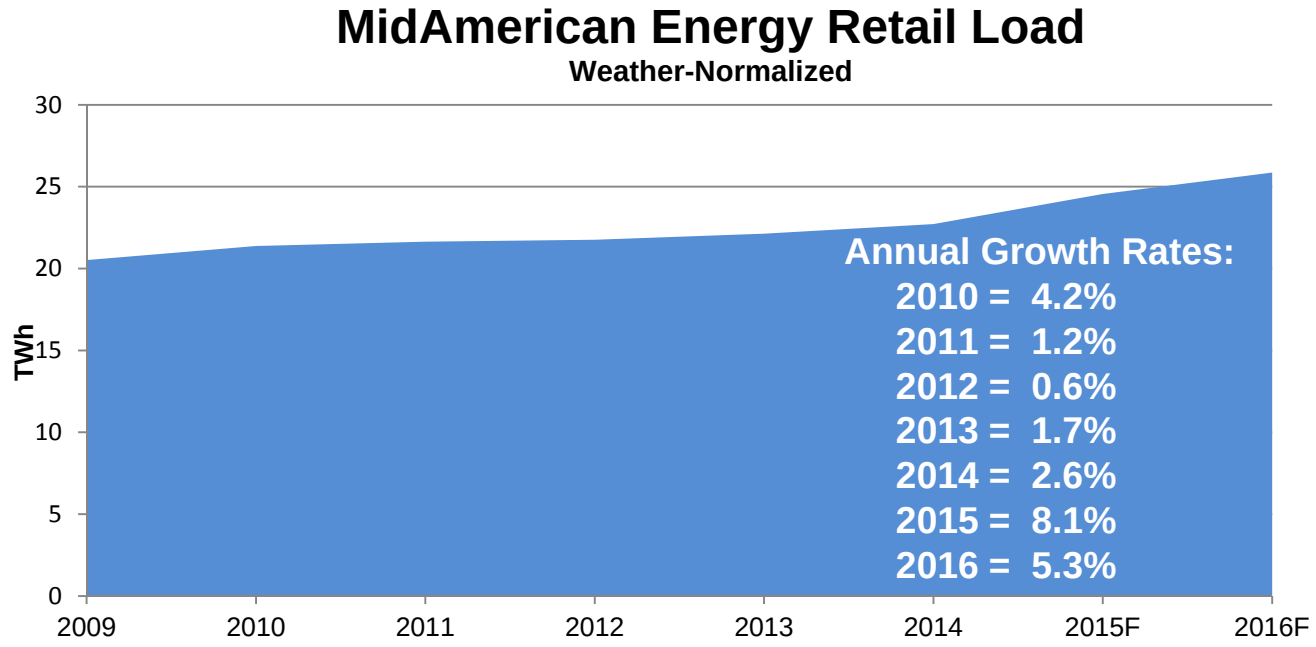
*(1) Net MW owned in operation and under construction as of December 31, 2014*

*(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*

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Business Update

- Economic and Load Data
  - Service territory has experienced moderate economic growth
  - Forecast loads for 2015 and 2016 reflect strong growth rates, particularly for the industrial class due to announced data center expansions within the MidAmerican Energy service territory
  - Data centers attracted to relatively low, stable electric rates and the MidAmerican Energy wind portfolio



# Rate Activity

- Iowa electric
  - Filed May 2013
  - Approved by the Iowa Utilities Board July 2014
  - Interim rates effective August 2013
  - Base rate increase, new energy and transmission riders, rate equalization
- Illinois electric
  - Filed December 2013
  - Approved November 2014
  - Annualized base increase of $16 million
  - Transmission rider for all transmission revenue requirement
  - Existing energy rider in place
- South Dakota electric and gas
  - Filed August 2014
  - Requests $4 million annualized increase; approval pending
  - Transmission and energy riders requested

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Iowa Electric Rate Case

- Stepped increase in annualized base rates totaling $135m- $45m through 2014; $45m at January 1, 2015, and January 1, 2016
- Energy adjustment clause
  - Recovery of change in retail fuel costs
  - Wholesale margins retained by MidAmerican Energy
  - Recovery of pre-tax change in production tax credits as they expire for wind in-service as of December 31, 2012
- Transmission rider
  - Recovery of MISO-billed costs

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

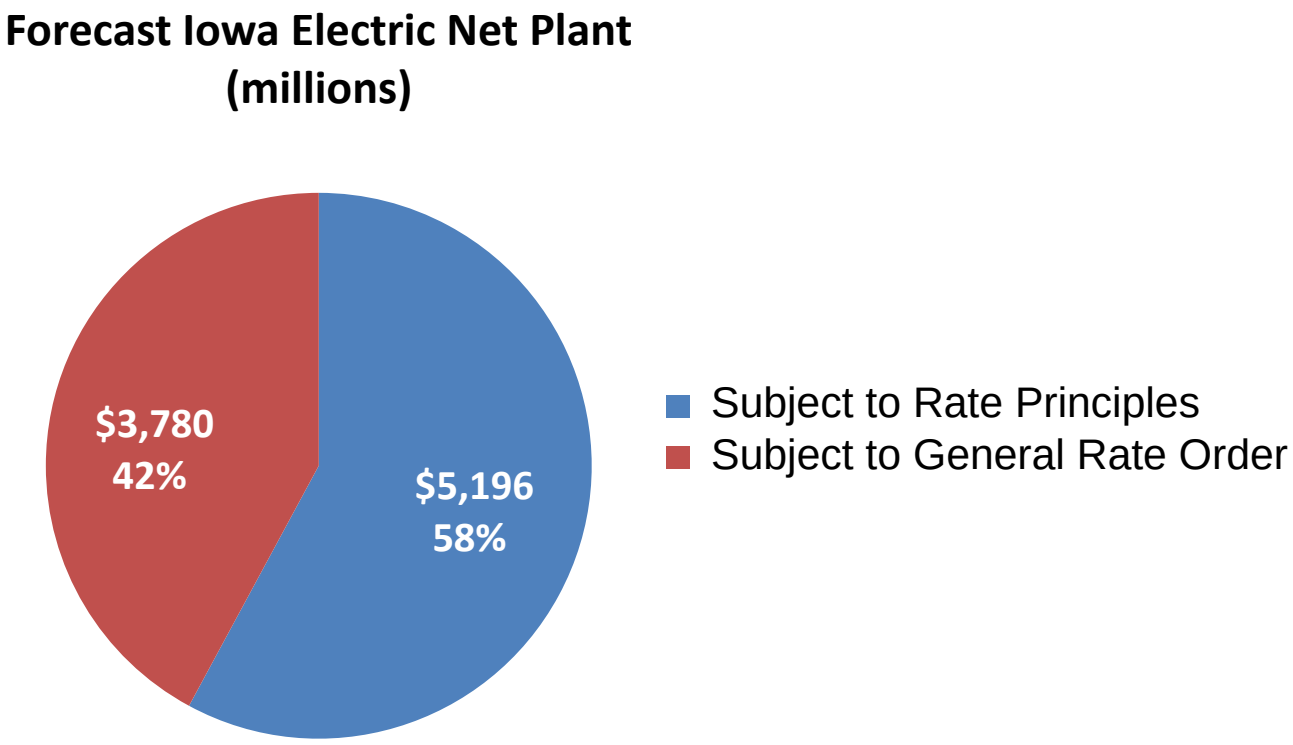
# Iowa Electric Rate Case

- 10-year equalization of rates among three current pricing zones
- Revenue sharing mechanism – 80% sharing with customers on returns exceeding 11%, 100% sharing with customers on returns exceeding 14%
- Customer share of revenue sharing retained by MidAmerican Energy and used to reduce rate base

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Iowa Electric Net Plant
# Subject to Ratemaking Principles

- Forecast Iowa electric net plant with Wind VIII and IX
  - 58% of Iowa electric net plant subject to rate-making principles
  - 11.9% weighted average return on equity
  - 24 years weighted average remaining life



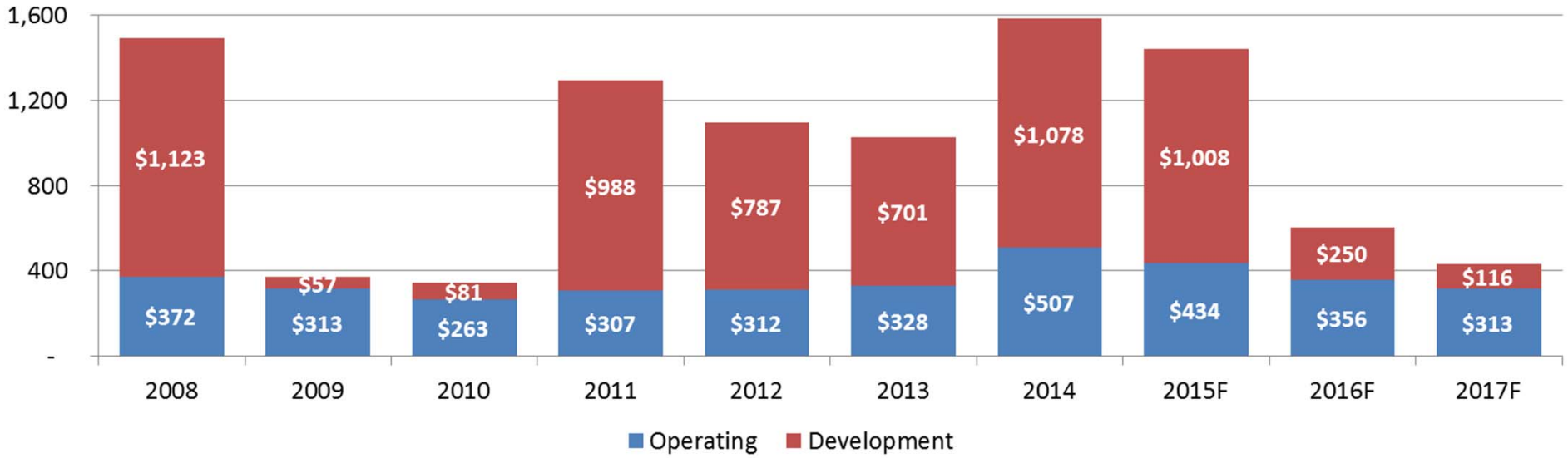
# Operational Capital Management

- Operating capital varies with major generation outages and system requirements
- Development capital varies with the completion of major initiatives:
  - Wind generation projects 2008 and 2011-2015
  - Air quality environmental projects 2008 and 2012-2014
  - Multi-value transmission projects 2014-2017

| ($ Millions) 2015-2017 | Current Plan | Prior Plan |
|---|---|---|
| Operating | $ 1,103 | $ 1,012 |
| Development | 1,374 | 1,124 |
| Total | $ 2,477 | $ 2,136 |

($ millions)

**MidAmerican Energy Capital Expenditures(1)**




*(1) Capital expenditures are reported as incurred and accrued*

# Wind Expansion

- Wind VIII
  - IUB approval allows ROE of 11.625% for the life of the assets
  - $1.9b cost cap established
  - Construction of 44 MW (nominal ratings) was completed in 2013; 511 MW (nominal ratings) was completed in 2014
  - Construction of the remaining 495 MW to be completed in 2015
  - Turbine purchases and balance of plant under fixed-price contracts
- Wind IX
  - IUB approval allows ROE of 11.5% for the life of the assets
  - $243m cost cap established
  - Construction of 162 MW (nominal ratings) to be completed in 2015
  - Turbine purchases and balance of plant under fixed-price contracts

# Wind Expansion

- Projects delivered at a cost that provides significant value to customers due to:
  - Fixed rate credits to the energy adjustment clause of $3.3m, $6.6m and $10.0m in 2015, 2016 and 2017 and beyond, respectively, for Wind VIII and $2.0m for Wind IX
  - Production tax credits for 10 years from the in-service date for all projects
  - Low-cost generation in the future
- MidAmerican Energy continues to evaluate additional wind generation opportunities in Iowa

# MidAmerican Energy Wind Resources

## Owned Wind Generation Capacity (1)

| | MW | Total Cost *($ millions)* |
|---|---|---|
| **2004** | 161 | $164 |
| **2005** | 200 | 225 |
| **2006** | 99 | 177 |
| **2007** | 201 | 389 |
| **2008** | 620 | 1,291 |
| **2011** | 594 | 960 |
| **2012** | 405 | 660 |
| **2013** | 44 | 66 |
| **2014** | 508 | 808 |
| **2015** | 625 | 1,077 |
| **Total** | 3,457 | $5,817 |

*(1) Net MW owned in operation and under development as of Dec. 31, 2014, net of interconnection limitations*

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Environmental Respect – Wind Energy Global Leader

## Iowa

**MidAmerican Energy Wind Generation**
as a Percent of Retail Sales (1)

| | |
|---|---|
| 2010 Actual | 20.0% |
| 2011 Actual | 23.1% |
| 2012 Actual | 34.0% |
| 2013 Actual | 37.9% |
| 2014 Actual | 39.6% |
| 2015 Plan | 46.0% |
| 2016 Plan | 50.9% |

(1) Comparison is provided to show the relative size of wind generation capability and does not represent actual deliveries of wind energy to retail customers. All or some of the renewable attributes associated with the generation have been or may in the future be: (a) sold to third parties, or (b) used to comply with future regulatory requirements.

"MidAmerican Energy's commitment to wind generation garners long-lasting benefits and makes Iowa a competitive economic force not only in the United States but also in the world."

"Iowa has attracted major tech companies such as Google, Microsoft and Facebook, because of our low energy prices and commitment to renewable energy."

***– Governor Terry E. Branstad***

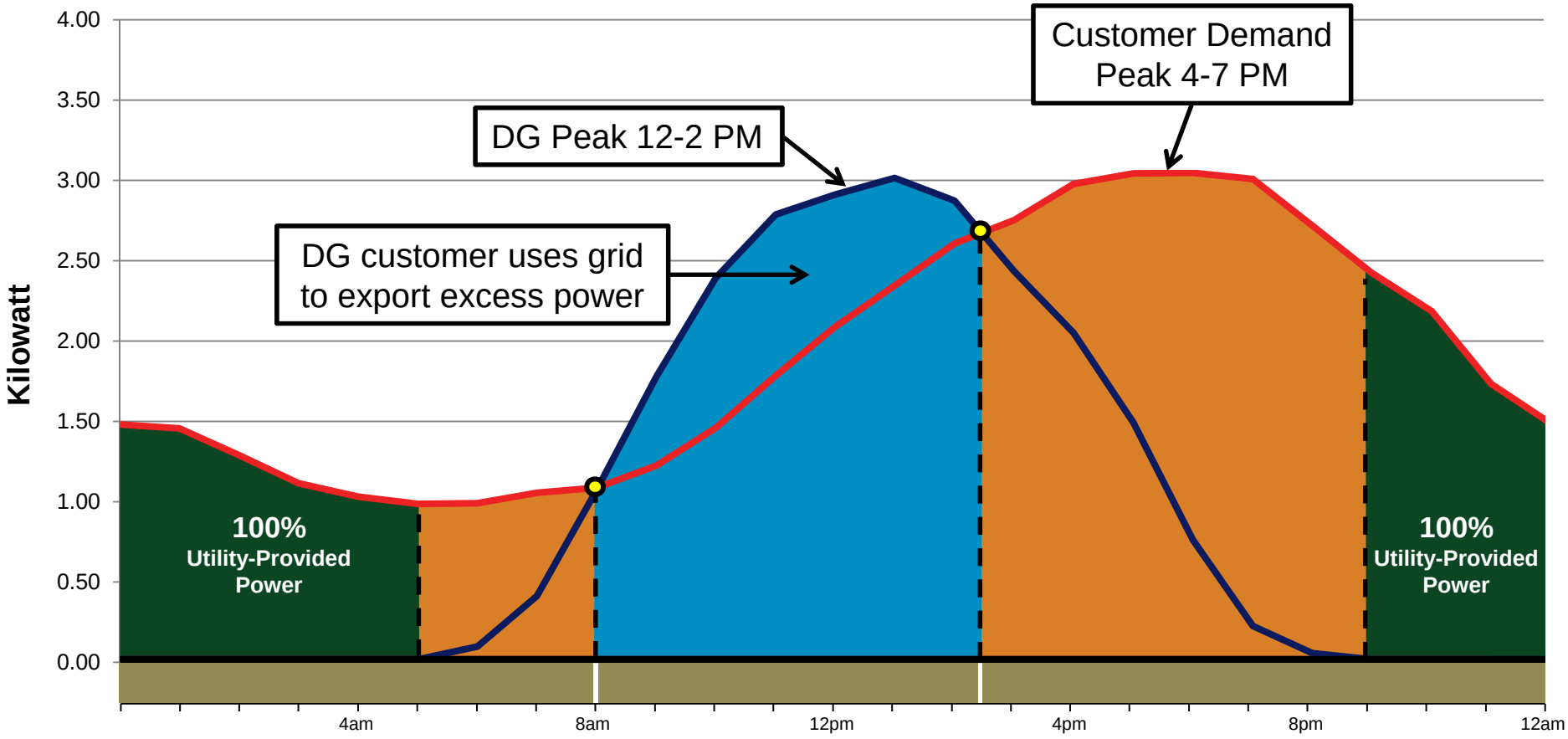
[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Distributed Generation in Iowa

- Distributed generation activities in Iowa
  - Iowa Utilities Board inquiry which is gathering information related to policy and technical issues: net metering, interconnection of DG, customer awareness and protection
  - Inquiry on avoided costs
- MidAmerican Energy's approach to distributed generation in Iowa
  - Focused on keeping costs low for all customers and avoiding cross-subsidization
  - Considering how to add solar generation options for customers

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Iowa Typical Residential Summer Demand with 5 $kW_{DC}$ Solar DG System




**Customer Demand**

**DG Generation**

**Utility-Provided Power**
8 hours/day utility provides 100% of power needed

**Utility and DG System-Provided Power**
9.5 hours/day both utility and DG system provides power

**DG System-Provided Power**
6.5 hours/day DG system provides 100% of power needed

**Utility-Provided Grid Services**
23.99 hours/day utility provides all grid services

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Environmental Position

- By April 2016, nearly 700 MW of operated coal-fueled generation will be limited to natural gas or retired, resulting in 100% of coal-fueled generation capacity controlled with scrubbers, baghouses and mercury controls
- Neal Unit 3 and Unit 4 and Ottumwa Generating Station scrubber and baghouse projects recently completed
- Walter Scott Unit 3, Louisa, Neal Unit 3 and Neal Unit 4 activated carbon injection systems for mercury control are on track to be completed by April 2015
- Walter Scott Units 1 and 2 to be retired prior to April 15, 2015; Neal Units 1 and 2 to be retired prior to April 15, 2016

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Environmental Position

- Anticipated future projects
  - Ash pond closures
  - Bottom ash dry handling
  - Cooling water intake structure retrofits for fish handling
  - Compliance with the Clean Power Plan
- Projected environmental capital spend
  - $108m 2015-2017
  - $364m 2018-2024

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Ash Ponds

- MidAmerican Energy ash ponds
  - Five ash ponds are located at facilities on the Missouri River; three ash ponds are located at facilities on the Mississippi River
  - All underground infrastructure that traverse ponds pose little risk of failure due to locations in dry areas of a pond, lack of direct connection to surface water, or use in maintaining pond levels prior to discharge
  - All ponds were ranked “low hazard” by EPA
- Pond monitoring program
  - Implemented in 2011
  - Includes information on maintenance history and appropriate operating and maintenance criteria to manage potential risk
  - Requires facilities to complete inspections, including
    - Quarterly visual inspections to review physical conditions
    - Annual structural integrity inspections
    - Periodic third-party engineering inspections

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# EPA Coal Combustion Residuals Rule

- EPA issued a Subtitle D, non-hazardous, final rule in December 2014 that covers active and inactive coal ash ponds and landfills
- Existing landfills are largely grandfathered under the rule; new landfills and lateral expansions of existing landfills must be constructed with liners and leachate collection systems
- There will be five active ash ponds, three inactive ash ponds and four active landfills affected by the rule
- MidAmerican Energy is developing closure plans for the affected ponds and anticipates that closure activities will be completed between 2015 and 2020, which greatly mitigates any risk from this rule

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Clean Power Plan

- MidAmerican Energy is well positioned to meet the proposed emission requirements
  - Completed plant efficiency improvements
  - Wind expansions will count toward compliance
  - Long history with customer energy efficiency programs
- No additional coal plant retirements expected
- As proposed, do not anticipate significant impacts to customer rates
- MidAmerican Energy continues to engage in state and federal efforts to shape the final Clean Power Plan, including implementation activities to ensure customers and costs are appropriately considered

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Transmission Development

- MidAmerican Energy is constructing portions of four 345-kV multi-value projects (MVP) within the MISO footprint, totaling approximately 245 miles; approved by the MISO board in December 2011
- Expenditures predominantly in 2014-2017, totaling approximately $472m, excluding equity AFUDC
- MVPs are eligible for incentive rate treatment in MISO tariff, including construction work in progress in rate base and recovery of prudent costs incurred if projects are abandoned

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Transmission Development

- MVP revenue requirements broadly recovered from all MISO load; approximately 96% recovered from other MISO participants
- MVP expected to provide multiple benefits, including improved reliability, reduced congestion and support for additional generation development
- All transmission investments utilize forward-looking rate treatment in MISO tariff, mitigating rate lag

# Industry Discussion – Physical Asset Security

- BHE is committed to being an industry leader in enhancing security at its critical asset sites using current and emerging technologies
- We have been investing to improve security – the focus in 2014 and 2015 has been hardening top-tier assets against cyber and physical attacks
- We organize asset sites into categories based on operations criticality and projected security risk
- To enhance overall security, we organized physical and cyber risk assessments with various federal agencies, the National Guard and state law enforcement agencies
- We also benchmark with the industry and other industries to drive program excellence

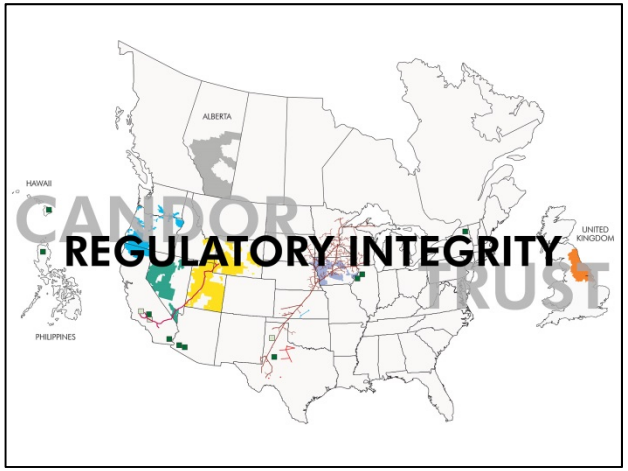
[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Industry Discussion – Physical Asset Security

- MidAmerican Energy executive leadership has U.S. security clearance and maintains close coordination with federal and state intelligence organizations for cyber and physical threats
- MidAmerican Energy's CEO serves on the Electric Subsector Coordinating Council, which is a forum for 18 industry CEOs to organize with senior U.S. and Canadian security officials
- We actively meet with our various state regulators and stakeholders to communicate improvements, risk mitigation and any related costs, including enhanced cyber monitoring
- MidAmerican Energy is piloting the CIP version 5 implementation for the industry and shaping the regulatory environment through engagement at FERC, NERC and the regional reliability organizations

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]






# 2015 Fixed-Income Investor Conference

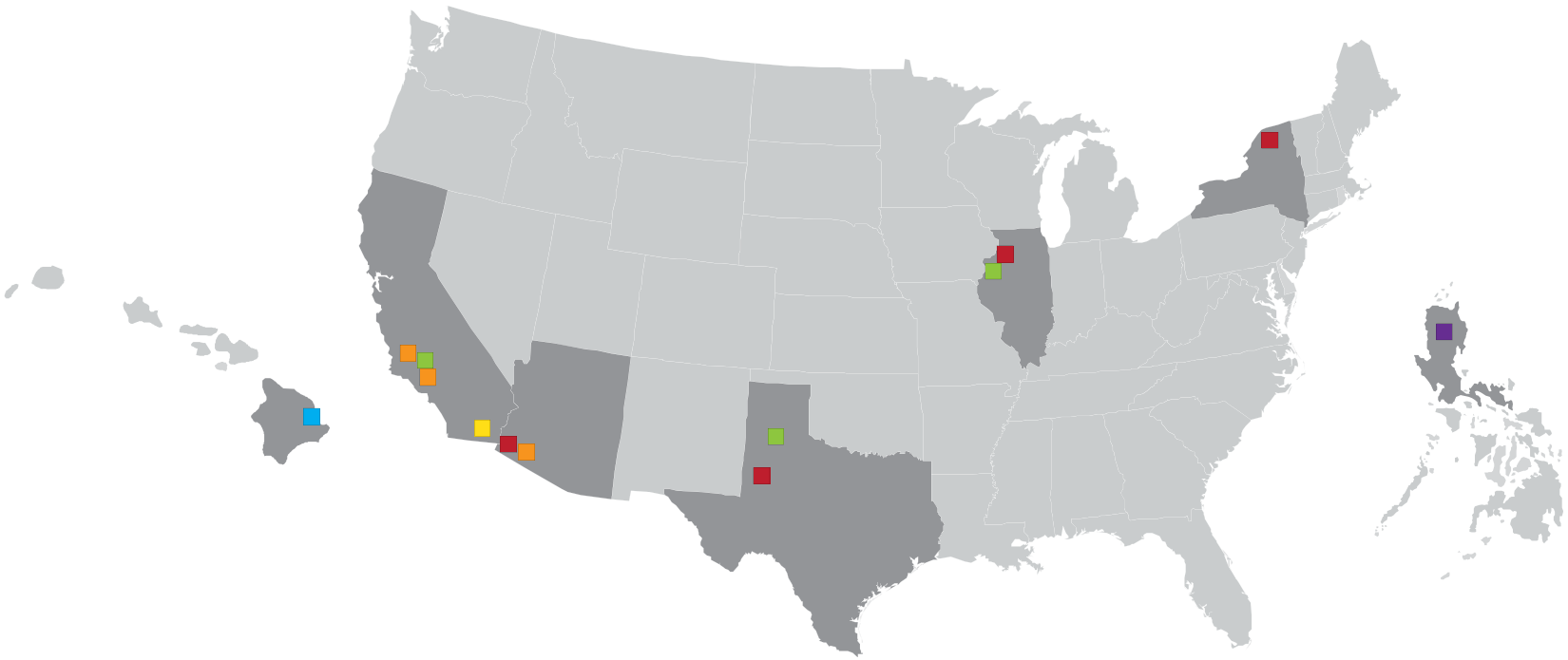
## Bill Fehrman

President and CEO

BHE Renewables

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# BHE Renewables



BHE Solar

BHE Wind

BHE Geothermal

BHE Hydro

Geothermal Plants

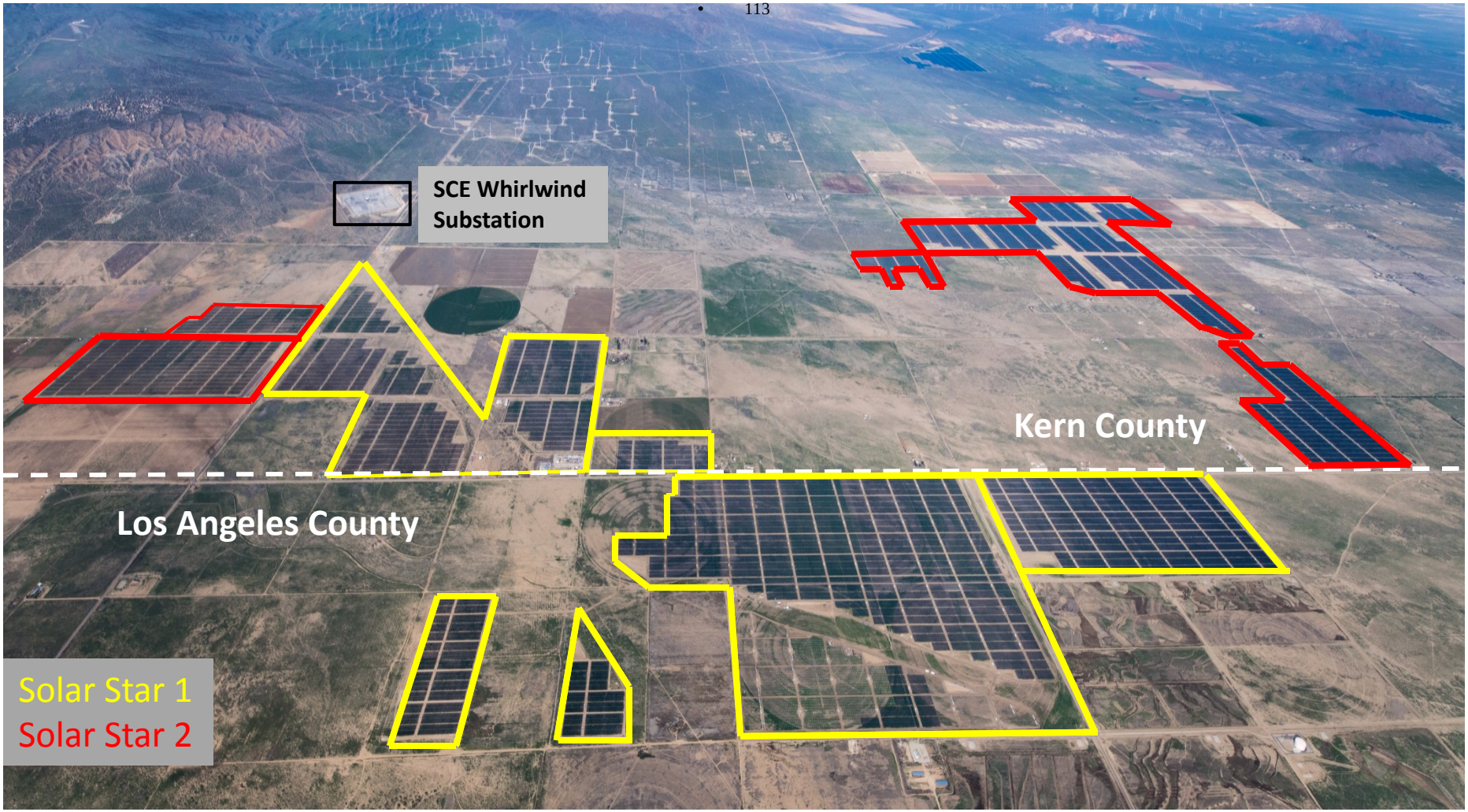
CalEnergy Philippines

Natural Gas Plants

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Solar Star Aerial View – February 2015





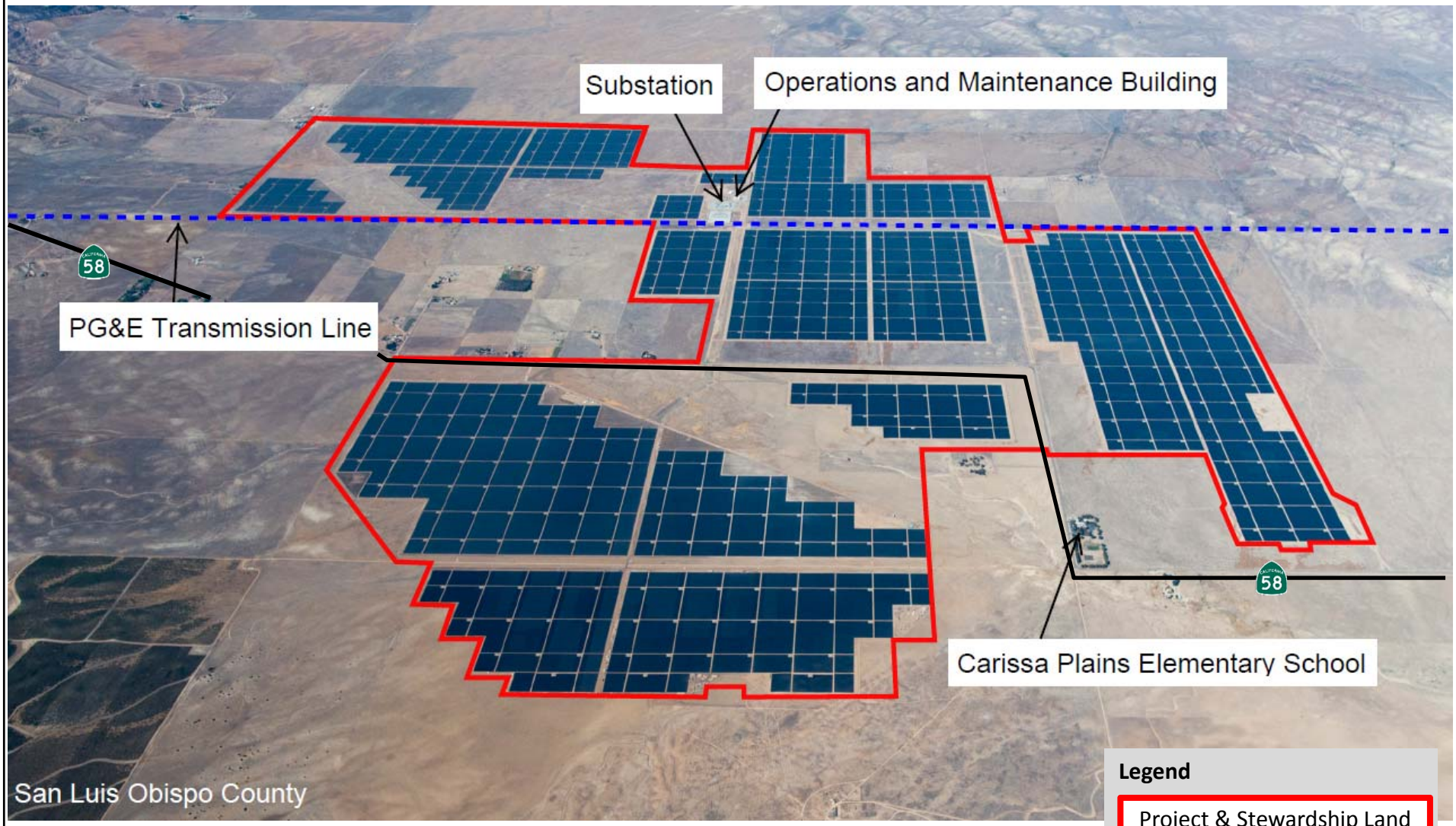

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Solar Star 1 and 2 Summary

- Solar Star 1 and 2 will deliver 579 $MW_{AC}$ when complete
- Located on over 4,000 acres in Kern and Los Angeles counties, California
- 20-year power purchase agreement with Southern California Edison
- Fixed-price engineering, procurement and construction agreements and 20-year operations and maintenance agreements executed with SunPower
- The projects utilize 1.7 million SunPower monocrystalline silicon modules and single axis tracking technology
- The Solar Star projects are approximately 99% complete, and 495 MW have achieved block substantial completion as of February 28, 2015
  - The final two blocks (84 MW) are expected to be completed by June 2015, to support project substantial completion in July 2015, four months ahead of schedule
- Through December 2014, revenue exceeded expectations; the plant continues to perform well
- In March 2015, the Series B Senior Secured notes were issued for $325.0m at 3.95%

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Topaz Solar Farms Aerial View – Complete



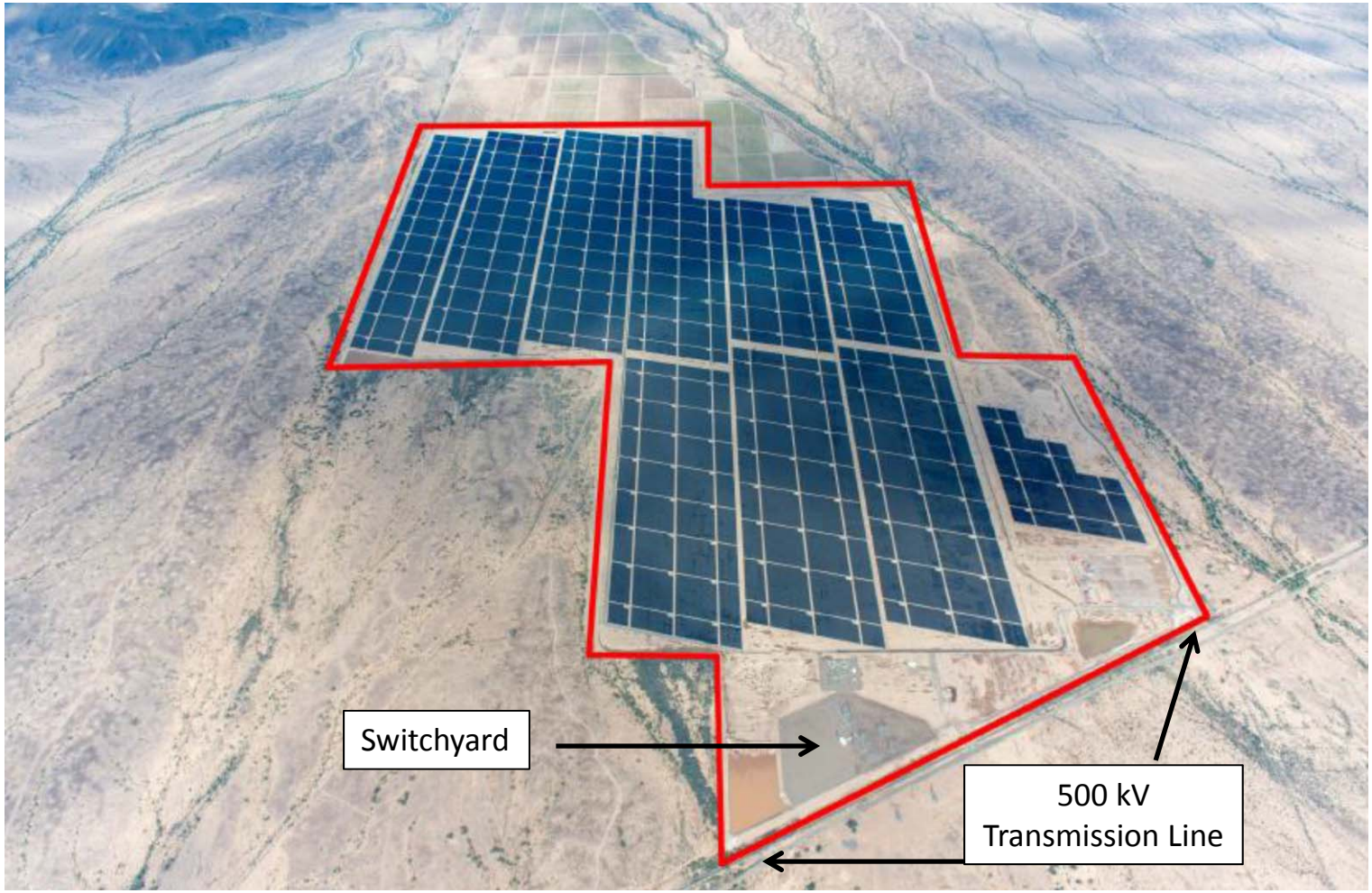

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Topaz Solar Farms Summary

- Topaz Solar Farms was commissioned and commercial operations declared October 27, 2014; Topaz is delivering 550 $MW_{AC}$
- Located on 4,700 project acres in San Luis Obispo County, California
- 25-year power purchase agreement with Pacific Gas and Electric Company
- 25-year operations and maintenance agreement with First Solar
- The project utilizes approximately 8.4 million First Solar fixed tilt, thin-film panels
- Through December 2014, revenue exceeded expectations; the plant continues to perform well

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Agua Caliente Aerial View – Complete




[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Agua Caliente Summary

- Agua Caliente was commissioned and commercial operations declared June 23, 2014, and is delivering 290 $MW_{AC}$
- The project is located on 2,340 acres in Yuma County, Arizona
- BHE Solar is a 49% owner of the project
- 25-year power purchase agreement with Pacific Gas and Electric Company
- 25-year firm price operations and maintenance agreement with First Solar
- The project uses approximately 4.95 million First Solar fixed tilt, thin-film panels
- Through December 2014, revenue exceeded expectations; the plant continues to perform well

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Bishop Hill II Wind

- 81 MW wind farm located in Henry County, approximately 20 miles southeast of Rock Island, Illinois
- 50 General Electric 1.62 MW wind turbines
- 20-year power purchase agreement with Ameren Illinois Company (Baa1/BBB+/BBB)
- Commercial operation date – December 7, 2012
- Turbines are performing well
- Currently meeting or exceeding operational and budgetary targets

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Pinyon Pines Wind I and II

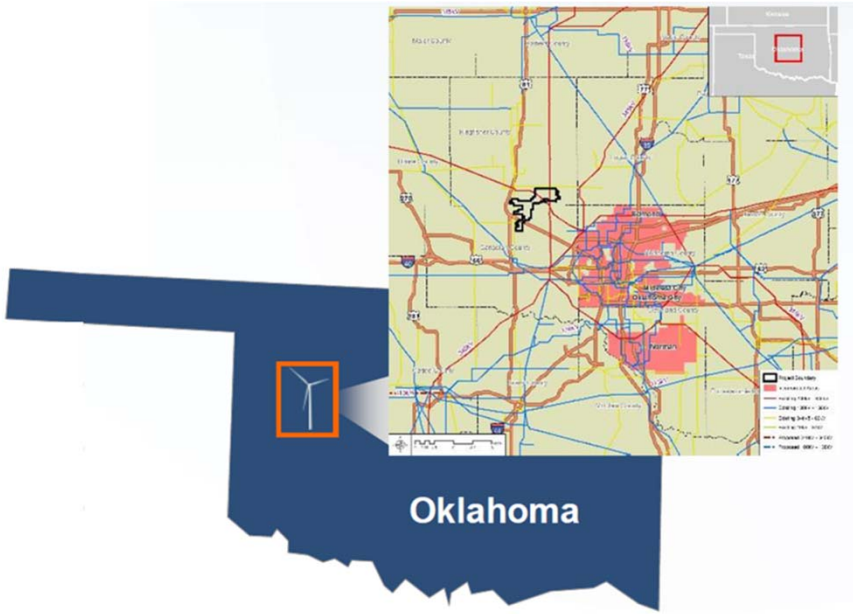
- 300 MW wind farm located in the Tehachapi/Mojave region of Kern County, California, approximately 75 miles north of Los Angeles
- 100 Vestas 3.0 MW wind turbines
- 23-year power purchase agreement with Southern California Edison Company (A2/BBB+/A)
- Commercial operation date – January 1, 2013
- Turbines are performing well
- Currently meeting availability targets

# Jumbo Road Wind

- On June 17, 2014, BHE Wind closed on the acquisition from Lincoln Renewable Energy, LLC of its 300 MW Jumbo Road wind project located in Castro County, Texas, near Amarillo
- The project has an 18-year power purchase agreement with Austin Energy (AA/Aa2/AA-)
- Construction progressed very well, and the project will be fully completed during second quarter 2015

# Kingfisher Wind Tax Equity Investment

- On January 21, 2015, BHE Wind closed on its tax equity investment for the 298 MW Kingfisher wind project located in Kingfisher County, Oklahoma, near Oklahoma City
- The project is PTC-qualified and has a 20-year energy and renewable energy credit hedge with Morgan Stanley
- The project has begun construction and is expected to be in-service by October 2015
- BHE Wind will fund its estimated $270m commitment when the project achieves commercial operation in October 2015




Kingfisher Project Location

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# BHE Geothermal

- Operates 10 geothermal facilities in the Imperial Valley with a combined installed capacity of 338 MW
- BHE Geothermal has been remarketing eight of its plants that are scheduled to come off contract between 2016 and 2020, totaling 287 MW

- All plants have been included in a portfolio contract structure, enabling new customers to contract for portions of the generation portfolio
  - 203 MW of the portfolio has been contracted, leaving only 84 MW outstanding
- Certain geothermal facilities have long-term power purchase agreements with Southern California Edison; following two successive five-year fixed price amendments, on May 1, 2012, these long-term power purchase agreements reverted back to Southern California Edison's avoided cost of energy, which is correlated to the cost of natural gas; revenues are reduced due to the current low price for natural gas

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

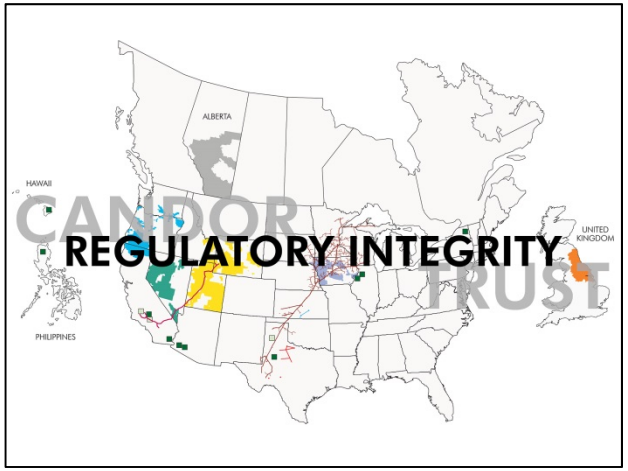
# Renewables Opportunities

- BHE Renewables is pursuing a diversified strategy for future development, including:
  - Direct ownership of utility-scale wind and solar assets with long-term offtake agreements
  - Development of the recently acquired 400 MW Grande Prairie wind project in Nebraska and the 74 MW Community Solar Gardens projects in Minnesota
  - Tax equity investment opportunities for hedged or contracted utility-scale wind and solar projects
  - Investments in solar distributed generation assets

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Questions






# 2015 Fixed-Income Investor Conference


## Mark Hewett

President and CEO

BHE Pipeline Group


[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Northern Natural Gas Overview


- 850 employees
- 14,700-mile interstate natural gas transmission pipeline system
- Market Area design capacity of 5.7 Bcf/day plus 1.7 Bcf/day Field Area delivery capacity to the Market Area
- Five natural gas storage facilities, with a total firm capacity of more than 73 Bcf and more than 2.0 Bcf of peak day delivery capability
- Access to five major traditional supply regions and direct access to two non-traditional (tight sands and shale) supply regions
- Annual average deliveries of 961 Bcf over the prior three years – 986 Bcf in 2014

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Northern Natural Gas
# Business Update

- In February 2015, set a new market area monthly daily average delivery of 4.083 Bcf/day. Also, set new single-day market area delivery record of 4.891 Bcf/day on February 18, 2015
- In March 2015, set a new market area single-day delivery record for the month of March of 4.477 Bcf/day
- In 2014, field area transportation revenue higher by 56% compared to 2013 and 67% compared to 2012
  - Significantly higher revenue in 2014 due to impact from Polar Vortex
  - Approximately 52% of 2014 Field Area revenue from long-term contracts
- Successfully renegotiated 0.3 Bcf/day of Market Area contracts at higher rates, increasing annual revenue by $0.9m
- Market area expansions:
  - 2014 completed projects for CF Industries and other market area shippers for a total capital expenditure of $91m and annual revenue of $31m
  - Future expansions totaling $18m of capital expenditures and $9m of annual revenue
- Permian expansions:
  - 2014 completed projects with $12m of capital and $8m of annual revenue
  - Future expansions totaling $66m of capital and $18m of annual revenue
- Increased the integrity and reliability of the pipeline while managing operating costs and staffing
- Working cooperatively with our customers on an asset modernization investment recovery mechanism

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

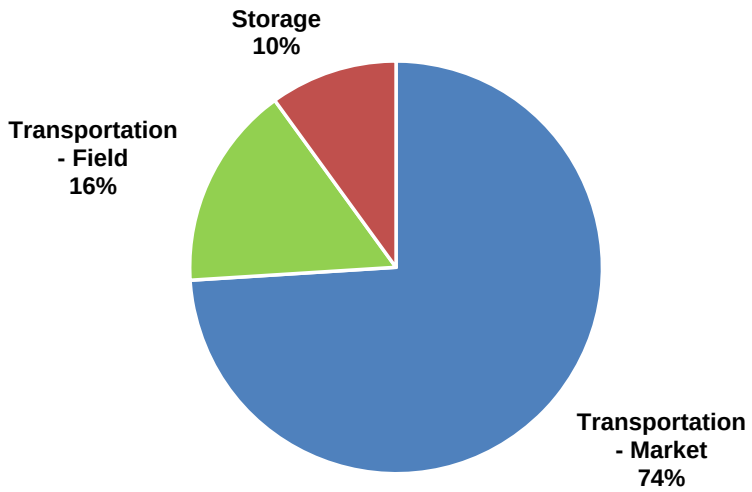
# Northern Natural Gas
# Competitive Advantages

- Reticulated system – economically unfeasible to replicate
- Optionality with Field Area – tremendous advantage for customers and Northern Natural Gas to capture opportunities
- Long-term contracts with stable markets
- Northern Natural Gas' prices are competitive with other pipelines (minimizes level of discounting needed in competitive markets)
- Focus on customer satisfaction
  - In March 2015, Mastio & Company announced the results of their annual survey; Northern Natural Gas ranked No. 1 among mega-pipelines and No. 2 out of 41 interstate pipelines in customer satisfaction

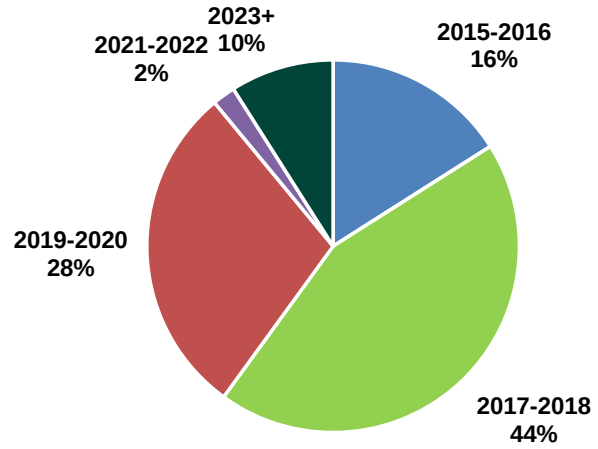
[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Northern Natural Gas
# Revenue Stability and Long Term Contracts

## 2014 Transportation and Storage Revenue
## $618 Million




## Market Area Transportation Contract Maturities [1]




**Average remaining contract life of approximately 4.5 years**

- 90% of revenue is from demand charges
- 60% of 2014 transportation and storage demand revenue was from investment-grade utilities
- In 2014, completed approximately 0.3 Bcf/day in contract renewals with a 3% increase in rates, which provides additional $0.9m in annual revenue
- 82% of 2014 storage revenue resulted from long-term contracts, with an average remaining contract life of approximately seven years
  - Northern Natural Gas currently contracts 100% of its firm storage service annually
- Long-term contracts with creditworthy counterparties – top 10 customer groups have a weighted average credit rating of A3/BBB+

[1] *Based on maximum daily quantities of market area entitlement in decatherms as of Dec. 31, 2014*

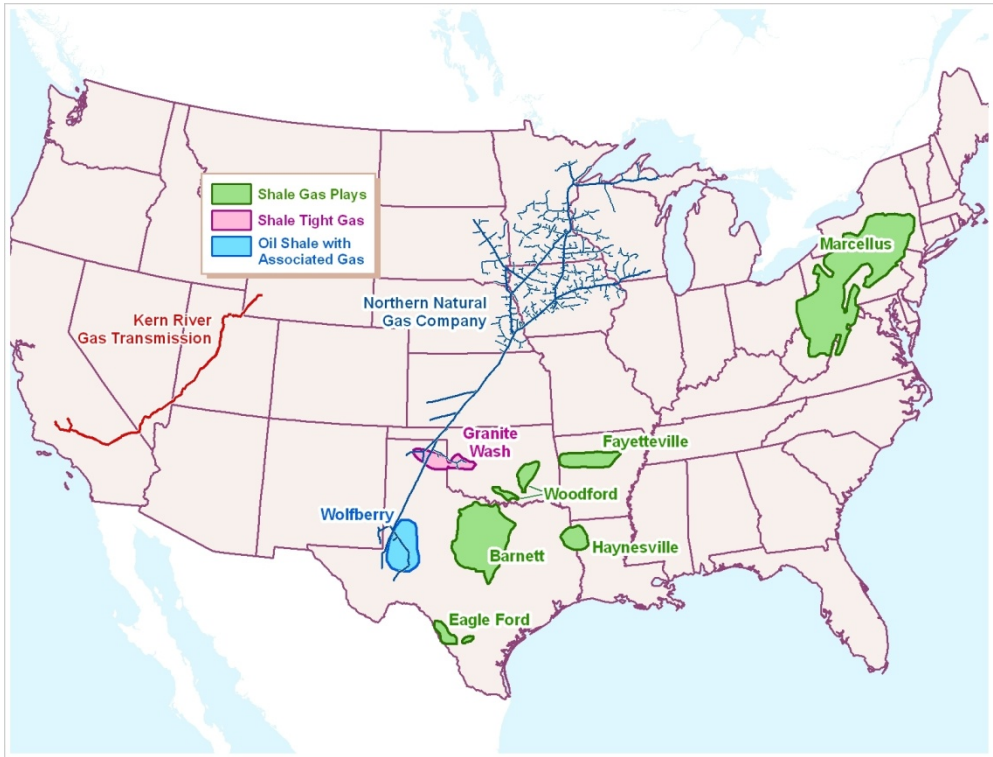
[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Northern Natural Gas
# Expansion Projects

- 2014 Market Area Expansions
  - Total capital expenditures of approximately $91m, serving fertilizer plant expansions, Minnesota LDCs and municipalities
  - Incremental entitlement of 163,929 Dth/day
  - Annual demand revenues of $31m, with contract terms from 5 to 11 years
- Future Market Area Expansions
  - Total capital expenditures of approximately $18m, serving LDCs, ethanol and other industrial needs
  - Incremental entitlement of 65,100 Dth/day (some volumes are being served with existing capacity)
  - 2016 in-service with annual demand revenues of $9m and average contract term of 5 years
- 2014 Field Area Expansions
  - Total capital expenditures of approximately $12m, serving supply fields in the Permian basin
  - Incremental entitlement of 158,000 Dth/day
  - Annual demand revenues of $8m, with contracts expiring in 2019
- Future Field Area Expansions
  - Total capital expenditures of approximately $66m, serving power plant expansions
  - Incremental entitlement of 352,000 Dth/day
  - 2016-2017 in-service with annual demand revenues of $18m and contracts expiring in between 2021-2027

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Northern Natural Gas
# Shale Gas Opportunities




- Shale development is supportive of gas demand due to low supply prices
- Change in gas flow patterns is occurring across the U.S.
- Marcellus shale displacement of the south-central area should result in the softening of Field Area supply prices
- Since 2011, the pipeline has connected over 1,595,000 Dth/day of supply access from Wolfberry shale formation and Granite Wash tight sands formation
- Finalizing plans for additional supply of 400,000 Dth/day from Wolfberry in 2015

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Northern Natural Gas
# Asset Modernization Program

- $1.1b of maintenance capital expenditures since last rate case
- Significant maintenance capital expenditures above representative level of depreciation expected throughout 10-year plan
- Growth projects and cost-control initiatives have allowed us to carry incremental maintenance capital expenditures to this point
- Future incremental maintenance capital expenditures will be recognized in rates
- Cost recovery options consist of either a traditional rate case or a limited cost-recovery mechanism specific to incremental maintenance capital expenditures

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Northern Natural Gas
## Alternative Methods To Address Asset Modernization Costs

| Rate Case | Asset Modernization Investment Recovery |
|---|---|
| • Multiple rate cases would be required due to the staged investment through 2024<br>• Rate case would reflect asset modernization costs plus $550m of past investment not reflected in rates<br>• A rate case would require multiple issues to be addressed:<br>  - Market, field, storage<br>  - Billing units determination<br>  - Market/field cost allocation and required rate design change<br>  - Higher depreciation expense<br>  - Increased costs for asset retirement obligation<br>• Potential extended proceedings<br>  - Single Kern River rate case – 11 years and counting | • Narrowly tailored solution to address incremental investment<br>• Single-issue item<br>• Minimizes rate impact<br>• Limits impact to Market Area<br>• Consistent with proposed FERC policy |

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Northern Natural Gas
## Proposal – Asset Modernization Investment Recovery

- Modernize up to $450m of Market Area pipeline, compression and LNG assets
- Facilities to be installed or retired from 2016 through 2024
- Asset modernization investment recovery to be assessed beginning in 2017
- Cost of service to derive rate will reflect:
  - 9.4% after-tax return on capital invested, net of deferred tax benefit
  - Depreciation expense, including credit for depreciation savings on retired plant
- Rate is recalculated annually reflecting cost of service on plant placed in-service in prior year
- Capital investment will be reflected in the next general rate case, and the rate mechanism will terminate

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Kern River Gas Transmission Overview


- Headquartered in Salt Lake City, Utah
- 158 employees
- 1,700-mile interstate natural gas transmission pipeline system
- Delivers natural gas from Rocky Mountain basins to markets in Utah, Nevada and California
- Design capacity: 2.2 million Dth per day of natural gas
- Over 98% of capacity contracted under long-term contracts

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Kern River Gas Transmission Business Update

- Continue to sell available firm capacity long-term at rates above market value
  - Limited amount of un-contracted firm capacity
  - Value of capacity is projected to increase more than 50% over the next three years
    - $0.25/Dth/day in 2016 to $0.38/Dth/day in 2018
- Provide a competitive delivered cost to southern California and southern Nevada
- Growth of natural gas-fueled electric generation in the Southwest U.S. and Mexico increases demand for U.S. pipeline capacity and provides incremental opportunity for Kern River
- 2014 scheduled throughput averaged 107% of design capacity
- Kern River 2004 rate case update

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

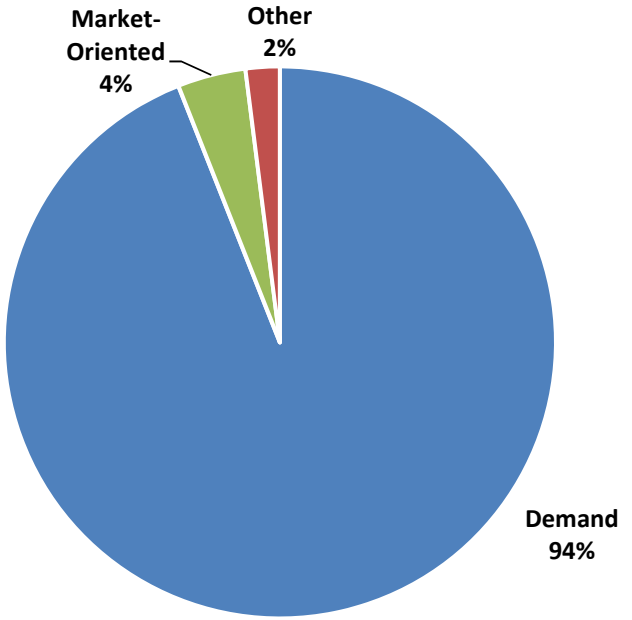
# Kern River Gas Transmission Competitive Advantage

- Kern River's Period Two rates are the lowest delivered cost interstate pipeline options to southern California
- Kern River is directly connected to end-use markets in Nevada and California
  - Avoids rate stack
- State of the art transmission system
- Limited incremental cost to comply with stricter pipeline safety standards
- Exceptional customer service
  - In March 2015, Mastio & Company announced the results of their annual survey; Kern River ranked No. 1 out of 41 interstate pipelines in customer satisfaction
  - Kern River has been No.1 in five of the last seven years and No. 2 in the other two years

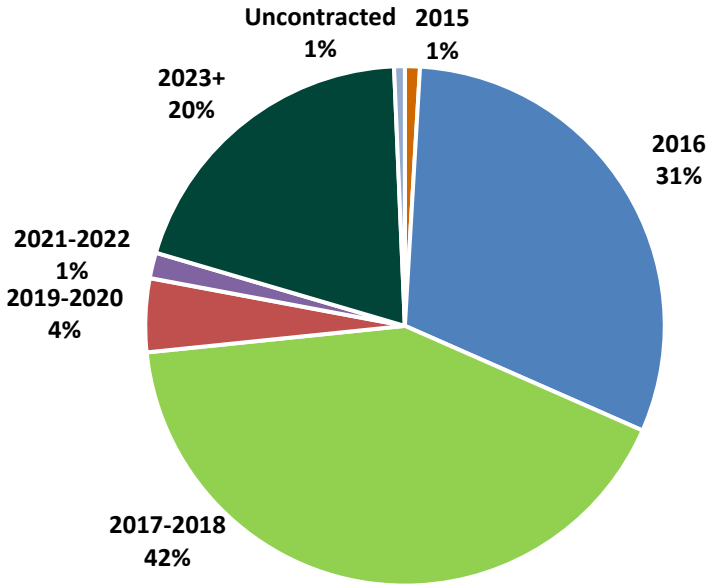
[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Kern River Gas Transmission
# Revenue Stability and Long Term Contracts

## 2014 Revenue Distribution
## $354 Million




## Contract Maturities[(1)]




*(1) Based on total system design capacity of 2.2 million Dth per day*

- 94% of revenue is from demand charges
- 98% of capacity is committed to contracts that expire after 2015
- Weighted average contract term of five years
- Weighted average shipper rating of BBB+/Baa1
- Shippers that do not meet credit standards are required to post collateral

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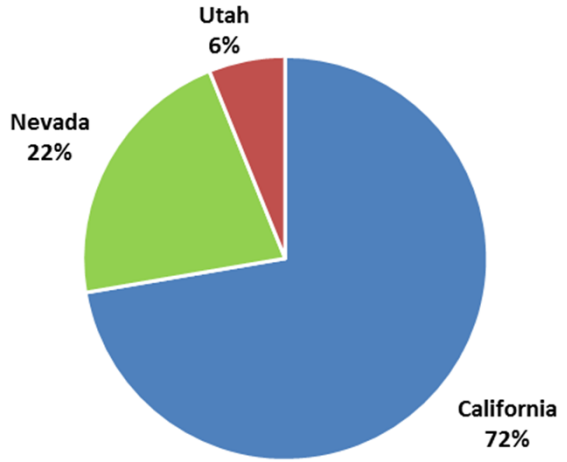
# Kern River Gas Transmission
# Strong Demand for Services

- Delivered approximately 23%[(1)] of California's demand for natural gas in 2013
- Received 28% of Rockies natural gas supply in 2014
- Delivered more than 78%[(2)] of southern Nevada's natural gas
- During 2014, scheduled throughput averaged 107% of design capacity

## Daily Average Scheduled Volume


## 2014 Deliveries by State




(1) *Based on the 2014 California Gas Report*

(2) *Based on Kern River's average scheduled volumes to Nevada and Southwest Gas Transmission Company's system capacity served by El Paso Natural Gas Company, LLC or Transwestern Pipeline Company, LLC.*

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Kern River Gas Transmission Long-Term Business Outlook

## Markets are Dependent on Kern River

| Non-Coincident Peak Day Deliveries (Dth/d)[1] | |
|---|---|
| **Utah** | |
| LDC (Questar Gas) | 504,717 |
| Direct-connect end-users | 24,156 |
| | 528,873 |
| **Nevada** | |
| LDC (Southwest Gas) | 504,203 |
| Direct-connect end-users | 520,912 |
| | 1,025,115 |
| **California** | |
| LDC (Southern California Gas) | 0 |
| Direct-connect end-users | 191,602 |
| | 191,602 |
| **Total** | **1,745,590** |
| | (81% of Kern River capacity) |

- Questar Gas has multiple interconnects with Questar Pipeline but relies on Kern River to provide peak-day deliveries
- Kern River is the sole transporter of natural gas to southern Nevada, with the exception of 141,000 Dth/day of capacity on Southwest Gas' southern system
- Southern California Gas has other pipeline or storage options on a peak day; however, direct-connect end-users rely on Kern River

[1] *Based on actual peak day deliveries over the past three years and an analysis of the LDCs' pipeline supply options*

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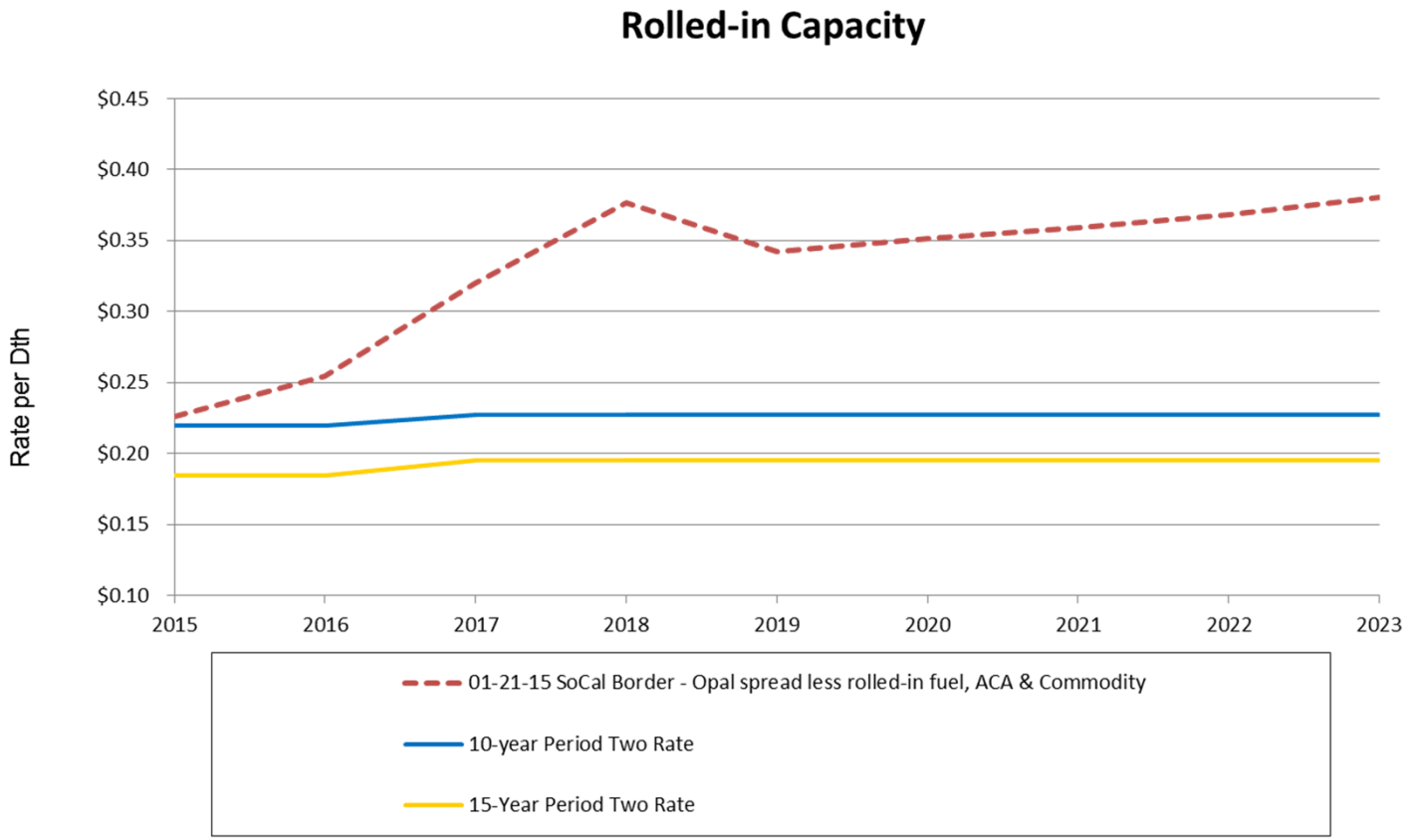
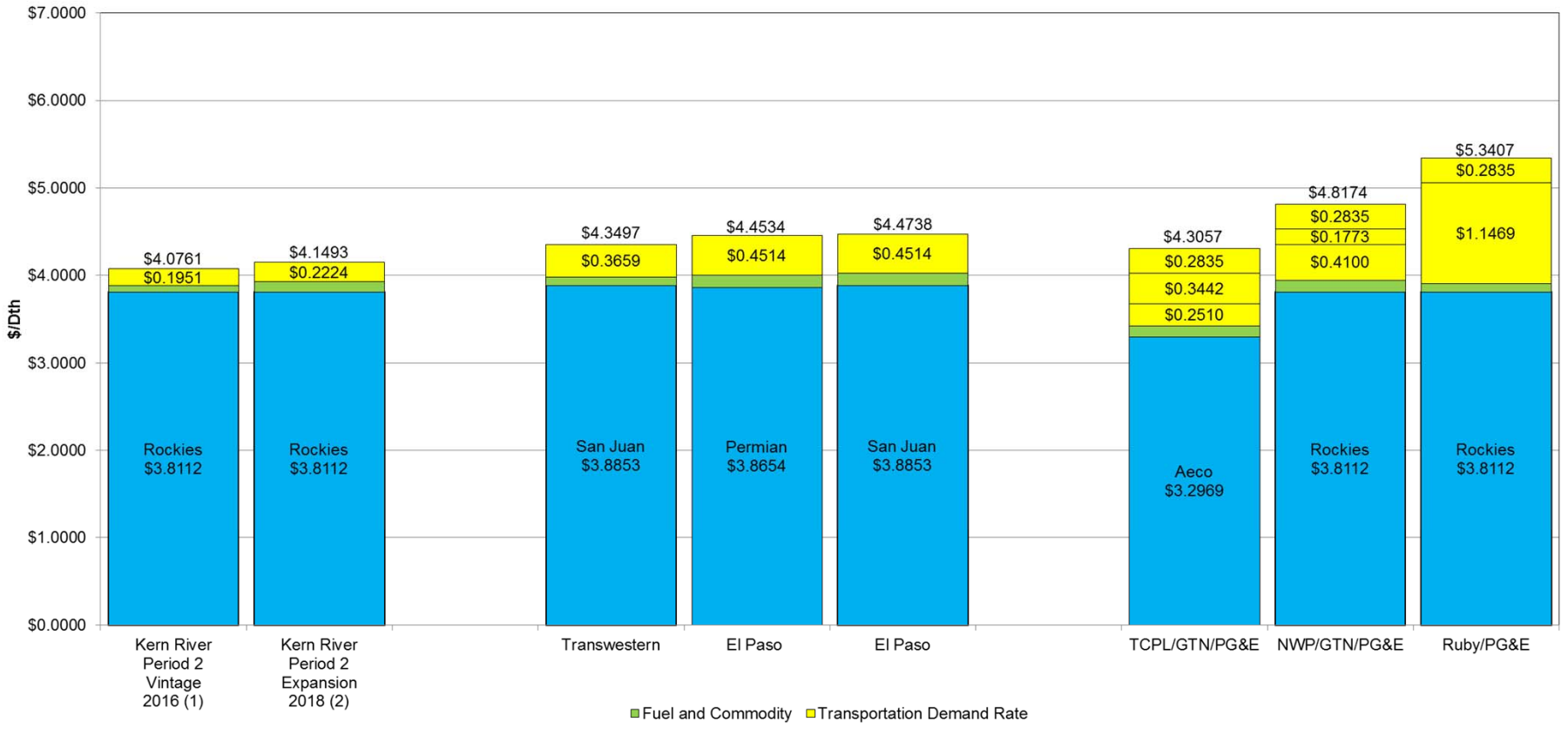
# Kern River Gas Transmission
# Market Competitive Period Two Rates




- Kern River has 638,070 Dth/d of capacity under contracts that expire in 2016
- Shippers can extend service for this capacity at rates that are below the current prospective value for Kern River capacity

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Lowest-Cost Option to Southern California

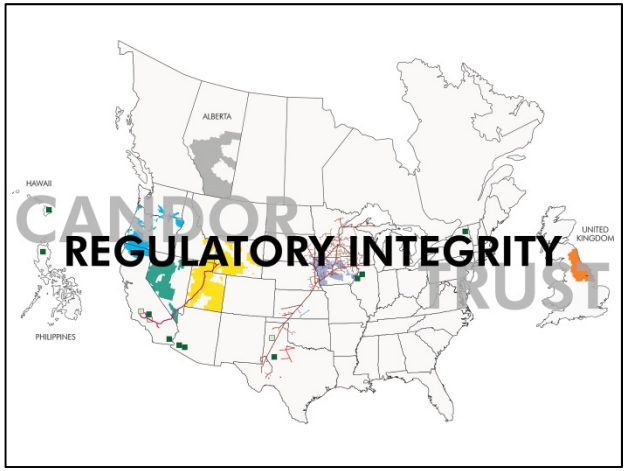



*Source: Platts M2M Forward Curves, February 10, 2015 (Oct 2016-Feb 2025)*
*(1) Period One contracts expire September 30, 2016 then Period Two rates apply. Final effective Period Two rates subsequent to final step-down in 2017.*
*(2) Period One contracts expire April 30, 2018, then Period Two rates apply.*

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Questions






# 2015 Fixed-Income Investor Conference


## Phil Jones

President and CEO

Northern Powergrid Holdings Company


[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Northern Powergrid – Wires-Only Distributor

- One of six electricity distribution groups in Great Britain
- Stable inflation protected revenues and cash flows
- Key statistics include:
  - 725 major substations
  - 58,000 miles of circuit
  - 10,000 square miles of service area
  - 2,500 employees


| **Distribution business comparison** | Licenses | End-Users *(millions)* | Revenue *(£millions)* | RAV *(£millions)* |
|---|---|---|---|---|
| Western Power Distribution | 4 | 7.8 | 1,501 | 5,911 |
| UK Power Networks | 3 | 7.9 | 1,354 | 5,432 |
| Northern Powergrid | 2 | 3.9 | 694 | 2,659 |
| SSE | 2 | 3.7 | 876 | 3,205 |
| Scottish Power | 2 | 3.5 | 740 | 3,019 |
| ENW | 1 | 2.4 | 469 | 1,672 |
| *All data twelve-months ended March 31, 2014, financial data based on Ofgem's final proposals for DPCR5* | | | | |

# Strong Investment Metrics

- Return on regulatory equity exceeds expectations
- 42% growth in regulated asset value in DPCR5, primarily financed by operating cash flows
- Inflation protection applies to revenue and regulated asset value (RAV) – averaging 3.2% per year since April 2007
- Operating income remains strong, reflecting revenue growth
- Strong credit ratings compare well with the rest of the sector

| | Years Ended Dec. 31, | | |
|---|---|---|---|
| ***(£ millions) - US GAAP*** | 2014 | 2013 | 2012 |
| Revenues | 780 | 657 | 653 |
| Operating income | 409 | 323 | 357 |
| Capex | 411 | 431 | 286 |
| RAV | 2,776 | 2,660 | 2,504 |
| Interest cover | 4.4x | 3.9x | 4.3x |
| Debt to RAV gearing | 56% | 56% | 55% |

*Ofgem's DPCR5 final proposals for the 2010-15 period included growth for revenue and RAV*

- *7% underlying (real) revenue growth*
- *4% underlying (real) growth in RAV*
- *RAV growth supplemented by 3.2% per year inflation from April 2007*

# Price Control Overview

- During 2014, we closed out a successful DPCR5 period:
  - Effective cost control in an inflation-protected settlement created strong returns
  - Exceeded our output delivery and delivered our biggest ever capital program
  - Progressively improved reliability, outperforming our targets (for DPCR5 and RIIO-ED1)
  - Customer service is improving, performance is ahead of RIIO-ED1 target
- We saw the completion of Ofgem's RIIO-ED1 decision-making:
  - A step-change in efficiency rankings between fast-track and Final Determination created very different outcomes across the sector
  - Outcomes for customers across the country are very inconsistent
  - We have appealed Ofgem's decision in our case
  - British Gas has also appealed the price control of all five of the slow-track DNOs
- We are preparing for transition into the new price control period:
  - We expect to spend our allowances in full, targeting improvement in our outputs
  - The incentive mechanisms, especially IIS, offer additional upside opportunity
  - We intend to dividend a modest amount back to BHE to move our capital structure closer to Ofgem's notional gearing (at a consolidated Northern Powergrid level)

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Our delivery track record gives us confidence of success in meeting the RIIO-ED1 challenge

| | ED1 | DPCR5 |
|---|---|---|
| Ofgem's view of allowed costs (vs company submission) | -7% | -10% |
| Cost savings (vs Ofgem allowances) | 0% | 8% |
| Outputs delivered | >100% | 116% |
| 2014/15 reliability performance (vs Ofgem targets) | +11% | +26% |
| RORE: Allowed | 8.7% | 9.4% |
| RORE: Actual | | 15.0% |

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Our recommended remedies would close around £100m of the gap between our plan and Ofgem's assessment

- We support the general direction of Ofgem's new RIIO regime
  - It is the first time that we have not accepted our price control settlement in full
  - It is also the first price control appeal in the new appeals mechanism for energy
- Our appeal relates to three specific flaws in the determination:
  - Ofgem's decision to demand further cost savings in relation to smart grid technology over and above the ones captured by its original benchmarking exercise
  - Ofgem's assessment of the variation in wage rates across the country overstates the extent to which wages differ in different regions
  - Ofgem's projections for labor cost increases assume significantly below-inflation pay deals for a skilled workforce that is growing to meet customer demand and the need for greater investment in the network
- If the CMA adjusts the settlement as we have asked, less than half of the 'total cost gap' between us and Ofgem will be reinstated
- The impact would be approximately £10m per year to spend on improved outputs
- The process has to complete within 2015 – so we will know our outcome this year

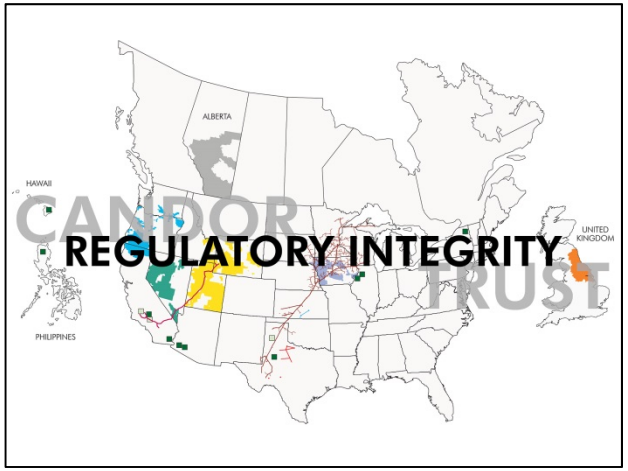
# Outlook for the RIIO-ED1 Price Control Period 2015-2023

- Public policy reflects growing political pressure on energy affordability
  - The outcome of the U.K. election will influence regulatory and energy policy
  - Competition and Markets Authority review of the energy supply market is high profile but seems less likely to impact regulated networks
  - The two appeals of the ED1 decision are unlikely to change the landscape in the near-term but could influence Ofgem's approach to price controls in the long-term
- We remain optimistic about the next price control period
  - We remain able to reinvest earnings in the network to improve outputs and generate strong internal growth
  - Operating performance is trending positively – we are already ahead of or in-line with ED1 targets
  - Our strong cost control focus supports the cost and output improvement drive
  - Realignment of capital structure will mitigate some of the lost return arising from conservative gearing levels and the lower cost of debt allowance

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Questions






# 2015 Fixed-Income Investor Conference


## Greg Abel

Chairman, President and CEO

Berkshire Hathaway Energy


[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Berkshire Hathaway Energy

## Our Vision

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

| Core Principle | Be The Best | Objectives |
|---|---|---|
| **Customer Service** | Best customer service | Deliver top decile customer satisfaction levels relative to industry peers |
| **Employee Commitment** | Best people – best safety environment | Achieve an industry-leading incident rate and have the best people and leaders in the industry |
| **Environmental Respect** | Great stewards of the environment | Deliver a more sustainable environment by reducing the intensity of our emissions |
| **Regulatory Integrity** | Respected by our regulators | Engage our stakeholders to develop value propositions that minimize or reduce the impact to our customers' rates |
| **Operational Excellence** | Most efficient and effective operator | Accomplish top decile in generation and pipeline asset performance; top quartile in transmission and distribution asset performance |
| **Financial Strength** | Achieve financial commitments and reinvest in assets | Deliver strong financial performance for our stakeholders |

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Questions

# Appendix

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Berkshire Hathaway Energy
# Non-GAAP Financial Measures

*($ millions)*

| **FFO** | **2014** | **2013** | **2012** |
|---|---|---|---|
| Net cash flows from operating activities | $ 5,146 | $ 4,669 | $ 4,327 |
| +/- Changes in other operating assets and liabilities, net of effects from acquisitions | 1,170 | (449) | (40) |
| **FFO** | **$ 6,316** | **$ 4,220** | **$ 4,287** |
| **Adjusted Interest** | | | |
| Interest expense | $ 1,711 | $ 1,222 | $ 1,176 |
| Interest expense on subordinated debt | (78) | (3) | - |
| **Adjusted Interest** | **$ 1,633** | **$ 1,219** | **$ 1,176** |
| **FFO Interest Coverage[1]** | **4.9x** | **4.5x** | **4.6x** |
| **Adjusted Debt** | | | |
| Debt[2] | $ 40,094 | $ 32,244 | $ 21,622 |
| Subordinated debt | (3,794) | (2,594) | - |
| **Adjusted Debt** | **$ 36,300** | **$ 29,650** | **$ 21,622** |
| Acquisition Financing Debt | (1,500) | (2,000) | - |
| Acquisition Subsidiary Debt | (4,007) | (5,296) | - |
| **Adjusted Debt Excluding Acquisition Related Debt** | **$ 30,793** | **$ 22,354** | **$ 21,622** |
| **FFO to Adjusted Debt Excluding Acquisition Related Debt[3]** | **20.5%** | **18.9%** | **19.8%** |
| **Capitalization** | | | |
| Total Berkshire Hathaway Energy shareholders' equity | $ 20,442 | $ 18,711 | $ 15,742 |
| Adjusted debt | 36,300 | 29,650 | 21,622 |
| Subordinated debt | 3,794 | 2,594 | - |
| Noncontrolling interests | 131 | 105 | 168 |
| **Capitalization** | **$ 60,667** | **$ 51,060** | **$ 37,532** |
| **Adjusted Debt to Total Capitalization[4]** | **59.8%** | **58.1%** | **57.6%** |

*[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] FFO to Adjusted Debt Excluding Acquisition Related Debt equals FFO divided by Adjusted Debt Excluding Acquisition Related Debt*
*[4] Adjusted Debt to Total Capitalization equals Adjusted Debt divided by Capitalization*

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Berkshire Hathaway Energy
# Non-GAAP Financial Measures

*($ millions)*

| | BHE 2014 | AltaLink 2014 | Pro Forma Adjustments 2014 | Pro Forma Total 2014 |
|---|---|---|---|---|
| **FFO** | | | | |
| Net cash flows from operating activities | $ 5,146 | $ 214 | $ (85) | $ 5,275 |
| +/- Changes in other operating assets and liabilities, net of effects from acquisitions | 1,170 | (17) | 31 | 1,184 |
| **FFO** | **$ 6,316** | **$ 197** | **$ (54)** | **$ 6,459** |
| **Adjusted Interest** | | | | |
| Interest expense | $ 1,711 | $ 157 | $ 78 | $ 1,946 |
| Interest expense on subordinated debt | (78) | | (39) | (117) |
| **Adjusted Interest** | **$ 1,633** | **$ 157** | **$ 39** | **$ 1,829** |
| **FFO Interest Coverage[(1)]** | | | | **4.5x** |
| **Adjusted Debt** | | | | |
| Debt[(2)] | $ 40,094 | | | $ 40,094 |
| Subordinated debt | (3,794) | | | (3,794) |
| **Adjusted Debt** | **$ 36,300** | | | **$ 36,300** |
| **FFO to Adjusted Debt[(3)]** | | | | **17.8%** |

*(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) FFO to Adjusted Debt equals FFO divided by Adjusted Debt*

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Berkshire Hathaway Energy
# Non-GAAP Financial Measures

*($ millions)*

**BHE and AltaLink Pro Forma EBITDA for the year ended Dec. 31, 2014**

| | Berkshire Hathaway Energy | | |
|---|---|---|---|
| **EBITDA** | **As Reported** | **Pro Forma Adjustments** | **Pro Forma Combined** |
| Net income attributable to BHE | $ 2,095 | 60 | 2,155 |
| Noncontrolling interests | 27 | - | 27 |
| Interest expense | 1,711 | 235 | 1,946 |
| Capitalized interest | (89) | (1) | (90) |
| Income tax expense | 589 | (2) | 587 |
| Depreciation and amortization | 2,057 | 117 | 2,174 |
| **EBITDA** | **$ 6,390** | **$ 409** | **$ 6,799** |

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# PacifiCorp
# Non-GAAP Financial Measures

*($ millions)*

| **FFO** | **2014** | **2013** | **2012** |
|---|---|---|---|
| Net cash flows from operating activities | $ 1,570 | $ 1,553 | $ 1,627 |
| +/- Changes in other operating assets and liabilities | 10 | (34) | (169) |
| **FFO** | **$ 1,580** | **$ 1,519** | **$ 1,458** |
| **Interest expense** | **$ 379** | **$ 379** | **$ 380** |
| **FFO Interest Coverage[1]** | **5.2x** | **5.0x** | **4.8x** |
| **Debt [2]** | **$ 7,073** | **$ 6,877** | **$ 6,861** |
| **FFO to Debt[3]** | **22.3%** | **22.1%** | **21.3%** |
| **Capitalization** | | | |
| PacifiCorp shareholders' equity | $ 7,756 | $ 7,787 | $ 7,644 |
| Debt | 7,073 | 6,877 | 6,861 |
| **Capitalization** | **$ 14,829** | **$ 14,664** | **$ 14,505** |
| **Debt to Total Capitalization[4]** | **47.7%** | **46.9%** | **47.3%** |

*[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*

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# MidAmerican Energy
# Non-GAAP Financial Measures

*($ millions)*

| **FFO** | **2014** | **2013** | **2012** |
|---|---|---|---|
| Net cash flows from operating activities | $ 823 | $ 735 | $ 1,276 |
| +/- Changes in other operating assets and liabilities | 235 | 151 | (323) |
| **FFO** | **$ 1,058** | **$ 886** | **$ 953** |
| **Interest expense** | **$ 174** | **$ 151** | **$ 143** |
| **FFO Interest Coverage[1]** | **7.1x** | **6.9x** | **7.7x** |
| **Debt [2]** | **$ 4,106** | **$ 3,552** | **$ 3,259** |
| **FFO to Debt[3]** | **25.8%** | **24.9%** | **29.2%** |
| **Capitalization** | | | |
| MidAmerican Energy shareholder's equity | $ 4,250 | $ 3,845 | $ 3,635 |
| Debt | 4,106 | 3,552 | 3,259 |
| **Capitalization** | **$ 8,356** | **$ 7,397** | **$ 6,894** |
| **Debt to Total Capitalization[4]** | **49.1%** | **48.0%** | **47.3%** |

*[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*

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Nevada Power
# Non-GAAP Financial Measures

*($ millions)*

| **FFO** | **2014** | **2013** | **2012** |
|---|---|---|---|
| Net cash flows from operating activities | $ 704 | $ 548 | $ 702 |
| +/- Changes in other operating assets and liabilities | 95 | (19) | (29) |
| **FFO** | **$ 799** | **$ 529** | **$ 673** |
| **Interest expense** | **$ 208** | **$ 215** | **$ 215** |
| **FFO Interest Coverage[1]** | **4.8x** | **3.5x** | **4.1x** |
| **Debt [2]** | **$ 3,576** | **$ 3,577** | **$ 3,337** |
| **FFO to Debt[3]** | **22.3%** | **14.8%** | **20.2%** |
| **Capitalization** | | | |
| Total shareholder's equity | $ 2,888 | $ 2,890 | $ 2,922 |
| Debt | 3,576 | 3,577 | 3,337 |
| **Capitalization** | **$ 6,464** | **$ 6,467** | **$ 6,259** |
| **Debt to Total Capitalization[4]** | **55.3%** | **55.3%** | **53.3%** |

*[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*

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Sierra Pacific
# Non-GAAP Financial Measures

*($ millions)*

| **FFO** | **2014** | **2013** | **2012** |
|---|---|---|---|
| Net cash flows from operating activities | $ 246 | $ 226 | $ 197 |
| +/- Changes in other operating assets and liabilities | 5 | 16 | 78 |
| **FFO** | **$ 251** | **$ 242** | **$ 275** |
| **Interest expense** | **$ 61** | **$ 62** | **$ 65** |
| **FFO Interest Coverage[(1)]** | **5.1x** | **4.9x** | **5.2x** |
| **Debt [(2)]** | **$ 1,200** | **$ 1,200** | **$ 1,179** |
| **FFO to Debt[(3)]** | **20.9%** | **20.2%** | **23.3%** |
| **Capitalization** | | | |
| Total shareholder's equity | $ 998 | $ 1,016 | $ 1,039 |
| Debt | 1,200 | 1,200 | 1,179 |
| **Capitalization** | **$ 2,198** | **$ 2,216** | **$ 2,218** |
| **Debt to Total Capitalization[(4)]** | **54.6%** | **54.2%** | **53.2%** |

*(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*

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Northern Natural Gas
# Non-GAAP Financial Measures

*($ millions)*

| **FFO** | **2014** | **2013** | **2012** |
|---|---|---|---|
| Net cash flows from operating activities | $ 297 | $ 264 | $ 304 |
| +/- Changes in other operating assets and liabilities | 31 | 41 | (27) |
| **FFO** | **$ 328** | **$ 305** | **$ 277** |
| **Interest expense** | **$ 45** | **$ 44** | **$ 52** |
| **FFO Interest Coverage[1]** | **8.3x** | **7.9x** | **6.3x** |
| **Debt [2]** | **$ 899** | **$ 899** | **$ 899** |
| **FFO to Debt[3]** | **36.5%** | **33.9%** | **30.8%** |
| **Capitalization** | | | |
| Northern Natural Gas shareholder's equity | $ 1,330 | $ 1,360 | $ 1,290 |
| Debt | 899 | 899 | 899 |
| **Capitalization** | **$ 2,229** | **$ 2,259** | **$ 2,189** |
| **Debt to Total Capitalization[4]** | **40.3%** | **39.8%** | **41.1%** |

*[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*

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Kern River
# Non-GAAP Financial Measures

*($ millions)*

| **FFO** | **2014** | **2013** | **2012** |
|---|---|---|---|
| Net cash flows from operating activities | $ 214 | $ 220 | $ 249 |
| +/- Changes in other operating assets and liabilities | 8 | 2 | (1) |
| **FFO** | **$ 222** | **$ 222** | **$ 248** |
| **Interest expense** | **$ 31** | **$ 36** | **$ 41** |
| **FFO Interest Coverage[1]** | **8.2x** | **7.2x** | **7.0x** |
| **Debt [2]** | **$ 467** | **$ 548** | **$ 628** |
| **FFO to Debt[3]** | **47.5%** | **40.5%** | **39.5%** |
| **Capitalization** | | | |
| Partners' capital | $ 818 | $ 829 | $ 880 |
| Debt | 467 | 548 | 628 |
| **Capitalization** | **$ 1,285** | **$ 1,377** | **$ 1,508** |
| **Debt to Total Capitalization[4]** | **36.3%** | **39.8%** | **41.6%** |

*[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*

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Northern Powergrid
# Non-GAAP Financial Measures

*(£ millions)*

| **FFO** | **2014** | **2013** | **2012** |
|---|---|---|---|
| Net cash flows from operating activities | £ 336 | £ 321 | £ 260 |
| +/- Changes in other operating assets and liabilities | 54 | (27) | 65 |
| **FFO** | **£ 390** | **£ 294** | **£ 325** |
| **Interest expense** | **£ 91** | **£ 90** | **£ 88** |
| **FFO Interest Coverage[1]** | **5.3x** | **4.3x** | **4.7x** |
| **Debt [2]** | **£ 1,613** | **£ 1,540** | **£ 1,482** |
| **FFO to Debt[3]** | **24.2%** | **19.1%** | **21.9%** |
| **Capitalization** | | | |
| Northern Powergrid shareholders' equity | £ 2,108 | £ 1,831 | £ 1,608 |
| Debt | 1,613 | 1,540 | 1,482 |
| Noncontrolling interests | 37 | 34 | 33 |
| **Capitalization** | **£ 3,758** | **£ 3,405** | **£ 3,123** |
| **Debt to Total Capitalization[4]** | **42.9%** | **45.2%** | **47.5%** |

*[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*

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Debt Maturities
# As of December 31, 2014

## Long-Term Debt Maturities[1]

| *($ millions)* | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Berkshire Hathaway Energy | $ - | $ - | $ 400 | $ 1,000 | $ - | $ 350 | $ - | $ - | $ 500 | $ - |
| PacifiCorp | 132 | 57 | 52 | 586 | 350 | 38 | 420 | 605 | 449 | 591 |
| MidAmerican Funding | 426 | 34 | 254 | 350 | 500 | - | - | - | 314 | 335 |
| NV Energy | 250 | 660 | - | 823 | 500 | 315 | - | - | 250 | - |
| Northern Natural Gas | 100 | - | - | 200 | - | - | 200 | - | - | - |
| Kern River | 85 | 191 | 62 | 129 | - | - | - | - | - | - |
| BHE Renewables | 121 | 168 | 172 | 179 | 463 | 92 | 96 | 90 | 89 | 94 |
| AltaLink | 78 | 129 | - | 172 | 172 | 280 | - | 237 | 430 | 301 |
| Northern Powergrid | - | - | - | 62 | 62 | 528 | - | 547 | - | - |
| | $ 1,193 | $ 1,239 | $ 939 | $ 3,502 | $ 2,047 | $ 1,603 | $ 716 | $ 1,478 | $ 2,032 | $ 1,321 |

[1] *Excludes capital leases*

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Long-Term Debt Summary
# As of December 31, 2014

## Consolidated Berkshire Hathaway Energy

| | $ (millions) | Wt. Avg. Coupon | Wt. Avg. Life (Years)[1] |
|---|---|---|---|
| Berkshire Hathaway Energy - Parent | 7,860 | 5.14% | 16.0 |
| MidAmerican Funding | 4,345 | 4.39% | 13.4 |
| PacifiCorp | 7,089 | 4.94% | 14.6 |
| NV Energy | 5,138 | 5.81% | 11.0 |
| Northern Natural Gas Company | 899 | 4.90% | 13.6 |
| Kern River Gas Transmission Company | 467 | 5.53% | 2.0 |
| Northern Powergrid[2] | 2,334 | 6.26% | 11.7 |
| AltaLink[3] | 3,756 | 4.28% | 18.6 |
| BHE Renewables | 2,967 | 5.42% | 10.4 |
| **Total Berkshire Hathaway Energy Long-Term Debt** | **34,855** | **5.09%** | **14.3** |
| Berkshire Hathaway Energy - Parent Junior Subordinated Debentures | 3,794 | 3.00% | 29.4 |
| Northern Electric Preferred Stock - Perpetual | 56 | 8.06% | 30.0 |
| PacifiCorp Preferred Stock - Perpetual | 2 | 6.75% | 30.0 |
| **Total Berkshire Hathaway Energy Preferred Stock and Jr. Sub. Debentures** | **3,852** | **3.08%** | **29.4** |
| **Total Berkshire Hathaway Energy Long-Term Securities** | **38,707** | **4.89%** | **15.8** |

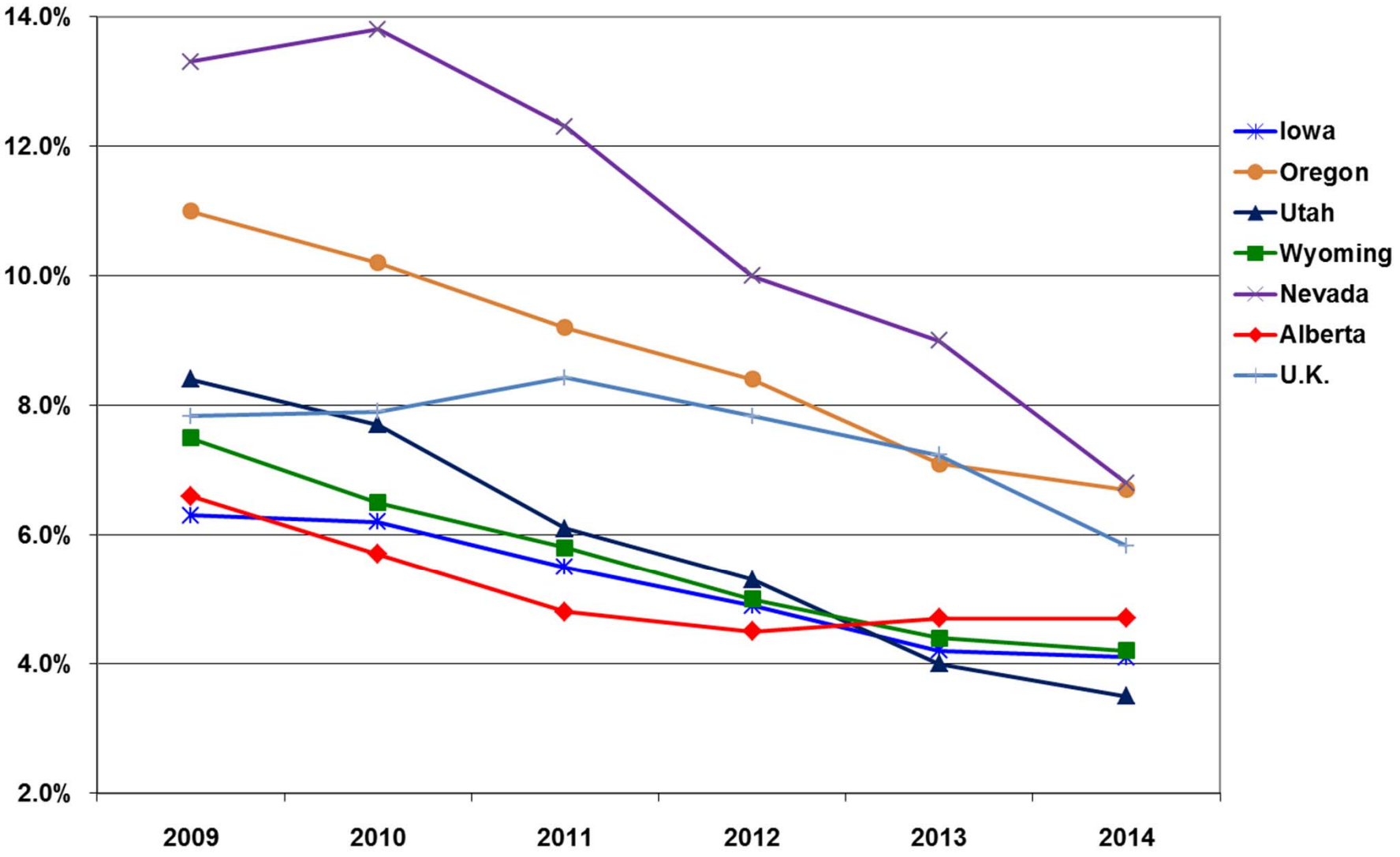
*(1) Weighted average life assumes perpetual preferred stock has an average life of 30 years*

*(2) USD to GBP exchange rate at $1.5573/pound*

*(3) CAD to USD exchange rate at $1.1621/USD*

[Filed under a Berkshire Hathaway Energy Form 8-K on March 31, 2015]

# Jurisdictional Strength – Unemployment Rates

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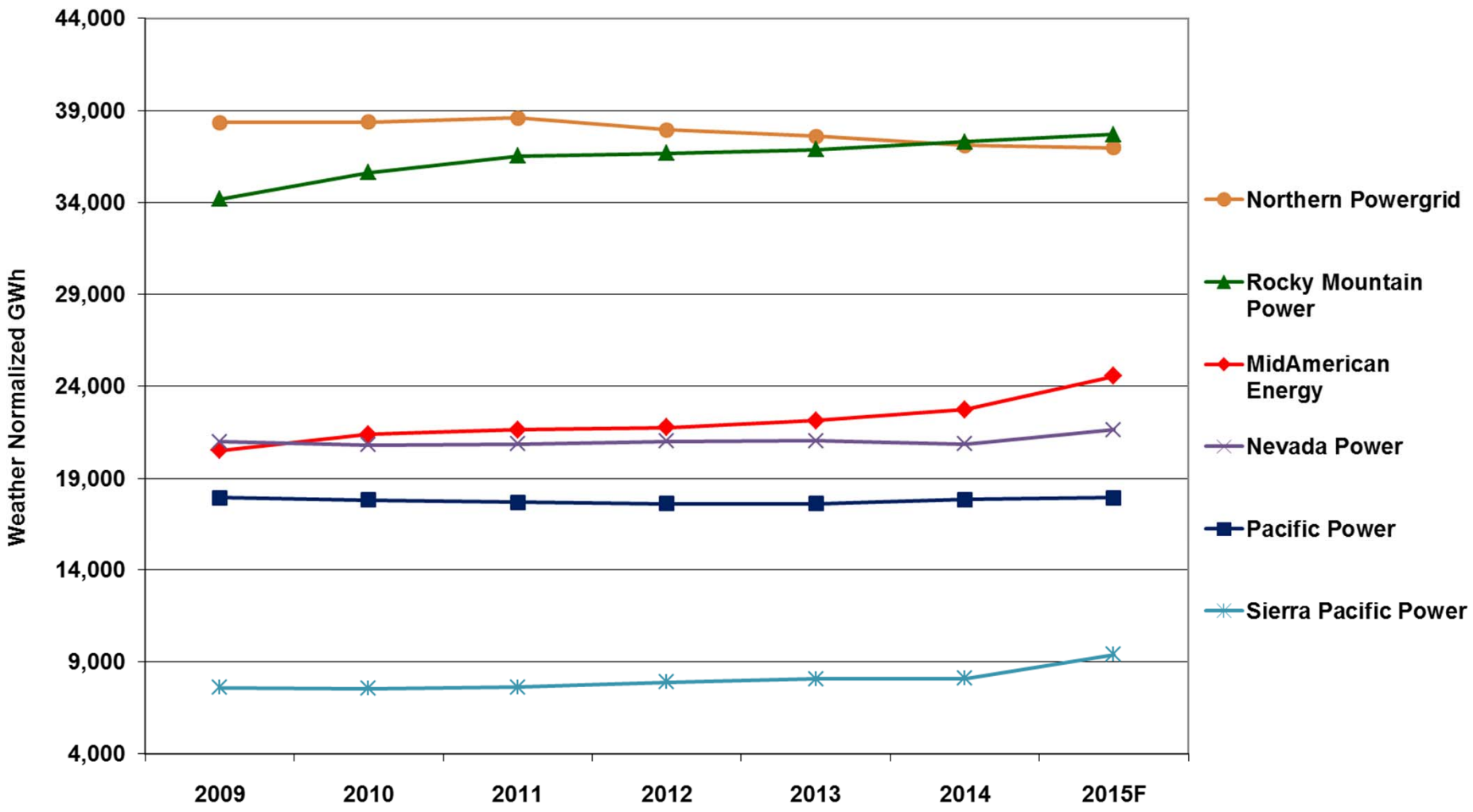
# Retail Load (Weather Normalized)

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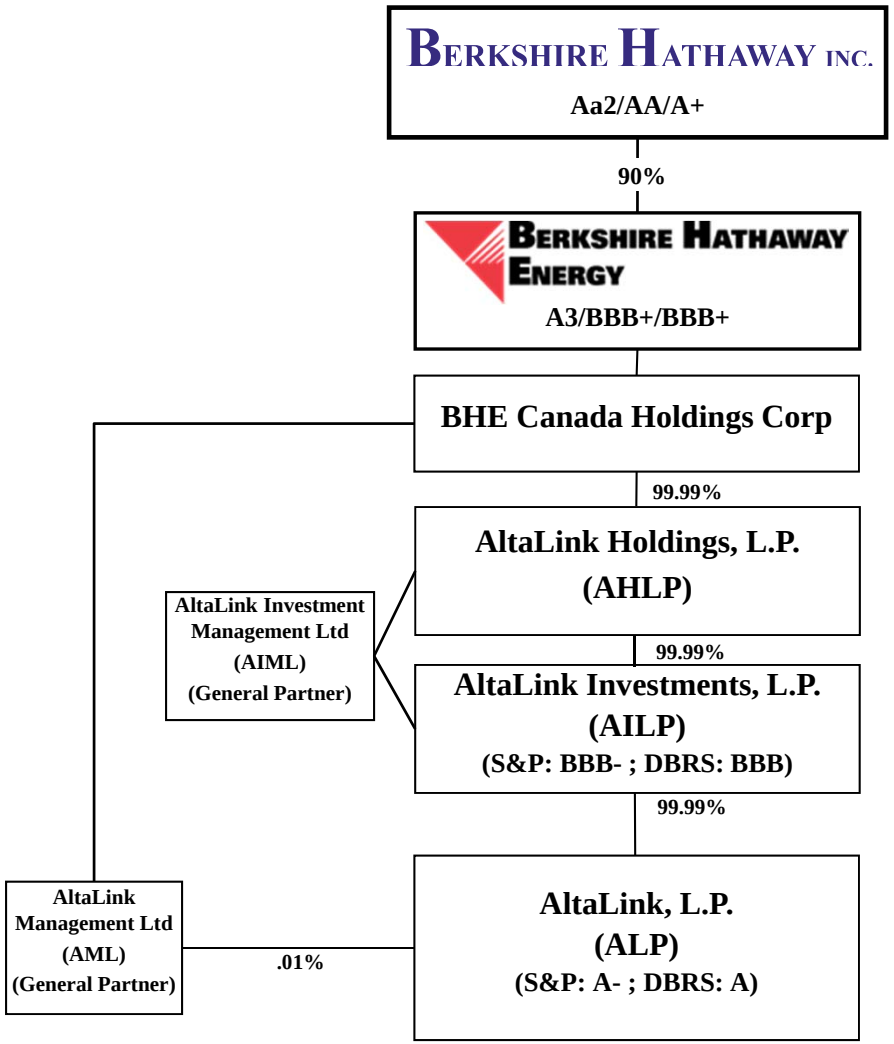
# AltaLink Ownership Structure




*Note: The above ownership structure is a high-level summary and does not include all entities that are part of the transaction structure*

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