

THIS FILING IS

Item 1: ☒ An Initial (Original) Submission OR ☐ Resubmission No. _____

Form 2 Approved
OMB No.1902-0028
(Expires 10/31/2014)

Form 3-Q Approved
OMB No.1902-0205
(Expires 05/31/2014)



FERC FINANCIAL REPORT

FERC FORM No. 2: Annual Report of Major Natural Gas Companies and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Natural Gas Act, Sections 10(a), and 16 and 18 CFR Parts 260.1 and 260.300. Failure to report may result in criminal fines, civil penalties, and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of a confidential nature.

Exact Legal Name of Respondent (Company)

Kern River Gas Transmission Company

Year/Period of Report

End of 2013/Q4

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Partners of
Kern River Gas Transmission Company
Salt Lake City, Utah

We have audited the accompanying financial statements of Kern River Gas Transmission Company (the "Company"), which comprise of the balance sheet — regulatory basis as of December 31, 2013, and the related statements of income – regulatory basis, retained earnings – regulatory basis and cash flows – regulatory basis for the year then ended, included on pages 110 through 122 of the accompanying Federal Energy Regulatory Commission Form 2, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the regulatory-basis financial statements referred to above present fairly, in all material respects, the assets, liabilities and proprietary capital of Kern River Gas Transmission Company as of December 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

Basis of Accounting

As discussed in Note 2 to the financial statements, these financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Restricted Use

This report is intended solely for the information and use of the board of directors and management of the Company and for filing with the Federal Energy Regulatory Commission and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte & Touche LLP

April 17, 2014

QUARTERLY/ANNUAL REPORT OF MAJOR NATURAL GAS COMPANIES

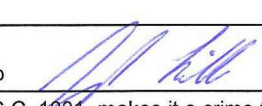
IDENTIFICATION

01 Exact Legal Name of Respondent Kern River Gas Transmission Company		Year/Period of Report End of <u>2013/Q4</u>	
03 Previous Name and Date of Change (If name changed during year)			
04 Address of Principal Office at End of Year (Street, City, State, Zip Code) 2755 East Cottonwood Parkway Suite 300, Salt Lake City, UT 84121			
05 Name of Contact Person Thomas P. Tosoni		06 Title of Contact Person Director - Accounting & Reporting	
07 Address of Contact Person (Street, City, State, Zip Code) 1111 S 103rd Street, Omaha, NE 68124			
08 Telephone of Contact Person, Including Area Code 402-398-7993		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	
		10 Date of Report (Mo, Da, Yr)	

ANNUAL CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

11 Name Joseph Lillo	12 Title Vice President
13 Signature /s/ Joseph Lillo 	14 Date Signed 04/17/2014

Title 18, U.S.C. 1001, makes it a crime for any person knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

List of Schedules (Natural Gas Company)

Enter in column (d) the terms "none," "not applicable," or "NA" as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none," "not applicable," or "NA."

Line No.	Title of Schedule (a)	Reference Page No. (b)	Date Revised (c)	Remarks (d)
	GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS			
1	General Information	101		
2	Control Over Respondent	102		
3	Corporations Controlled by Respondent	103		
4	Security Holders and Voting Powers	107		
5	Important Changes During the Year	108		
6	Comparative Balance Sheet	110-113		
7	Statement of Income for the Year	114-116		
8	Statement of Accumulated Comprehensive Income and Hedging Activities	117		
9	Statement of Retained Earnings for the Year	118-119		
10	Statements of Cash Flows	120-121		
11	Notes to Financial Statements	122		
	BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)			
12	Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion	200-201		
13	Gas Plant in Service	204-209		
14	Gas Property and Capacity Leased from Others	212		NA
15	Gas Property and Capacity Leased to Others	213		NA
16	Gas Plant Held for Future Use	214		NA
17	Construction Work in Progress-Gas	216		
18	Non-Traditional Rate Treatment Afforded New Projects	217		
19	General Description of Construction Overhead Procedure	218		
20	Accumulated Provision for Depreciation of Gas Utility Plant	219		
21	Gas Stored	220		NA
22	Investments	222-223		
23	Investments in Subsidiary Companies	224-225		
24	Prepayments	230		
25	Extraordinary Property Losses	230		NA
26	Unrecovered Plant and Regulatory Study Costs	230		NA
27	Other Regulatory Assets	232		
28	Miscellaneous Deferred Debits	233		NA
29	Accumulated Deferred Income Taxes	234-235		
	BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits)			
30	Capital Stock	250-251		NA
31	Capital Stock Subscribed, Capital Stock Liability for Conversion, Premium on Capital Stock, and Installments Received on Capital Stock	252		NA
32	Other Paid-in Capital	253		
33	Discount on Capital Stock	254		NA
34	Capital Stock Expense	254		NA
35	Securities issued or Assumed and Securities Refunded or Retired During the Year	255		
36	Long-Term Debt	256-257		
37	Unamortized Debt Expense, Premium, and Discount on Long-Term Debt	258-259		

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

List of Schedules (Natural Gas Company) (continued)

Enter in column (d) the terms "none," "not applicable," or "NA" as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none," "not applicable," or "NA."

Line No.	Title of Schedule (a)	Reference Page No. (b)	Date Revised (c)	Remarks (d)
38	Unamortized Loss and Gain on Reacquired Debt	260		NA
39	Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes	261		
40	Taxes Accrued, Prepaid, and Charged During Year	262-263		
41	Miscellaneous Current and Accrued Liabilities	268		
42	Other Deferred Credits	269		
43	Accumulated Deferred Income Taxes-Other Property	274-275		
44	Accumulated Deferred Income Taxes-Other	276-277		
45	Other Regulatory Liabilities	278		
	INCOME ACCOUNT SUPPORTING SCHEDULES			
46	Monthly Quantity & Revenue Data by Rate Schedule	299		
47	Gas Operating Revenues	300-301		
48	Revenues from Transportation of Gas of Others Through Gathering Facilities	302-303		NA
49	Revenues from Transportation of Gas of Others Through Transmission Facilities	304-305		
50	Revenues from Storage Gas of Others	306-307		NA
51	Other Gas Revenues	308		
52	Discounted Rate Services and Negotiated Rate Services	313		
53	Gas Operation and Maintenance Expenses	317-325		
54	Exchange and Imbalance Transactions	328		
55	Gas Used in Utility Operations	331		
56	Transmission and Compression of Gas by Others	332		NA
57	Other Gas Supply Expenses	334		
58	Miscellaneous General Expenses-Gas	335		
59	Depreciation, Depletion, and Amortization of Gas Plant	336-338		
60	Particulars Concerning Certain Income Deduction and Interest Charges Accounts	340		
	COMMON SECTION			
61	Regulatory Commission Expenses	350-351		
62	Employee Pensions and Benefits (Account 926)	352		
63	Distribution of Salaries and Wages	354-355		
64	Charges for Outside Professional and Other Consultative Services	357		
65	Transactions with Associated (Affiliated) Companies	358		
	GAS PLANT STATISTICAL DATA			
66	Compressor Stations	508-509		
67	Gas Storage Projects	512-513		NA
68	Transmission Lines	514		
69	Transmission System Peak Deliveries	518		
70	Auxiliary Peaking Facilities	519		NA
71	Gas Account-Natural Gas	520		
72	Shipper Supplied Gas for the Current Quarter	521		
73	System Map	522		
74	Footnote Reference	551		
75	Footnote Text	552		
76	Stockholder's Reports (check appropriate box)			
	<input type="checkbox"/> Four copies will be submitted <input checked="" type="checkbox"/> No annual report to stockholders is prepared			

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
---	---	---------------------------------------	--

General Information

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Joseph Lillo, Vice President

1111 South 103rd Street, Omaha, NE 68124
2755 East Cottonwood Parkway Suite 300, Cottonwood, UT 84121

2. Provide the name of the State under the laws of which respondent is incorporated and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

Not incorporated
Texas general partnership
05-29-85

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

N/A

4. State the classes of utility and other services furnished by respondent during the year in each State in which the respondent operated.

During 2013, the respondent was engaged in the transportation of natural gas for major producers, municipalities, local distribution companies, cogeneration and natural gas marketers through a natural gas transmission system which extends from the overthrust area of southwest Wyoming, through the states of Utah and Nevada, to points of termination in Kern County near Bakersfield, California.

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

- (1) ☐ Yes... Enter the date when such independent accountant was initially engaged:
(2) ☒ No

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Control Over Respondent

1. Report in column (a) the names of all corporations, partnerships, business trusts, and similar organizations that directly, indirectly, or jointly held control (see page 103 for definition of control) over the respondent at the end of the year. If control is in a holding company organization, report in a footnote the chain of organization.
2. If control is held by trustees, state in a footnote the names of trustees, the names of beneficiaries for whom the trust is maintained, and the purpose of the trust.
3. In column (b) designate type of control over the respondent. Report an "M" if the company is the main parent or controlling company having ultimate control over the respondent. Otherwise, report a "D" for direct, an "I" for indirect, or a "J" for joint control.

Line No.	Company Name (a)	Type of Control (b)	State of Incorporation (c)	Percent Voting Stock Owned (d)
1	Berkshire Hathaway, Inc	M	DE	89.85
2	MidAmerican Energy Holdings Company	I	IA	100.00
3	KR Holding, LLC	I	DE	100.00
4	KR Acquisition 1, LLC	J	DE	50.00
5	KR Acquisition 2, LLC	J	DE	50.00
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Corporations Controlled by Respondent

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.
4. In column (b) designate type of control of the respondent as "D" for direct, an "I" for indirect, or a "J" for joint control.

DEFINITIONS

1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary that exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Type of Control (b)	Kind of Business (c)	Percent Voting Stock Owned (d)	Footnote Reference (e)
1	Kern River Funding Corporation	D	Financial Intermediary	100	Not used
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Important Changes During the Quarter/Year			

Give details concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Answer each inquiry. Enter "none" or "not applicable" where applicable. If the answer is given elsewhere in the report, refer to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration and state from whom the franchise rights were acquired. If the franchise rights were acquired without the payment of consideration, state that fact.
 2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
 3. Purchase or sale of an operating unit or system: Briefly describe the property, and the related transactions, and cite Commission authorization, if any was required. Give date journal entries called for by Uniform System of Accounts were submitted to the Commission.
 4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other conditions. State name of Commission authorizing lease and give reference to such authorization.
 5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and cite Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service.
- Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or not later than one year after date of issue: State on behalf of whom the obligation was assumed and amount of the obligation. Cite Commission authorization if any was required.
 7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
 8. State the estimated annual effect and nature of any important wage scale changes during the year.
 9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
 10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
 11. Estimated increase or decrease in annual revenues caused by important rate changes: State effective date and approximate amount of increase or decrease for each revenue classification. State the number of customers affected.
 12. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
 13. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

1. None

2. None

3. None

4. None

5. None

6. None

7. None

8. None

9. None

10. None

11. Following the expiration of their initial contracts on April 30, 2013, six customers were eligible to request service at the Period Two rate applicable to firm transportation service under the Commission's Orders in Docket No. RP04-274, which would decrease annual revenue by \$17.1 million. One customer requested the Period Two service.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Important Changes During the Quarter/Year			

12. Bret Reich, Vice President and Assistant General Counsel, resigned December 20, 2013 and Mary Hausman, Controller, resigned December 31, 2013.

13. Not applicable

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
Comparative Balance Sheet (Assets and Other Debits)					
Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)	
1	UTILITY PLANT				
2	Utility Plant (101-106, 114)	200-201	2,810,712,592	2,797,140,992	
3	Construction Work in Progress (107)	200-201	638,441	645,040	
4	TOTAL Utility Plant (Total of lines 2 and 3)	200-201	2,811,351,033	2,797,786,032	
5	(Less) Accum. Provision for Depr., Amort., Depl. (108, 111, 115)		1,052,478,285	984,020,870	
6	Net Utility Plant (Total of line 4 less 5)		1,758,872,748	1,813,765,162	
7	Nuclear Fuel (120.1 thru 120.4, and 120.6)		0	0	
8	(Less) Accum. Provision for Amort., of Nuclear Fuel Assemblies (120.5)		0	0	
9	Nuclear Fuel (Total of line 7 less 8)		0	0	
10	Net Utility Plant (Total of lines 6 and 9)		1,758,872,748	1,813,765,162	
11	Utility Plant Adjustments (116)	122	0	0	
12	Gas Stored-Base Gas (117.1)	220	0	0	
13	System Balancing Gas (117.2)	220	0	0	
14	Gas Stored in Reservoirs and Pipelines-Noncurrent (117.3)	220	0	0	
15	Gas Owed to System Gas (117.4)	220	0	0	
16	OTHER PROPERTY AND INVESTMENTS				
17	Nonutility Property (121)		0	0	
18	(Less) Accum. Provision for Depreciation and Amortization (122)		0	0	
19	Investments in Associated Companies (123)	222-223	0	0	
20	Investments in Subsidiary Companies (123.1)	224-225	0	0	
21	(For Cost of Account 123.1 See Footnote Page 224, line 40)				
22	Noncurrent Portion of Allowances		0	0	
23	Other Investments (124)	222-223	0	0	
24	Sinking Funds (125)		0	0	
25	Depreciation Fund (126)		0	0	
26	Amortization Fund - Federal (127)		0	0	
27	Other Special Funds (128)		44,750,341	27,729,100	
28	Long-Term Portion of Derivative Assets (175)		0	0	
29	Long-Term Portion of Derivative Assets - Hedges (176)		0	0	
30	TOTAL Other Property and Investments (Total of lines 17-20, 22-29)		44,750,341	27,729,100	
31	CURRENT AND ACCRUED ASSETS				
32	Cash (131)		0	0	
33	Special Deposits (132-134)		1,358,163	8,148,267	
34	Working Funds (135)		0	0	
35	Temporary Cash Investments (136)	222-223	9,750,125	41,068,400	
36	Notes Receivable (141)		0	0	
37	Customer Accounts Receivable (142)		25,067,863	33,086,531	
38	Other Accounts Receivable (143)		22,535	2,005,305	
39	(Less) Accum. Provision for Uncollectible Accounts - Credit (144)		0	0	
40	Notes Receivable from Associated Companies (145)		0	0	
41	Accounts Receivable from Associated Companies (146)		5,679,598	740,409	
42	Fuel Stock (151)		0	0	
43	Fuel Stock Expenses Undistributed (152)		0	0	

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
Comparative Balance Sheet (Assets and Other Debits)(continued)					
Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)	
44	Residuals (Elec) and Extracted Products (Gas) (153)		0	0	
45	Plant Materials and Operating Supplies (154)		10,058,485	10,152,015	
46	Merchandise (155)		0	0	
47	Other Materials and Supplies (156)		0	0	
48	Nuclear Materials Held for Sale (157)		0	0	
49	Allowances (158.1 and 158.2)		0	0	
50	(Less) Noncurrent Portion of Allowances		0	0	
51	Stores Expense Undistributed (163)		0	0	
52	Gas Stored Underground-Current (164.1)	220	0	0	
53	Liquefied Natural Gas Stored and Held for Processing (164.2 thru 164.3)	220	0	0	
54	Prepayments (165)	230	1,715,040	1,439,589	
55	Advances for Gas (166 thru 167)		0	0	
56	Interest and Dividends Receivable (171)		0	0	
57	Rents Receivable (172)		0	0	
58	Accrued Utility Revenues (173)		0	0	
59	Miscellaneous Current and Accrued Assets (174)		1,633,312	2,084,024	
60	Derivative Instrument Assets (175)		0	0	
61	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0	
62	Derivative Instrument Assets - Hedges (176)		0	0	
63	(Less) Long-Term Portion of Derivative Instrument Assests - Hedges (176)		0	0	
64	TOTAL Current and Accrued Assets (Total of lines 32 thru 63)		55,285,121	98,724,540	
65	DEFERRED DEBITS				
66	Unamortized Debt Expense (181)		5,036,923	7,514,793	
67	Extraordinary Property Losses (182.1)	230	0	0	
68	Unrecovered Plant and Regulatory Study Costs (182.2)	230	0	0	
69	Other Regulatory Assets (182.3)	232	86,004,087	91,988,790	
70	Preliminary Survey and Investigation Charges (Electric)(183)		0	0	
71	Preliminary Survey and Investigation Charges (Gas)(183.1 and 183.2)		331,277	331,277	
72	Clearing Accounts (184)		0	0	
73	Temporary Facilities (185)		0	0	
74	Miscellaneous Deferred Debits (186)	233	0	0	
75	Deferred Losses from Disposition of Utility Plant (187)		0	0	
76	Research, Development, and Demonstration Expend. (188)		0	0	
77	Unamortized Loss on Reacquired Debt (189)		0	0	
78	Accumulated Deferred Income Taxes (190)	234-235	127,810,147	118,913,000	
79	Unrecovered Purchased Gas Costs (191)		0	0	
80	TOTAL Deferred Debits (Total of lines 66 thru 79)		219,182,434	218,747,860	
81	TOTAL Assets and Other Debits (Total of lines 10-15,30,64,and 80)		2,078,090,644	2,158,966,662	

Page 113

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Statement of Income

Quarterly

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

Annual or Quarterly, if applicable

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

Line No.	Title of Account (a)	Reference Page Number (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current Three Months Ended Quarterly Only No Fourth Quarter (e)	Prior Three Months Ended Quarterly Only No Fourth Quarter (f)
1	UTILITY OPERATING INCOME					
2	Gas Operating Revenues (400)	300-301	359,056,563	383,393,663	0	0
3	Operating Expenses					
4	Operation Expenses (401)	317-325	38,717,314	36,103,275	0	0
5	Maintenance Expenses (402)	317-325	1,451,227	1,467,609	0	0
6	Depreciation Expense (403)	336-338	81,657,465	81,253,842	0	0
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-338	0	0	0	0
8	Amortization and Depletion of Utility Plant (404-405)	336-338	3,170,457	3,041,231	0	0
9	Amortization of Utility Plant Acu. Adjustment (406)	336-338	0	0	0	0
10	Amort. of Prop. Losses, Unrecovered Plant and Reg. Study Costs (407.1)		0	0	0	0
11	Amortization of Conversion Expenses (407.2)		0	0	0	0
12	Regulatory Debits (407.3)		49,670,035	51,197,794	0	0
13	(Less) Regulatory Credits (407.4)		18,454,213	18,584,574	0	0
14	Taxes Other than Income Taxes (408.1)	262-263	17,325,531	17,619,651	0	0
15	Income Taxes-Federal (409.1)	262-263	40,155,232	35,775,997	0	0
16	Income Taxes-Other (409.1)	262-263	6,942,534	5,824,369	0	0
17	Provision of Deferred Income Taxes (410.1)	234-235	107,195,057	93,588,055	0	0
18	(Less) Provision for Deferred Income Taxes-Credit (411.1)	234-235	96,909,134	69,056,142	0	0
19	Investment Tax Credit Adjustment-Net (411.4)		0	0	0	0
20	(Less) Gains from Disposition of Utility Plant (411.6)		0	0	0	0
21	Losses from Disposition of Utility Plant (411.7)		0	0	0	0
22	(Less) Gains from Disposition of Allowances (411.8)		0	0	0	0
23	Losses from Disposition of Allowances (411.9)		0	0	0	0
24	Accretion Expense (411.10)		0	0	0	0
25	TOTAL Utility Operating Expenses (Total of lines 4 thru 24)		230,921,505	238,231,107	0	0
26	Net Utility Operating Income (Total of lines 2 less 25) (Carry forward to page 116, line 27)		128,135,058	145,162,556	0	0

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4	
Statement of Income(continued)						
Line No.	Title of Account (a)	Reference Page Number (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current Three Months Ended Quarterly Only No Fourth Quarter (e)	Prior Three Months Ended Quarterly Only No Fourth Quarter (f)
27	Net Utility Operating Income (Carried forward from page 114)		128,135,058	145,162,556	0	0
28	OTHER INCOME AND DEDUCTIONS					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues form Merchandising, Jobbing and Contract Work (415)		0	0	0	0
32	(Less) Costs and Expense of Merchandising, Job & Contract Work (416)		0	0	0	0
33	Revenues from Nonutility Operations (417)		0	0	0	0
34	(Less) Expenses of Nonutility Operations (417.1)		0	0	0	0
35	Nonoperating Rental Income (418)		0	0	0	0
36	Equity in Earnings of Subsidiary Companies (418.1)	119	0	0	0	0
37	Interest and Dividend Income (419)		10,787	4,724	0	0
38	Allowance for Other Funds Used During Construction (419.1)		110,248	572,949	0	0
39	Miscellaneous Nonoperating Income (421)		386,806	590,302	0	0
40	Gain on Disposition of Property (421.1)		0	0	0	0
41	TOTAL Other Income (Total of lines 31 thru 40)		507,841	1,167,975	0	0
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)		0	0	0	0
44	Miscellaneous Amortization (425)		0	0	0	0
45	Donations (426.1)	340	48,087	49,836	0	0
46	Life Insurance (426.2)		0	0	0	0
47	Penalties (426.3)		0	0	0	0
48	Expenditures for Certain Civic, Political and Related Activities (426.4)		43,175	69,098	0	0
49	Other Deductions (426.5)		3,247	84,075	0	0
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)	340	94,509	203,009	0	0
51	Taxes Applicable to Other Income and Deductions					
52	Taxes Other than Income Taxes (408.2)	262-263	0	0	0	0
53	Income Taxes-Federal (409.2)	262-263	141,599	147,000	0	0
54	Income Taxes-Other (409.2)	262-263	22,286	21,000	0	0
55	Provision for Deferred Income Taxes (410.2)	234-235	706,617	359,000	0	0
56	(Less) Provision for Deferred Income Taxes-Credit (411.2)	234-235	687,354	135,000	0	0
57	Investment Tax Credit Adjustments-Net (411.5)		0	0	0	0
58	(Less) Investment Tax Credits (420)		0	0	0	0
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		183,148	392,000	0	0
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		230,184	572,966	0	0
61	INTEREST CHARGES					
62	Interest on Long-Term Debt (427)		32,735,221	37,188,202	0	0
63	Amortization of Debt Disc. and Expense (428)	258-259	2,477,870	2,814,194	0	0
64	Amortization of Loss on Recquired Debt (428.1)		0	0	0	0
65	(Less) Amortization of Premium on Debt-Credit (429)	258-259	0	0	0	0
66	(Less) Amortization of Gain on Recquired Debt-Credit (429.1)		0	0	0	0
67	Interest on Debt to Associated Companies (430)	340	0	0	0	0
68	Other Interest Expense (431)	340	835,266	867,335	0	0
69	(Less) Allowance for Borrowed Funds Used During Construction-Credit (432)		43,669	581,680	0	0
70	Net Interest Charges (Total of lines 62 thru 69)		36,004,688	40,288,051	0	0
71	Income Before Extraordinary Items (Total of lines 27,60 and 70)		92,360,554	105,447,471	0	0
72	EXTRAORDINARY ITEMS					
73	Extraordinary Income (434)		0	0	0	0
74	(Less) Extraordinary Deductions (435)		0	0	0	0
75	Net Extraordinary Items (Total of line 73 less line 74)		0	0	0	0
76	Income Taxes-Federal and Other (409.3)	262-263	0	0	0	0
77	Extraordinary Items after Taxes (Total of line 75 less line 76)		0	0	0	0
78	Net Income (Total of lines 71 and 77)		92,360,554	105,447,471	0	0

BLANK PAGE

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kern River Gas Transmission Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	/ /	End of 2013/Q4

Statement of Accumulated Comprehensive Income and Hedging Activities

1. Report in columns (b) (c) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.

Line No.	Item (a)	Unrealized Gains and Losses on available-for-sale securities (b)	Minimum Pension liability Adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)
1	Balance of Account 219 at Beginning of Preceding Year				
2	Preceding Quarter/Year to Date Reclassifications from Account 219 to Net Income				
3	Preceding Quarter/Year to Date Changes in Fair Value				
4	Total (lines 2 and 3)				
5	Balance of Account 219 at End of Preceding Quarter/Year				
6	Balance of Account 219 at Beginning of Current Year				
7	Current Quarter/Year to Date Reclassifications from Account 219 to Net Income				
8	Current Quarter/Year to Date Changes in Fair Value				
9	Total (lines 7 and 8)				
10	Balance of Account 219 at End of Current Quarter/Year				

[illegible]

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Statement of Retained Earnings

1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).
3. State the purpose and amount for each reservation or appropriation of retained earnings.
4. List first Account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items, in that order.
5. Show dividends for each class and series of capital stock.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter Year to Date Balance (c)	Previous Quarter Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS			
1	Balance-Beginning of Period		(14,276,269)	(26,223,740)
2	Changes (Identify by prescribed retained earnings accounts)			
3	Adjustments to Retained Earnings (Account 439)			
4	TOTAL Credits to Retained Earnings (Account 439) (footnote details)			
5	TOTAL Debits to Retained Earnings (Account 439) (footnote details)			
6	Balance Transferred from Income (Acct 433 less Acct 418.1)		92,360,554	105,447,471
7	Appropriations of Retained Earnings (Account 436)			
8	TOTAL Appropriations of Retained Earnings (Account 436) (footnote details)			
9	Dividends Declared-Preferred Stock (Account 437)			
10	TOTAL Dividends Declared-Preferred Stock (Account 437) (footnote details)			
11	Dividends Declared-Common Stock (Account 438)			
12	TOTAL Dividends Declared-Common Stock (Account 438) (footnote details)	131	146,050,000	93,500,000
13	Transfers from Account 216.1, Unappropriated Undistributed Subsidiary Earnings			
14	Balance-End of Period (Total of lines 1, 4, 5, 6, 8, 10, 12, and 13)		(67,965,715)	(14,276,269)
15	APPROPRIATED RETAINED EARNINGS (Account 215)			
16	TOTAL Appropriated Retained Earnings (Account 215) (footnote details)			
17	APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account			
18	TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account			
19	TOTAL Appropriated Retained Earnings (Accounts 215, 215.1) (Total of lines			
20	TOTAL Retained Earnings (Accounts 215, 215.1, 216) (Total of lines 14 and 1		(67,965,715)	(14,276,269)
21	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)			
	Report only on an Annual Basis no Quarterly			
22	Balance-Beginning of Year (Debit or Credit)			
23	Equity in Earnings for Year (Credit) (Account 418.1)			
24	(Less) Dividends Received (Debit)			
25	Other Changes (Explain)			
26	Balance-End of Year			

BLANK PAGE

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
Statement of Cash Flows				
<p>(1) Codes to be used: (a) Net Proceeds or Payments; (b) Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.</p> <p>(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.</p> <p>(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.</p> <p>(4) Investing Activities: Include at Other (line 25) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.</p>				
Line No.	Description (See Instructions for explanation of codes) (a)	Current Year to Date Quarter/Year	Previous Year to Date Quarter/Year	
1	Net Cash Flow from Operating Activities			
2	Net Income (Line 78(c) on page 116)	92,360,554	105,447,471	
3	Noncash Charges (Credits) to Income:			
4	Depreciation and Depletion	84,827,922	84,295,073	
5	Amortization of (Specify) (footnote details)	35,806,148	37,905,140	
6	Deferred Income Taxes (Net)	10,305,186	24,755,913	
7	Investment Tax Credit Adjustments (Net)			
8	Net (Increase) Decrease in Receivables	3,065,338	245,555	
9	Net (Increase) Decrease in Inventory	(227,362)	(722,968)	
10	Net (Increase) Decrease in Allowances Inventory			
11	Net Increase (Decrease) in Payables and Accrued Expenses	(5,041,668)	1,404,596	
12	Net (Increase) Decrease in Other Regulatory Assets	(552,666)	(2,595,335)	
13	Net Increase (Decrease) in Other Regulatory Liabilities	(171,905)	(25,381)	
14	(Less) Allowance for Other Funds Used During Construction	110,248	572,949	
15	(Less) Undistributed Earnings from Subsidiary Companies			
16	Other (footnote details):	(395,878)	(1,584,086)	
17	Net Cash Provided by (Used in) Operating Activities			
18	(Total of Lines 2 thru 16)	219,865,421	248,553,029	
19				
20	Cash Flows from Investment Activities:			
21	Construction and Acquisition of Plant (including land):			
22	Gross Additions to Utility Plant (less nuclear fuel)	(51,146,764)	(61,723,809)	
23	Gross Additions to Nuclear Fuel			
24	Gross Additions to Common Utility Plant			
25	Gross Additions to Nonutility Plant			
26	(Less) Allowance for Other Funds Used During Construction	(110,248)	(572,949)	
27	Other: (footnote)	16,514,718	10,995,794	
28	Cash Outflows for Plant (Total of lines 22 thru 27)	(34,521,798)	(50,155,066)	
29				
30	Acquisition of Other Noncurrent Assets (d)			
31	Proceeds from Disposal of Noncurrent Assets (d)			
32				
33	Investments in and Advances to Assoc. and Subsidiary Companies			
34	Contributions and Advances from Assoc. and Subsidiary Companies			
35	Disposition of Investments in (and Advances to)			
36	Associated and Subsidiary Companies			
37				
38	Purchase of Investment Securities (a)			
39	Proceeds from Sales of Investment Securities (a)			

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
Statement of Cash Flows (continued)				
Line No.	Description (See Instructions for explanation of codes) (a)	Current Year to Date Quarter/Year	Previous Year to Date Quarter/Year	
40	Loans Made or Purchased			
41	Collections on Loans			
42				
43	Net (Increase) Decrease in Receivables			
44	Net (Increase) Decrease in Inventory			
45	Net (Increase) Decrease in Allowances Held for Speculation			
46	Net Increase (Decrease) in Payables and Accrued Expenses			
47	Other (footnote details):	431,507	(1,286,128)	
48	Net Cash Provided by (Used in) Investing Activities			
49	(Total of lines 28 thru 47)	(34,090,291)	(51,441,194)	
50				
51	Cash Flows from Financing Activities:			
52	Proceeds from Issuance of:			
53	Long-Term Debt (b)			
54	Preferred Stock			
55	Common Stock			
56	Other (footnote details):			
57	Net Increase in Short-term Debt (c)			
58	Other			
59	Cash Provided by Outside Sources (Total of lines 53 thru 58)			
60				
61	Payments for Retirement of:			
62	Long-Term Debt (b)	(79,742,000)	(87,843,166)	
63	Preferred Stock			
64	Common Stock			
65	Other: Contributions from Partners	4,000,000		
66	Net Decrease in Short-Term Debt (c)			
67	Distributions to Partners	(146,000,000)	(93,500,000)	
68	Dividends on Preferred Stock			
69	Dividends on Common Stock			
70	Net Cash Provided by (Used in) Financing Activities			
71	(Total of lines 59 thru 69)	(221,742,000)	(181,343,166)	
72				
73	Net Increase (Decrease) in Cash and Cash Equivalents			
74	(Total of line 18, 49 and 71)	(35,966,870)	15,768,669	
75				
76	Cash and Cash Equivalents at Beginning of Period	45,867,207	30,098,538	
77				
78	Cash and Cash Equivalents at End of Period	9,900,337	45,867,207	

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Notes to Financial Statements			

1. Provide important disclosures regarding the Balance Sheet, Statement of Income for the Year, Statement of Retained Earnings for the Year, and Statement of Cash Flow, or any account thereof. Classify the disclosures according to each financial statement, providing a subheading for each statement except where a disclosure is applicable to more than one statement. The disclosures must be on the same subject matters and in the same level of detail that would be required if the respondent issued general purpose financial statements to the public or shareholders.
2. Furnish details as to any significant contingent assets or liabilities existing at year end, and briefly explain any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or a claim for refund of income taxes of a material amount initiated by the utility. Also, briefly explain any dividends in arrears on cumulative preferred stock.
3. Furnish details on the respondent's pension plans, post-retirement benefits other than pensions (PBOP) plans, and post-employment benefit plans as required by instruction no. 1 and, in addition, disclose for each individual plan the current year's cash contributions. Furnish details on the accounting for the plans and any changes in the method of accounting for them. Include details on the accounting for transition obligations or assets, gains or losses, the amounts deferred and the expected recovery periods. Also, disclose any current year's plan or trust curtailments, terminations, transfers, or reversions of assets. Entities that participate in multiemployer postretirement benefit plans (e.g. parent company sponsored pension plans) disclose in addition to the required disclosures for the consolidated plan, (1) the amount of cost recognized in the respondent's financial statements for each plan for the period presented, and (2) the basis for determining the respondent's share of the total plan costs.
4. Furnish details on the respondent's asset retirement obligations (ARO) as required by instruction no. 1 and, in addition, disclose the amounts recovered through rates to settle such obligations. Identify any mechanism or account in which recovered funds are being placed (i.e. trust funds, insurance policies, surety bonds). Furnish details on the accounting for the asset retirement obligations and any changes in the measurement or method of accounting for the obligations. Include details on the accounting for settlement of the obligations and any gains or losses expected or incurred on the settlement.
5. Provide a list of all environmental credits received during the reporting period.
6. Provide a summary of revenues and expenses for each tracked cost and special surcharge.
7. Where Account 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
8. Explain concisely any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
9. Disclose details on any significant financial changes during the reporting year to the respondent or the respondent's consolidated group that directly affect the respondent's gas pipeline operations, including: sales, transfers or mergers of affiliates, investments in new partnerships, sales of gas pipeline facilities or the sale of ownership interests in the gas pipeline to limited partnerships, investments in related industries (i.e., production, gathering), major pipeline investments, acquisitions by the parent corporation(s), and distributions of capital.
10. Explain concisely unsettled rate proceedings where a contingency exists such that the company may need to refund a material amount to the utility's customers or that the utility may receive a material refund with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects and explain the major factors that affect the rights of the utility to retain such revenues or to recover amounts paid with respect to power and gas purchases.
11. Explain concisely significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and summarize the adjustments made to balance sheet, income, and expense accounts.
12. Explain concisely only those significant changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.
13. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
14. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
15. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

(1) Organization and Operations

Kern River Gas Transmission Company (the "Respondent") is an indirect wholly owned subsidiary of MidAmerican Energy Holdings Company ("MEHC"), a holding company that owns subsidiaries principally engaged in the energy business. MEHC is a consolidated subsidiary of Berkshire Hathaway Inc. ("Berkshire Hathaway"). The Respondent owns an interstate natural gas pipeline system that extends from supply areas in the Rocky Mountains to consuming markets in Utah, Nevada and California. The Respondent's pipeline system consists of 1,700 miles of natural gas pipelines, including 1,400 miles of mainline section and 300 miles of common facilities, with a design capacity of 2,166,575 decatherms ("Dth") per day. The Respondent owns the entire mainline section, which extends from the system's point of origination near Opal, Wyoming, through the Central Rocky Mountains area into Daggett, California. The mainline section consists of 1,300 miles of 36-inch diameter pipeline and 100 miles of various laterals that connect to the mainline.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Notes to Financial Statements			

The common facilities are jointly owned by the Respondent and Mojave Pipeline Company ("Mojave") as tenants-in-common, and ownership may increase or decrease pursuant to the capital contributions made by each respective joint owner. The Respondent has exclusive rights to 1,613,392 Dth per day of the common facilities' capacity, and Mojave has exclusive rights to 414,001 Dth per day of capacity. Operation and maintenance of the common facilities are the responsibility of Mojave Pipeline Operating Company, an affiliate of Mojave. The Respondent reimburses Mojave for its share of the pipeline expenses. The common facilities and associated operating costs are included in the Financial Statements on a prorated basis. Except for quantities of natural gas owned for operational purposes, the Respondent does not own the natural gas that is transported through its system. The Respondent's transportation operations are subject to a regulated tariff that is on file with the Federal Energy Regulatory Commission ("FERC"). The tariff rates are designed to provide the Respondent with an opportunity to recover its costs of providing services and earn a reasonable return on its investments. The Respondent also owns Kern River Funding Corporation ("Funding"), which is an entity organized to issue and make payments on debt securities for the Respondent.

(2) Summary of Significant Accounting Policies

Basis of Presentation

The Financial Statements have been prepared based upon the accounting regulations of the FERC pursuant to the Code of Federal Regulations, Title 18, Part 201, Uniform System of Accounts ("FERC accounting regulations"). Therefore, the Financial Statements contain certain differences from general purpose financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"), including the recognition of income taxes and certain regulatory assets for levelized depreciation and financial statement classifications such as deferred income taxes, income tax expense and accumulated negative salvage.

The Financial Statements present the Respondent's stand-alone information. In accordance with FERC accounting regulations, the Respondent's 100% ownership of Funding is accounted for by the equity method. The Respondent's investment in Funding is included in unamortized debt expense on the Balance Sheets.

The Respondent has evaluated subsequent events through April 17, 2014, which is the date the Financial Statements were available to be issued.

Use of Estimates in Preparation of Financial Statements

The preparation of the Financial Statements in conformity with FERC accounting regulations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of revenue and expenses during the period. These estimates include, but are not limited to, the effects of regulation; income taxes; the recovery of long-lived assets; and accounting for contingencies. Actual results may differ from the estimates used in preparing the Financial Statements.

Accounting for the Effects of Certain Types of Regulation

The Respondent prepares its Financial Statements in accordance with authoritative guidance for regulated operations, which recognizes the economic effects of regulation. Accordingly, the Respondent is required to defer the recognition of certain costs or income if it is probable that, through the ratemaking process, there will be a corresponding increase or decrease in future regulated rates. Regulatory assets and liabilities are established to reflect the impacts of these deferrals and are recognized in earnings as they are recovered in

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
Notes to Financial Statements			

regulated rates.

The Respondent's rates for transportation service are primarily derived on the basis of a levelized cost-of-service. In the FERC orders certificating the Respondent's original system and subsequent expansions, the FERC approved depreciation expense schedules designed to maintain a constant total cost-of-service over the initial contract terms ("Period One") or the period eligible customers elect to take service upon the expiration of the Period One contracts ("Period Two"). Rather than recovering plant costs through the depreciation allowance in rates on a straight-line basis, the Respondent's annual depreciation recovery in rates increases as the return on equity, interest expense and income taxes decrease, to obtain a constant or level cost-of-service. Because application of a straight-line depreciation rate to the Respondent's plant investment would result in substantial depreciation expense in the Respondent's early years of service, the effect of levelization has been to transfer some portion of the Respondent's cost recovery from the early years to the later years of the customers' initial contract terms. The cumulative difference between the composite or straight-line method described above and the plant cost recovered through levelized depreciation is recorded as a regulatory asset or liability to be recovered or returned in future years. Refer to Note 4 of Notes to Financial Statements for additional information regarding regulatory matters and the Respondent's levelized rates.

The Respondent continually evaluates the applicability of the guidance for regulated operations and whether its regulatory assets and liabilities are probable of inclusion in future regulated rates by considering factors such as a change in the regulator's approach to setting regulated rates from cost-based ratemaking to another form of regulation, other regulatory actions or the impact of competition that could limit the Respondent's ability to recover its costs. The Respondent believes the application of the guidance for regulated operations is appropriate and its existing regulatory assets and liabilities are probable of inclusion in future regulated rates. The evaluation reflects the current political and regulatory climate at the federal level. If it becomes no longer probable that the deferred costs or income will be included in future regulated rates, the related regulatory assets and liabilities will be written-off to net income, returned to customers, or re-established as accumulated other comprehensive (loss) income ("AOCI").

Cash Equivalents and Restricted Cash

Cash equivalents consist of funds invested in money market funds and other investments with a maturity of three months or less when purchased. Cash and cash equivalents exclude amounts where availability is restricted by legal requirements, loan agreements or other contractual provisions. Restricted amounts are included in other property and investments and current and accrued assets on the Balance Sheets.

Allowance for Doubtful Accounts

Receivables are stated at the outstanding principal amount, net of an estimated allowance for doubtful accounts. The allowance for doubtful accounts is based on the Respondent's assessment of the collectability of amounts owed to the Respondent by its customers. This assessment requires judgment regarding the ability of customers to pay or the outcome of any pending disputes. As of December 31, 2013 and 2012, there was no significant allowance for doubtful accounts.

Transportation Imbalances

Shippers schedule their volumes into the Respondent's system with subsequent deliveries to various markets. Imbalance receivables and payables are created when shipper's receipts to the system vary from shipper's deliveries off the system, excluding quantities retained by the pipeline for compressor fuel and lost and unaccounted for gas. Receipts and deliveries from third parties in connection with operational balancing contracts also result in imbalances. At the end of each month, imbalances are valued at current market prices and recorded as miscellaneous current and accrued assets and liabilities on the Balance Sheets with offsetting entries to operation and maintenance on the Statements of Income. Settlement of imbalances occurs in accordance with the Respondent's FERC

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Notes to Financial Statements			

tariff, the terms of the contracts and the timing of natural gas deliveries based on the Respondent's operational conditions.

Plant Materials and Supplies

Plant materials and supplies consist mainly of replacement parts used in the periodic overhaul of gas compressor units and materials for construction, operation and maintenance and are stated at average cost, except for compressor engines which are stated at historical cost.

Utility Plant, Net

General

Additions to utility plant are recorded at cost. The Respondent capitalizes all construction-related material, direct labor and contract services, as well as indirect construction costs, which include debt and equity allowance for funds used during construction ("AFUDC") on rate base assets. The cost of additions and betterments are capitalized, while costs incurred that do not improve or extend the useful lives of the related assets are generally expensed. The Respondent is permitted to earn a return on the cost of its rate base assets as well as recover these costs through depreciation expense over the useful lives of the assets.

Depreciation and amortization are generally computed by applying the composite or straight-line method based on either estimated useful lives or mandated recovery periods as prescribed by the FERC. Under the composite method when utility plant is retired, the original cost of the property retired is charged to accumulated depreciation and amortization, net of salvage and removal costs. For general plant, the original cost of the property retired is charged to accumulated depreciation and amortization at the end of the depreciable lives of the asset vintages. Retirement gains or losses are not included in income except in the case of sales of operating units.

The Respondent capitalizes AFUDC, which represents the cost of debt and equity funds necessary to finance the construction of regulated facilities, as a component of utility plant, with offsetting credits to the Statements of Income. AFUDC is computed based on guidelines set forth by the FERC.

Line Pack Gas

Line pack gas is accounted for utilizing the fixed asset accounting method as prescribed by the FERC. Under this approach, line pack gas volumes are classified as utility plant, net and valued at cost. In addition, line pack is classified as either recoverable or non-recoverable. Non-recoverable line pack is depreciated while recoverable line pack is not depreciated.

Asset Retirement Obligations

The Respondent recognizes asset retirement obligations ("AROs") when it has a legal obligation to remove or abandon-in-place an asset upon retirement. The Respondent's AROs are primarily related to the retirement of long-lived assets that result from the acquisition, construction, development or normal use of assets. The fair value of an ARO liability is recognized in the period in which it is incurred, if a reasonable estimate of fair value can be made, and is added to the carrying amount of the associated asset, which is then depreciated over the remaining useful life of the asset. The Respondent has concluded that it is legally obligated to remove, or abandon-in-place, its pipeline and related equipment upon the final retirement of the pipeline. While interim removal or abandonment-in-place and replacement of such equipment is probable, the final retirement dates of these assets are not determinable,

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Notes to Financial Statements			

and therefore, the liabilities for their removal cannot be reasonably estimated.

Negative Salvage

Negative salvage is the amount recovered in transportation rates for the estimated removal cost after salvage proceeds at the time the asset is removed from service. The Respondent recognizes a negative salvage reserve for final abandonment and removal of its gas transmission system in accumulated depreciation and amortization and, as of December 31, 2013 and 2012, the balance of this reserve was \$25.5 million and \$22.3 million, respectively. The annual negative salvage allowance, which is 0.12% of transmission plant and is reflected in depreciation expense on the Statements of Income, was \$3.1 million for each of the years ended December 31, 2013 and 2012.

Impairment

The Respondent evaluates long-lived assets for impairment, including utility plant, when events or changes in circumstances indicate that the carrying value of such assets may not be recoverable or the assets are being held for sale. Upon the occurrence of a triggering event, the asset is reviewed to assess whether the estimated undiscounted cash flows expected from the use of the asset plus the residual value from the ultimate disposal exceeds the carrying value of the asset. If the carrying value exceeds the estimated recoverable amounts, the asset is written down to the estimated fair value. The impacts of regulation are considered when evaluating the carrying value of regulated assets. For all other assets, any resulting impairment loss is reflected on the Statements of Income. There were no impairments for the years ended December 31, 2013 and 2012.

Revenue Recognition

Revenue from customers is recognized as natural gas is delivered or services are provided. Approximately 93% of the Respondent's transportation revenue is from fixed reservation charges based on contractual quantities and rates regulated by the FERC. The remaining revenue is from market-oriented transportation charges, commodity charges, or facility charges. Market-oriented transportation is sold at market-indexed, discounted or negotiated rates. The rates are applied to scheduled quantities for commodity and market-oriented transportation. Differences between scheduled quantities and actual measured quantities are reflected on transportation or balancing agreements during the month in which transportation service is provided and are not material.

The Respondent is subject to FERC regulations and, accordingly, certain revenue collected may be subject to refund upon final FERC orders in pending regulated rate proceedings. The Respondent may record revenue that is subject to refund based on its best estimates of the final outcomes of such proceedings and other third party regulatory proceedings, advice of counsel and estimated total exposure, as well as collection and other risks. Estimates of any refunds are included as provision for rate refunds on the Balance Sheets.

Unamortized Financing Costs

Financing costs incurred for the issuance of long-term debt are included as a component of approved rates and are amortized over the term of the related financing based on the percentage of debt principal retired each year, as prescribed by the FERC. The unamortized balance of debt issuance costs as of December 31, 2013 and 2012 was \$5.0 million and \$7.5 million, respectively, and is included in unamortized debt expense on the Balance Sheets.

Income Taxes

Berkshire Hathaway includes MEHC and its subsidiaries in its United States federal income tax return. Consistent with established

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Notes to Financial Statements			

regulatory practice, the Respondent's provision for income taxes has been computed for each of the shipper groups comprising the Respondent as if each were a distinct entity not included as a member of a consolidated tax return. Substantially all of the Respondent's respective currently payable or receivable income taxes are remitted to or received from MEHC.

Deferred income tax assets and liabilities are based on differences between the financial statement and income tax basis of assets and liabilities by shipper group using estimated income tax rates expected to be in effect for the year in which the differences are expected to reverse. Changes in deferred income tax assets and liabilities that are associated with the components of other comprehensive income are charged or credited directly to other comprehensive income. Other changes in deferred income tax assets and liabilities are included as a component of income tax expense. Valuation allowances are established for certain deferred income tax assets where realization is not likely.

In determining the Respondent's income taxes, management is required to interpret complex income tax laws and regulations. The Respondent's income tax returns are subject to continuous examinations by federal, state and local income tax authorities that may give rise to different interpretations of these complex laws and regulations. Due to the nature of the examination process, it generally takes years before these examinations are completed and these matters are resolved. The Respondent recognizes the tax benefit from an uncertain tax position only if it is more-likely-than-not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the Financial Statements from such a position are measured based on the largest benefit that is more-likely-than-not of being realized upon ultimate settlement. Although the ultimate resolution of the Respondent's federal, state and local income tax examinations is uncertain, the Respondent believes it has made adequate provisions for these income tax positions. The aggregate amount of any additional income tax liabilities that may result from these examinations, if any, is not expected to have a material adverse impact on the Respondent's financial results. The Respondent's unrecognized tax benefits are included in income taxes payable on the Balance Sheets. Estimated interest and penalties, if any, related to uncertain tax positions are included as other interest expense and penalties, respectively, on the Statements of Income.

New Accounting Pronouncements

In February 2013, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2013-04, which amends FASB Accounting Standards Codification ("ASC") Topic 405, "Liabilities". The amendments in this guidance require an entity to measure obligations resulting from joint and several liability arrangements for which the total amount of the obligation is fixed at the reporting date as the amount the reporting entity agreed to pay plus any additional amounts the reporting entity expects to pay on behalf of its co-obligor. Additionally, the guidance requires the entity to disclose the nature and amount of the obligation as well as other information about those obligations. This guidance is effective for interim and annual reporting periods beginning after December 15, 2013. The Respondent adopted this guidance on January 1, 2014. The adoption of this guidance did not have a material impact on the Respondent's disclosures included within Notes to Financial Statements.

In February 2013, the FASB issued ASU No. 2013-02, which amends FASB ASC Topic 220, "Comprehensive Income". The amendments in this guidance require an entity to provide information about the amounts reclassified out of AOCI by component. In addition, an entity is required to present, either on the face of the financial statements or in the notes, significant amounts reclassified out of AOCI by the respective line items of net income if the amount reclassified is required under GAAP to be reclassified to net income in its entirety in the same reporting period. For other amounts that are not required under GAAP to be reclassified in their entirety to net income, an entity is required to cross-reference to other disclosures required by GAAP that provide additional detail about those amounts. The Respondent adopted this guidance on January 1, 2013. The adoption of this guidance did not have a material impact on the Respondent's disclosures included within Notes to Financial Statements.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Notes to Financial Statements			

(3) Utility Plant, Net

Utility plant, net consists of the following as of December 31 (in thousands):

	Depreciation Rates	2013	2012
Transmission plant - Original and 2002 Expansion ("Rolled-in") system (1)	1.95%	\$ 1,097,317	\$ 1,091,519
Transmission plant - 2003 and 2010 Expansion ("Incremental") system (1)	3.00%	1,203,648	1,205,151
Transmission plant - Apex Expansion system (1)	3.00%	302,068	278,238
Transmission plant - other	4.76% to 6.67%	53,150	52,596
Compressor engines	9.92%	115,287	132,160
Intangible plant (2)	1.95% to 20.00%	25,930	25,650
General plant	4.00% to 33.33%	13,313	11,827
Total operating assets		2,810,713	2,797,141
Accumulated depreciation and amortization		(1,052,478)	(984,021)
Net operating assets		1,758,235	1,813,120
Construction work-in-progress		638	645
Utility plant, net		\$ 1,758,873	\$ 1,813,765

(1) Includes recoverable line pack gas of \$3.6 million, \$7.3 million and \$0.4 million for the Rolled-in, Incremental and Apex Expansion systems, respectively, as of December 31, 2013 and 2012. Recoverable line pack gas is not depreciated.

(2) Includes costs for capitalized software development, contributions in aid of construction, and leasehold improvements.

The Respondent had gross costs for capitalized right of use or right of way of \$72.0 million as of December 31, 2013 and 2012, and accumulated amortization of \$28.4 million and \$26.5 million as of December 31, 2013 and 2012, respectively, which is reflected in utility plant, net on the Balance Sheets. Capitalized right of use or right of way costs are amortized at rates ranging from 1.95% to 6.67%.

For the years ended December 31, 2013 and 2012, depreciation expense of \$81.6 million and \$81.3 million, respectively, and amortization expense of \$3.2 million and \$3.0 million, respectively, were included in depreciation and amortization on the Statements of Income. The Respondent expects amortization expense to be \$2.3 million for each of 2014 and 2015, \$2.0 million for 2016, and \$1.6 million for each of 2017 and 2018.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Notes to Financial Statements			

(4) Regulatory Matters

Regulatory assets represent costs that are expected to be recovered in future regulated rates. The Respondent's regulatory assets reflected on the Balance Sheets consist of the following as of December 31 (in thousands):

	Weighted Average Remaining Life	2013	2012
Levelized depreciation on utility plant ⁽¹⁾	26 years	\$ 54,978	\$ 57,806
Deferred income taxes associated with equity AFUDC	26 years	26,225	27,812
Other	Various	4,801	6,371
Total		<u>\$ 86,004</u>	<u>\$ 91,989</u>

(1) Levelized depreciation on utility plant is in a net asset position for the Rolled-in, Apex Expansion and High Desert systems.

The Respondent had regulatory assets not earning a return on investment of \$30.5 million and \$5.7 million as of December 31, 2013 and 2012, respectively.

Regulatory liabilities represent income to be recognized or amounts to be returned to eligible customers in future periods. The Respondent's regulatory liabilities reflected on the Balance Sheets consists of the following as of December 31 (in thousands):

	Weighted Average Remaining Life	2013	2012
Levelized depreciation on utility plant ⁽¹⁾	26 years	\$ 132,017	\$ 105,483
Other	Various	4,271	2,533
Total		<u>\$ 136,288</u>	<u>\$ 108,016</u>

(1) Levelized depreciation on utility plant is in a net liability position for the Incremental system.

In December 2009, the FERC issued an order establishing revised rates for the period of the Respondent's initial long-term contracts ("Period One rates") and required that rates be established based on a levelized rate design for eligible customers that elect to take service following the expiration of their initial contracts ("Period Two rates"). The FERC set all other issues related to Period Two rates for hearing. In November 2010, the FERC issued an order that denied all requests for rehearing related to Period One rates from the FERC's December 2009 order and established that the Respondent is entitled to base its Period Two rates on a 100% equity capital structure.

In July 2011, the FERC issued an order requiring, among other things, that Period Two rates be based on a return on equity of 11.55% and a levelization period that coincides with a contract length of 10 or 15 years. The FERC also determined that capital expenditures associated with compressor engines and general plant replacements cannot be incorporated into Period Two rates at this time. The Respondent, as well as others, requested rehearing and clarification of the FERC's July 2011 order. The Respondent filed in

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Notes to Financial Statements			

compliance with the FERC's order in August 2011 and, following an order on compliance, again in September 2011. In late September 2011, the FERC issued a second order on compliance, accepting the Respondent's filing. In February 2013, the FERC issued an order that denied the requests for rehearing regarding its previous orders on Period Two rates. In March 2013, the Respondent requested clarification, or in the alternative a rehearing, on recovery of plant replacements. In October 2013, the FERC granted in part, and denied in part, the Respondent's request. Clarification was granted and the FERC withdrew language from a prior order, which had arguably barred the Respondent's ability to seek recovery of deferred depreciation in a future rate case. The Respondent's request for clarification was denied in regard to the FERC ruling now on the Respondent's recovery of deferred depreciation in a future rate case. The FERC will address the issue when the next rate case is filed.

In December 2013, the Respondent filed its notice of appeal with the United States Court of Appeals for the District of Columbia. The Respondent appealed the effective date of the final order for purposes of refunds and the denial of allowing a modification to Period One rates related to the rolled in shipper group rate credit. In January 2014, the Respondent filed its initial submission, which is a non-binding statement of the issues.

(5) Fair Value Measurements

The carrying value of cash, certain cash equivalents, receivables, payables and accrued liabilities approximates fair value because of the short-term maturity of these instruments. The Respondent uses a three level hierarchy for determining fair value and a financial asset or liability classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement. The Respondent has investments in money market mutual funds that are accounted for as available for sale securities, are stated at fair value and are included in temporary cash investments and other property and investments on the Balance Sheets. The fair value of the Respondent's money market mutual funds, which approximates cost, was \$52.0 million and \$67.3 million as of December 31, 2013 and 2012, respectively. The Respondent considers these money market mutual funds to be valued using Level 1 inputs, which are determined by using, when available, a readily observable quoted market price or net asset value of an identical security in an active market.

The Respondent's long-term notes payable to subsidiary is carried at cost on the Balance Sheets. The fair value of the Respondent's long-term notes payable to subsidiary is a Level 2 fair value measurement and has been estimated based upon quoted market prices. The following table presents the carrying value and estimated fair value of the Respondent's long-term notes payable to subsidiary as of December 31 (in thousands):

	2013		2012	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term notes payable to subsidiary	\$ 548,120	\$ 606,060	\$ 627,862	\$ 712,920

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Notes to Financial Statements			

(6) Long-Term Notes Payable to Subsidiary

The Respondent's long-term notes payable to subsidiary, which amortize monthly, consist of the following as of December 31 (in thousands):

	<u>2013</u>	<u>2012</u>
6.676% Senior Notes, due 2016	\$ 197,000	\$ 227,000
4.893% Senior Notes, due 2018	351,120	400,862
Total long-term notes payable to subsidiary	548,120	627,862
Less - current portion	(81,414)	(79,742)
Long-term portion	\$ 466,706	\$ 548,120

The Respondent provides a debt service reserve letter of credit in amounts that approximate the next six months of principal and interest payments due on the loans, which were equal to \$55.5 million and \$59.0 million as of December 31, 2013 and 2012, respectively.

The annual repayments of the Respondent's long-term notes payable to subsidiary for the years beginning January 1, 2014 and thereafter are as follows (in thousands):

2014	\$ 81,414
2015	85,340
2016	190,340
2017	61,864
2018	129,162
Total	\$ 548,120

Both the 6.676% Senior Notes and the 4.893% Senior Notes are secured equally and ratably by a collateral assignment of the long-term gas transportation agreements of the Respondent.

The terms of Funding's debt indentures to which the Respondent is guarantor preclude the issuance of mortgage bonds by Funding and the Respondent. The indentures contain provisions for the acceleration of repayment under certain conditions. The indentures also contain restrictions which, under certain circumstances, limit Funding and the Respondent's ability to issue additional debt, pay cash distributions, and dispose of a major portion of the Respondent's natural gas pipeline system. As of December 31, 2013 and 2012, Funding is in compliance with all debt covenants.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Notes to Financial Statements			

(7) Income Taxes

Income tax expense consists of the following for the years ended December 31 (in thousands):

	2013	2012
Current:		
Federal	\$ 40,297	\$ 35,923
State	6,965	5,845
	<u>47,262</u>	<u>41,768</u>
Deferred:		
Federal	9,346	18,771
State	959	5,985
	<u>10,305</u>	<u>24,756</u>
Total	<u>\$ 57,567</u>	<u>\$ 66,524</u>

A reconciliation of the federal statutory income tax rate to the effective income tax rate applicable to income before income tax expense is as follows for the years ended December 31:

	2013	2012
Federal statutory income tax rate	35.0%	35.0%
State income tax, net of federal income tax benefit	3.4	4.5
Other, net	—	(0.8)
Effective income tax rate	<u>38.4%</u>	<u>38.7%</u>

The net deferred income tax liability consists of the following as of December 31 (in thousands):

	2013	2012
Deferred income tax assets:		
Federal and state carryforwards	\$ 70,015	\$ 70,565
Regulatory liabilities	52,410	41,470
Unamortized deferred debt costs	3,000	3,499
Contribution in aid of construction	2,113	3,067
Other	272	312
Total deferred income tax assets	<u>127,810</u>	<u>118,913</u>
Deferred income tax liabilities:		
Utility plant, net	(478,397)	(460,346)
Regulatory assets	(24,129)	(23,576)
Other	(1,160)	(1,042)
Total deferred income tax liabilities	<u>(503,686)</u>	<u>(484,964)</u>
Net deferred income tax liability	<u>\$ (375,876)</u>	<u>\$ (366,051)</u>

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Notes to Financial Statements			

The following table provides the Respondent's net operating loss carryforwards and expiration dates as of December 31, 2013 (in thousands):

	Federal	State
Net operating loss carryforwards	\$ 189,859	\$ 106,780
Deferred income taxes on net operating loss carryforwards	66,451	3,564
Expiration dates	2031-2033	2026-2033

The Respondent does not consider a valuation allowance on these amounts necessary, as they are expected to be utilized prior to their expiration.

The United States Internal Revenue Service has effectively settled examinations of MEHC's income tax returns through December 31, 2009, including components related to the Respondent. In addition, state jurisdictions have closed examination of MEHC's income tax returns through at least February 9, 2006.

(8) Employee Benefit Plans

The Respondent is a participant in benefit plans sponsored by MidAmerican Energy Company ("MEC"), an indirect wholly owned subsidiary of MEHC. The MidAmerican Energy Company Retirement Plan provides pension benefits for eligible employees ("pension plan") and the MidAmerican Energy Company Welfare Benefit Plan provides certain postretirement health care and life insurance benefits for eligible retirees ("other postretirement plan") on behalf of the Respondent. Benefit obligations under the pension plan are based on a cash balance arrangement for salaried employees and certain union employees and final average pay formulas for other union employees. Under the other postretirement plan, a majority of all employees may become eligible for these benefits if they reach retirement age. New employees are not eligible for benefits under the other postretirement plan.

Net Periodic Benefit Cost

For purposes of calculating the expected return on pension plan assets, a market-related value is used. The market-related value of plan assets is calculated by spreading the difference between expected and actual investment returns on equity investments over a five-year period beginning after the first year in which they occur.

Net periodic benefit cost for the plans of MEC and its participating affiliates included the following components for the years ended December 31 (in millions):

	Pension		Other Postretirement	
	2013	2012	2013	2012
Service cost	\$ 18	\$ 18	\$ 5	\$ 4
Interest cost	33	37	8	8
Expected return on plan assets	(45)	(45)	(13)	(13)
Net amortization	11	4	(3)	(3)
Net periodic benefit cost (benefit)	\$ 17	\$ 14	\$ (3)	\$ (4)

The Respondent's share of pension cost totaled \$0.4 million and \$0.5 million for the years ended December 31, 2013 and 2012, respectively. The Respondent's share of other postretirement cost totaled \$- million for each of the years ended December 31, 2013 and 2012.

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
Notes to Financial Statements			

Funded Status

The following table is a reconciliation of the fair value of plan assets for MEC and its participating affiliates for the years ended December 31 (in millions):

	Pension		Other Postretirement	
	2013	2012	2013	2012
Plan assets at fair value, beginning of year	\$ 643	\$ 555	\$ 226	\$ 213
Employer contributions	7	65	1	1
Participant contributions	—	—	1	2
Actual return on assets	142	74	40	25
Benefits paid	(70)	(51)	(12)	(15)
Plan assets at fair value, end of year	\$ 722	\$ 643	\$ 256	\$ 226

The Respondent's contributions to the pension plan and other postretirement plan totaled \$0.9 million and \$1.0 million for the years ended December 31, 2013 and 2012, respectively. As of December 31, 2013 and 2012, the fair value of plan assets attributable to the Respondent in the pension plan was \$14.1 million and \$12.3 million, respectively, and the other postretirement plan was \$7.6 million and \$6.2 million, respectively. Amounts attributable to the Respondent were allocated from MEC to the Respondent in accordance with the intercompany administrative service agreement.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Notes to Financial Statements			

The following table is a reconciliation of the benefit obligations for MEC and its participating affiliates for the years ended December 31 (in millions):

	Pension		Other Postretirement	
	2013	2012	2013	2012
Benefit obligation, beginning of year	\$ 846	\$ 799	\$ 213	\$ 198
Service cost	18	18	5	4
Interest cost	33	37	8	8
Participant contributions	—	—	1	2
Actuarial (gain) loss	(59)	43	20	16
Benefits paid	(70)	(51)	(12)	(15)
Benefit obligation, end of year	<u>\$ 768</u>	<u>\$ 846</u>	<u>\$ 235</u>	<u>\$ 213</u>
Accumulated benefit obligation, end of year	<u>\$ 751</u>	<u>\$ 821</u>		

MEC paid benefits from the plans to the Respondent's participants totaling \$1.4 million and \$1.0 million for the years ended December 31, 2013 and 2012, respectively. As of December 31, 2013 and 2012, the benefit obligation attributable to the Respondent for the pension plan was \$12.3 million and \$12.0 million, respectively, and for the other postretirement plan was \$6.1 million and \$5.0 million, respectively.

The funded status of the plans for MEC and its participating affiliates as of December 31 is as follows (in millions):

	Pension		Other Postretirement	
	2013	2012	2013	2012
Plan assets at fair value, end of year	\$ 722	\$ 643	\$ 256	\$ 226
Less - benefit obligation, end of year	768	846	235	213
Funded Status	<u>\$ (46)</u>	<u>\$ (203)</u>	<u>\$ 21</u>	<u>\$ 13</u>

As of December 31, 2013, the Respondent recorded an affiliate company receivable included in other special funds relating to the pension and other postretirement plans of \$3.4 million. As of December 31, 2012, the Respondent recorded an affiliate company receivable included in other special funds relating to the pension and other postretirement plans of \$1.5 million. Amounts attributable to the Respondent were allocated from MEC to the Respondent in accordance with the intercompany administrative service agreement. Offsetting regulatory liabilities have been recorded related to the amounts not yet recognized as a component of net periodic benefit costs that will be included in regulated rates.

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
Notes to Financial Statements			

Unrecognized Amounts

The portion of the funded status of the plans for MEC and its participating affiliates not yet recognized in net periodic benefit cost as of December 31 is as follows (in millions):

	Pension		Other Postretirement	
	2013	2012	2013	2012
Net (gain) loss	\$ (44)	\$ 121	\$ 41	\$ 51
Prior service cost (credit)	3	4	(47)	(53)
Total	\$ (41)	\$ 125	\$ (6)	\$ (2)

A reconciliation of the amounts not yet recognized as components of net periodic benefit cost for MEC and its participating affiliates for the years ended December 31, 2013 and 2012 is as follows (in millions):

	Regulatory Asset	Regulatory Liability	Receivables (Payables) with Affiliates	Total
<u>Pension</u>				
Balance, December 31, 2011	\$ 99	\$ —	\$ 16	\$ 115
Net loss arising during the year	14	—	—	14
Net amortization	(3)	—	(1)	(4)
Total	11	—	(1)	10
Balance, December 31, 2012	110	—	15	125
Net gain arising during the year	(91)	(49)	(15)	(155)
Net amortization	(3)	(6)	(2)	(11)
Total	(94)	(55)	(17)	(166)
Balance, December 31, 2013	\$ 16	\$ (55)	\$ (2)	\$ (41)

	Regulatory Asset	Regulatory Liability	Receivables (Payables) with Affiliates	Total
<u>Other postretirement</u>				
Balance, December 31, 2011	\$ 2	\$ —	\$ (12)	\$ (10)
Net loss (gain) arising during the year	6	—	(2)	4
Net amortization	3	—	1	4
Total	9	—	(1)	8
Balance, December 31, 2012	\$ 11	\$ —	\$ (13)	\$ (2)
Net gain arising during the year	(3)	—	(4)	(7)
Net amortization	2	—	1	3
Total	(1)	—	(3)	(4)
Balance, December 31, 2013	\$ 10	\$ —	\$ (16)	\$ (6)

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Notes to Financial Statements			

The net loss and prior service cost (credit) for MEC and its participating affiliates that will be amortized in 2014 into net periodic benefit cost are estimated to be as follows (in millions):

	Net Loss	Prior Service Cost (Credit)	Total
Pension	\$ 1	\$ —	\$ 1
Other postretirement	2	(5)	(3)
Total	\$ 3	\$ (5)	\$ (2)

The net loss and prior service cost amounts expected to be recognized by the Respondent for the year ended December 31, 2014 for the pension plan and other postretirement plan are insignificant.

Plan Assumptions

Assumptions used to determine benefit obligations and net periodic benefit cost for MEC and its participating affiliates were as follows:

	Pension		Other Postretirement	
	2013	2012	2013	2012
Benefit obligations as of December 31,				
Discount rate	4.75%	4.00%	4.50%	3.75%
Rate of compensation increase	3.00%	3.00%	N/A	N/A
Net periodic benefit cost for the years ended December 31:				
Discount rate	4.00%	4.75%	3.75%	4.75%
Expected return on plan assets (1)	7.50%	7.50%	7.25%	7.50%
Rate of compensation increase	3.00%	3.50%	N/A	N/A

(1) Amounts reflected are pre-tax values. Assumed after-tax returns for a taxable, non-union other postretirement plan were 5.56% for 2013 and 5.75% for 2012.

	2013	2012
Assumed healthcare cost trend rates as of December 31:		
Healthcare cost trend rate assumed for next year	8.00%	8.00%
Rate that the cost trend rate gradually declines to	5.00%	5.00%
Year that the rate reaches the rate it is assumed to remain at	2019	2018

In establishing MEC's assumption as to the expected return on plan assets, MEC utilizes the expected asset allocation and return assumptions for each asset class based on historical performance and forward-looking views of the financial markets.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Notes to Financial Statements			

A one percentage-point change in assumed healthcare cost trend rates would have the following effects for MEC and its participating affiliates (in millions):

Increase (decrease) in:	One Percentage-Point	
	Increase	Decrease
Total service and interest cost	\$ —	\$ —
Other postretirement benefit obligation	5	(4)

Contributions and Benefit Payments

MEC's contributions to its pension and other postretirement benefit plans are expected to be \$8 million and \$1 million, respectively, during 2014. Funding to MEC's pension benefit plan trust is based upon the actuarially determined costs of the plan and the requirements of the Internal Revenue Code, the Employee Retirement Income Security Act of 1974 and the Pension Protection Act of 2006, as amended. MEC considers contributing additional amounts from time to time in order to achieve certain funding levels specified under the Pension Protection Act of 2006, as amended. MEC's funding policy for its other postretirement benefit plan is to generally contribute an amount equal to the net periodic benefit cost. The amounts and timing of these contributions may be impacted by United States Internal Revenue Service deductibility and funding limits. The Respondent's contributions to the pension plan and the other postretirement plan are expected to be \$0.4 million and \$0.5 million, respectively, during 2014.

Net periodic benefit costs assigned to MEC affiliates are reimbursed currently in accordance with the intercompany administrative service agreement. The expected benefit payments to participants in MEC's pension and other postretirement benefit plans for 2014 through 2018 and for the five years thereafter are summarized below (in millions):

	Projected Benefit Payments	
	Pension	Other Postretirement
2014	\$ 56	\$ 16
2015	56	17
2016	58	18
2017	60	20
2018	60	21
2019-2023	307	108

Plan Assets

Investment Policy and Asset Allocations

MEC's investment policy for its pension and other postretirement benefit plans is to balance risk and return through a diversified portfolio of debt securities, equity securities, and other alternative investments. Maturities for debt securities are managed to targets consistent with prudent risk tolerances. The plans retain outside investment advisors to manage plan investments within the parameters outlined by the MidAmerican Energy Pension and Employee Benefits Plans Administrative Committee. The investment portfolio is managed in line with the investment policy with sufficient liquidity to meet near-term benefit payments. The return on assets assumption for each plan is based on a weighted-average of the expected historical performance for the types of assets in which the plans invest.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Notes to Financial Statements			

The target allocations (percentage of plan assets) for MEC's pension and other postretirement benefit plan assets are as follows as of December 31, 2013:

	Pension	Other Postretirement
	%	%
Debt securities (1)	20-40	25-45
Equity securities (1)	60-80	50-80
Real estate funds	2-8	—
Other	0-5	0-5

- (1) For purposes of target allocation percentages and consistent with the plans' investment policy, investment funds have been allocated based on the underlying investments in debt and equity securities.

Fair Value Measurements

A financial asset or liability classification within the three levels of the fair value hierarchy is determined based on the lowest level input that is significant to the fair value measurement. The three levels are as follows:

- Level 1 - Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that an entity has the ability to access at the measurement date.
- Level 2 - Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).
- Level 3 - Unobservable inputs reflect an entity's judgments about the assumptions market participants would use in pricing the asset or liability since limited market data exists. An entity develops these inputs based on the best information available, including its own data.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Notes to Financial Statements			

The following table presents the fair value of plan assets for MEC and its participating affiliates, by major category, for the defined benefit pension plan (in millions):

	Input Levels for Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
As of December 31, 2013				
Cash equivalents	\$ —	\$ 10	\$ —	\$ 10
Debt securities:				
United States government obligations	10	—	—	10
Corporate obligations	—	30	—	30
Municipal obligations	—	5	—	5
Agency, asset and mortgage-backed obligations	—	31	—	31
Equity securities:				
United States companies	163	—	—	163
International equity securities	52	—	—	52
Investment funds (1)	105	285	—	390
Real estate funds	—	—	31	31
Total	\$ 330	\$ 361	\$ 31	\$ 722
As of December 31, 2012				
Cash equivalents	\$ —	\$ 7	\$ —	\$ 7
Debt securities:				
United States government obligations	19	—	—	19
Corporate obligations	—	31	—	31
Municipal obligations	—	5	—	5
Agency, asset and mortgage-backed obligations	—	29	—	29
Equity securities:				
United States companies	137	—	—	137
Investment funds (1)	101	288	—	389
Real estate funds	—	—	26	26
Total	\$ 257	\$ 360	\$ 26	\$ 643

- (1) Investment funds are comprised of mutual funds and collective trust funds. These funds represent equity and debt securities of approximately 78% and 22%, respectively, for 2013 and 74% and 26%, respectively, for 2012. Additionally, these funds are invested in United States and international securities of approximately 80% and 20%, respectively, for 2013 and 77% and 23%, respectively, for 2012.

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
Notes to Financial Statements			

The following table presents the fair value of plan assets for MEC and its participating affiliates, by major category, for the defined benefit other postretirement plans (in millions):

	Input Levels for Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
<u>As of December 31, 2013</u>				
Cash equivalents	\$ 1	\$ —	\$ —	\$ 1
Debt securities:				
United States government obligations	7	—	—	7
Corporate obligations	—	9	—	9
Municipal obligations	—	37	—	37
Agency, asset and mortgage-backed obligations	—	13	—	13
Equity securities:				
United States companies	125	—	—	125
Investment funds (1)	64	—	—	64
Total	<u>\$ 197</u>	<u>\$ 59</u>	<u>\$ —</u>	<u>\$ 256</u>
<u>As of December 31, 2012</u>				
Cash equivalents	\$ 2	\$ —	\$ —	\$ 2
Debt securities:				
United States government obligations	4	—	—	4
Corporate obligations	—	9	—	9
Municipal obligations	—	32	—	32
Agency, asset and mortgage-backed obligations	—	14	—	14
Equity securities:				
United States companies	102	—	—	102
Investment funds (1)	63	—	—	63
Total	<u>\$ 171</u>	<u>\$ 55</u>	<u>\$ —</u>	<u>\$ 226</u>

- (1) Investment funds are comprised of mutual funds and collective trust funds. These funds represent equity and debt securities of approximately 86% and 14%, respectively, for 2013 and 86% and 14%, respectively, for 2012. Additionally, these funds are invested in United States and international securities of approximately 43% and 57%, respectively, for 2013 and 51% and 49%, respectively, for 2012.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Notes to Financial Statements			

When available, a readily observable quoted market price or net asset value of an identical security in an active market is used to record the fair value. In the absence of a quoted market price or net asset value of an identical security, the fair value is determined using pricing models or net asset values based on observable market inputs and quoted market prices of securities with similar characteristics. When observable market data is not available, the fair value is determined using unobservable inputs, such as estimated future cash flows, purchase multiples paid in other comparable third-party transactions or other information. The real estate funds determine fair value of their underlying assets using independent appraisals given there is no current liquid market for the underlying assets. The following table reconciles the beginning and ending balances of MEC's pension plan assets measured at fair value using significant Level 3 inputs for the years ended December 31 (in millions):

	Real Estate Funds	
	2013	2012
Beginning balance	\$ 26	\$ 24
Actual return on plan assets still held at period end	5	2
Ending Balance	\$ 31	\$ 26

The Respondent participates in the MEC sponsored defined contribution plan and contributed \$0.5 million for each of the years ended December 31, 2013 and 2012.

(9) Credit Risk

The Respondent has a concentration of customers, which includes utilities, marketers and major oil and natural gas companies in California, Nevada, and Utah. This concentration of customers may impact the Respondent's overall exposure to credit risk in that the customer base may be similarly affected by changes in economic, industry, weather or other conditions.

The following customers accounted for 10% or more of the Respondent's total revenues for the years ended December 31 or accounts receivable as of December 31:

	Revenue		Accounts Receivable	
	2013	2012	2013	2012
Nevada Power Company	19%	17%	17%	16%
Southwest Gas Corporation	7%	8%	14%	12%

As a general policy, collateral is not required for receivables from creditworthy customers. Customers' financial condition and creditworthiness are regularly evaluated, and historical losses have been minimal. In order to provide protection against credit risk, and as permitted by the terms of the Respondent's tariff, the Respondent has, among other alternatives, required customers that lack creditworthiness, as defined by the tariff, to provide letters of credit, cash security deposits or to establish separate legally restricted escrow funds to be held until these customers' creditworthiness can be demonstrated. As of December 31, 2013 and 2012, the Respondent has reflected escrow funds of \$0.3 million and \$2.1 million, respectively, in special deposits and \$41.4 million and \$26.2 million, respectively, in other special funds. The Respondent also had offsetting cash security deposit and escrow fund obligations of \$41.7 million and \$28.3 million as of December 31, 2013 and 2012, respectively, in customer deposits on the Balance Sheets. Letters of credit, not reflected on the Balance Sheets, were \$125.1 million and \$96.6 million as of December 31, 2013 and 2012, respectively.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Notes to Financial Statements			

(10) Commitments and Contingencies

Legal Matters

The Respondent is party to a variety of legal actions arising out of the normal course of business. Plaintiffs occasionally seek punitive or exemplary damages. The Respondent does not believe that such normal and routine litigation will have a material effect on its financial results.

Operating Leases

The Respondent has non-cancelable operating leases primarily for computer equipment, office space and land. These leases generally require the Respondent to pay for insurance, taxes and maintenance applicable to the leased property. Certain leases contain renewal options for varying periods and escalation clauses for adjusting rent to reflect changes in price indices. The minimum payments under these leases as of December 31, 2013 were \$1.4 million for the year 2014, \$1.5 million for each of the years 2015 through 2017, \$1.6 million for the year 2018, and \$0.9 million for the years thereafter. These amounts are not reflected on the Balance Sheets. Rent expense on non-cancelable operating leases totaled \$1.3 million and \$1.2 million for the years ended December 31, 2013 and 2012, respectively, and was included in operation and maintenance on the Statements of Income.

(11) Other Related Party Transactions

MEHC provides certain administrative and management services, including executive, financial, legal, and tax, to the Respondent. Expenses incurred by MEHC and billed to the Respondent are based on the individual services and expense items provided and were \$1.8 million and \$1.7 million for the years ended December 31, 2013 and 2012, respectively. Income tax transactions with MEHC resulted in net payments of \$52.7 million and \$36.4 million for the years ended December 31, 2013 and 2012, respectively.

MEC provides certain administrative and management services, including executive, financial, legal, human resources, payroll and tax, to the Respondent. Expenses incurred by MEC and billed to the Respondent are based on the individual services and expense items provided and were \$0.8 million and \$1.1 million for the years ended December 31, 2013 and 2012, respectively.

Northern Natural Gas Company ("Northern"), an indirect wholly owned subsidiary of MEHC, provides certain administrative and management services, including executive, financial, regulatory, legal, commercial, and tax to the Respondent. The Respondent was billed \$1.1 million for each of the years ended December 31, 2013 and 2012, for these services.

Northern provides risk management services to the Respondent pursuant to a service agreement dated August 1, 2008. The Respondent assumes all risks, liabilities, losses and profits associated with these risk management services. Northern entered into specific risk management transactions that settled on behalf of the Respondent totaling \$0.1 million and \$0.6 million for the years ended December 31, 2013 and 2012, respectively.

As of December 31, 2013 and 2012, the Respondent had net accounts payable to MEHC and certain subsidiaries for intercompany transactions totaling \$0.6 million and \$0.3 million, respectively, which is reflected in accounts payable to associated companies on the Balance Sheets.

The Respondent provided natural gas transportation and other services to PacifiCorp, an indirect subsidiary of MEHC, of \$3.3 million and \$3.2 million for the years ended December 31, 2013 and 2012, respectively. PacifiCorp provided electricity and other services to

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Notes to Financial Statements			

the Respondent of \$0.8 million and \$0.7 million for the years ended December 31, 2013 and 2012, respectively. PacifiCorp provides certain administrative and management services, including information technology, legislative and financial, to the Respondent. Expenses incurred by PacifiCorp and billed to the Respondent are based on the individual services and expense items provided and were \$0.2 million for each of the years ended December 31, 2013 and 2012. As of December 31, 2013 and 2012, the Respondent had net accounts receivable from PacifiCorp for intercompany transactions totaling \$0.3 million, which is reflected in accounts receivable from associated companies on the Balance Sheets.

On December 19, 2013, MEHC completed the merger contemplated by the Agreement and Plan of Merger dated May 29, 2013, whereby NV Energy, Inc. ("NV Energy") became an indirect wholly owned subsidiary of MEHC. NV Energy is a holding company whose principal subsidiaries are Nevada Power Company ("Nevada Power") and Sierra Pacific Power Company ("Sierra Pacific") (together, the "Nevada Utilities"). The Nevada Utilities are public utilities that provide electric service in Nevada and, in the case of Sierra Pacific, also provide natural gas service. Nevada Power is a customer of the Respondent. The Respondent provided natural gas transportation and other services to Nevada Power of \$67.7 million and \$65.7 million for the years ended December 31, 2013 and 2012, respectively. Nevada Power provided electricity and other services to the Respondent of \$0.2 million for each of the years ended December 31, 2013 and 2012. The Respondent had net accounts receivable from Nevada Power for intercompany transactions totaling \$5.3 million, which is reflected in accounts receivable from associated companies on the Balance Sheets as of December 31, 2013, and \$5.3 million, which is reflected in customer accounts receivable on the Balance Sheets as of December 31, 2012.

For the years ended December 31, 2013 and 2012, the Respondent distributed to its partners \$146.0 million and \$93.5 million, respectively.

(12) Subsequent Event

Subsequent to December 31, 2013, the Respondent distributed to its partners \$20.0 million on January 31, 2014 and \$13.0 million on February 28, 2014.

BLANK PAGE

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization and Depletion				
Line No.	Item (a)	Total Company For the Current Quarter/Year		
1	UTILITY PLANT			
2	In Service			
3	Plant in Service (Classified)	2,801,093,852		
4	Property Under Capital Leases			
5	Plant Purchased or Sold			
6	Completed Construction not Classified	9,618,740		
7	Experimental Plant Unclassified			
8	TOTAL Utility Plant (Total of lines 3 thru 7)	2,810,712,592		
9	Leased to Others			
10	Held for Future Use			
11	Construction Work in Progress	638,441		
12	Acquisition Adjustments			
13	TOTAL Utility Plant (Total of lines 8 thru 12)	2,811,351,033		
14	Accumulated Provisions for Depreciation, Amortization, & Depletion	1,052,478,285		
15	Net Utility Plant (Total of lines 13 and 14)	1,758,872,748		
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION			
17	In Service:			
18	Depreciation	1,016,614,582		
19	Amortization and Depletion of Producing Natural Gas Land and Land Rights			
20	Amortization of Underground Storage Land and Land Rights			
21	Amortization of Other Utility Plant	35,863,703		
22	TOTAL In Service (Total of lines 18 thru 21)	1,052,478,285		
23	Leased to Others			
24	Depreciation			
25	Amortization and Depletion			
26	TOTAL Leased to Others (Total of lines 24 and 25)			
27	Held for Future Use			
28	Depreciation			
29	Amortization			
30	TOTAL Held for Future Use (Total of lines 28 and 29)			
31	Abandonment of Leases (Natural Gas)			
32	Amortization of Plant Acquisition Adjustment			
33	TOTAL Accum. Provisions (Should agree with line 14 above)(Total of lines 22, 26, 30, 31, and 32)	1,052,478,285		

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization and Depletion (continued)

Line No.	Electric (c)	Gas (d)	Other (specify) (e)	Common (f)
1				
2				
3		2,801,093,852		
4				
5				
6		9,618,740		
7				
8		2,810,712,592		
9				
10				
11		638,441		
12				
13		2,811,351,033		
14		1,052,478,285		
15		1,758,872,748		
16				
17				
18		1,016,614,582		
19				
20				
21		35,863,703		
22		1,052,478,285		
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33		1,052,478,285		

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Gas Plant in Service (Accounts 101, 102, 103, and 106)

- Report below the original cost of gas plant in service according to the prescribed accounts.
- In addition to Account 101, Gas Plant in Service (Classified), this page and the next include Account 102, Gas Plant Purchased or Sold, Account 103, Experimental Gas Plant Unclassified, and Account 106, Completed Construction Not Classified-Gas.
- Include in column (c) and (d), as appropriate corrections of additions and retirements for the current or preceding year.
- Enclose in parenthesis credit adjustments of plant accounts to indicate the negative effect of such accounts.
- Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year's unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d).

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	INTANGIBLE PLANT		
2	301 Organization		
3	302 Franchises and Consents		
4	303 Miscellaneous Intangible Plant	25,649,516	925,095
5	TOTAL Intangible Plant (Enter Total of lines 2 thru 4)	25,649,516	925,095
6	PRODUCTION PLANT		
7	Natural Gas Production and Gathering Plant		
8	325.1 Producing Lands		
9	325.2 Producing Leaseholds		
10	325.3 Gas Rights		
11	325.4 Rights-of-Way		
12	325.5 Other Land and Land Rights		
13	326 Gas Well Structures		
14	327 Field Compressor Station Structures		
15	328 Field Measuring and Regulating Station Equipment		
16	329 Other Structures		
17	330 Producing Gas Wells-Well Construction		
18	331 Producing Gas Wells-Well Equipment		
19	332 Field Lines		
20	333 Field Compressor Station Equipment		
21	334 Field Measuring and Regulating Station Equipment		
22	335 Drilling and Cleaning Equipment		
23	336 Purification Equipment		
24	337 Other Equipment		
25	338 Unsuccessful Exploration and Development Costs		
26	339 Asset Retirement Costs for Natural Gas Production and		
27	TOTAL Production and Gathering Plant (Enter Total of lines 8		
28	PRODUCTS EXTRACTION PLANT		
29	340 Land and Land Rights		
30	341 Structures and Improvements		
31	342 Extraction and Refining Equipment		
32	343 Pipe Lines		
33	344 Extracted Products Storage Equipment		

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
---	---	---------------------------------------	--

Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)

including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Account 101 and 106 will avoid serious omissions of respondent's reported amount for plant actually in service at end of year.

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits to primary account classifications.

7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give date of such filing.

Line No.	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
1				
2				
3				
4	644,741			25,929,870
5	644,741			25,929,870
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
34	345 Compressor Equipment		
35	346 Gas Measuring and Regulating Equipment		
36	347 Other Equipment		
37	348 Asset Retirement Costs for Products Extraction Plant		
38	TOTAL Products Extraction Plant (Enter Total of lines 29 thru 37)		
39	TOTAL Natural Gas Production Plant (Enter Total of lines 27 and		
40	Manufactured Gas Production Plant (Submit Supplementary		
41	TOTAL Production Plant (Enter Total of lines 39 and 40)		
42	NATURAL GAS STORAGE AND PROCESSING PLANT		
43	Underground Storage Plant		
44	350.1 Land		
45	350.2 Rights-of-Way		
46	351 Structures and Improvements		
47	352 Wells		
48	352.1 Storage Leaseholds and Rights		
49	352.2 Reservoirs		
50	352.3 Non-recoverable Natural Gas		
51	353 Lines		
52	354 Compressor Station Equipment		
53	355 Other Equipment		
54	356 Purification Equipment		
55	357 Other Equipment		
56	358 Asset Retirement Costs for Underground Storage Plant		
57	TOTAL Underground Storage Plant (Enter Total of lines 44 thru		
58	Other Storage Plant		
59	360 Land and Land Rights		
60	361 Structures and Improvements		
61	362 Gas Holders		
62	363 Purification Equipment		
63	363.1 Liquefaction Equipment		
64	363.2 Vaporizing Equipment		
65	363.3 Compressor Equipment		
66	363.4 Measuring and Regulating Equipment		
67	363.5 Other Equipment		
68	363.6 Asset Retirement Costs for Other Storage Plant		
69	TOTAL Other Storage Plant (Enter Total of lines 58 thru 68)		
70	Base Load Liquefied Natural Gas Terminating and Processing Plant		
71	364.1 Land and Land Rights		
72	364.2 Structures and Improvements		
73	364.3 LNG Processing Terminal Equipment		
74	364.4 LNG Transportation Equipment		
75	364.5 Measuring and Regulating Equipment		
76	364.6 Compressor Station Equipment		
77	364.7 Communications Equipment		
78	364.8 Other Equipment		
79	364.9 Asset Retirement Costs for Base Load Liquefied Natural Gas		
80	TOTAL Base Load Liquefied Nat'l Gas, Terminating and		

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
---	---	---------------------------------------	--

Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)				
Line No.	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47				
48				
49				
50				
51				
52				
53				
54				
55				
56				
57				
58				
59				
60				
61				
62				
63				
64				
65				
66				
67				
68				
69				
70				
71				
72				
73				
74				
75				
76				
77				
78				
79				
80				

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)				
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
81	TOTAL Nat'l Gas Storage and Processing Plant (Total of lines 57,			
82	TRANSMISSION PLAN			
83	365.1 Land and Land Rights	3,156,651	3,186	
84	365.2 Rights-of-Way	72,005,300	3,190	
85	366 Structures and Improvements	58,458,943	613,375	
86	367 Mains	2,030,098,512	6,765,923	
87	368 Compressor Station Equipment	536,748,576	39,363,925	
88	369 Measuring and Regulating Station Equipment	52,337,247	1,187,554	
89	370 Communication Equipment	6,750,500	6,807	
90	371 Other Equipment	109,102		
91	372 Asset Retirement Costs for Transmission Plant			
92	TOTAL Transmission Plant (Enter Totals of lines 83 thru 91)	2,759,664,831	47,943,960	
93	DISTRIBUTION PLANT			
94	374 Land and Land Rights			
95	375 Structures and Improvements			
96	376 Mains			
97	377 Compressor Station Equipment			
98	378 Measuring and Regulating Station Equipment-General			
99	379 Measuring and Regulating Station Equipment-City Gate			
100	380 Services			
101	381 Meters			
102	382 Meter Installations			
103	383 House Regulators			
104	384 House Regulator Installations			
105	385 Industrial Measuring and Regulating Station Equipment			
106	386 Other Property on Customers' Premises			
107	387 Other Equipment			
108	388 Asset Retirement Costs for Distribution Plant			
109	TOTAL Distribution Plant (Enter Total of lines 94 thru 108)			
110	GENERAL PLANT			
111	389 Land and Land Rights			
112	390 Structures and Improvements	204,623		
113	391 Office Furniture and Equipment	3,291,548	233,445	
114	392 Transportation Equipment	1,431,805	433,910	
115	393 Stores Equipment			
116	394 Tools, Shop, and Garage Equipment	4,256,551	1,320,127	
117	395 Laboratory Equipment	576,501	94	
118	396 Power Operated Equipment	712,594	186,615	
119	397 Communication Equipment	1,282,118	(132)	
120	398 Miscellaneous Equipment	70,905		
121	Subtotal (Enter Total of lines 111 thru 120)	11,826,645	2,174,059	
122	399 Other Tangible Property			
123	399.1 Asset Retirement Costs for General Plant			
124	TOTAL General Plant (Enter Total of lines 121, 122 and 123)	11,826,645	2,174,059	
125	TOTAL (Accounts 101 and 106)	2,797,140,992	51,043,114	
126	Gas Plant Purchased (See Instruction 8)			
127	(Less) Gas Plant Sold (See Instruction 8)			
128	Experimental Gas Plant Unclassified			
129	TOTAL Gas Plant In Service (Enter Total of lines 125 thru 128)	2,797,140,992	51,043,114	

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
---	---	---------------------------------------	--

Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)

Line No.	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
81				
82				
83				3,159,837
84				72,008,490
85			140,214	59,212,532
86	1,967,295		(24,000)	2,034,873,140
87	34,326,159		177,105	541,963,447
88	54,434		54,306	53,524,673
89	(3,712)		(70,139)	6,690,880
90			(72,863)	36,239
91				
92	36,344,176		204,623	2,771,469,238
93				
94				
95				
96				
97				
98				
99				
100				
101				
102				
103				
104				
105				
106				
107				
108				
109				
110				
111				
112			(204,623)	
113	160,172			3,364,821
114	266,155			1,599,560
115				
116				5,576,678
117				576,595
118				899,209
119	56,270			1,225,716
120				70,905
121	482,597		(204,623)	13,313,484
122				
123				
124	482,597		(204,623)	13,313,484
125	37,471,514			2,810,712,592
126				
127				
128				
129	37,471,514			2,810,712,592

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Construction Work in Progress-Gas (Account 107)

- Report below descriptions and balances at end of year of projects in process of construction (Account 107).
- Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts).
- Minor projects (less than \$1,000,000) may be grouped.

Line No.	Description of Project (a)	Construction Work in Progress-Gas (Account 107) (b)	Estimated Additional Cost of Project (c)
1	Apex Expansion Wasatch Loop	2,284	4,608,227
2	Apex Class III Pipe Replacement at Taft	84,802	1,815,377
3	Various Projects under \$1,000,000	551,355	2,208,676
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			
45	Total	638,441	8,632,280

BLANK PAGE

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Non-Traditional Rate Treatment Afforded New Projects

1. The Commission's Certificate Policy Statement provides a threshold requirement for existing pipelines proposing new projects is that the pipeline must be prepared to financially support the project without relying on subsidization from its existing customers. See Certification of New Interstate Natural Gas Pipeline Facilities, 88 FERC P61,227 (1999); order clarifying policy, 90 FERC P61,128 (2000); order clarifying policy, 92 FERC P61,094 (2000) (Policy Statement). In column a, list the name of the facility granted non-traditional rate treatment.
2. In column b, list the CP Docket Number where the Commission authorized the facility.
3. In column c, indicate the type of rate treatment approved by the Commission (e.g. incremental, at risk)
4. In column d, list the amount in Account 101, Gas Plant in Service, associated with the facility.
5. In column e, list the amount in Account 108, Accumulated Provision for Depreciation of Gas Utility Plant, associated with the facility.

Line No.	Name of Facility (a)	CP Docket No. (b)	Type of Rate Treatment (c)	Gas Plant in Service (d)
1	2003 and 2010 Expansions	CP01-422	Incremental	1,279,103,513
2	High Desert	CP01-405	Incremental	30,279,719
3	Apex Expansion	CP10-14	Incremental	326,269,144
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
	Total			1,635,652,376

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Non-Traditional Rate Treatment Afforded New Projects (continued)

6. In column f, list the amount in Account 190, Accumulated Deferred Income Tax; Account 281, Accumulated Deferred Income Taxes – Accelerated Amortization Property; Account 282, Accumulated Deferred Income Taxes – Other Property; Account 283, Accumulated Deferred Income Taxes – Other, associated with the facility.
7. In column g, report the total amount included in the gas operations expense accounts during the year related to the facility (Account 401, Operation Expense).
8. In column h, report the total amount included in the gas maintenance expense accounts during the year related to the facility.
9. In column i, report the amount of depreciation expense accrued on the facility during the year.
10. In column j, list any other expenses(including taxes) allocated to the facility.
11. In column k, report the incremental revenues associated with the facility.
12. Identify the volumes received and used for any incremental project that has a separate fuel rate for that project.
13. Provide the total amounts for each column.

Line No.	Accumulated Depreciation (e)	Accumulated Deferred Income Taxes (f)	Operating Expense (g)	Maintenance Expense (h)	Depreciation Expense (i)	Other Expenses (including taxes) (j)	Incremental Revenues (k)
1	353,752,047	195,639,270	18,923,630	687,241	42,610,675	9,015,094	199,331,902
2	14,282,829	6,216,617	223,069	2,797	1,310,037	146,766	4,903,682
3	25,866,629	41,949,733	4,160,164	139,036	11,407,248	2,937,847	18,582,865
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
	393,901,505	243,805,620	23,306,863	829,074	55,327,960	12,099,707	222,818,449

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
General Description of Construction Overhead Procedure			

1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.
2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Gas Plant Instructions 3 (17) of the Uniform System of Accounts.
3. Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.

Page 218

- (a) Engineering, supervision, general office salaries and expenses and supervision provided by others, related to the general oversight of capital construction projects are charged to an overhead work order.
- (b) A study was conducted to determine which employees devote a portion of their time in support of construction activities. Based on this study a fixed amount of payroll and a portion of Respondent's Salt Lake City office rent are charged each month to the overhead work order to be allocated to construction projects.
- (c) The overhead costs are allocated to individual projects based on direct charges to each capital construction project excluding overhead and AFUDC.
- (d) A minimum overhead rate has been established for non-expansion construction projects to ensure that a representative share of construction overhead is charged to these small projects.
- (e) Each month the total overhead charges for the month are divided by the total current month direct charges to construction projects excluding AFUDC and overhead charges to determine an overall overhead rate. If the overall overhead rate is less than the established minimum overhead rate for non-expansion projects, the minimum overhead rate is applied to the direct current month charges of the non-expansion project excluding overhead and AFUDC. The balance of unallocated construction overhead is allocated to expansion projects based on the rate determined by dividing the overhead balance by the direct charges to expansion projects for the month excluding overhead and AFUDC.
- If the overall overhead rate is greater than the minimum overhead rate established for non-expansion projects, the overall overhead rate is applied to all direct charges for all construction projects regardless if the project is for expansion or non-expansion construction.
- Overheads allocated to Compressor engine exchanges are allocated at the same rate as non-expansion projects, but are capped at \$15,000 because the purchase price of the engine is disproportional to the construction overhead required to change out the engine.
- (f) Overhead is directly assigned to each work order based on current month charges excluding overheads and AFUDC.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kern River Gas Transmission Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	/ /	End of <u>2013/Q4</u>

General Description of Construction Overhead Procedure (continued)

COMPUTATION OF ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION RATES

1. For line (5), column (d) below, enter the rate granted in the last rate proceeding. If not available, use the average rate earned during the preceding 3 years.
2. Identify, in a footnote, the specific entity used as the source for the capital structure figures.
3. Indicate, in a footnote, if the reported rate of return is one that has been approved in a rate case, black-box settlement rate, or an actual three-year average rate.

1. Components of Formula (Derived from actual book balances and actual cost rates):

Line No.	Title (a)	Amount (b)	Capitalization Ratio (percent) (c)	Cost Rate Percentage (d)
	(1) Average Short-Term Debt	S		
	(2) Short-Term Interest			s
	(3) Long-Term Debt	D 548,119,994	39.80	d 6.45
	(4) Preferred Stock	P		p
	(5) Common Equity	C 828,899,668	60.20	c 11.55
	(6) Total Capitalization	1,377,019,662	100.00	
	(7) Average Construction Work In Progress Balance	W 1,884,794		

2. Gross Rate for Borrowed Funds	$s(S/W) + d[(D/(D+P+C)) (1-(S/W))]$	2.57
----------------------------------	-------------------------------------	------

3. Rate for Other Funds	$[1-(S/W)] [p(P/(D+P+C)) + c(C/(D+P+C))]$	6.95
-------------------------	---	------

4. Weighted Average Rate Actually Used for the Year:

a. Rate for Borrowed Funds -	2.70
------------------------------	------

b. Rate for Other Funds -	6.74
---------------------------	------

Line No.	Item (a)	Total (c+d+e) (b)	Gas Plant in Service (c)	Gas Plant Held for Future Use (d)	Gas Plant Leased to Others (e)
	Section A. BALANCES AND CHANGES DURING YEAR				
1	Balance Beginning of Year	950,682,883	950,682,883		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	81,657,465	81,657,465		
4	(403.1) Depreciation Expense for Asset Retirement Costs				
5	(413) Expense of Gas Plant Leased to Others				
6	Transportation Expenses - Clearing				
7	Other Clearing Accounts				
8	Other Clearing (Specify) (footnote details):				
9					
10	TOTAL Deprec. Prov. for Year (Total of lines 3 thru 8)	81,657,465	81,657,465		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	(36,826,773)	(36,826,773)		
13	Cost of Removal	(48,661)	(48,661)		
14	Salvage (Credit)	(21,034,874)	(21,034,874)		
15	TOTAL Net Chrgs for Plant Ret. (Total of lines 12 thru 14)	(15,840,560)	(15,840,560)		
16	Other Debit or Credit Items (Describe) (footnote details):	114,794	114,794		
17					
18	Book Cost of Asset Retirement Costs				
19	Balance End of Year (Total of lines 1,10,15,16 and 18)	1,016,614,582	1,016,614,582		
	Section B. BALANCES AT END OF YEAR ACCORDING TO FUNCTIONAL CLASSIFICATIONS				
21	Productions-Manufactured Gas				
22	Production and Gathering-Natural Gas				
23	Products Extraction-Natural Gas				
24	Underground Gas Storage				
25	Other Storage Plant				
26	Base Load LNG Terminaling and Processing Plant				
27	Transmission	1,011,763,127	1,011,763,127		
28	Distribution				
29	General	4,851,455	4,851,455		
30	TOTAL (Total of lines 21 thru 29)	1,016,614,582	1,016,614,582		

BLANK PAGE

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
---	---	---------------------------------------	--

Investments (Account 123, 124, and 136)

- Report below investments in Accounts 123, Investments in Associated Companies, 124, Other Investments, and 136, Temporary Cash Investments.
- Provide a subheading for each account and list thereunder the information called for:
 - Investment in Securities-List and describe each security owned, giving name of issuer, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant to authorization by the Board of Directors, and included in Account 124, Other Investments) state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, Temporary Cash Investments, also may be grouped by classes.
 - Investment Advances-Report separately for each person or company the amounts of loans or investment advances that are properly includable in Account 123. Include advances subject to current repayment in Account 145 and 146. With respect to each advance, show whether the advance is a note or open account.

Line No.	Description of Investment (a)	*	Book Cost at Beginning of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (c)	Purchases or Additions During the Year (d)
1	Account 136.0 short-term money market investments		41,068,400	274,461,777
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
---	---	---------------------------------------	--

Investments (Account 123, 124, and 136) (continued)

List each note, giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders, or employees.

3. Designate with an asterisk in column (b) any securities, notes or accounts that were pledged, and in a footnote state the name of pledges and purpose of the pledge.
4. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and cite Commission, date of authorization, and case or docket number.
5. Report in column (h) interest and dividend revenues from investments including such revenues from securities disposed of during the year.
6. In column (i) report for each investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including any dividend or interest adjustment includible in column (h).

Line No.	Sales or Other Dispositions During Year (e)	Principal Amount or No. of Shares at End of Year (f)	Book Cost at End of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (g)	Revenues for Year (h)	Gain or Loss from Investment Disposed of (i)
1	305,780,052		9,750,125	1,777	
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Investments in Subsidiary Companies (Account 123.1)

1. Report below investments in Account 123.1, Investments in Subsidiary Companies.
2. Provide a subheading for each company and list thereunder the information called for below. Sub-total by company and give a total in columns (e), (f), (g) and (h).
 - (a) Investment in Securities-List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate.
 - (b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	Kern River Funding Corp.	03/15/1996		
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40	TOTAL Cost of Account 123.1 \$ 0			TOTAL

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
---	---	---------------------------------------	--

Investments in Subsidiary Companies (Account 123.1) (continued)

4. Designate in a footnote, any securities, notes, or accounts that were pledged, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report in column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost), and the selling price thereof, not including interest adjustments includible in column (f).
8. Report on Line 40, column (a) the total cost of Account 123.1.

Line No.	Equity in Subsidiary Earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Prepayments (Acct 165), Extraordinary Property Losses (Acct 182.1), Unrecovered Plant and Regulatory Study Costs (Acct 182.2)

PREPAYMENTS (ACCOUNT 165)

1. Report below the particulars (details) on each prepayment.

Line No.	Nature of Payment (a)	Balance at End of Year (in dollars) (b)
1	Prepaid Insurance	550,018
2	Prepaid Rents	
3	Prepaid Taxes	294,850
4	Prepaid Interest	
5	Miscellaneous Prepayments	870,172
6	TOTAL	1,715,040

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Other Regulatory Assets (Account 182.3)

1. Report below the details called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other accounts).
2. For regulatory assets being amortized, show period of amortization in column (a).
3. Minor items (5% of the Balance at End of Year for Account 182.3 or amounts less than \$250,000, whichever is less) may be grouped by classes.
4. Report separately any "Deferred Regulatory Commission Expenses" that are also reported on pages 350-351, Regulatory Commission Expenses.
5. Provide in a footnote, for each line item, the regulatory citation where authorization for the regulatory asset has been granted (e.g. Commission Order, state commission order, court decision).

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning Current Quarter/Year (b)	Debits (c)	Written off During Quarter/Year Account Charged (d)	Written off During Period Amount Recovered (e)	Written off During Period Amount Deemed Unrecoverable (f)	Balance at End of Current Quarter/Year (g)
1	Levelized depreciation	57,806,133	114,794	407.3/4	2,942,926		54,978,001
2							
3	Income taxes related to equity AFUDC	27,811,600	68,100	407.3	1,655,000		26,224,700
4							
5	Federal tax rate change	152,100		407.3	37,500		114,600
6							
7	Muddy Creek compressor station restage	402,300		407.3	96,900		305,400
8							
9	Fillmore compressor station restage	76,300		407.3	18,000		58,300
10							
11	Deferred regulatory commission expense	1,504,521	13,354	928	578,571		939,304
12							
13	Deferred FERC annual charge	1,173,585	1,168,801	928	1,465,785		876,601
14							
15	Gas loss	664,251		813	664,251		
16							
17	State tax rate change - apportionment	2,398,000	201,096	410.1	120,162		2,478,934
18							
19	Daggett electrical surcharge		28,247				28,247
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40	Total	91,988,790	1,594,392		7,579,095	0	86,004,087

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
---	---	---------------------------------------	--

Accumulated Deferred Income Taxes (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.
3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year Amounts Debited to Account 410.1 (c)	Changes During Year Amounts Credited to Account 411.1 (d)
1	Account 190			
2	Electric			
3	Gas	118,913,000	23,953,188	32,896,335
4	Other (Define) (footnote details)			
5	Total (Total of lines 2 thru 4)	118,913,000	23,953,188	32,896,335
6	Other (Specify) (footnote details)			
7	TOTAL Account 190 (Total of lines 5 thru 6)	118,913,000	23,953,188	32,896,335
8	Classification of TOTAL			
9	Federal Income Tax	106,902,000	21,779,733	29,087,475
10	State Income Tax	12,011,000	2,173,455	3,808,860
11	Local Income Tax			

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Accumulated Deferred Income Taxes (Account 190) (continued)

Line No.	Changes During Year	Changes During Year	Adjustments	Adjustments	Adjustments	Adjustments	Balance at End of Year
	Amounts Debited to Account 410.2	Amounts Credited to Account 411.2	Debits	Debits	Credits	Credits	
	(e)	(f)	Account No. (g)	Amount (h)	Account No. (i)	Amount (j)	
1							
2							
3			254	46,000			127,810,147
4							
5				46,000			127,810,147
6							
7				46,000			127,810,147
8							
9				40,000			114,169,742
10				6,000			13,640,405
11							

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Other Paid-In Capital (Accounts 208-211)

1. Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as a total of all accounts for reconciliation with the balance sheet, page 112. Explain changes made in any account during the year and give the accounting entries effecting such change.

- (a) Donations Received from Stockholders (Account 208) - State amount and briefly explain the origin and purpose of each donation.
 (b) Reduction in Par or Stated Value of Capital Stock (Account 209) - State amount and briefly explain the capital changes that gave rise to amounts reported under this caption including identification with the class and series of stock to which related.
 (c) Gain or Resale or Cancellation of Reacquired Capital Stock (Account 210) - Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.
 (d) Miscellaneous Paid-In Capital (Account 211) - Classify amounts included in this account according to captions that, together with brief explanations, disclose the general nature of the transactions that gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	211 Paid-In Capital	897,871,247
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40	Total	897,871,247

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
Securities Issued or Assumed and Securities Refunded or Retired During the Year			

1. Furnish a supplemental statement briefly describing security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.
2. Provide details showing the full accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gain or losses relating to securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.
3. Include in the identification of each class and series of security, as appropriate, the interest or dividend rate, nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance of redemption price and name of the principal underwriting firm through which the security transactions were consummated.
4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instruction 17 of the Uniform System of Accounts, cite the Commission authorization for the different accounting and state the accounting method.
5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as details of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discount, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunded securities clearly earmarked.

During 2013, the Respondent made all the monthly scheduled principal and interest payments on its 6.676% Senior Notes, due 2016 as required by its indenture agreement. For 2013, principal payments were \$30,000,000 and interest payments were \$14,236,570.

During 2013, the Respondent made all the monthly scheduled principal and interest payments on its 4.893% Senior Notes, due 2018 as required by its indenture agreement. For 2013, principal payments were \$49,742,000 and interest payments were \$18,498,651.

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Long-Term Debt (Accounts 221, 222, 223, and 224)

1. Report by Balance Sheet Account the details concerning long-term debt included in Account 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other Long-Term Debt.
2. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
3. For Advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
4. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.

Line No.	Class and Series of Obligation and Name of Stock Exchange (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Outstanding (Total amount outstanding without reduction for amts held by respondent) (d)
1	224 ACCOUNT DETAIL			
2	6.676% Senior Notes Due 2016	08/13/2001	07/31/2016	196,999,994
3	4.893% Senior Notes Due 2018	05/01/2003	04/30/2018	351,120,000
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40	TOTAL			548,119,994

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Long-Term Debt (Accounts 221, 222, 223, and 224)

5. In a supplemental statement, give explanatory details for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.
6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose of the pledge.
7. If the respondent has any long-term securities that have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
8. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (f). Explain in a footnote any difference between the total of column (f) and the total Account 427, Interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
9. Give details concerning any long-term debt authorized by a regulatory commission but not yet issued.

Line No.	Interest for Year Rate (in %) (e)	Interest for Year Amount (f)	Held by Respondent Reacquired Bonds (Acct 222) (g)	Held by Respondent Sinking and Other Funds (h)	Redemption Price per \$100 at End of Year (i)
1					
2	6.676	14,236,570			
3	4.893	18,498,651			
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40		32,735,221			

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Unamortized Debt Expense, Premium and Discount on Long-Term Debt (Accounts 181, 225, 226)

1. Report under separate subheadings for Unamortized Debt Expense, Unamortized Premium on Long-Term Debt and Unamortized Discount on Long-Term Debt, details of expense, premium or discount applicable to each class and series of long-term debt.
2. Show premium amounts by enclosing the figures in parentheses.
3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
4. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.

Line No.	Designation of Long-Term Debt (a)	Principal Amount of Debt Issued (b)	Total Expense Premium or Discount (c)	Amortization Period Date From (d)	Amortization Period Date To (e)
1	181 ACCOUNT DETAIL				
2	6.676% Senior Notes Due 2016	510,000,000	48,082,708	08/13/2001	07/31/2016
3	4.893% Senior Notes Due 2018	836,000,000	7,845,495	05/01/2003	04/30/2018
4					
5	Total	1,346,000,000	55,928,203		
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Unamortized Debt Expense, Premium and Discount on Long-Term Debt (Accounts 181, 225, 226)

5. Furnish in a footnote details regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.
6. Identify separately undisposed amounts applicable to issues which were redeemed in prior years.
7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debt-Credit.

Line No.	Balance at Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance at End of Year (i)
1				
2	6,061,876		2,086,388	3,975,488
3	1,452,917		391,482	1,061,435
4				
5	7,514,793		2,477,870	5,036,923
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
Reconciliation of Reported Net Income with Taxable Income for Feder Income Taxes				
<p>1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal Income Tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.</p> <p>2. If the utility is a member of a group that files consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments, or sharing of the consolidated tax among the group members.</p>				
Line No.	Details (a)	Amount (b)		
1	Net Income for the Year (Page 116)	92,360,554		
2	Reconciling Items for the Year			
3				
4	Taxable Income Not Reported on Books			
5	Taxable Contribution in Aid of Construction	2,080,704		
6	Capitalized Interest - Tax	92,672		
7				
8	TOTAL	2,173,376		
9	Deductions Recorded on Books Not Deducted for Return			
10	Federal Income Taxes (Current & Deferred)	49,642,926		
11	Deferred State Income Taxes	959,091		
12	Other (see footnote)	118,181,196		
13	TOTAL	168,783,213		
14	Income Recorded on Books Not Included in Return			
15	Equity AFUDC	110,248		
16	Debt AFUDC	43,669		
17				
18	TOTAL	153,917		
19	Deductions on Return Not Charged Against Book Income			
20	Tax Depreciation and Repairs	131,710,233		
21	Tax Loss on Disposition of Assets	283,205		
22	Tax Amortization - Regulatory Assets	7,228,386		
23	Tax Amortization - Debt Costs	3,777,131		
24	NOL Carryforward Utilized in 2013 (Molycorp Mountain Pass Lateral)	3,823,895		
25				
26	TOTAL	146,822,850		
27	Federal Tax Net Income	116,340,376		
28	Show Computation of Tax:			
29	NOL Carryforward generated in 2013 by Apex Expansion	1,053,309		
30	Federal Taxable Income (after NOL adjustment)	117,393,685		
31	Federal Tax Rate 35%			
32	Current Year Federal Income Tax Provision	41,088,000		
33	Other Charges including Book to Tax Return Adjustments, FIN 48, and Audits	(791,169)		
34	Total Current Federal Income Tax Provision (accounts 409.1 & 409.2)	40,296,831		
35				

BLANK PAGE

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)

1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to the portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See Instruction 5) (a)	Balance at Beg. of Year Taxes Accrued (b)	Balance at Beg. of Year Prepaid Taxes (c)
1	FEDERAL TAX		
2	Federal Income	8,435,213	
3	FICA	27,732	
4	Unemployment	79	
5	Subtotal	8,463,024	
6			
7	STATE INCOME TAX		
8	California	76,000	
9	Utah	585,000	
10	FIN 48 Adjustments	655,820	
11	Subtotal	1,316,820	
12			
13	USE TAX		
14	California	7,924	
15	Nevada	3,536	
16	Utah	72,684	
17	Wyoming	1,171	
18	Subtotal	85,315	
19			
20	AD VALOREM / PROPERTY TAX		
21	California	1,578,265	
22	Nevada	769,906	
23	Nevada (Moapa Indian Reservation)		
24	Utah		
25	Wyoming	719,523	
26	Subtotal	3,067,694	
27			
28	STATE UNEMPLOYMENT TAX		
29	California	40	
30	Nevada	427	
31	Utah	564	
32	Wyoming	301	
33	Subtotal	1,332	
34			
35			
36			
37			
38			
39			
TOTAL		12,934,185	

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged) (continued)					
<p>5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).</p> <p>6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.</p> <p>7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.</p> <p>8. Show in columns (i) thru (p) how the taxes accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.</p> <p>9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.</p> <p>10. Items under \$250,000 may be grouped.</p> <p>11. Report in column (q) the applicable effective state income tax rate.</p>					
Line No.	Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)	Balance at End of Year Taxes Accrued (Account 236) (g)	Balance at End of Year Prepaid Taxes (Included in Acct 165) (h)
1					
2	40,296,831	46,157,681		2,869,213	294,850
3	1,173,717	1,077,300		124,149	
4	8,428	7,736		771	
5	41,478,976	47,242,717		2,994,133	294,850
6					
7					
8	3,570,302	3,195,635		450,667	
9	3,394,518	3,359,081		620,437	
10				655,820	
11	6,964,820	6,554,716		1,726,924	
12					
13					
14	6,667	8,379	(27,561)	(21,349)	
15	20,962	16,671		7,827	
16	368,178	323,890		116,972	
17	48,930	48,009		2,092	
18	444,737	396,949	(27,561)	105,542	
19					
20					
21	3,210,258	3,183,395	1	1,605,129	
22	2,978,116	3,004,147		743,875	
23	135,662	135,662			
24	8,231,469	8,231,469			
25	1,412,857	1,425,951	(1)	706,428	
26	15,968,362	15,980,624		3,055,432	
27					
28					
29	473	434		79	
30	15,579	14,299		1,707	
31	35,579	32,656		3,487	
32	12,943	11,880		1,364	
33	64,574	59,269		6,637	
34					
35					
36					
37					
38					
39					
TOTAL	64,921,469	70,234,275	(27,561)	7,888,668	294,850

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)				
<p>1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.</p> <p>2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.</p> <p>3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to the portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.</p> <p>4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.</p>				
DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)				
Line No.	Electric (Account 408.1, 409.1) (i)	Gas (Account 408.1, 409.1) (j)	Other Utility Dept. (Account 408.1, 409.1) (k)	Other Income and Deductions (Account 408.2, 409.2) (l)
1				
2		40,155,232		141,599
3		1,069,423		
4		7,679		
5		41,232,334		141,599
6				
7				
8		3,559,563		10,739
9		3,382,971		11,547
10				
11		6,942,534		22,286
12				
13				
14				
15				
16		249,073		
17				
18		249,073		
19				
20				
21		3,210,258		
22		2,978,116		
23		135,662		
24		8,231,469		
25		1,412,857		
26		15,968,362		
27				
28				
29		431		
30		14,195		
31		32,417		
32		11,793		
33		58,836		
34				
35				
36				
37				
38				
39				
TOTAL		64,451,139		163,885

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
---	---	---------------------------------------	--

Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)
(continued)

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Show in columns (i) thru (p) how the taxes accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.
10. Items under \$250,000 may be grouped.
11. Report in column (q) the applicable effective state income tax rate.

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

Line No.	Extraordinary Items (Account 409.3) (m)	Other Utility Opn. Income (Account 408.1, 409.1) (n)	Adjustment to Ret. Earnings (Account 439) (o)	Other (p)	State/Local Income Tax Rate (q)
1					
2					
3				104,294	
4				749	
5				105,043	
6					
7					
8					8.84
9					5.00
10					
11					
12					
13					
14				6,667	
15				20,962	
16				119,105	
17				48,930	
18				195,664	
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29				42	
30				1,384	
31				3,162	
32				1,150	
33				5,738	
34					
35					
36					
37					
38					
39					
TOTAL				306,445	

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
---	---	---------------------------------------	--

Miscellaneous Current and Accrued Liabilities (Account 242)

1. Describe and report the amount of other current and accrued liabilities at the end of year.
2. Minor items (less than \$250,000) may be grouped under appropriate title.

Line No.	Item (a)	Balance at End of Year (b)
1	Transportation and exchange gas payable	1,633,312
2	Accrued vacation and other employee benefits	1,364,345
3	Contract retainage	150,737
4	Miscellaneous items	131,918
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		
44		
45	Total	3,280,312

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
---	---	---------------------------------------	--

Other Deferred Credits (Account 253)

1. Report below the details called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (less than \$250,000) may be grouped by classes.

Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	Debit Contra Account (c)	Debit Amount (d)	Credits (e)	Balance at End of Year (f)
1	Daggett compressor station elec surcharges	31,225	131	112,798	81,573	
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45	Total	31,225		112,798	81,573	0

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Accumulated Deferred Income Taxes-Other Property (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric			
3	Gas	464,194,000	69,573,795	51,517,487
4	Other (Define) (footnote details)			
5	Total (Enter Total of lines 2 thru 4)	464,194,000	69,573,795	51,517,487
6	Other (Specify) (footnote details)	(3,847,710)		25,164
7	TOTAL Account 282 (Enter Total of lines 5 thr	460,346,290	69,573,795	51,542,651
8	Classification of TOTAL			
9	Federal Income Tax	411,772,324	61,157,605	45,555,877
10	State Income Tax	48,573,966	8,416,190	5,986,774
11	Local Income Tax			

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Accumulated Deferred Income Taxes-Other Property (Account 282) (continued)

3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Line No.	Changes during Year Amounts Debited to Account 410.2 (e)	Changes during Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Acct. No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
1							
2							
3	706,617	687,354					482,269,571
4							
5	706,617	687,354					482,269,571
6							(3,872,874)
7	706,617	687,354					478,396,697
8							
9	617,984	601,366					427,390,670
10	88,633	85,988					51,006,027
11							

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Accumulated Deferred Income Taxes-Other (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year Amounts Debited to Account 410.1 (c)	Changes During Year Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3	Gas	24,618,000	13,668,074	12,470,148
4	Other (Define) (footnote details)			
5	Total (Total of lines 2 thru 4)	24,618,000	13,668,074	12,470,148
6	Other (Specify) (footnote details)			
7	TOTAL Account 283 (Total of lines 5 thru	24,618,000	13,668,074	12,470,148
8	Classification of TOTAL			
9	Federal Income Tax	21,236,000	11,940,860	10,905,369
10	State Income Tax	3,382,000	1,727,214	1,564,779
11	Local Income Tax			

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
---	---	---------------------------------------	--

Accumulated Deferred Income Taxes-Other (Account 283) (continued)

3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Line No.	Changes during Year Amounts Debited to Account 410.2 (e)	Changes during Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Acct. No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
1							
2							
3			182.3	80,934	219	607,825	25,289,035
4							
5				80,934		607,825	25,289,035
6							
7				80,934		607,825	25,289,035
8							
9				69,505		524,365	21,816,631
10				11,429		83,460	3,472,404
11							

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of <u>2013/Q4</u>	
Other Regulatory Liabilities (Account 254)							
<p>1. Report below the details called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).</p> <p>2. For regulatory liabilities being amortized, show period of amortization in column (a).</p> <p>3. Minor items (5% of the Balance at End of Year for Account 254 or amounts less than \$250,000, whichever is less) may be grouped by classes.</p> <p>4. Provide in a footnote, for each line item, the regulatory citation where the respondent was directed to refund the regulatory liability (e.g. Commission Order, state commission order, court decision).</p>							
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	Written off during Quarter/Period Account Credited (c)	Written off During Period Amount Refunded (d)	Written off During Period Amount Deemed Non-Refundable (e)	Credits (f)	Balance at End of Current Quarter/Year (g)
1	Office lease accrual	1,003,619	931	97,659			905,960
2							
3	Employee benefits	1,482,988	128	1,482,988		3,365,278	3,365,278
4							
5	Levelized depreciation	105,483,518				26,533,597	132,017,115
6							
7	State tax rate change - apportionment	46,000	411.1	46,000			
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43							
44							
45	Total	108,016,125		1,626,647	0	29,898,875	136,288,353

BLANK PAGE

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Monthly Quantity & Revenue Data by Rate Schedule

- Reference to account numbers in the USofA is provided in parentheses beside applicable data. Quantities must not be adjusted for discounts.
- Total Quantities and Revenues in whole numbers
- Report revenues and quantities of gas by rate schedule. Where transportation services are bundled with storage services, reflect only transportation Dth. When reporting storage, report Dth of gas withdrawn from storage and revenues by rate schedule.
- Revenues in Column (c) include transition costs from upstream pipelines. Revenue (Other) in Column (e) includes reservation charges received by the pipeline plus usage charges, less revenues reflected in Columns (c) and (d). Include in Column (e), revenue for Accounts 490-495.
- Enter footnotes as appropriate.

Line No.	Item (a)	Month 1 Quantity (b)	Month 1 Revenue Costs and Take-or-Pay (c)	Month 1 Revenue (GRI & ACA) (d)	Month 1 Revenue (Other) (e)	Month 1 Revenue (Total) (f)
1	Total Sales (480-488)				46,137	46,137
2	Transportation of Gas for Others (489.2 and 489.3)					
3	KRF - 1 Firm Mainline	66,994,736		80,402	28,256,764	28,337,166
4	KRI - 1 Interruptible Mainline	1,336,903		1,604	80,236	81,840
5	KRFL - 1 Firm High Desert	2,446,854		2,936	355,995	358,931
6	KRIL - 1 Interruptible High Desert	1,730,081		2,076	73,874	75,950
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
---	---	---------------------------------------	--

Monthly Quantity & Revenue Data by Rate Schedule

- Reference to account numbers in the USofA is provided in parentheses beside applicable data. Quantities must not be adjusted for discounts.
- Total Quantities and Revenues in whole numbers
- Report revenues and quantities of gas by rate schedule. Where transportation services are bundled with storage services, reflect only transportation Dth. When reporting storage, report Dth of gas withdrawn from storage and revenues by rate schedule.
- Revenues in Column (c) include transition costs from upstream pipelines. Revenue (Other) in Column (e) includes reservation charges received by the pipeline plus usage charges, less revenues reflected in Columns (c) and (d). Include in Column (e), revenue for Accounts 490-495.
- Enter footnotes as appropriate.

Line No.	Month 2 Quantity (g)	Month 2 Revenue Costs and Take-or-Pay (h)	Month 2 Revenue (GRI & ACA) (i)	Month 2 Revenue (Other) (j)	Month 2 Revenue (Total) (k)	Month 3 Quantity (l)	Month 3 Revenue Costs and Take-or-Pay (m)	Month 3 Revenue (GRI & ACA) (n)	Month 3 Revenue (Other) (o)	Month 3 Revenue (Total) (p)
1				46,137	46,137				46,137	46,137
2										
3	68,969,627		82,764	28,159,441	28,242,205	73,706,725		88,448	29,730,166	29,818,614
4	1,789,457		2,147	126,916	129,063	2,525,767		3,031	178,548	181,579
5	1,536,789		1,844	343,023	344,867	3,479,186		4,175	355,995	360,170
6	1,023,650		1,228	43,710	44,938					
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
26										
27										
28										
29										
30										
31										
32										
33										
34										
35										
36										
37										
38										
39	-									
40										
41										
42										
43										
44										
45										
46										

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
---	---	---------------------------------------	--

Monthly Quantity & Revenue Data by Rate Schedule (continued)						
Line No.	Item	Month 1 Quantity	Month 1 Revenue Costs and Take-or-Pay	Month 1 Revenue (GRI & ACA)	Month 1 Revenue (Other)	Month 1 Revenue (Total)
	(a)	(b)	(c)	(d)	(e)	(f)
47						

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
---	--	---	--	---------------------------------------	--

Monthly Quantity & Revenue Data by Rate Schedule (continued)										
Line No.	Month 2 Quantity (g)	Month 2 Revenue Costs and Take-or-Pay (h)	Month 2 Revenue (GRI & ACA) (i)	Month 2 Revenue (Other) (j)	Month 2 Revenue (Total) (k)	Month 3 Quantity (l)	Month 3 Revenue Costs and Take-or-Pay (m)	Month 3 Revenue (GRI & ACA) (n)	Month 3 Revenue (Other) (o)	Month 3 Revenue (Total) (p)
47										

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Monthly Quantity & Revenue Data by Rate Schedule (continued)						
Line No.	Item (a)	Month 1 Quantity (b)	Month 1 Revenue Costs and Take-or-Pay (c)	Month 1 Revenue (GRI & ACA) (d)	Month 1 Revenue (Other) (e)	Month 1 Revenue (Total) (f)
48						
49						
50						
51						
52						
53						
54						
55						
56						
57						
58						
59						
60						
61						
62						
63	Total Transportation (Other than Gathering)	72,508,574		87,018	28,766,869	28,853,887
64	Storage (489.4)					
65						
66						
67						
68						
69						
70						
71						
72						
73						
74						
75						
76						
77						
78						
79						
80						
81						
82						
83						
84						
85						
86						
87						
88						
89						
90	Total Storage					
91	Gathering (489.1)					
92	Gathering-Firm					
93	Gathering-Interruptible					
94	Total Gathering (489.1)					
95	Additional Revenues					
96	Products Sales and Extraction (490-492)					
97	Rents (493-494)					
98	Other Gas Revenues (495)				56,214	56,214
99	(Less) Provision for Rate Refunds					
100	Total Additional Revenues				56,214	56,214

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Monthly Quantity & Revenue Data by Rate Schedule (continued)										
Line No.	Month 2 Quantity (g)	Month 2 Revenue Costs and Take-or-Pay (h)	Month 2 Revenue (GRI & ACA) (i)	Month 2 Revenue (Other) (j)	Month 2 Revenue (Total) (k)	Month 3 Quantity (l)	Month 3 Revenue Costs and Take-or-Pay (m)	Month 3 Revenue (GRI & ACA) (n)	Month 3 Revenue (Other) (o)	Month 3 Revenue (Total) (p)
48										
49										
50										
51										
52										
53										
54										
55										
56										
57										
58										
59										
60										
61										
62										
63	73,319,523		87,983	28,673,090	28,761,073	79,711,678		95,654	30,264,709	30,360,363
64										
65										
66										
67										
68										
69										
70										
71										
72										
73										
74										
75										
76										
77										
78										
79										
80										
81										
82										
83										
84										
85										
86										
87										
88										
89										
90										
91										
92										
93										
94										
95										
96										
97										
98				66,878	66,878				69,418	69,418
99										
100				66,878	66,878				69,418	69,418

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	--	---	--	---------------------------------------	---

Monthly Quantity & Revenue Data by Rate Schedule (continued)						
Line No.	Item	Month 1 Quantity	Month 1 Revenue Costs and Take-or-Pay	Month 1 Revenue (GRI & ACA)	Month 1 Revenue (Other)	Month 1 Revenue (Total)
	(a)	(b)	(c)	(d)	(e)	(f)
101	Total Operating Revenues (Total of Lines 1,63,90,94 & 100)	72,508,574		87,018	28,869,220	28,956,238

Name of Respondent Kern River Gas Transmission Company				This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of <u>2013/Q4</u>	
---	--	--	--	---	--	---------------------------------------	--	--	--

Monthly Quantity & Revenue Data by Rate Schedule (continued)										
Line No.	Month 2 Quantity (g)	Month 2 Revenue Costs and Take-or-Pay (h)	Month 2 Revenue (GRI & ACA) (i)	Month 2 Revenue (Other) (j)	Month 2 Revenue (Total) (k)	Month 3 Quantity (l)	Month 3 Revenue Costs and Take-or-Pay (m)	Month 3 Revenue (GRI & ACA) (n)	Month 3 Revenue (Other) (o)	Month 3 Revenue (Total) (p)
101	73,319,523		87,983	28,786,105	28,874,088	79,711,678		95,654	30,380,264	30,475,918

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Gas Operating Revenues

1. Report below natural gas operating revenues for each prescribed account total. The amounts must be consistent with the detailed data on succeeding pages.
2. Revenues in columns (b) and (c) include transition costs from upstream pipelines.
3. Other Revenues in columns (f) and (g) include reservation charges received by the pipeline plus usage charges, less revenues reflected in columns (b) through (e). Include in columns (f) and (g) revenues for Accounts 480-495.

Line No.	Title of Account (a)	Revenues for Transition Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transition Costs and Take-or-Pay Amount for Previous Year (c)	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Previous Year (e)
1	480 Residential Sales				
2	481 Commercial and Industrial Sales				
3	482 Other Sales to Public Authorities				
4	483 Sales for Resale				
5	484 Interdepartmental Sales				
6	485 Intracompany Transfers				
7	487 Forfeited Discounts				
8	488 Miscellaneous Service Revenues				
9	489.1 Revenues from Transportation of Gas of Others Through Gathering Facilities				
10	489.2 Revenues from Transportation of Gas of Others Through Transmission Facilities			1,495,450	1,740,310
11	489.3 Revenues from Transportation of Gas of Others Through Distribution Facilities				
12	489.4 Revenues from Storing Gas of Others				
13	490 Sales of Prod. Ext. from Natural Gas				
14	491 Revenues from Natural Gas Proc. by Others				
15	492 Incidental Gasoline and Oil Sales				
16	493 Rent from Gas Property				
17	494 Interdepartmental Rents				
18	495 Other Gas Revenues				
19	Subtotal:			1,495,450	1,740,310
20	496 (Less) Provision for Rate Refunds				
21	TOTAL:			1,495,450	1,740,310

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Gas Operating Revenues

4. If increases or decreases from previous year are not derived from previously reported figures, explain any inconsistencies in a footnote.
5. On Page 108, include information on major changes during the year, new service, and important rate increases or decreases.
6. Report the revenue from transportation services that are bundled with storage services as transportation service revenue.

Line No.	Other Revenues	Other Revenues	Total Operating Revenues	Total Operating Revenues	Dekatherm of Natural Gas	Dekatherm of Natural Gas
	Amount for Current Year (f)	Amount for Previous Year (g)	Amount for Current Year (h)	Amount for Previous Year (i)	Amount for Current Year (j)	Amount for Previous Year (k)
1						
2						
3						
4						
5						
6						
7						
8	553,644	553,644	553,644	553,644		
9						
10	356,196,883	381,011,854	357,692,333	382,752,164	905,981,535	966,841,050
11						
12						
13						
14						
15						
16						
17						
18	810,586	1,090,223	810,586	1,090,223		
19	357,561,113	382,655,721	359,056,563	384,396,031		
20		1,002,368		1,002,368		
21	357,561,113	381,653,353	359,056,563	383,393,663		

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Revenues from Transportation of Gas of Others Through Transmission Facilities (Account 489.2)

1. Report revenues and Dth of gas delivered by Zone of Delivery by Rate Schedule. Total by Zone of Delivery and for all zones. If respondent does not have separate zones, provide totals by rate schedule.
2. Revenues for penalties including penalties for unauthorized overruns must be reported on page 308.
3. Other Revenues in columns (f) and (g) include reservation charges received by the pipeline plus usage charges for transportation and hub services, less revenues reflected in columns (b) through (e).

Line No.	Zone of Delivery, Rate Schedule (a)	Revenues for Transition Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transition Costs and Take-or-Pay Amount for Previous Year (c)	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Previous Year (e)
1	KRF - 1 Firm Mainline			1,399,837	1,591,421
2	KRI - 1 Interruptible Mainline			35,317	79,199
3	KRF - L1 Firm High Desert			54,829	64,517
4	KRI - L1 Interruptible High Desert			5,467	5,173
5					
6	TOTAL			1,495,450	1,740,310
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Revenues from Transportation of Gas of Others Through Transmission Facilities (Account 489.2)

4. Delivered Dth of gas must not be adjusted for discounting.
5. Each incremental rate schedule and each individually certificated rate schedule must be separately reported.
6. Where transportation services are bundled with storage services, report total revenues but only transportation Dth.

Line No.	Other Revenues	Other Revenues	Total Operating Revenues	Total Operating Revenues	Dekatherm of Natural Gas	Dekatherm of Natural Gas
	Amount for Current Year (f)	Amount for Previous Year (g)	Amount for Current Year (h)	Amount for Previous Year (i)	Amount for Current Year (j)	Amount for Previous Year (k)
1	350,149,175	371,198,159	351,549,012	372,789,580	847,573,542	884,126,858
2	1,697,670	5,591,736	1,732,987	5,670,935	21,504,596	43,997,929
3	4,181,136	4,183,788	4,235,965	4,248,305	32,947,853	35,842,236
4	168,902	38,171	174,369	43,344	3,955,544	2,874,027
5						
6	356,196,883	381,011,854	357,692,333	382,752,164	905,981,535	966,841,050
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
Other Gas Revenues (Account 495)				
Report below transactions of \$250,000 or more included in Account 495, Other Gas Revenues. Group all transactions below \$250,000 in one amount and provide the number of items.				
Line No.	Description of Transaction (a)	Amount (in dollars) (b)		
1	Commissions on Sale or Distribution of Gas of Others			
2	Compensation for Minor or Incidental Services Provided for Others			
3	Profit or Loss on Sale of Material and Supplies not Ordinarily Purchased for Resale			
4	Sales of Stream, Water, or Electricity, including Sales or Transfers to Other Departments			
5	Miscellaneous Royalties			
6	Revenues from Dehydration and Other Processing of Gas of Others except as provided for in the Instructions to Account 495			
7	Revenues for Right and/or Benefits Received from Others which are Realized Through Research, Development, and Demonstration Ventures			
8	Gains on Settlements of Imbalance Receivables and Payables			
9	Revenues from Penalties earned Pursuant to Tariff Provisions, including Penalties Associated with Cash-out Settlements			
10	Revenues from Shipper Supplied Gas			
11	Other revenues (Specify):			
12	Facility charge on Big Horn lateral	615,468		
13	Miscellaneous (2)	195,118		
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
	Total	810,586		

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Discounted Rate Services and Negotiated Rate Services

1. In column b, report the revenues from discounted rate services.
2. In column c, report the volumes of discounted rate services.
3. In column d, report the revenues from negotiated rate services.
4. In column e, report the volumes of negotiated rate services.

Line No.	Account (a)	Discounted Rate Services Revenue (b)	Discounted Rate Services Volumes (c)	Negotiated Rate Services Revenue (d)	Negotiated Rate Services Volumes (e)
1	Account 489.1, Revenues from transportation of gas of others through gathering facilities.				
2	Account 489.2, Revenues from transportation of gas of others through transmission facilities.	63,878,195	201,416,189	21,628,057	42,054,063
3	Account 489.4, Revenues from storing gas of others.				
4	Account 495, Other gas revenues.				
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
	Total	63,878,195	201,416,189	21,628,057	42,054,063

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
Gas Operation and Maintenance Expenses				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
1	1. PRODUCTION EXPENSES			
2	A. Manufactured Gas Production			
3	Manufactured Gas Production (Submit Supplemental Statement)	0	0	
4	B. Natural Gas Production			
5	B1. Natural Gas Production and Gathering			
6	Operation			
7	750 Operation Supervision and Engineering	0	0	
8	751 Production Maps and Records	0	0	
9	752 Gas Well Expenses	0	0	
10	753 Field Lines Expenses	0	0	
11	754 Field Compressor Station Expenses	0	0	
12	755 Field Compressor Station Fuel and Power	0	0	
13	756 Field Measuring and Regulating Station Expenses	0	0	
14	757 Purification Expenses	0	0	
15	758 Gas Well Royalties	0	0	
16	759 Other Expenses	0	0	
17	760 Rents	0	0	
18	TOTAL Operation (Total of lines 7 thru 17)	0	0	
19	Maintenance			
20	761 Maintenance Supervision and Engineering	0	0	
21	762 Maintenance of Structures and Improvements	0	0	
22	763 Maintenance of Producing Gas Wells	0	0	
23	764 Maintenance of Field Lines	0	0	
24	765 Maintenance of Field Compressor Station Equipment	0	0	
25	766 Maintenance of Field Measuring and Regulating Station Equipment	0	0	
26	767 Maintenance of Purification Equipment	0	0	
27	768 Maintenance of Drilling and Cleaning Equipment	0	0	
28	769 Maintenance of Other Equipment	0	0	
29	TOTAL Maintenance (Total of lines 20 thru 28)	0	0	
30	TOTAL Natural Gas Production and Gathering (Total of lines 18 and 29)	0	0	

Page 318

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
Gas Operation and Maintenance Expenses(continued)					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
59	C. Exploration and Development				
60	Operation				
61	795 Delay Rentals	0	0		
62	796 Nonproductive Well Drilling	0	0		
63	797 Abandoned Leases	0	0		
64	798 Other Exploration	0	0		
65	TOTAL Exploration and Development (Total of lines 61 thru 64)	0	0		
66	D. Other Gas Supply Expenses				
67	Operation				
68	800 Natural Gas Well Head Purchases	0	0		
69	800.1 Natural Gas Well Head Purchases, Intracompany Transfers	0	0		
70	801 Natural Gas Field Line Purchases	0	0		
71	802 Natural Gas Gasoline Plant Outlet Purchases	0	0		
72	803 Natural Gas Transmission Line Purchases	0	0		
73	804 Natural Gas City Gate Purchases	0	0		
74	804.1 Liquefied Natural Gas Purchases	0	0		
75	805 Other Gas Purchases	462,841	243,596		
76	(Less) 805.1 Purchases Gas Cost Adjustments	0	0		
77	TOTAL Purchased Gas (Total of lines 68 thru 76)	462,841	243,596		
78	806 Exchange Gas	(462,841)	(243,596)		
79	Purchased Gas Expenses				
80	807.1 Well Expense-Purchased Gas	0	0		
81	807.2 Operation of Purchased Gas Measuring Stations	0	0		
82	807.3 Maintenance of Purchased Gas Measuring Stations	0	0		
83	807.4 Purchased Gas Calculations Expenses	0	0		
84	807.5 Other Purchased Gas Expenses	0	0		
85	TOTAL Purchased Gas Expenses (Total of lines 80 thru 84)	0	0		

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
Gas Operation and Maintenance Expenses(continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
86	808.1 Gas Withdrawn from Storage-Debit	0	0	
87	(Less) 808.2 Gas Delivered to Storage-Credit	0	0	
88	809.1 Withdrawals of Liquefied Natural Gas for Processing-Debit	0	0	
89	(Less) 809.2 Deliveries of Natural Gas for Processing-Credit	0	0	
90	Gas used in Utility Operation-Credit			
91	810 Gas Used for Compressor Station Fuel-Credit	57,519,175	50,185,008	
92	811 Gas Used for Products Extraction-Credit	0	0	
93	812 Gas Used for Other Utility Operations-Credit	0	0	
94	TOTAL Gas Used in Utility Operations-Credit (Total of lines 91 thru 93)	57,519,175	50,185,008	
95	813 Other Gas Supply Expenses	664,251	0	
96	TOTAL Other Gas Supply Exp. (Total of lines 77,78,85,86 thru 89,94,95)	(56,854,924)	(50,185,008)	
97	TOTAL Production Expenses (Total of lines 3, 30, 58, 65, and 96)	(56,854,924)	(50,185,008)	
98	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES			
99	A. Underground Storage Expenses			
100	Operation			
101	814 Operation Supervision and Engineering	0	0	
102	815 Maps and Records	0	0	
103	816 Wells Expenses	0	0	
104	817 Lines Expense	0	0	
105	818 Compressor Station Expenses	0	0	
106	819 Compressor Station Fuel and Power	0	0	
107	820 Measuring and Regulating Station Expenses	0	0	
108	821 Purification Expenses	0	0	
109	822 Exploration and Development	0	0	
110	823 Gas Losses	0	0	
111	824 Other Expenses	0	0	
112	825 Storage Well Royalties	0	0	
113	826 Rents	0	0	
114	TOTAL Operation (Total of lines of 101 thru 113)	0	0	

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
Gas Operation and Maintenance Expenses(continued)					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
115	Maintenance				
116	830 Maintenance Supervision and Engineering	0	0		
117	831 Maintenance of Structures and Improvements	0	0		
118	832 Maintenance of Reservoirs and Wells	0	0		
119	833 Maintenance of Lines	0	0		
120	834 Maintenance of Compressor Station Equipment	0	0		
121	835 Maintenance of Measuring and Regulating Station Equipment	0	0		
122	836 Maintenance of Purification Equipment	0	0		
123	837 Maintenance of Other Equipment	0	0		
124	TOTAL Maintenance (Total of lines 116 thru 123)	0	0		
125	TOTAL Underground Storage Expenses (Total of lines 114 and 124)	0	0		
126	B. Other Storage Expenses				
127	Operation				
128	840 Operation Supervision and Engineering	0	0		
129	841 Operation Labor and Expenses	0	0		
130	842 Rents	0	0		
131	842.1 Fuel	0	0		
132	842.2 Power	0	0		
133	842.3 Gas Losses	0	0		
134	TOTAL Operation (Total of lines 128 thru 133)	0	0		
135	Maintenance				
136	843.1 Maintenance Supervision and Engineering	0	0		
137	843.2 Maintenance of Structures	0	0		
138	843.3 Maintenance of Gas Holders	0	0		
139	843.4 Maintenance of Purification Equipment	0	0		
140	843.5 Maintenance of Liquefaction Equipment	0	0		
141	843.6 Maintenance of Vaporizing Equipment	0	0		
142	843.7 Maintenance of Compressor Equipment	0	0		
143	843.8 Maintenance of Measuring and Regulating Equipment	0	0		
144	843.9 Maintenance of Other Equipment	0	0		
145	TOTAL Maintenance (Total of lines 136 thru 144)	0	0		
146	TOTAL Other Storage Expenses (Total of lines 134 and 145)	0	0		

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
Gas Operation and Maintenance Expenses(continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
147	C. Liquefied Natural Gas Terminaling and Processing Expenses			
148	Operation			
149	844.1 Operation Supervision and Engineering	0	0	
150	844.2 LNG Processing Terminal Labor and Expenses	0	0	
151	844.3 Liquefaction Processing Labor and Expenses	0	0	
152	844.4 Liquefaction Transportation Labor and Expenses	0	0	
153	844.5 Measuring and Regulating Labor and Expenses	0	0	
154	844.6 Compressor Station Labor and Expenses	0	0	
155	844.7 Communication System Expenses	0	0	
156	844.8 System Control and Load Dispatching	0	0	
157	845.1 Fuel	0	0	
158	845.2 Power	0	0	
159	845.3 Rents	0	0	
160	845.4 Demurrage Charges	0	0	
161	(less) 845.5 Wharfage Receipts-Credit	0	0	
162	845.6 Processing Liquefied or Vaporized Gas by Others	0	0	
163	846.1 Gas Losses	0	0	
164	846.2 Other Expenses	0	0	
165	TOTAL Operation (Total of lines 149 thru 164)	0	0	
166	Maintenance			
167	847.1 Maintenance Supervision and Engineering	0	0	
168	847.2 Maintenance of Structures and Improvements	0	0	
169	847.3 Maintenance of LNG Processing Terminal Equipment	0	0	
170	847.4 Maintenance of LNG Transportation Equipment	0	0	
171	847.5 Maintenance of Measuring and Regulating Equipment	0	0	
172	847.6 Maintenance of Compressor Station Equipment	0	0	
173	847.7 Maintenance of Communication Equipment	0	0	
174	847.8 Maintenance of Other Equipment	0	0	
175	TOTAL Maintenance (Total of lines 167 thru 174)	0	0	
176	TOTAL Liquefied Nat Gas Terminaling and Proc Exp (Total of lines 165 and 175)	0	0	
177	TOTAL Natural Gas Storage (Total of lines 125, 146, and 176)	0	0	

Page 323

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
Gas Operation and Maintenance Expenses(continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
208	874 Mains and Services Expenses	0	0	
209	875 Measuring and Regulating Station Expenses-General	0	0	
210	876 Measuring and Regulating Station Expenses-Industrial	0	0	
211	877 Measuring and Regulating Station Expenses-City Gas Check Station	0	0	
212	878 Meter and House Regulator Expenses	0	0	
213	879 Customer Installations Expenses	0	0	
214	880 Other Expenses	0	0	
215	881 Rents	0	0	
216	TOTAL Operation (Total of lines 204 thru 215)	0	0	
217	Maintenance			
218	885 Maintenance Supervision and Engineering	0	0	
219	886 Maintenance of Structures and Improvements	0	0	
220	887 Maintenance of Mains	0	0	
221	888 Maintenance of Compressor Station Equipment	0	0	
222	889 Maintenance of Measuring and Regulating Station Equipment-General	0	0	
223	890 Maintenance of Meas. and Reg. Station Equipment-Industrial	0	0	
224	891 Maintenance of Meas. and Reg. Station Equip-City Gate Check Station	0	0	
225	892 Maintenance of Services	0	0	
226	893 Maintenance of Meters and House Regulators	0	0	
227	894 Maintenance of Other Equipment	0	0	
228	TOTAL Maintenance (Total of lines 218 thru 227)	0	0	
229	TOTAL Distribution Expenses (Total of lines 216 and 228)	0	0	
230	5. CUSTOMER ACCOUNTS EXPENSES			
231	Operation			
232	901 Supervision	0	0	
233	902 Meter Reading Expenses	0	0	
234	903 Customer Records and Collection Expenses	0	0	

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
Gas Operation and Maintenance Expenses(continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
235	904 Uncollectible Accounts	0	0	
236	905 Miscellaneous Customer Accounts Expenses	0	0	
237	TOTAL Customer Accounts Expenses (Total of lines 232 thru 236)	0	0	
238	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES			
239	Operation			
240	907 Supervision	0	0	
241	908 Customer Assistance Expenses	0	0	
242	909 Informational and Instructional Expenses	0	0	
243	910 Miscellaneous Customer Service and Informational Expenses	0	0	
244	TOTAL Customer Service and Information Expenses (Total of lines 240 thru 243)	0	0	
245	7. SALES EXPENSES			
246	Operation			
247	911 Supervision	0	0	
248	912 Demonstrating and Selling Expenses	0	0	
249	913 Advertising Expenses	0	0	
250	916 Miscellaneous Sales Expenses	0	0	
251	TOTAL Sales Expenses (Total of lines 247 thru 250)	0	0	
252	8. ADMINISTRATIVE AND GENERAL EXPENSES			
253	Operation			
254	920 Administrative and General Salaries	6,213,561	6,235,451	
255	921 Office Supplies and Expenses	2,185,399	1,883,377	
256	(Less) 922 Administrative Expenses Transferred-Credit	127,675	153,921	
257	923 Outside Services Employed	2,930,969	3,015,928	
258	924 Property Insurance	538,030	636,187	
259	925 Injuries and Damages	188,836	171,190	
260	926 Employee Pensions and Benefits	2,648,857	2,927,974	
261	927 Franchise Requirements	0	0	
262	928 Regulatory Commission Expenses	2,096,295	2,212,880	
263	(Less) 929 Duplicate Charges-Credit	0	0	
264	930.1General Advertising Expenses	0	0	
265	930.2Miscellaneous General Expenses	18,500	19,176	
266	931 Rents	889,768	855,416	
267	TOTAL Operation (Total of lines 254 thru 266)	17,582,540	17,803,658	
268	Maintenance			
269	932 Maintenance of General Plant	0	0	
270	TOTAL Administrative and General Expenses (Total of lines 267 and 269)	17,582,540	17,803,658	
271	TOTAL Gas O&M Expenses (Total of lines 97,177,201,229,237,244,251, and 270)	40,168,541	37,570,884	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kern River Gas Transmission Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	/ /	End of <u>2013/Q4</u>

Exchange and Imbalance Transactions

1. Report below details by zone and rate schedule concerning the gas quantities and related dollar amount of imbalances associated with system balancing and no-notice service. Also, report certificated natural gas exchange transactions during the year. Provide subtotals for imbalance and no-notice quantities for exchanges. If respondent does not have separate zones, provide totals by rate schedule. Minor exchange transactions (less than 100,000 Dth) may be grouped.

[illegible]

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
---	---	---------------------------------------	--

Gas Used in Utility Operations

1. Report below details of credits during the year to Accounts 810, 811, and 812.
2. If any natural gas was used by the respondent for which a charge was not made to the appropriate operating expense or other account, list separately in column (c) the Dth of gas used, omitting entries in column (d).

Line No.	Purpose for Which Gas Was Used (a)	Account Charged (b)	Natural Gas Gas Used Dth (c)	Natural Gas Amount of Credit (in dollars) (d)	Natural Gas Amount of Credit (in dollars) (d)	Natural Gas Amount of Credit (in dollars) (d)
1	810 Gas Used for Compressor Station Fuel - Credit	854	16,316,792	57,519,175		
2	811 Gas Used for Products Extraction - Credit					
3	Gas Shrinkage and Other Usage in Respondent's Own Processing					
4	Gas Shrinkage, etc. for Respondent's Gas Processed by Others					
5	812 Gas Used for Other Utility Operations - Credit (Report separately for each principal use. Group minor uses.)					
6	Unaccounted for		1,823,743			
7	Net decrease in line pack		203,941			
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25	Total		18,344,476	57,519,175		

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
Other Gas Supply Expenses (Account 813)				
1. Report other gas supply expenses by descriptive titles that clearly indicate the nature of such expenses. Show maintenance expenses, revaluation of monthly encroachments recorded in Account 117.4, and losses on settlements of imbalances and gas losses not associated with storage separately. Indicate the functional classification and purpose of property to which any expenses relate. List separately items of \$250,000 or more.				
Line No.	Description (a)	Amount (in dollars) (b)		
1	Bifurcation gas pipeline loss	664,251		
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25	Total	664,251		

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Miscellaneous General Expenses (Account 930.2)

1. Provide the information requested below on miscellaneous general expenses.
2. For Other Expenses, show the (a) purpose, (b) recipient and (c) amount of such items. List separately amounts of \$250,000 or more however, amounts less than \$250,000 may be grouped if the number of items of so grouped is shown.

Line No.	Description (a)	Amount (in dollars) (b)
1	Industry association dues.	18,500
2	Experimental and general research expenses.	
	a. Gas Research Institute (GRI)	
	b. Other	
3	Publishing and distributing information and reports to stockholders, trustee, registrar, and transfer agent fees and expenses, and other expenses of servicing outstanding securities of the respondent	
4	Other expenses	
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25	Total	18,500

BLANK PAGE

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments)

- Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.
- Report in Section B, column (b) all depreciable or amortizable plant balances to which rates are applied and show a composite total. (If more desirable, report by plant account, subaccount or functional classifications other than those pre-printed in column (a). Indicate in a footnote the manner in which column (b) balances are

Section A. Summary of Depreciation, Depletion, and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization and Depletion of Producing Natural Gas Land and Land Rights (Account 404.1) (d)	Amortization of Underground Storage Land and Land Rights (Account 404.2) (e)
1	Intangible plant				
2	Production plant, manufactured gas				
3	Production and gathering plant, natural gas				
4	Products extraction plant				
5	Underground gas storage plant				
6	Other storage plant				
7	Base load LNG terminaling and processing plant				
8	Transmission plant	80,513,311			
9	Distribution plant				
10	General plant	1,144,154			
11	Common plant-gas				
12	TOTAL	81,657,465			

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments) (continued)

obtained. If average balances are used, state the method of averaging used. For column (c) report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (c) on this basis. Where the unit-of-production method is used to determine depreciation charges, show in a footnote any revisions made to estimated gas reserves.

3. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state in a footnote the amounts and nature of the provisions and the plant items to which related.

Section A. Summary of Depreciation, Depletion, and Amortization Charges

Line No.	Amortization of Other Limited-term Gas Plant (Account 404.3) (f)	Amortization of Other Gas Plant (Account 405) (g)	Total (b to g) (h)	Functional Classification (a)
1	1,355,893		1,355,893	Intangible plant
2				Production plant, manufactured gas
3				Production and gathering plant, natural gas
4				Products extraction plant
5				Underground gas storage plant
6				Other storage plant
7				Base load LNG terminaling and processing plant
8	1,814,564		82,327,875	Transmission plant
9				Distribution plant
10			1,144,154	General plant
11				Common plant-gas
12	3,170,457		84,827,922	TOTAL

Name of Respondent Kerr River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments) (continued)

4. Add rows as necessary to completely report all data. Number the additional rows in sequence as 2.01, 2.02, 3.01, 3.02, etc.

Section B. Factors Used in Estimating Depreciation Charges

Line No.	Functional Classification (a)	Plant Bases (in thousands) (b)	Applied Depreciation or Amortization Rates (percent) (c)
1	Production and Gathering Plant		
2	Offshore (footnote details)		
3	Onshore (footnote details)		
4	Underground Gas Storage Plant (footnote details)		
5	Transmission Plant		
6	Offshore (footnote details)		
7	Onshore (footnote details)	2,757,024	0.00
8	General Plant (footnote details)	13,313	0.00
9	Intangible Plant (footnote details)	25,930	0.00
10			
11			
12			
13			
14			
15			

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Particulars Concerning Certain Income Deductions and Interest Charges Accounts

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts.

(a) Miscellaneous Amortization (Account 425)-Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.

(b) Miscellaneous Income Deductions-Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than \$250,000 may be grouped by classes within the above accounts.

(c) Interest on Debt to Associated Companies (Account 430)-For each associated company that incurred interest on debt during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.

(d) Other Interest Expense (Account 431) - Report details including the amount and interest rate for other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1	426.1 - Charitable donations less than \$250,000	48,087
2		
3	426.4 - Expenditures for Certain Civic, Political and Related Activities	
4	Activities less than \$250,000	43,175
5		
6	426.5 - Other deductions - activities less than \$250,000	3,247
7		
8	431.0 - Other interest expense	
9	Letters-of-credit fees (rates less than 0.05% based upon face value)	772,451
10	FIN 48 income tax adjustments (rates vary by taxing authority)	62,597
11	Other	218
12	Account subtotal	835,266
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Regulatory Commission Expenses (Account 928)

1. Report below details of regulatory commission expenses incurred during the current year (or in previous years, if being amortized) relating to formal cases before a regulatory body, or cases in which such a body was a party.
2. In column (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.

Line No.	Description (Furnish name of regulatory commission or body, the docket number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses to Date (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	FERC RP04-274 General Rate Case (amortized over a five year period)		8,115,117	8,115,117	1,504,521
2					
3	FERC Order No. 472 2012 Annual Charge (Oct-12 through Sep-13)	1,564,780		1,564,780	1,173,585
4					
5	FERC Order No. 472 2013 Annual Charge (Oct-13 through Sep-14)	1,168,801		1,168,801	
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25	Total	2,733,581	8,115,117	10,848,698	2,678,106

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Regulatory Commission Expenses (Account 928)

3. Show in column (k) any expenses incurred in prior years that are being amortized. List in column (a) the period of amortization.
4. Identify separately all annual charge adjustments (ACA).
5. List in column (f), (g), and (h) expenses incurred during year which were charges currently to income, plant, or other accounts.
6. Minor items (less than \$250,000) may be grouped.

Line No.	Expenses Incurred During Year Charged Currently To Department (f)	Expenses Incurred During Year Charged Currently To Account No. (g)	Expenses Incurred During Year Charged Currently To Amount (h)	Expenses Incurred During Year Deferred to Account 182.3 (i)	Amortized During Year Contra Account (j)	Amortized During Year Amount (k)	Deferred in Account 182.3 End of Year (l)
1	Gas	928	51,939	13,354	182.3	578,571	939,304
2							
3					182.3	1,173,585	
4							
5				1,168,801	182.3	292,200	876,601
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25			51,939	1,182,155		2,044,356	1,815,905

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
Employee Pensions and Benefits (Account 926)				
1. Report below the items contained in Account 926, Employee Pensions and Benefits.				
Line No.	Expense (a)	Amount (b)		
1	Pensions – defined benefit plans	357,977		
2	Pensions – other	490,319		
3	Post-retirement benefits other than pensions (PBOP)	417,387		
4	Post-employment benefit plans			
5	Other (Specify)			
6	Healthcare and other benefits	1,383,174		
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
	Total	2,648,857		

BLANK PAGE

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2013/Q4</u>
---	---	---------------------------------------	--

Distribution of Salaries and Wages

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals and Other Accounts, and enter such amounts in the appropriate lines and columns provided. Salaries and wages billed to the Respondent by an affiliated company must be assigned to the particular operating function(s) relating to the expenses.

In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used. When reporting detail of other accounts, enter as many rows as necessary numbered sequentially starting with 75.01, 75.02, etc.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Payroll Billed by Affiliated Companies (c)	Allocation of Payroll Charged for Clearing Accounts (d)	Total (e)
1	Electric				
2	Operation				
3	Production				
4	Transmission				
5	Distribution				
6	Customer Accounts				
7	Customer Service and Informational				
8	Sales				
9	Administrative and General				
10	TOTAL Operation (Total of lines 3 thru 9)				
11	Maintenance				
12	Production				
13	Transmission				
14	Distribution				
15	Administrative and General				
16	TOTAL Maintenance (Total of lines 12 thru 15)				
17	Total Operation and Maintenance				
18	Production (Total of lines 3 and 12)				
19	Transmission (Total of lines 4 and 13)				
20	Distribution (Total of lines 5 and 14)				
21	Customer Accounts (line 6)				
22	Customer Service and Informational (line 7)				
23	Sales (line 8)				
24	Administrative and General (Total of lines 9 and 15)				
25	TOTAL Operation and Maintenance (Total of lines 18 thru 24)				
26	Gas				
27	Operation				
28	Production - Manufactured Gas				
29	Production - Natural Gas(Including Exploration and Development)				
30	Other Gas Supply				
31	Storage, LNG Terminating and Processing				
32	Transmission	8,335,191			8,335,191
33	Distribution				
34	Customer Accounts				
35	Customer Service and Informational				
36	Sales				
37	Administrative and General	4,916,099	2,381,780		7,297,879
38	TOTAL Operation (Total of lines 28 thru 37)	13,251,290	2,381,780		15,633,070
39	Maintenance				
40	Production - Manufactured Gas				
41	Production - Natural Gas(Including Exploration and Development)				
42	Other Gas Supply				
43	Storage, LNG Terminating and Processing				
44	Transmission	714,536			714,536
45	Distribution				

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
Distribution of Salaries and Wages (continued)					
Line No.	Classification (a)	Direct Payroll Distribution (b)	Payroll Billed by Affiliated Companies (c)	Allocation of Payroll Charged for Clearing Accounts (d)	Total (e)
46	Administrative and General				
47	TOTAL Maintenance (Total of lines 40 thru 46)	714,536			714,536
48	Gas (Continued)				
49	Total Operation and Maintenance				
50	Production - Manufactured Gas (Total of lines 28 and 40)				
51	Production - Natural Gas (Including Expl. and Dev.)(Il. 29 and 41)				
52	Other Gas Supply (Total of lines 30 and 42)				
53	Storage, LNG Terminating and Processing (Total of Il. 31 and 43)				
54	Transmission (Total of lines 32 and 44)	9,049,727			9,049,727
55	Distribution (Total of lines 33 and 45)				
56	Customer Accounts (Total of line 34)				
57	Customer Service and Informational (Total of line 35)				
58	Sales (Total of line 36)				
59	Administrative and General (Total of lines 37 and 46)	4,916,099	2,381,780		7,297,879
60	Total Operation and Maintenance (Total of lines 50 thru 59)	13,965,826	2,381,780		16,347,606
61	Other Utility Departments				
62	Operation and Maintenance				
63	TOTAL ALL Utility Dept. (Total of lines 25, 60, and 62)	13,965,826	2,381,780		16,347,606
64	Utility Plant				
65	Construction (By Utility Departments)				
66	Electric Plant				
67	Gas Plant	866,410	53,000	603,670	1,523,080
68	Other				
69	TOTAL Construction (Total of lines 66 thru 68)	866,410	53,000	603,670	1,523,080
70	Plant Removal (By Utility Departments)				
71	Electric Plant				
72	Gas Plant	16,031			16,031
73	Other				
74	TOTAL Plant Removal (Total of lines 71 thru 73)	16,031			16,031
75	Other Accounts (Specify) (footnote details)	22,061			22,061
76	TOTAL Other Accounts	22,061			22,061
77	TOTAL SALARIES AND WAGES	14,870,328	2,434,780	603,670	17,908,778

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Charges for Outside Professional and Other Consultative Services

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered for the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$250,000, including payments for legislative services, except those which should be reported in Account 426.4 Expenditures for Certain Civic, Political and Related Activities.

(a) Name of person or organization rendering services.

(b) Total charges for the year.

2. Sum under a description "Other", all of the aforementioned services amounting to \$250,000 or less.

3. Total under a description "Total", the total of all of the aforementioned services.

4. Charges for outside professional and other consultative services provided by associated (affiliated) companies should be excluded from this schedule and be reported on Page 358, according to the instructions for that schedule.

Line No.	Description (a)	Amount (in dollars) (b)
1	Barnard Pipeline Inc	5,511,267
2	Sunland Construction Inc	2,988,995
3	G E L Inc	1,912,408
4	Flare Construction Inc	1,604,776
5	Snelson Companies Inc	1,596,000
6	Baker Hughes Pipeline Management Group Inc	1,337,700
7	Quality Integrated Services Inc	792,175
8	Ecology and Environment Inc	477,218
9	Coast to Coast Inspection Services	430,368
10	Solar Turbines Inc	396,737
11	EPG Inc	377,746
12	ICORR Technologies Inc	350,604
13	ConsultNet	308,879
14	Elkhorn Construction Inc	289,018
15	Mears Group Inc	287,211
16		
17	Other (\$250,000 or less)	3,703,353
18		
19	Total	22,364,455
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Transactions with Associated (Affiliated) Companies

1. Report below the information called for concerning all goods or services received from or provided to associated (affiliated) companies amounting to more than \$250,000.
2. Sum under a description "Other", all of the aforementioned goods and services amounting to \$250,000 or less.
3. Total under a description "Total", the total of all of the aforementioned goods and services.
4. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote the basis of the allocation.

Line No.	Description of the Good or Service (a)	Name of Associated/Affiliated Company (b)	Account(s) Charged or Credited (c)	Amount Charged or Credited (d)
1	Goods or Services Provided by Affiliated Company			
2	Executive management services	MidAmerican Energy Holdings Company ("MEHC")	920, 923	1,257,791
3	Other - goods and services under \$250,000	MEHC	Various	546,962
4	Other - goods and services under \$250,000	MidAmerican Energy Company	Various	880,708
5	Finance and accounting services	Northern Natural Gas ("NNG")	107, 923	536,939
6	Risk management services (natural gas swaps)	NNG	421	(81,330)
7	Other - goods and services under \$250,000	NNG	Various	527,308
8	Other - goods and services under \$250,000	PacifiCorp	Various	275,617
9				
10	Total			3,943,995
11				
12				
13				
14				
15				
16				
17				
18				
19				
20	Goods or Services Provided for Affiliated Company			
21	Gas transportation services	Nevada Power Company	489.2, 495	2,231,751
22	Gas transportation services	PacifiCorp	489.2	3,261,037
23	Other - goods and services under \$250,000	PacifiCorp	Various	217,785
24	Other - goods and services under \$250,000	MEHC	Various	131,116
25				
26	Total			71,333,640
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Compressor Stations

1. Report below details concerning compressor stations. Use the following subheadings: field compressor stations, products extraction compressor stations, underground storage compressor stations, transmission compressor stations, distribution compressor stations, and other compressor stations.

2. For column (a), indicate the production areas where such stations are used. Group relatively small field compressor stations by production areas. Show the number of stations grouped. Identify any station held under a title other than full ownership. State in a footnote the name of owner or co-owner, the nature of respondent's title, and percent of ownership if jointly owned.

Line No.	Name of Station and Location (a)	Number of Units at Station (b)	Certificated Horsepower for Each Station (c)	Plant Cost (d)
1	Transmission: Transmission Compressor Stations			
2	Transmission: Muddy Creek, Lincoln County, Wyoming	6	95,500	122,526,437
3	Transmission: Painter, Uinta County, Wyoming	2	11,000	17,699,475
4	Transmission: Anschutz, Uinta County, Wyoming	2	720	4,883,006
5	Transmission: Coyote Creek, Uinta County, Wyoming	2	31,000	54,787,672
6	Transmission: Salt Lake City, Salt Lake County, Utah	2	30,000	39,629,257
7	Transmission: Elberta, Utah County, Utah	2	31,000	53,255,834
8	Transmission: Fillmore, Millard County, Utah	2	30,000	44,544,408
9	Transmission: Milford, Beaver County, Utah	1	30,000	61,153,850
10	Transmission: Veyo, Washington County, Utah	3	45,000	61,030,983
11	Transmission: Dry Lake, Clark County, Nevada	2	31,000	50,346,522
12	Transmission: Goodsprings, Clark County, Nevada	3	45,000	60,535,400
13	Transmission: Daggett, San Bernadino County, California	1	4,000	24,114,949
14				
15	Transmission Total	28	384,220	594,507,793
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Compressor Stations

Designate any station that was not operated during the past year. State in a footnote whether the book cost of such station has been retired in the books of account, or what disposition of the station and its book cost are contemplated. Designate any compressor units in transmission compressor stations installed and put into operation during the year and show in a footnote each unit's size and the date the unit was placed in operation.

3. For column (e), include the type of fuel or power, if other than natural gas. If two types of fuel or power are used, show separate entries for natural gas and the other fuel or power.

Line No.	Expenses (except depreciation and taxes) Fuel (e)	Expenses (except depreciation and taxes) Power (f)	Expenses (except depreciation and taxes) Other (g)	Gas for Compressor Fuel in Dth (h)	Electricity for Compressor Station in kWh (i)	Operational Data Total Compressor Hours of Operation During Year (j)	Operational Data Number of Compressors Operated at Time of Station Peak (k)	Date of Station Peak (l)
1								
2	15,081,814		628,126	4,301,549	4,023,440	43,310	6	12/10/2013
3	745,071		158,403	212,008	238,980	8,901	2	02/09/2013
4	342		70,169	98	88,000			
5	3,896,742		211,870	1,123,141	574,800	12,076	2	01/13/2013
6	3,653,173		227,871	1,019,140	568,000	10,173	2	01/13/2013
7	5,514,699		31,377	1,564,198	723,280	15,526	2	01/29/2013
8	4,345,571		140,418	1,242,483	447,720	12,604	2	01/10/2013
9	4,114,986		415,627	1,164,447	1,541,120	6,957	1	12/10/2013
10	7,664,210		298,484	2,171,778	1,322,720	22,090	3	12/10/2013
11	5,781,105		215,448	1,632,790	1,003,600	15,708	2	12/10/2013
12	6,721,462		915,493	1,906,950	591,600	19,948	3	06/05/2013
13		72,355	11,746		300,000			
14								
15	57,519,175	72,355	3,325,032	16,338,582	11,423,260	167,293	25	
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Transmission Lines

- Report below, by state, the total miles of transmission lines of each transmission system operated by respondent at end of year.
- Report separately any lines held under a title other than full ownership. Designate such lines with an asterisk, in column (b) and in a footnote state the name of owner, or co-owner, nature of respondent's title, and percent ownership if jointly owned.
- Report separately any line that was not operated during the past year. Enter in a footnote the details and state whether the book cost of such a line, or any portion thereof, has been retired in the books of account, or what disposition of the line and its book costs are contemplated.
- Report the number of miles of pipe to one decimal point.

Line No.	Designation (Identification) of Line or Group of Lines (a)	* (b)	Total Miles of Pipe (c)
1	Op by resp - Wyoming		154.00
2			
3	Op by resp - Utah		740.70
4			
5	Op by resp - Nevada		275.50
6			
7	Op by resp - California		246.90
8			
9	Total Op by resp		1,417.10
10			
11	Op by others - California operated by Mojave Pipeline Operating Company	*	300.70
12			
13	Grand Total		1,717.80
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Transmission System Peak Deliveries

1. Report below the total transmission system deliveries of gas (in Dth), excluding deliveries to storage, for the period of system peak deliveries indicated below, during the 12 months embracing the heating season overlapping the year's end for which this report is submitted. The season's peak normally will be reached before the due date of this report, April 30, which permits inclusion of the peak information required on this page. Add rows as necessary to report all data. Number additional rows 6.01, 6.02, etc.

Line No.	Description	Dth of Gas Delivered to Interstate Pipelines (b)	Dth of Gas Delivered to Others (c)	Total (b) + (c) (d)
	SECTION A: SINGLE DAY PEAK DELIVERIES			
1	Date: December 10, 2013			
2	Volumes of Gas Transported			
3	No-Notice Transportation			
4	Other Firm Transportation	179,704	2,622,333	2,802,037
5	Interruptible Transportation		46,804	46,804
6	Other (Describe) (footnote details)			
7	TOTAL	179,704	2,669,137	2,848,841
8	Volumes of gas Withdrawn from Storage under Storage Contract			
9	No-Notice Storage			
10	Other Firm Storage			
11	Interruptible Storage			
12	Other (Describe) (footnote details)			
13	TOTAL			
14	Other Operational Activities			
15	Gas Withdrawn from Storage for System Operations			
16	Reduction in Line Pack		81,508	81,508
17	Other (Describe) (footnote details)			
18	TOTAL		81,508	81,508
19	SECTION B: CONSECUTIVE THREE-DAY PEAK DELIVERIES			
20	Dates: December 9-11, 2013			
21	Volumes of Gas Transported			
22	No-Notice Transportation			
23	Other Firm Transportation	349,237	7,596,164	7,945,401
24	Interruptible Transportation		473,177	473,177
25	Other (Describe) (footnote details)			
26	TOTAL	349,237	8,069,341	8,418,578
27	Volumes of Gas Withdrawn from Storage under Storage Contract			
28	No-Notice Storage			
29	Other Firm Storage			
30	Interruptible Storage			
31	Other (Describe) (footnote details)			
32	TOTAL			
33	Other Operational Activities			
34	Gas Withdrawn from Storage for System Operations			
35	Reduction in Line Pack		151,404	151,404
36	Other (Describe) (footnote details)			
37	TOTAL		151,404	151,404

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Gas Account - Natural Gas

1. The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent.
2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.
3. Enter in column (c) the year to date Dth as reported in the schedules indicated for the items of receipts and deliveries.
4. Enter in column (d) the respective quarter's Dth as reported in the schedules indicated for the items of receipts and deliveries.
5. Indicate in a footnote the quantities of bundled sales and transportation gas and specify the line on which such quantities are listed.
6. If the respondent operates two or more systems which are not interconnected, submit separate pages for this purpose.
7. Indicate by footnote the quantities of gas not subject to Commission regulation which did not incur FERC regulatory costs by showing (1) the local distribution volumes another jurisdictional pipeline delivered to the local distribution company portion of the reporting pipeline (2) the quantities that the reporting pipeline transported or sold through its local distribution facilities or intrastate facilities and which the reporting pipeline received through gathering facilities or intrastate facilities, but not through any of the interstate portion of the reporting pipeline, and (3) the gathering line quantities that were not destined for interstate market or that were not transported through any interstate portion of the reporting pipeline.
8. Indicate in a footnote the specific gas purchase expense account(s) and related to which the aggregate volumes reported on line No. 3 relate.
9. Indicate in a footnote (1) the system supply quantities of gas that are stored by the reporting pipeline, during the reporting year and also reported as sales, transportation and compression volumes by the reporting pipeline during the same reporting year, (2) the system supply quantities of gas that are stored by the reporting pipeline during the reporting year which the reporting pipeline intends to sell or transport in a future reporting year, and (3) contract storage quantities.
10. Also indicate the volumes of pipeline production field sales that are included in both the company's total sales figure and the company's total transportation figure. Add additional information as necessary to the footnotes.

Line No.	Item (a)	Ref. Page No. of (FERC Form Nos. 2/2-A) (b)	Total Amount of Dth Year to Date (c)	Current Three Months Ended Amount of Dth Quarterly Only
01 Name of System: Kern River Gas Transmission Mainline and Common Facilities				
2	GAS RECEIVED			
3	Gas Purchases (Accounts 800-805)			
4	Gas of Others Received for Gathering (Account 489.1)	303		
5	Gas of Others Received for Transmission (Account 489.2)	305	869,070,428	215,339,883
6	Gas of Others Received for Distribution (Account 489.3)	301		
7	Gas of Others Received for Contract Storage (Account 489.4)	307		
8	Gas of Others Received for Production/Extraction/Processing (Account 490 and 491)			
9	Exchanged Gas Received from Others (Account 806)	328	(102,644)	18,108
10	Gas Received as Imbalances (Account 806)	328	7,710	(16,668)
11	Receipts of Respondent's Gas Transported by Others (Account 858)	332		
12	Other Gas Withdrawn from Storage (Explain)			
13	Gas Received from Shippers as Compressor Station Fuel		16,444,604	3,929,102
14	Gas Received from Shippers as Lost and Unaccounted for		1,694,977	666,434
15	Other Receipts (Specify) (footnote details)		15,666	
16	Total Receipts (Total of lines 3 thru 15)		887,130,741	219,936,859
17	GAS DELIVERED			
18	Gas Sales (Accounts 480-484)			
19	Deliveries of Gas Gathered for Others (Account 489.1)	303		
20	Deliveries of Gas Transported for Others (Account 489.2)	305	869,070,428	215,339,883
21	Deliveries of Gas Distributed for Others (Account 489.3)	301		
22	Deliveries of Contract Storage Gas (Account 489.4)	307		
23	Gas of Others Delivered for Production/Extraction/Processing (Account 490 and 491)			
24	Exchange Gas Delivered to Others (Account 806)	328	(405,504)	222,326
25	Gas Delivered as Imbalances (Account 806)	328	86,444	2,225
26	Deliveries of Gas to Others for Transportation (Account 858)	332		
27	Other Gas Delivered to Storage (Explain)			
28	Gas Used for Compressor Station Fuel	509	16,338,582	3,893,117
29	Other Deliveries and Gas Used for Other Operations		220,456	(37,359)
30	Total Deliveries (Total of lines 18 thru 29)		885,310,406	219,420,192
31	GAS LOSSES AND GAS UNACCOUNTED FOR			
32	Gas Losses and Gas Unaccounted For		1,820,335	516,667
33	TOTALS			
34	Total Deliveries, Gas Losses & Unaccounted For (Total of lines 30 and 32)		887,130,741	219,936,859

Name of Respondent Kern River Gas Transmission Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
Gas Account - Natural Gas (continued)					
Line No.	Item (a)	Ref. Page No. of (FERC Form Nos. 2/2-A) (b)	Total Amount of Dth Year to Date (c)	Current Three Months Ended Amount of Dth Quarterly Only	
01 Name of System: Kern River High Desert Lateral					
2	GAS RECEIVED				
3	Gas Purchases (Accounts 800-805)				
4	Gas of Others Received for Gathering (Account 489.1)	303			
5	Gas of Others Received for Transmission (Account 489.2)	305	36,903,397		10,216,560
6	Gas of Others Received for Distribution (Account 489.3)	301			
7	Gas of Others Received for Contract Storage (Account 489.4)	307			
8	Gas of Others Received for Production/Extraction/Processing (Account 490 and 491)				
9	Exchanged Gas Received from Others (Account 806)	328	216,004		(537,527)
10	Gas Received as Imbalances (Account 806)	328			
11	Receipts of Respondent's Gas Transported by Others (Account 858)	332			
12	Other Gas Withdrawn from Storage (Explain)				
13	Gas Received from Shippers as Compressor Station Fuel				
14	Gas Received from Shippers as Lost and Unaccounted for		26,502		
15	Other Receipts (Specify) (footnote details)		3,679		
16	Total Receipts (Total of lines 3 thru 15)		37,149,582		9,679,033
17	GAS DELIVERED				
18	Gas Sales (Accounts 480-484)				
19	Deliveries of Gas Gathered for Others (Account 489.1)	303			
20	Deliveries of Gas Transported for Others (Account 489.2)	305	36,903,397		10,216,560
21	Deliveries of Gas Distributed for Others (Account 489.3)	301			
22	Deliveries of Contract Storage Gas (Account 489.4)	307			
23	Gas of Others Delivered for Production/Extraction/Processing (Account 490 and 491)				
24	Exchange Gas Delivered to Others (Account 806)	328	239,947		(528,280)
25	Gas Delivered as Imbalances (Account 806)	328			
26	Deliveries of Gas to Others for Transportation (Account 858)	332			
27	Other Gas Delivered to Storage (Explain)				
28	Gas Used for Compressor Station Fuel	509			
29	Other Deliveries and Gas Used for Other Operations		2,830		(2,479)
30	Total Deliveries (Total of lines 18 thru 29)		37,146,174		9,685,801
31	GAS LOSSES AND GAS UNACCOUNTED FOR				
32	Gas Losses and Gas Unaccounted For		3,408		(6,768)
33	TOTALS				
34	Total Deliveries, Gas Losses & Unaccounted For (Total of lines 30 and 32)		37,149,582		9,679,033

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Shipper Supplied Gas for the Current Quarter

- Report monthly (1) shipper supplied gas for the current quarter and gas consumed in pipeline operations, (2) the disposition of any excess, the accounting recognition given to such disposition and the specific account(s) charged or credited, and (3) the source of gas used to meet any deficiency, the accounting recognition given to the gas used to meet the deficiency, including the accounting basis of the gas and the specific account(s) charged or credited.
- On lines 7, 14, 22 and 30 report only the dekatherms of gas provided by shippers under tariff terms and conditions for gathering, production/ extraction/processing, transmission, distribution and storage service and the use of that gas for compressor fuel, other operational purposes and lost and unaccounted for. The dekatherms must be broken out by functional categories on Lines 2-6, 9-13, 16-21 and 24-29. The dekatherms must be reported in column (d) unless the company has discounted or negotiated rates which should be reported in columns (b) and (c).
- On lines 7, 14, 22 and 30 report only the dollar amounts of gas provided by shippers under tariff terms and conditions for gathering, production/ extraction/processing, transmission, distribution and storage service and the use of that gas for compressor fuel, other operational purposes and lost and unaccounted for. The dollar amounts must be broken out by functional categories on Lines 2-6, 9-13, 16-21 and 23-29. The dollar amounts must be reported in column (h) unless the company has discounted or negotiated rates which should be reported in columns (f) and (g). The accounting should disclose the account(s) debited and credited in columns (m) and (n).
- Indicate in a footnote the basis for valuing the gas reported in Columns (f), (g) and (h).
- Report in columns (j), (k) and (l) the amount of fuel waived, discounted or reduced as part of a negotiated rate agreement.
- On lines 32-37 report the dekatherms and dollar value of the excess or deficiency in shipper supplied gas broken out by functional category and whether recourse rate, discounted or negotiated rate.
- On lines 39 through 51 report the dekatherms, the dollar amount and the account(s) credited in Column (o) for the dispositions of gas listed in column (a).
- On lines 53 through 65 report the dekatherms, the dollar amount and the account(s) debited in Column (n) for the sources of gas reported in column (a).
- On lines 66 and 67, report forwardhaul and backhaul volume in Dths of throughput.
- Where appropriate, provide a full explanation of the allocation process used in reported numbers in a footnote.

Line No.	Item (a)	Month 1 Discounted rate Dth (b)	Month 1 Negotiated Rate Dth (c)	Month 1 Recourse Rate Dth (d)	Month 1 Total Dth (e)
1	SHIPPER SUPPLIED GAS (LINES 13 AND 14 , PAGE 520)				
2	Gathering				
3	Production/Extraction/Processing				
4	Transmission	296,478	59,598	1,215,229	1,571,305
5	Distribution				
6	Storage				
7	Total Shipper Supplied Gas	296,478	59,598	1,215,229	1,571,305
8	LESS GAS USED FOR COMPRESSOR STATION FUEL (LINE 28, PAGE 520)				
9	Gathering				
10	Production/Extraction/Processing				
11	Transmission	216,228	37,494	877,024	1,130,746
12	Distribution				
13	Storage				
14	Total gas used in compressors	216,228	37,494	877,024	1,130,746
15	LESS GAS USED FOR OTHER DELIVERIES AND GAS USED FOR OTHER OPERATIONS (LINE 29, PAGE 520) (Footnote)				
16	Gathering				
17	Production/Extraction/Processing				
18	Transmission				
19	Distribution				
20	Storage				
21	Other Deliveries (specify) (footnote details)				
22	Total Gas Used For Other Deliveries And Gas Used For Other Operations				0
23	LESS GAS LOST AND UNACCOUNTED FOR (LINE 32, PAGE 520)				
24	Gathering				
25	Production/Extraction/Processing				
26	Transmission	31,580	13,196	151,295	196,071
27	Distribution				
28	Storage				
29	Other Losses (specify) (footnote details)				
30	Total Gas Lost And Unaccounted For	31,580	13,196	151,295	196,071

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Shipper Supplied Gas for the Current Quarter (continued)

Line No.	Amount Collected (Dollars)				Volume (in Dth) Not Collected				Month 1 Account(s) Debited (n)	Month 1 Account(s) Credited (o)
	Month 1 Discounted Rate Amount (f)	Month 1 Negotiated Rate Amount (g)	Month 1 Recourse rate Amount (h)	Month 1 Total Amount (i)	Month 1 Waived Dth (j)	Month 1 Discounted Dth (k)	Month 1 Negotiated Dth (l)	Month 1 Total Dth (m)		
1										
2										
3										
4	987,272	198,461	4,046,713	5,232,446						
5										
6										
7	987,272	198,461	4,046,713	5,232,446						
8										
9										
10										
11	720,039	124,855	2,920,490	3,765,384					854	810
12										
13										
14	720,039	124,855	2,920,490	3,765,384						
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
26	105,161	43,943	503,812	652,916						
27										
28										
29										
30	105,161	43,943	503,812	652,916						

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Shipper Supplied Gas for the Current Quarter (continued)

Line No.	Item (a)	Month 1 Discounted rate Dth (b)	Month 1 Negotiated Rate Dth (c)	Month 1 Recourse Rate Dth (d)	Month 1 Total Dth (e)
	NET EXCESS OR (DEFICIENCY)				
31	Other Losses				
32	Gathering				
33	Production/Extraction				
34	Transmission	48,670	8,908	186,910	244,488
35	Distribution				
36	Storage				
37	Total Net Excess Or (Deficiency)	48,670	8,908	186,910	244,488
38	DISPOSITION OF EXCESS GAS:				
39	Gas sold to others				
40	Gas used to meet imbalances				
41	Gas added to system gas				
42	Gas returned to shippers				
43	Other (list)				
44	Line pack	48,670	8,908	186,910	244,488
45					
46					
47					
48					
49					
50					
51	Total Disposition Of Excess Gas	48,670	8,908	186,910	244,488
52	GAS ACQUIRED TO MEET DEFICIENCY:				
53	System gas				
54	Purchased gas				
55	Other (list)				
56					
57					
58					
59					
60					
61					
62					
63					
64					
65	Total Gas Acquired To Meet Deficiency				

SEPARATION OF FORWARDHAUL AND BACKHAUL THROUGHPUT

66	Forwardhaul Volume in Dths for the Quarter	209,657,195
67	Backhaul Volume in Dths for the Quarter	15,882,580
68	TOTAL (Lines 66 and 67)	225,539,775

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Shipper Supplied Gas for the Current Quarter (continued)

Line No.	Amount Collected (Dollars)				Volume (in Dth) Not Collected				Month 1 Account(s) Debited (n)	Month 1 Account(s) Credited (o)
	Month 1 Discounted Rate Amount (f)	Month 1 Negotiated Rate Amount (g)	Month 1 Recourse rate Amount (h)	Month 1 Total Amount (i)	Month 1 Waived Dth (j)	Month 1 Discounted Dth (k)	Month 1 Negotiated Dth (l)	Month 1 Total Dth (m)		
31										
32										
33										
34	162,072	29,663	622,411	814,146						
35										
36										
37	162,072	29,663	622,411	814,146						
38										
39										
40										
41										
42										
43										
44	162,072	29,663	622,411	814,146						
45										
46										
47										
48										
49										
50										
51	162,072	29,663	622,411	814,146						
52										
53										
54										
55										
56										
57										
58										
59										
60										
61										
62										
63										
64										
65										

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Shipper Supplied Gas for the Current Quarter

- Report monthly (1) shipper supplied gas for the current quarter and gas consumed in pipeline operations, (2) the disposition of any excess, the accounting recognition given to such disposition and the specific account(s) charged or credited, and (3) the source of gas used to meet any deficiency, the accounting recognition given to the gas used to meet the deficiency, including the accounting basis of the gas and the specific account(s) charged or credited.
- On lines 7, 14, 22 and 30 report only the dekatherms of gas provided by shippers under tariff terms and conditions for gathering, production/ extraction/processing, transmission, distribution and storage service and the use of that gas for compressor fuel, other operational purposes and lost and unaccounted for. The dekatherms must be broken out by functional categories on Lines 2-6, 9-13, 16-21 and 24-29. The dekatherms must be reported in column (d) unless the company has discounted or negotiated rates which should be reported in columns (b) and (c).
- On lines 7, 14, 22 and 30 report only the dollar amounts of gas provided by shippers under tariff terms and conditions for gathering, production/ extraction/processing, transmission, distribution and storage service and the use of that gas for compressor fuel, other operational purposes and lost and unaccounted for. The dollar amounts must be broken out by functional categories on Lines 2-6, 9-13, 16-21 and 23-29. The dollar amounts must be reported in column (h) unless the company has discounted or negotiated rates which should be reported in columns (f) and (g). The accounting should disclose the account(s) debited and credited in columns (m) and (n).
- Indicate in a footnote the basis for valuing the gas reported in Columns (f), (g) and (h).
- Report in columns (j), (k) and (l) the amount of fuel waived, discounted or reduced as part of a negotiated rate agreement.
- On lines 32-37 report the dekatherms and dollar value of the excess or deficiency in shipper supplied gas broken out by functional category and whether recourse rate, discounted or negotiated rate.
- On lines 39 through 51 report the dekatherms, the dollar amount and the account(s) credited in Column (o) for the dispositions of gas listed in column (a).
- On lines 53 through 65 report the dekatherms, the dollar amount and the account(s) debited in Column (n) for the sources of gas reported in column (a).
- On lines 66 and 67, report forwardhaul and backhaul volume in Dths of throughput.
- Where appropriate, provide a full explanation of the allocation process used in reported numbers in a footnote.

Line No.	Item (a)	Month 2 Discounted rate Dth (p)	Month 2 Negotiated Rate Dth (q)	Month 2 Recourse Rate Dth (r)	Month 2 Total Dth (s)
1	SHIPPER SUPPLIED GAS (LINES 13 AND 14 , PAGE 520)				
2	Gathering				
3	Production/Extraction/Processing				
4	Transmission	378,335	50,937	956,531	1,385,803
5	Distribution				
6	Storage				
7	Total Shipper Supplied Gas	378,335	50,937	956,531	1,385,803
8	LESS GAS USED FOR COMPRESSOR STATION FUEL (LINE 28, PAGE 520)				
9	Gathering				
10	Production/Extraction/Processing				
11	Transmission	369,915	42,542	921,023	1,333,480
12	Distribution				
13	Storage				
14	Total gas used in compressors	369,915	42,542	921,023	1,333,480
15	LESS GAS USED FOR OTHER DELIVERIES AND GAS USED FOR OTHER OPERATIONS (LINE 29, PAGE 520) (Footnote)				
16	Gathering				
17	Production/Extraction/Processing				
18	Transmission				
19	Distribution				
20	Storage				
21	Other Deliveries (specify) (footnote details)				
22	Total Gas Used For Other Deliveries And Gas Used For Other Operations				
23	LESS GAS LOST AND UNACCOUNTED FOR (LINE 32, PAGE 520)				
24	Gathering				
25	Production/Extraction/Processing				
26	Transmission	45,784	10,627	130,685	187,096
27	Distribution				
28	Storage				
29	Other Losses (specify) (footnote details)				
30	Total Gas Lost And Unaccounted For	45,784	10,627	130,685	187,096

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Shipper Supplied Gas for the Current Quarter (continued)

Line No.	Amount Collected (Dollars)				Volume (in Dth) Not Collected				Month 2 Account(s) Debited (bb)	Month 2 Account(s) Credited (cc)
	Month 2 Discounted Rate Amount (t)	Month 2 Negotiated Rate Amount (u)	Month 2 Recourse rate Amount (v)	Month 2 Total Amount (w)	Month 2 Waived Dth (x)	Month 2 Discounted Dth (y)	Month 2 Negotiated Dth (z)	Month 2 Total Dth (aa)		
1										
2										
3										
4	1,358,223	182,864	3,433,946	4,975,033						
5										
6										
7	1,358,223	182,864	3,433,946	4,975,033						
8										
9										
10										
11	1,327,995	152,726	3,306,473	4,787,194					854	810
12										
13										
14	1,327,995	152,726	3,306,473	4,787,194						
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
26	164,365	38,151	469,159	671,675						
27										
28										
29										
30	164,365	38,151	469,159	671,675						

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Shipper Supplied Gas for the Current Quarter (continued)

Line No.	Item (a)	Month 2 Discounted rate Dth (p)	Month 2 Negotiated Rate Dth (q)	Month 2 Recourse Rate Dth (r)	Month 2 Total Dth (s)
	NET EXCESS OR (DEFICIENCY)				
31	Other Losses				
32	Gathering				
33	Production/Extraction				
34	Transmission	(37,364)	(2,232)	(95,177)	(134,773)
35	Distribution				
36	Storage				
37	Total Net Excess Or (Deficiency)	(37,364)	(2,232)	(95,177)	(134,773)
38	DISPOSITION OF EXCESS GAS:				
39	Gas sold to others				
40	Gas used to meet imbalances				
41	Gas added to system gas				
42	Gas returned to shippers				
43	Other (list)				
44					
45					
46					
47					
48					
49					
50					
51	Total Disposition Of Excess Gas				
52	GAS ACQUIRED TO MEET DEFICIENCY:				
53	System gas				
54	Purchased gas				
55	Other (list)				
56	Line pack	37,364	2,232	95,177	134,773
57					
58					
59					
60					
61					
62					
63					
64					
65	Total Gas Acquired To Meet Deficiency	37,364	2,232	95,177	134,773

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Shipper Supplied Gas for the Current Quarter (continued)

Line No.	Amount Collected (Dollars)				Volume (in Dth) Not Collected				Month 2 Account(s) Debited (bb)	Month 2 Account(s) Credited (cc)
	Month 2 Discounted Rate Amount (t)	Month 2 Negotiated Rate Amount (u)	Month 2 Recourse rate Amount (v)	Month 2 Total Amount (w)	Month 2 Waived Dth (x)	Month 2 Discounted Dth (y)	Month 2 Negotiated Dth (z)	Month 2 Total Dth (aa)		
31										
32										
33										
34	(134,137)	(8,013)	(341,686)	(483,836)						
35										
36										
37	(134,137)	(8,013)	(341,686)	(483,836)						
38										
39										
40										
41										
42										
43										
44										
45										
46										
47										
48										
49										
50										
51										
52										
53										
54										
55										
56	134,137	8,013	341,686	483,836						
57										
58										
59										
60										
61										
62										
63										
64										
65	134,137	8,013	341,686	483,836						

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
--	--	--	--

Shipper Supplied Gas for the Current Quarter

1. Report monthly (1) shipper supplied gas for the current quarter and gas consumed in pipeline operations, (2) the disposition of any excess, the accounting recognition given to such disposition and the specific account(s) charged or credited, and (3) the source of gas used to meet any deficiency, the accounting recognition given to the gas used to meet the deficiency, including the accounting basis of the gas and the specific account(s) charged or credited.
2. On lines 7, 14, 22 and 30 report only the dekatherms of gas provided by shippers under tariff terms and conditions for gathering, production/ extraction/processing, transmission, distribution and storage service and the use of that gas for compressor fuel, other operational purposes and lost and unaccounted for. The dekatherms must be broken out by functional categories on Lines 2-6, 9-13, 16-21 and 24-29. The dekatherms must be reported in column (d) unless the company has discounted or negotiated rates which should be reported in columns (b) and (c).
3. On lines 7, 14, 22 and 30 report only the dollar amounts of gas provided by shippers under tariff terms and conditions for gathering, production/ extraction/processing, transmission, distribution and storage service and the use of that gas for compressor fuel, other operational purposes and lost and unaccounted for. The dollar amounts must be broken out by functional categories on Lines 2-6, 9-13, 16-21 and 23-29. The dollar amounts must be reported in column (h) unless the company has discounted or negotiated rates which should be reported in columns (f) and (g). The accounting should disclose the account(s) debited and credited in columns (m) and (n).
4. Indicate in a footnote the basis for valuing the gas reported in Columns (f), (g) and (h).
5. Report in columns (j), (k) and (l) the amount of fuel waived, discounted or reduced as part of a negotiated rate agreement.
6. On lines 32-37 report the dekatherms and dollar value of the excess or deficiency in shipper supplied gas broken out by functional category and whether recourse rate, discounted or negotiated rate.
7. On lines 39 through 51 report the dekatherms, the dollar amount and the account(s) credited in Column (o) for the dispositions of gas listed in column (a).
8. On lines 53 through 65 report the dekatherms, the dollar amount and the account(s) debited in Column (n) for the sources of gas reported in column (a).
9. On lines 66 and 67, report forwardhaul and backhaul volume in Dths of throughput.
10. Where appropriate, provide a full explanation of the allocation process used in reported numbers in a footnote.

Line No.	Item (a)	Month 3 Discounted rate Dth (dd)	Month 3 Negotiated Rate Dth (ee)	Month 3 Recourse Rate Dth (ff)	Month 3 Total Dth (gg)
1	SHIPPER SUPPLIED GAS (LINES 13 AND 14 , PAGE 520)				
2	Gathering				
3	Production/Extraction/Processing				
4	Transmission	467,502	7,806	1,163,120	1,638,428
5	Distribution				
6	Storage				
7	Total Shipper Supplied Gas	467,502	7,806	1,163,120	1,638,428
8	LESS GAS USED FOR COMPRESSOR STATION FUEL (LINE 28, PAGE 520)				
9	Gathering				
10	Production/Extraction/Processing				
11	Transmission	414,051		1,014,840	1,428,891
12	Distribution				
13	Storage				
14	Total gas used in compressors	414,051		1,014,840	1,428,891
15	LESS GAS USED FOR OTHER DELIVERIES AND GAS USED FOR OTHER OPERATIONS (LINE 29, PAGE 520) (Footnote)				
16	Gathering				
17	Production/Extraction/Processing				
18	Transmission				
19	Distribution				
20	Storage				
21	Other Deliveries (specify) (footnote details)				
22	Total Gas Used For Other Deliveries And Gas Used For Other Operations				
23	LESS GAS LOST AND UNACCOUNTED FOR (LINE 32, PAGE 520)				
24	Gathering				
25	Production/Extraction/Processing				
26	Transmission	31,091	4,338	91,303	126,732
27	Distribution				
28	Storage				
29	Other Losses (specify) (footnote details)				
30	Total Gas Lost And Unaccounted For	31,091	4,338	91,303	126,732

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Shipper Supplied Gas for the Current Quarter (continued)

Line No.	Amount Collected (Dollars)				Volume (in Dth) Not Collected				Month 3 Account(s) Debited (pp)	Month 3 Account(s) Credited (qq)
	Month 3 Discounted Rate Amount (hh)	Month 3 Negotiated Rate Amount (ii)	Month 3 Recourse rate Amount (jj)	Month 3 Total Amount (kk)	Month 3 Waived Dth (ll)	Month 3 Discounted Dth (mm)	Month 3 Negotiated Dth (nn)	Month 3 Total Dth (oo)		
1										
2										
3										
4	1,687,682	28,180	4,198,863	5,914,725						
5										
6										
7	1,687,682	28,180	4,198,863	5,914,725						
8										
9										
10										
11	1,494,724		3,663,572	5,158,296					854	810
12										
13										
14	1,494,724		3,663,572	5,158,296						
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
26	112,239	15,660	329,604	457,503						
27										
28										
29										
30	112,239	15,660	329,604	457,503						

Name of Respondent Kern River Gas Transmission Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
---	---	---------------------------------------	---

Shipper Supplied Gas for the Current Quarter (continued)

Line No.	Item (a)	Month 3 Discounted rate Dth (dd)	Month 3 Negotiated Rate Dth (ee)	Month 3 Recourse Rate Dth (ff)	Month 3 Total Dth (gg)
	NET EXCESS OR (DEFICIENCY)				
31	Other Losses				
32	Gathering				
33	Production/Extraction				
34	Transmission	22,360	3,468	56,977	82,805
35	Distribution				
36	Storage				
37	Total Net Excess Or (Deficiency)	22,360	3,468	56,977	82,805
38	DISPOSITION OF EXCESS GAS:				
39	Gas sold to others				
40	Gas used to meet imbalances				
41	Gas added to system gas				
42	Gas returned to shippers				
43	Other (list)				
44	Line pack	22,360	3,468	56,977	82,805
45					
46					
47					
48					
49					
50					
51	Total Disposition Of Excess Gas	22,360	3,468	56,977	82,805
52	GAS ACQUIRED TO MEET DEFICIENCY:				
53	System gas				
54	Purchased gas				
55	Other (list)				
56					
57					
58					
59					
60					
61					
62					
63					
64					
65	Total Gas Acquired To Meet Deficiency				

Name of Respondent Kern River Gas Transmission Company	This Report Is:		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
	(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission		

Shipper Supplied Gas for the Current Quarter (continued)

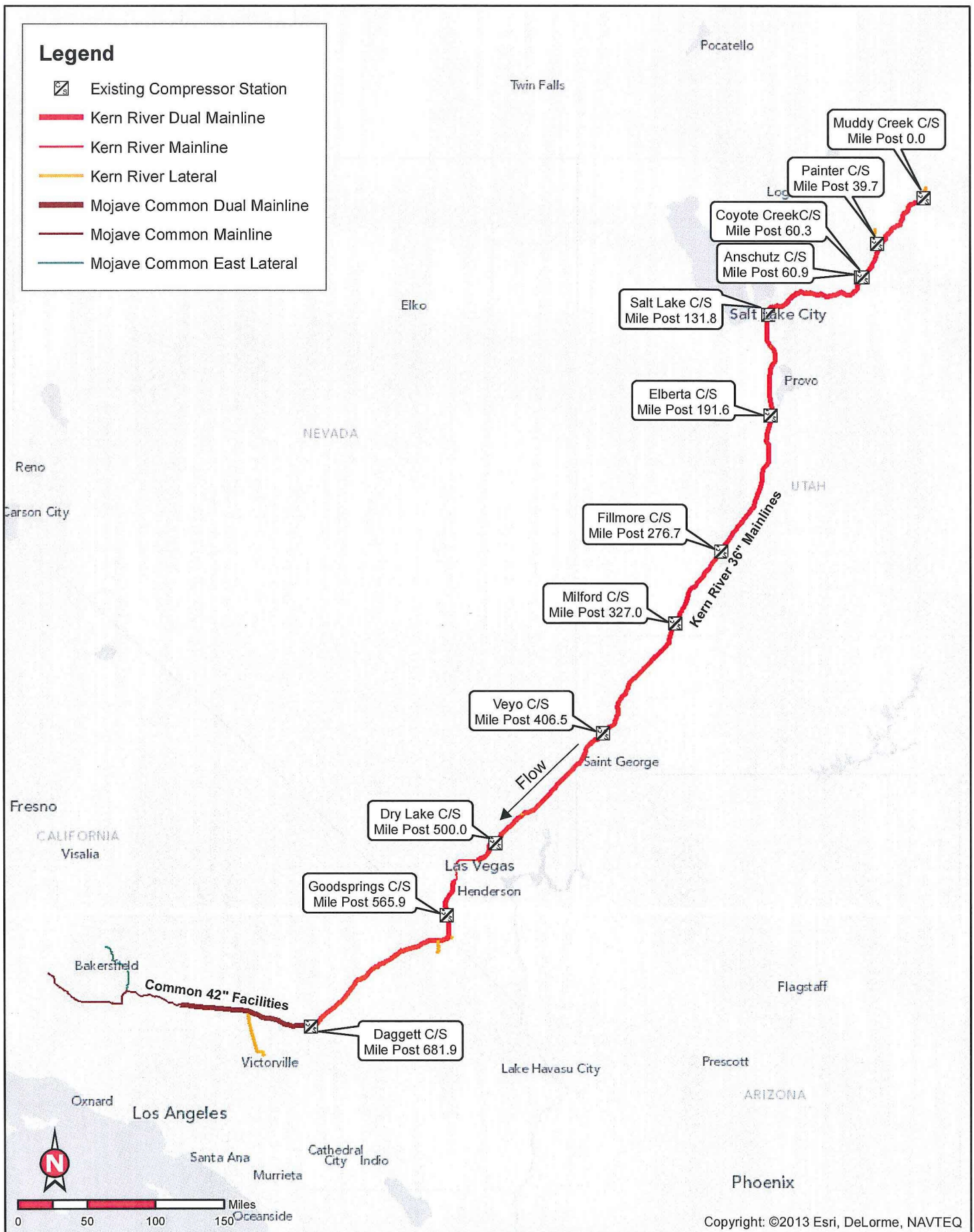
Line No.	Amount Collected (Dollars)				Volume (in Dth) Not Collected				Month 3 Account(s) Debited (pp)	Month 3 Account(s) Credited (qq)
	Month 3 Discounted Rate Amount (hh)	Month 3 Negotiated Rate Amount (ii)	Month 3 Recourse rate Amount (jj)	Month 3 Total Amount (kk)	Month 3 Waived Dth (ll)	Month 3 Discounted Dth (mm)	Month 3 Negotiated Dth (nn)	Month 3 Total Dth (oo)		
31										
32										
33										
34	80,719	12,520	205,687	298,926						
35										
36										
37	80,719	12,520	205,687	298,926						
38										
39										
40										
41										
42										
43										
44	80,719	12,520	205,687	298,926						
45										
46										
47										
48										
49										
50										
51	80,719	12,520	205,687	298,926						
52										
53										
54										
55										
56										
57										
58										
59										
60										
61										
62										
63										
64										
65										

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
System Maps			

1. Furnish five copies of a system map (one with each filed copy of this report) of the facilities operated by the respondent for the production, gathering, transportation, and sale of natural gas. New maps need not be furnished if no important change has occurred in the facilities operated by the respondent since the date of the maps furnished with a previous year's annual report. If, however, maps are not furnished for this reason, reference should be made in the space below to the year's annual report with which the maps were furnished.
2. Indicate the following information on the maps:
 - (a) Transmission lines.
 - (b) Incremental facilities.
 - (c) Location of gathering areas.
 - (d) Location of zones and rate areas.
 - (e) Location of storage fields.
 - (f) Location of natural gas fields.
 - (g) Location of compressor stations.
 - (h) Normal direction of gas flow (indicated by arrows).
 - (i) Size of pipe.
 - (j) Location of products extraction plants, stabilization plants, purification plants, recycling areas, etc.
 - (k) Principal communities receiving service through the respondent's pipeline.
3. In addition, show on each map: graphic scale of the map; date of the facts the map purports to show; a legend giving all symbols and abbreviations used; designations of facilities leased to or from another company, giving name of such other company.
4. Maps not larger than 24 inches square are desired. If necessary, however, submit larger maps to show essential information. Fold the maps to a size not larger than this report. Bind the maps to the report.

Legend

-  Existing Compressor Station
-  Kern River Dual Mainline
-  Kern River Mainline
-  Kern River Lateral
-  Mojave Common Dual Mainline
-  Mojave Common Mainline
-  Mojave Common East Lateral



Copyright: ©2013 Esri, DeLorme, NAVTEQ

This document is the exclusive property of Kern River Gas Transmission. The subject matter is proprietary and is not to be divulged to any party, nor is the document to be reproduced, exhibited, copied or furnished to any other party, nor to be used for any purpose other than that for which it is specifically furnished without the express permission of Kern River Gas Transmission Company.
1/31/2014 3:49:49 PM C:\project\Ferc\SystemMap.mxd

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
FOOTNOTE DATA			

Schedule Page: 107 Line No.: 7 Column: e

KR Acquisition 1, LLC and KR Acquisition 2, LLC each own a fifty percent (50%) general partnership interest in Kern River Gas Transmission Company.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
FOOTNOTE DATA			

Schedule Page: 110 Line No.: 33 Column: c

<u>Description</u>	<u>As of December 31, 2013</u>	<u>As of December 31, 2012</u>
Other Special Deposits - Cash and Cash Equivalents- Funds Held for Retainage	\$ 150,212	\$ 4,798,807
Other Special Deposits - Restricted Cash - Customer Deposits	353,330	2,063,332
Other Special Deposits - Escrows	854,621	1,286,128
Total	\$ 1,358,163	\$ 8,148,267

Schedule Page: 110 Line No.: 41 Column: c

For more information about the change in Accounts Receivable from Associated Companies, see Note 11 in the Notes to the Financial Statements on page 122.

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
FOOTNOTE DATA			

Schedule Page: 117 Line No.: 5 Column: g
The (\$30,620) pertains to natural gas commodity swaps.

Schedule Page: 117 Line No.: 10 Column: g
The (\$1,005,864) pertains to natural gas commodity swaps.

Schedule Page: 118 Line No.: 12 Column: c

Distributions to Partners

<u>2013</u>		<u>2012</u>	
January 31, 2013	\$ 43,000,000	January 31, 2012	\$ 21,000,000
February 28, 2013*	16,050,000	February 29, 2012	14,000,000
April 1, 2013	3,000,000	April 2, 2012	4,500,000
April 30, 2013	18,000,000	April 30, 2012	7,000,000
May 31, 2013	10,000,000	May 31, 2012	8,000,000
July 1, 2013	17,000,000	July 2, 2012	6,000,000
July 31, 2013	12,000,000	July 31, 2012	13,000,000
September 3, 2013	2,000,000	August 31, 2012	5,000,000
September 30, 2013	13,000,000	October 1, 2012	15,000,000
October 31, 2013	4,000,000		
December 2, 2013	2,000,000		
December 31, 2013	6,000,000		
Total	<u>\$ 146,050,000</u>		<u>\$ 93,500,000</u>

* \$50,000 of this amount was a non-cash distribution to satisfy an affiliate balance.

Subsequent event:

The Respondent distributed to its partners \$20,000,000 on January 31, 2014 and \$13,000,000 on February 28, 2014.

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
FOOTNOTE DATA			

Schedule Page: 120 Line No.: 5 Column: b

<u>Description</u>	<u>2013</u>	<u>2012</u>
Amortization of Regulatory Assets and Liabilities	\$ 33,328,278	\$ 35,090,946
Amortization of Debt Discount and Expense	2,477,870	2,814,194
Total	\$ 35,806,148	\$ 37,905,140

Schedule Page: 120 Line No.: 16 Column: b

<u>Description</u>	<u>2013</u>	<u>2012</u>
VEBA contributions	\$ (458,383)	\$ (458,383)
Prepays and other assets	4,096	(609,962)
Customer security and other deposits, net	3,470	(912)
Accumulated provision for rate refunds	-	(516,359)
Price risk management activities	54,939	1,530
Total	\$ (395,878)	\$ (1,584,086)

Schedule Page: 120 Line No.: 27 Column: b

<u>Description</u>	<u>2013</u>	<u>2012</u>
Net Increase (Decrease) in Payables and Accrued Expenses	\$ (4,471,496)	\$ (605,562)
Salvage Proceeds, net of removal costs	20,986,214	11,601,356
Total	\$ 16,514,718	\$ 10,995,794

Schedule Page: 120 Line No.: 47 Column: b

<u>Description</u>	<u>2013</u>	<u>2012</u>
Decrease (increase) in restricted cash	\$ 431,507	\$ (1,268,128)
Total	\$ 431,507	\$ (1,268,128)

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
FOOTNOTE DATA			

Schedule Page: 204 Line No.: 125 Column: c

Tentative Classification of Assets in Account 106 Completed Construction Not Classified
(Only affected groups are reported.)

Account 106

Page 204 Line	Account	Balance at 12/31/2012	Net Activity	Balance at 12/31/2013
1	Intangible Plant			
4	303 - Misc intangible plant	389,604	(389,604)	-
5	Total Intangible Plant	389,604	(389,604)	-
82	Transmission Plant			
83	365.1 - Land and land rights	-	3,186	3,186
85	366 - Structures and improvements	1,602,994	(1,025,400)	577,594
86	367 - Mains	2,861,298	808,857	3,670,155
87	368 - Compressor station equipment	102,663,033	(101,068,557)	1,594,476
88	369 - Measure/reg station equip	2,494,558	1,011,656	3,506,214
92	Total Transmission Plant	109,621,883	(100,270,258)	9,351,625
110	General Plant			
113	391 - Computer Equipment	277,212	(65,267)	211,945
113	391 - Office furniture and equip	-	21,927	21,927
116	394 - Tools, shop and garage equip	603,678	(570,435)	33,243
119	397 - Communication equipment	7,642	(7,642)	-
121	Total General Plant	888,532	(621,417)	267,115
125	Total Account 106	110,900,019	(101,281,279)	9,618,740

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
FOOTNOTE DATA			

Schedule Page: 217 Line No.: 1 Column: b

The Commission authorized the Respondent's 2003 Expansion in Docket No. CP01-422 and the Respondent's 2010 Expansion in Docket No. CP08-429. The Commission's June 4, 2009 order in Docket No. CP08-429 authorized rolled-in rate treatment, allowing the 2010 Expansion to be rolled into the Respondent's incremental 2003 Expansion rates.

Schedule Page: 217 Line No.: 1 Column: d

Plant in service for Respondent's 2003 and 2010 Expansions includes tangible plant in the amount of \$1,243,322,850 and intangible plant in the amount of \$35,780,663 for total reported plant in service of \$1,279,103,513.

Schedule Page: 217 Line No.: 1 Column: e

Accumulated depreciation reported of \$353,752,047 reflects depreciation accrued on tangible plant in service of \$1,243,322,850 for the Respondent's 2003 and 2010 Expansions. In addition to accumulated depreciation, the Respondent has recorded accumulated amortization in the amount of \$8,825,920 on intangible plant in service of \$35,780,663. Total accumulated depreciation and amortization is \$362,577,967 for Respondent's 2003 and 2010 Expansions.

Schedule Page: 217 Line No.: 1 Column: i

Depreciation expense reported of \$42,610,675 reflects depreciation accrued on tangible plant in service of \$1,243,322,850 for Respondent's 2003 and 2010 Expansions. In addition to depreciation expense, the Respondent has recorded amortization expense in the amount of \$1,101,025 on intangible plant in service of \$35,780,663. Total depreciation and amortization expense for Respondent's 2003 and 2010 Expansions is \$43,711,700.

Schedule Page: 217 Line No.: 2 Column: d

Plant in service for the Respondent's High Desert Lateral includes tangible plant in the amount of \$27,795,205 and intangible plant in the amount of \$2,484,514 for total reported plant in service of \$30,279,719.

Schedule Page: 217 Line No.: 2 Column: e

Accumulated depreciation reported of \$14,282,829 reflects depreciation accrued on tangible plant in service of \$27,795,205 for the Respondent's High Desert Lateral. In addition to accumulated depreciation, the Respondent has recorded accumulated amortization in the amount of \$1,327,298 on intangible plant in service of \$2,484,514. Total accumulated depreciation and amortization is \$15,610,127 for the Respondent's High Desert Lateral.

Schedule Page: 217 Line No.: 2 Column: i

Depreciation expense reported of \$1,310,037 reflects depreciation accrued on tangible plant in service of \$27,795,205 for Respondent's High Desert Lateral. In addition to depreciation expense, the Respondent has recorded amortization expense in the amount of \$118,263 on intangible plant in service of \$2,484,514. Total depreciation and amortization expense for Respondent's High Desert Lateral is \$1,428,300.

Schedule Page: 217 Line No.: 3 Column: d

Plant in service for the Respondent's Apex Expansion includes tangible plant in the amount of \$316,249,685 and intangible plant in the amount of \$10,019,459 for total reported plant in service of \$326,269,144.

Schedule Page: 217 Line No.: 3 Column: e

Accumulated depreciation reported of \$25,866,629 reflects depreciation accrued on tangible plant in service of \$316,249,685 for the Respondent's Apex Expansion. In addition to accumulated depreciation, the Respondent has recorded accumulated amortization in the amount of \$351,633 on intangible plant in service of \$10,019,459. Total accumulated amortization and depreciation is \$26,218,262 for the Respondent's Apex Expansion.

Schedule Page: 217 Line No.: 3 Column: i

Depreciation expense reported of \$11,407,248 reflects depreciation accrued on tangible plant in service of \$316,249,685 for the Respondent's Apex Expansion. In addition to depreciation expense, the respondent has recorded amortization expense in the amount of \$312,570 on intangible plant in service of \$10,019,459. Total depreciation and amortization expense for Respondent's Apex Expansion is \$11,719,818.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
FOOTNOTE DATA			

Schedule Page: 218 Line No.: 5 Column: d

The 11.55% rate of return was established by the Commission on January 15, 2009 when it issued Opinion No. 486-B in regard to Respondent's RP04-274 rate case proceedings.

Schedule Page: 218 Line No.: 6 Column: c

The capital structure of the Respondent was used in the computation of allowance for funds used during construction. For Period Two rates the equity component is 100%, pursuant to the FERC order in Docket No. RP04-274.

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
FOOTNOTE DATA			

Schedule Page: 219 Line No.: 16 Column: c

Due to a change in process, a debit adjustment of \$114,794 was made to offset the adjustment included in Line 3 Column (c) for prior years' amortizations of a regulatory asset for deferred depreciation expense. The amount recorded to the regulatory asset for deferred depreciation was credited to Account 108 when the depreciation expense was deferred and therefore is not affected by the reversal of the prior years' amortizations.

Because book depreciation exceeds Respondent's allowed levelized depreciation expense, amortization of the regulatory asset for deferred depreciation had been debited each month to Account 403 Depreciation Expense and then Account 407.4 Other Regulatory Credits was credited for the same amount offset by a debit to the regulatory asset for levelized depreciation. This step had a net zero effect to expense and essentially transferred the original amount recorded to the regulatory asset for deferred depreciation to the regulatory asset for levelized depreciation. To eliminate this step, the Respondent has transferred the original amount recorded to the regulatory asset for deferred depreciation to the regulatory asset for levelized depreciation,

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
FOOTNOTE DATA			

Schedule Page: 224 Line No.: 40 Column:

Kern River Funding Corporation is exclusively a financial intermediary whose limited purpose is to administer the long-term debt reflected on the Respondent's financial statements. For this reason, no investment has been recorded.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
FOOTNOTE DATA			

Schedule Page: 230 Line No.: 5 Column: b

Miscellaneous prepayments include:

Software licenses & maintenance contracts	\$	371,156
Right of way lease		255,755
2014 Health Savings Account contribution		132,525
Platts subscription		63,108
Rating agency fees		47,628
Total	\$	<u>870,172</u>

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
FOOTNOTE DATA			

Schedule Page: 232 Line No.: 1 Column: a
Regulatory Authorization

Line No.	Description	Regulatory Citation	Amortization Period
1	Levelized depreciation:		
	Original system certificate	CP89-2048	(1)
	2002 Expansion certificate	CP01-31,CP01-106	(1)
	Apex Expansion certificate	CP10-14	(1)
	High Desert Expansion certificate	CP01-405	(1)
	Big Horn Expansion certificate	CP03-159	(1)
3	Income taxes related to equity AFUDC	RP04-274	(1)
5	Federal tax rate change	RP92-226	Over 276 months through 12/2016
7	Muddy Creek compressor station restage	CP01-106	Over 180 months through 02/2017
9	Fillmore compressor station restage	CP01-106	Over 180 months through 02/2017
11	Deferred regulatory commission expense	RP04-274	Over 60 months
13	Deferred FERC annual charge	18 CFR SEC 154.402	Over 12 months ending September
15	Gas loss associated with May 2, 2012 force majeure	(2)	
17	State tax rate change-apportionment	18 CFR SEC 154.305	
19	Daggett electrical surcharge	CP01-31	

(1) Based on levelized depreciation rates in effect

(2) As allowed by the description in the FERC Uniform System of Accounts for account 182.3

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
FOOTNOTE DATA			

Schedule Page: 234 Line No.: 7 Column: k

The Respondent estimates that the following amounts of deferred income taxes in account 190 could be included in the development of jurisdictional recourse rates.

	12/31/2013	12/31/2012
Deferred income taxes related to:		
Long term debt costs	\$ 2,999,597	\$ 3,499,000
Regulatory liabilities	52,409,883	41,433,000
Contribution in aid of construction	2,459,285	3,067,000
Net operating losses	69,668,500	70,565,000
Total	\$ 127,537,265	\$ 118,564,000

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
FOOTNOTE DATA			

Schedule Page: 253 Line No.: 1 Column: b

The Respondent received a \$4,000,000 cash contribution from the parent company MidAmerican Energy Holdings Company.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
FOOTNOTE DATA			

Schedule Page: 261 Line No.: 12 Column: b

Other Deductions Recorded on Books Not Deducted for Return:

Book Depreciation	\$ 83,054,829
Levelized Depreciation Adjustment	29,361,727
Book Regulatory Asset/Liability, net of amortization	5,022,136
Book Debt Cost Amortization	2,477,870
Change in Prepaid Expenses	(1,894,912)
Other	159,546
Total	\$ 118,181,196

Schedule Page: 261 Line No.: 27 Column: b

MEHC Sub-Group:

Alaska Gas Transmission Company, LLC	Solar Star 3, LLC	F&R/T LLC
American Pacific Finance Company	Solar Star California XIX, LLC	FFR, Inc
American Pacific Finance Company II	Solar Star California XX, LLC	First Realty, Ltd
AVSP 1B, LLC	Solar Star Funding, LLC	First Reserve Insurance, Inc
AVSP 2B, LLC	Solar Star Projects Holdings, LLC	For Rent, Inc
BG Energy Holding Company LLC	SSC XIX, LLC	FRTC, LLC
BG Energy LLC	SSC XX, LLC	Guarantee Appraisal Corporation
Bishop Hill Energy II, LLC	Topaz Solar Farms, LLC	Guarantee Real Estate
Bishop Hill II Holdings, LLC	TPZ Holding, LLC	HMSV Financial Services, Inc
CalEnergy Company, Inc	Wailuku Investment LLC	HN Real Estate Group N.C., Inc
CalEnergy Generation Operating Company	Kern River Funding Corporation	HN Real Estate Group, LLC
CalEnergy Holdings, Inc	KR Acquisition 1, LLC	HN Referral Corporation
CalEnergy International Services, Inc	KR Acquisition 2, LLC	HomeServices Financial Holdings, Inc
CalEnergy International, Inc	KR Holding, LLC	HomeServices Insurance, Inc
CalEnergy Minerals Development, LLC	Cimmred Leasing Company	HomeServices Northeast, LLC
CalEnergy Minerals LLC	Dakota Dunes Development Company	HomeServices of Alabama, Inc.
CalEnergy Pacific Holdings Corp	DCCO, Inc	HomeServices of America, Inc
CalEnergy UK Inc	MEC Construction Services Company	HomeServices of California, Inc
CE Administrative Services, Inc	MHC Investment Company	HomeServices of Connecticut, LLC
CE Black Rock Holdings LLC	MHC, Inc	HomeServices of Florida, Inc
CE Butte Energy Holdings LLC	MidAmerican Energy Company	HomeServices of Georgia, LLC
CE Butte Energy LLC	Midwest Capital Group, Inc	HomeServices of Iowa, Inc
CE Electric (NY), Inc	MWR Capital, Inc	HomeServices of Kentucky, Inc
CE Electric, Inc	Two Rivers, Inc	HomeServices of Nebraska, Inc
CE Exploration Company	Northern Natural Gas Company	HomeServices of Oregon, LLC
CE Geothermal, Inc.	Centralia Mining Company	HomeServices of the Carolinas, Inc
CE Indonesia Geothermal, Inc	Energy West Mining Company	HomeServices of Washington, LLC
CE International Investments, Inc	Glenrock Coal Company	HomeServices Referral Network, LLC
CE Obsidian Energy LLC	Interwest Mining Company	HomeServices Relocation, LLC
CE Obsidian Holding LLC	Pacific Minerals, Inc	HomeSvc of IL LLC d/b/a Koenig & Strey GMAC RE
CE Power, Inc	PacifiCorp	HS Franchise Holding, LLC
CE Red Island Energy Holdings LLC	PPW Holdings LLC	HSGA Real Estate Group, L.L.C.
CE Red Island Energy LLC	Commonsite, Inc.	HSR Equity Funding, Inc
Cordova Energy Company, LLC	GPSF-B	Huff Commercial Group, LLC
Cordova Funding Corporation	Lands of Sierra, Inc.	Huff-Drees Realty, Inc
M & M Ranch Acquisition Company LLC	Nevada Electric Investment Company	IMO Company, Inc
M & M Ranch Holding Company LLC	Nevada Power Company dba NV Energy	InsuranceSouth, LLC
MEHC American Transco LLC	NV Energy, Inc. fka Sierra Pacific Resources	Iowa Realty Company, Inc
MEHC Canada, LLC	NVE Holdings, LLC	Iowa Realty Insurance Agency, Inc
MEHC Insurance Services Ltd.	NVE Insurance Co, Inc.	Iowa Title Company
MEHC Investment, Inc	Pinon Pine Corporation	J.S. White Associates, Inc
MEHC Merger Sub Inc	Pinon Pine Investment Company	JBRC, Inc

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
FOOTNOTE DATA			

MEHC Texas Transco LLC	Sierra Gas Holding Company	Jim Huff Realty, Inc.
MidAmerican AC Holding, LLC	Sierra Pacific Power Company dba NV Energy	JRHBW Realty, Inc d/b/a/ RealtySouth
MidAmerican Energy Holdings Company	Arizona HomeServices, LLC	Kansas City Title, Inc
MidAmerican Energy Machining Services LLC	Capitol Title Company	Kentucky Residential Referral, LLC
MidAmerican Funding, LLC	CBSHome Commerical, LLC	Larabee School of Real Estate & Insurance, Inc
MidAmerican Geothermal, LLC	CBSHome Real Estate Company	Mid-America Referral Network, Inc.
MidAmerican Hydro, LLC	CBSHome Real Estate of Iowa, Inc	Midland Escrow Services, Inc
MidAmerican Nuclear Energy Company LLC	CBSHome Relocation Services, Inc	Midwest Realty Ventures, LLC
MidAmerican Renewables, LLC	Champion Realty, Inc	Nebraska Land Title & Abstract Company
MidAmerican Solar, LLC	Chancellor Title Services, Inc	Nebraska Referral, Inc.
MidAmerican Transmission, LLC	Columbia Title of Florida, Inc	NMA, LLC
MidAmerican Wind, LLC	Connecticut Referral Group, L.L.C.	NRS Referral Services, LLC
Midwest Power Transmission Illinois LLC	CTHM, L.L.C.	NW Referral Services, LLC
Midwest Power Transmission Iowa LLC	CTRE, L.L.C.	PCRE, L.L.C.
NNGC Acquisition LLC	Edina Financial Services, Inc	PFR Staffers, LLC
Northern Aurora Inc	Edina Realty Referral Network, Inc	Pickford Escrow Company, Inc
Pinyon Pines I Holding Company, LLC	Edina Realty Relocation, Inc	Pickford Holdings, LLC
Pinyon Pines II Holding Company, LLC	Edina Realty Title, Inc	Pickford Real Estate, Inc
Pinyon Pines Wind I, LLC	Edina Realty, Inc	Pickford Services Company, Inc
Pinyon Pines Wind II, LLC	Employee Transfer Corporation	Pilot Butte, LLC
Quad Cities Energy Company	Esslinger-Wooten-Maxwell, Inc	PNW Referral, LLC
Salton Sea Minerals Corporation	E-W-M Referral Services, Inc.	PPW Staffers, LLC
Preferred Carolinas Realty, Inc	Reece Commercial, Inc.	Semonin Realtors, Inc
Preferred Carolinas Title Agency, LLC	Referral Associates of Georgia, LLC	Southwest Relocation, LLC
Professional Referral Organization, Inc	Referral Company of North Carolina, Inc	Sterling Title Services, LLC
PW Fox Holding LLC	Referral Network of IL LLC	The Escrow Firm
PW Fox, LLC	Relocation Advantage Partners, LLC	The Referral Company
Real Estate Knowledge Services, L.L.C.	RHL Referral Company, LLC	TIAC LLC
Real Estate Links, LLC	Roberts Brothers, Inc	TitleSouth, LLC
Real Estate Referral Network, Inc	Roy H. Long Realty Company, Inc	TLTC LLC
Reece & Nichols Alliance, Inc	Rubloff Insurance Agency LLC	TRMC LLC
Reece & Nichols Realtors, Inc	San Diego PCRE, Inc	Wm Broughton, LLC

With respect to members of the MEHC Sub-Group, MidAmerican Energy Holdings Company (MEHC) requires all subsidiaries to pay to or receive from MEHC an amount of tax based primarily on the stand-alone method of allocation. The computation includes all tax benefits from tax deductions stemming from cost borne by utility customers.

All Other Affiliates:

Berkshire Hathaway Inc.	Los Angeles Junction Railway Company	CTB International Corp
Berkshire Hathaway Credit Corporation	Star Lake Railroad Company	Ironwood Plastics Inc
Berkshire Hathaway Finance Corporation	The BN and SF Railway de Mexico, S.A. de C.V.	CTB IW INC
BH Columbia Inc.	The Zia Company	CTB Midwest
Railsplitter Holdings Corporation	Santa Fe Pacific Pipeline Holdings, Inc.	CTB MN Investments
Acme Brick Company	Burlington Northern Santa Fe British Columbia, Ltd.	Meyn LLC
Acme Brick DFW, Inc.	Pine Canyon Land Company	International Dairy Queen, Inc.
Acme Brick Sales Company	Santa Fe Pacific Insurance Company	American Dairy Queen Corporation
Acme Ochs Brick and Stone, Inc.	Santa Fe Pacific Railroad Company	DQF, Inc.
American Tile and Stone, Inc	Western Fruit Express Company	DQGC, Inc.
Innovative Building Products, Inc	Burlington Northern Railroad Holdings, Inc.	Unified Supply Chain, Inc.
Alpha Cargo Motor Express, Inc	Winona Bridge Railroad Company	DQ Funding Corporation
Brick Acquisition Company	BNSF Railway International Services, Inc.	Dairy Queen Of Georgia, Inc.
Acme Building Brands, Inc	BN Leasing Corporation	Golden Skillet International, Inc.
Acme Investment Company	Midwest Northwest Properties, Inc.	Karmelkorn Shoppes, Inc.
Acme Management Company	Santa Fe Pacific Pipelines, Inc.	Orange Julius Of America

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
FOOTNOTE DATA			

Acme Services Company, L.P.	BNSF Communications, Inc.	Dairy Queen Corporate Stores, Inc.
Denver Brick Company	BNSF Spectrum, Inc.	DQ Managed Stores, Inc.
Edmonds Material and Equipment Co.	Borsheim Jewelry Company, Inc	DQ Wholly-Owned Stores, Inc.
Justin Industries, Inc.	Brooks Sports, Inc.	DQ Joint Venture Stores, Inc.
AEG Processing Center No. 35, Inc.	Total Quality Apparel Resources	PJR Management, Inc.
AEG Processing Center No. 58, Inc.	The Buffalo News, Inc.	All Bilt Uniforms
Applied Processing Center No. 60, Inc.	Business Wire, Inc.	Command Uniforms
American Employers Group, Inc.	Clayton Commercial Buildings, Inc.	Commonwealth Uniforms Inc.
Applied Group Insurance Holdings, Inc.	CMH Hodgenville, Inc.	Crowley Garment Mfg Co Inc.
Applied Investigations Inc.	CMH Manufacturing, Inc.	Crowley Shirt Mfg Co Inc.
Applied Logistics, Inc.	CMH Set and Finish, Inc.	The Eagle Company
Applied Premium Finance, Inc.	CMH Manufacturing West, Inc.	Farriors, Inc.
Applied Risk Services of New York, Inc.	AL/TEX Homes, Inc.	The Fechheimer Brothers Co.
Applied Risk Services, Inc.	BR Agency, Inc.	Fulton Manufacturing Company
AU Holding Company, Inc.	Giles Industries, Inc.	Great Plains Uniforms
Applied Underwriters, Inc.	Southern Energy Homes, Inc.	Griffey Uniforms
AU Captive Risk Assurance Co.	CMH Transport, Inc.	Harris Uniforms
BH, LLC	Cavalier Homes, Inc.	Martin Manufacturing Company
Berkshire Indemnity Group Inc.	Fontana Wood Products, Inc.	McCain Uniform Company Inc.
Combined Claims Services, Inc.	Fontana Wood Products of Oregon, Inc.	Metro Uniforms
Coverage Dynamics Group, Inc.	CMH Homes, Inc.	Nick Bloom Uniforms
Commercial General Indemnity, Inc.	CMH of KY, Inc.	Nationwide Uniforms
California Insurance Company	CMH Parks, Inc.	Roberts Men's Shop
Continental Indemnity Company	Chatwell, Inc.	Silver State Uniforms
Applied Underwriters Captive Risk Assurance Company, Inc.	Freedom Warehouse Corp.	Simon's Incorporated
Illinois Insurance Company	Vanderbilt ABS Corp.	Sol Frank Uniforms Inc.
North American Casualty Co.	Vanderbilt Mortgage and Finance, Inc.	Uniforms of Texas
Promesa Health, Inc.	Vanderbilt SPC, Inc.	Universal Uniforms
Pennsylvania Insurance Company	Vanderbilt Property&Casualty Insurance Co., Ltd.	Waynesburg Shirt Company Inc.
Strategic Staff Management, Inc.	Homefirst Agency, Inc.	Zuckerbergs Uniforms
The Ben Bridge Corporation	21st Communities, Inc.	Fruit of the Loom, Inc.
Ben Bridge Jeweler, Inc.	21st Mortgage Corporation	Union Underwear Co., Inc
Benjamin Moore & Co.	Henley Holdings, LLC	Cumberland Asset Management, Inc.
Complementary Coatings Corporation	21 SPC, Inc.	Fruit of the Loom Direct, Inc.
Eco Color Company	Clayton Homes, Inc.	Vanity Fair, Inc.
The Indecor Group, Inc.	CMH Capital, Inc.	VFI-Mexico, Inc.
Burlington Northern Santa Fe, LLC	CMH Services, Inc.	The BVD Licensing Corporation
FreightWise, Inc.	Clayton Education Corp.	Russell Athletic Corporation
Burlington Northern Santa Fe Insurance Company, Ltd.	Cort Business Services Corporation	Martin Mills, Inc.
BNSF Logistics International, Inc.	Central States of Omaha Companies, Inc.	Camp Manufacturing Company
Royal Cargo Lines	Central States Indemnity Co. of Omaha	Leesburg Yarn Mills, Inc.
Albacor Shipping (USA) Inc.	CSI Life Insurance Company	Rabun Apparel, Inc.
BNSF Railway Company	Roxell USA, Inc. (fka Agile Manufacturing Inc.)	FTL Sales Company, Inc.
Bayport Systems, Inc.	CTB Credit Corp	FTL Regional Sales Co., Inc.
Burlington Northern Santa Fe Manitoba, Inc.	CTB Inc.	Union Sales, Inc.
Fruit of the Loom Trading Company	Berkshire Hathaway Homestate Insurance Company	Anderson Retail, Inc.
Fruit of the Loom, Inc. (Sub)	Continental Divide Insurance Company	Penn Coal Land, Inc.
Mobile Disaster Structures, Inc	Cypress Insurance Company	Penn Pocahontas Coal Co.
Forest River Financial Services, Inc.	Oak River Insurance Company	TRH Holding Corp.
Forest River Housing, Inc.	Redwood Fire and Casualty Insurance Company	Alexander-Otto Company, LLC
Forest River, Inc.	Boot Royalty Company	Precision Millwork Settings LLC
Forest River Manufacturing LLC	Chippewa Shoe Company	Marmon Holdings, Inc.
Mapletree Transportation, Inc.	Footwear Investment Company	Getz Bros. & Co. Zug, Inc.
Priority One Financial Services, Inc.	H.J. Justin & Sons, Inc.	Webb Wheel Products, Inc.
Veritas Insurance Group, Inc.	Justin Belt Company, Inc.	Perfection Hy-Test Company
FlightSafety Capital Corp.	Justin Brands, Inc.	Marathon Suspension Systems, Inc.
FlightSafety Development Corp.	Justin Boot Company	Fontaine Trailer Company
FlightSafety International Inc.	J.S Justin, Inc.	Fontaine Modification Company
FlightSafety New York, Inc.	Nocona Boot Company	Fontaine Fifth Wheel Company

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
FOOTNOTE DATA			

FlightSafety Properties, Inc.	Tony Lama Company	Fontaine Commercial Trailer, Inc.
FlightSafety Services Corporation	Johns Manville Corporation	Fontaine Engineered Products, Inc.
Garan Central America Corp.	Johns Manville, Inc.	Marmon-Herrington Company
Garan Incorporated	Seventeenth Street Realty, Inc.	Triangle Suspension Systems, Inc.
Garan Manufacturing Corp.	Johns Manville China, Ltd.	Fontaine Spray Suppression Company
Garan Services Corp	Jordan's Furniture, Inc.	TSE Brakes, Inc.
Criterion Insurance Agency	Kansas Bankers Surety Company	Union Tank Car Company
GEICO Corporation	Albecca, Inc.	Uni-Form Components Co.
Government Employees Financial Corp.	Active Organics, Inc.	Marmon Distribution Services, Inc.
GEICO Insurance Agency	Lubrizol Inter-Americas Corporation	Railserv, Inc.
GEICO Products, Inc.	Lubrizol Advanced Materials China, Inc.	Tiger-Sunbelt Industries, Inc.
International Insurance Underwriters, Inc.	The Lubrizol Corporation	Worldwide Containers, Inc.
Maryland Ventures, Inc..	Chemtool Incorporated	Exsif Worldwide, Inc.
Plaza Financial Services Co.	Lubrizol Advanced Materials FCC, Inc.	McLane Southern, Inc.
Plaza Resources Co.	Lubrizol Advanced Materials Holding Corporation	McLane Western, Inc.
Top Five Club, Inc.	LZ Holding Corporation	McLane Beverage Distribution, Inc.
GEICO Advantage Insurance Company	Lubrizol Advanced Materials International, Inc.	McLane Beverage Holding, Inc.
GEICO Casualty Co.	Lipotec Group Corp.	McLane Minnesota, Inc.
GEICO Choice Insurance Company	Lubrizol Enterprises, Inc.	McLane Express, Inc.
GEICO General Insurance Co.	Lubrizol International Management Corporation	JDS Properties, Inc.
Government Employees Insurance Co.	Lubrizol Overseas Trading Corporation	Intrepid JSB, Inc.
GEICO Indemnity Co.	MPP Pipeline Corporation	International Traders, Inc.
GEICO Secure Insurance Company	Noveon Hilton Davis, Inc.	First American Carriers, Inc.
General Re Corporation	Lubrizol Advanced Materials, Inc.	Meadowbrook Meat Company, Inc.
Gen Re Long Ridge LLC	Lubrizol Advanced Materials Gibraltar, Inc.	McLane New Jersey, Inc.
Elm Street Corporation	Lubricant Investments, Inc.	Kahn Ventures, Inc.
GRD Holdings Corporation	Marmon Water, Inc.	Empire Distributors, Inc.
Gen Re Intermediaries Corporation	Marmon Crane Services, Inc.	Empire Distributors of North Carolina, Inc.
General Re New England Asset Management	Marmon Electrical & Plumbing Products Distribution, Inc.	Horizon Wine & Spirits - Nashville, Inc.
Genesis Management and Insurance Services Corporation	Marmon Engineered Industrial & Metal Components, Inc.	Horizon Wine & Spirits - Chattanooga, Inc.
General Star Management Company	Marmon Retail & End User Technologies, Inc.	Delta Wholesale Liquors, Inc.
United States Aviation Underwriters, Incorporated	Marmon Wire & Cable, Inc.	Salado Sales, Inc.
General Re Financial Products Corporation	Lockwood Street Urban Renewal Corporation	McLane Foodservice, Inc.
General Reinsurance Corporation	Ecodyne Corporation	McCarty-Hull Cigar Company, Inc.
Faraday Capital Limited	J.L. Mining Company	Professional Datasolutions, Inc.
Genesis Insurance Company	Fontaine Truck Equipment Company	Claims Services, Inc.
General Star Indemnity Company	Marmon Retail Home Improvement Products, Inc.	Transco, Inc.
General Star National Insurance Company	Cerro Plumbing Retail, Inc.	McLane Company, Inc.
Helzberg's Diamond Shops, Inc.	Cerro Wire Distribution, Inc.	McLane Eastern, Inc.
HDS Redevelopment Corporation	Morgantown-National Supply, Inc.	McLane Midwest, Inc.
H. H. Brown Shoe Company, Inc.	Procrane Holdings, Inc.	McLane Suncast, Inc.
Running with Heels, Inc.	RCP Investment, Inc.	McLane Mid-Atlantic, Inc.
BH Shoe Holdings, Inc.	Wells Lamont Retail, Inc.	C & R Insurance Services, Inc.
Vision Retailing, Inc.	HG-Power Plant, Inc.	C & R Legal Insurance Agency, LLC
American All Risk Insurance Services Inc.	Marmon Natural Resource & Transportation Service	Medical Protective Finance Corporation
American Commercial Claims Administrators Inc	UTLX Company	The Medical Protective Company
Brookwood Insurance Company	Amarillo Gear, Inc.	Medical Protective Insurance Services, Inc.
Princeton Advertising & Marketing Group, Inc.	WestGUARD Insurance Company	Hallmark Sweet, Inc.
Alexander Road Insurance Agency, Inc.	Berkshire Hathaway Assurance Corporation	Stern/Leach Company
Princeton Insurance Company	EastGUARD Insurance Company	Rio Grande, Inc.
Medical Protective Corporation	Wesco-Financial Insurance Company	See's Candies, Inc
Princeton Risk Protection, Inc.	National Liability & Fire Insurance	Sees Candy Shops, Incorporated

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
FOOTNOTE DATA			

MedPro Risk Retention Services, Inc.	Company National Indemnity Company of Mid-America	BHSF, Inc.
Somerset Services, Inc.	National Fire & Marine Insurance Company	Ambucor Health Solutions, Inc.
Accurate Installations, Inc.	National Indemnity Company	ScottCare Corporation
Benson, Ltd.	Atlanta International Insurance Company	The Scott Fetzer Company
Benson Industries, Inc.	Stonewall Insurance Company	Campbell Hausfeld/Scott Fetzer Company
Cubic Designs, Inc.	Columbia Insurance Company	Adalet/Scott Fetzer Company
Hardy Frames, Inc.	NorGUARD Insurance Company	Western/Scott Fetzer Company
HeatPipe Technology, Inc.	Commercial Casualty Insurance Company	Halex/Scott Fetzer Company
Hohmann & Barnard, Inc.	Unione Italiana Reinsurance Company of America, Inc.	Stahl/Scott Fetzer Company
MiTek Holdings, Inc.	Seaworthy Insurance Company	France/Scott Fetzer Company
MiTek Industries, Inc.	Finial Reinsurance Company	Wayne/Scott Fetzer Company
Kova Solutions, Inc.	National Indemnity Company of the South	Carefree/Scott Fetzer Company
Miller-Sage, Inc.	AmGUARD Insurance Company	Scott Fetzer Financial Group, Inc.
Rush Air Inc	BNJ NetJets, Inc.	UCFS Europe Company
SidePlate Systems, Inc.	Executive Jet Europe, Inc.	BH Finance, Inc.
SSS Acquisition Inc.	Executive Jet Management, Inc.	United Consumer Financial Services Company
TMI Climate Solutions, Inc.	NetJets Aviation, Inc.	United Direct Finance, Inc.
MiTek USA, Inc.	NetJets Europe Holdings, LLC	World Book, Inc.
United Steel Products Company	NetJets Inc.	World Book Encyclopedia, Inc.
121 Acquisition Co., LLC	NetJets International, Inc.	World Book/Scott Fetzer Company
Floors, Inc.	NetJets Large Aircraft, Inc.	SHX Leasing, Inc.
NFM of Kansas, Inc.	NetJets Sales, Inc.	SHX Flooring, Inc.
LMG Ventures, LLC	NetJets Services, Inc.	Shaw International Services, Inc.
Nebraska Furniture Mart, Inc.	NetJets U.S., Inc.	Pro Installations, Inc.
NFM SERVICES, LLC	NJE Holdings, LLC	Shaw Contract Flooring Installation Services, Inc.
Homemakers Plaza, Inc.	NJI Sales, Inc.	Shaw Contract Flooring Services, Inc.
TXFM, Inc.	Marquis Jet Partners, Inc.	Spectra Contract Flooring Puerto Rico, Inc.
WMC Corp.	Marquis Jet Holdings, Inc.	Shaw Industries Group, Inc.
First Berkshire Hathaway Life Insurance Company	Brainy Toys, Inc.	Shaw Industries, Inc.
Berkshire Hathaway Life Insurance Company of Nebraska	OTC Brands, Inc.	Shaw Diversified Services, Inc.
BHG Life Insurance Company	OTC Direct, Inc.	Shaw Transport, Inc.
Ringwalt & Liesche Co.	Fun Express LLC	Queen Carpet Corporation
Brilliant National Services, Inc.	Mindware Corporation	Shaw Floors, Inc.
Soco West, Inc.	M W Wholesale, Inc.	Shaw Retail Properties, Inc.
Whittaker, Clark & Daniels, Inc.	Oriental Trading Company, Inc.	Shaw Funding Company
L.A. Terminals, Inc.	OTC Worldwide Holdings, Inc.	Star Furniture Company
Boat America Corporation	Ace Mailing Services, Inc.	CJE II
Boat/U.S., Inc.	BH Media Group, Inc.	Mouser Electronics, Inc.
Vessel Assist Association of America, Inc.	BH Media Group Holdings, Inc.	Ray-Q, Inc.
BHG Structured Settlements, Inc.	Diversified Mailing, Inc.	Sager Electrical Supply Co. Inc
Resolute Management Inc.	LEE Distributing Services, Inc.	TTI, Inc.
International America Group Inc.	Midlands Newspapers, Inc.	Gateway Underwriters Agency, Inc.
International American Management Company	Mail Tech, LTD.	U.S. Investment Corporation
Northern States Agency, Inc.	Omaha World-Herald Company	United States Liability Insurance Company
Finial Holdings, Inc.	World Investments, Inc.	Mount Vernon Fire Insurance Company
CLAL U.S. Holdings, Inc.	World Marketing, Inc.	Mount Vernon Specialty Insurance Company
GUARD Financial Group, Inc.	World Publishing Enterprises, Inc.	U.S. Underwriters Insurance Co.
GUARD Insurance Group, Inc.	World Technologies, Inc.	Blue Chip Stamps, Inc.
GUARDco, Inc.	TPC European Holdings, LTD.	Montana Retail Properties, Inc.
Affiliated Agency Operations Co.	TPC North America, Ltd.	MS Property Company
InterGUARD, Ltd.	TPC N.A.S.A., LLC	AJF Warehouse Distributors, Inc.
TransGUARD, Ltd.	The Pampered Chef, Ltd.	XTRA Finance Corporation
Hawthorn Life International Limited	Precision Steel Warehouse - Charlotte S/C	XTRA Intermodal, Inc.
Consolidated Health Plans Inc.	Precision Steel Warehouse, Inc.	RENTCO Trailer Corporation

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
FOOTNOTE DATA			

Affordable Housing Partners, Inc.	Precision Brand Products, Inc.	X-L-Co., Inc.
Boat Owners Association of the United States	R.C. Willey Home Furnishings	XTRA Corporation
American Centennial Insurance Company	Richline Group, Inc	XTRA Companies, Inc.

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
FOOTNOTE DATA			

Schedule Page: 262 Line No.: 14 Column: f

Amended returns were filed for use tax overpayments, resulting in refund requests

Schedule Page: 262 Line No.: 21 Column: f

California ad valorem tax rounding adjustment

Schedule Page: 262 Line No.: 25 Column: f

Wyoming ad valorem tax rounding adjustment

Schedule Page: 262 Line No.: 40 Column: j

Total charges distributed to Gas (408.1, 409.1)	\$	64,451,139
Taxes charged to others		(27,842)
Total taxes reported on page 114, lines 14-16	\$	64,423,297

Schedule Page: 262 Line No.: 40 Column: p

These amounts are payroll taxes which follow the taxable item and are charged to multiple accounts.

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
FOOTNOTE DATA			

Schedule Page: 274 Line No.: 6 Column: b

FIN 48 tax correction

Schedule Page: 274 Line No.: 6 Column: k

FIN 48 tax correction

Schedule Page: 274 Line No.: 7 Column: k

The Respondent estimates that the entire amount of deferred income taxes in account 282 could be included in the development of jurisdictional recourse rates for the periods ending December 31, 2013 and 2012.

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
FOOTNOTE DATA			

Schedule Page: 276 Line No.: 7 Column: k

The Respondent estimates that the following amounts of deferred income taxes in account 283 could be included in the development of jurisdictional recourse rates.

	<u>12/31/2013</u>	<u>12/31/2012</u>
Deferred income taxes related to:		
Regulatory assets	\$ 20,822,939	\$ 20,010,000
Prepaid expenses, etc.	476,545	466,000
Total	<u>\$ 21,299,484</u>	<u>\$ 20,476,000</u>

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
FOOTNOTE DATA			

Schedule Page: 278 Line No.: 1 Column: a
Regulatory Authorization

Line No.	Description	Regulatory Citation	Amortization Period
1	Office lease accrual	RP04-274	Over 180 months through 12/2018
3	Employee benefits	A107-1-000,RP99-274	
5	Levelized depreciation:		
	2003 Expansion certificate	CP01-422	(1)
	2010 Expansion certificate	CP08-429	(1)
7	State tax rate change-apportionment	18 CFR SEC 154.305	

(1) Based on levelized depreciation rates in effect

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
FOOTNOTE DATA			

Schedule Page: 308 Line No.: 13 Column: a
Miscellaneous revenues include:

Waste heat recovery revenue	\$ 193,417
Other	<u>1,701</u>
	\$ <u>195,118</u>

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
FOOTNOTE DATA			

Schedule Page: 313 Line No.: 2 Column: b

Discounted revenue and volumes are reported for all interruptible transactions that were less than the maximum interruptible rate. In addition, all firm contracts that have a discounted rate component (either for demand or for commodity or both) are reported. If a firm contract is defined as a discounted contract, all commodity volumes are shown and all revenue - both demand and commodity - are reported. If a contract can be considered both a negotiated rate contract and a discounted contract, the contract volumes and revenues are all reported in the negotiated rate columns.

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
FOOTNOTE DATA			

Schedule Page: 317 Line No.: 260 Column: b

The following is the disclosure required by RP04-274 for the qualified pension plan:

	2013	2012
Service cost	\$ 767,368	\$ 826,337
Interest cost	465,291	549,910
Expected return on assets	(855,985)	(887,080)
Prior service cost amortization	17,261	17,261
Net loss/(gain) amortization	1,988	-
Respondent's actual benefit cost incurred*	395,923	506,428
Less: cost included for the pension plan in RP04-274	1,305,325	1,305,325
Expense more (less) than RP04-274	\$ (909,402)	\$ (798,897)

*Reported actual expenses were based upon actuarial studies provided to the Respondent for the reporting periods shown and charged to the Respondent.

The overfunded status of the qualified pension plan was \$1,814k and \$255k as of December 31, 2013 and 2012, respectively.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
FOOTNOTE DATA			

Schedule Page: 331 Line No.: 1 Column: c

Total Gas Used for Compressor Station Fuel - Credit (810)	16,316,792
Adjustments for actual gas vs. estimated gas	21,790
Total Gas Used for Compressor Station Fuel reported on page 520, line 28, column C	16,338,582

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
Kern River Gas Transmission Company			
FOOTNOTE DATA			

Schedule Page: 338 Line No.: 7 Column: c

Depreciation basis for transmission plant as of December 31, 2013 in thousands.

Transmission Plant Onshore	Plant as of 12/31/13	Life	Rate
Transmission - Vintage & 2002 Expansion	\$ 1,092,947	51.3	1.95%
Transmission - 2003, 2010, & Apex Expansions	1,515,551	33.3	3.00%
Transmission - High Desert	29,579	21.0	4.76%
Transmission - Big Horn	3,660	15.0	6.67%
Transmission - Compressor Engines	115,287	10.1	9.92%
Transmission Total	\$ 2,757,024		

Depreciation rates are based on RP04-274.

Schedule Page: 338 Line No.: 8 Column: c

Depreciation basis for general plant as of December 31, 2013 in thousands.

General Plant	Plant as of 12/31/13	Life	Rate
General Plant - Structures	\$ 0 *		
General Plant - Office Furniture & Equipment	1,642	15.0	6.67%
General Plant - Computers (PCs & Laptops)	378	3.0	33.33%
General Plant - Other Computer Equipment	1,344	5.0	20.00%
General Plant - Vehicles	1,600	5.6	18.00%
General Plant - Communications	1,226	10.0	10.00%
General Plant - Other	7,123	25.0	4.00%
General Plant Total	\$ 13,313		

Depreciation rates are based on RP04-274.

* 2012 Balance of \$204k was reclassified from Account 3900 Structures to various Transmission Accounts in 2013.

Schedule Page: 338 Line No.: 9 Column: c

Amortization basis for intangible plant as of December 31, 2013 in thousands.

Intangible Plant	Plant as of 12/31/13	Life	Rate
Contributions in Aid of Construction			
Vintage	\$ 8,073	51.3	1.95%
2003 & 2010 Expansions	12,709	33.3	3.00%
High Desert	630	21.0	4.76%
Total Contributions in Aid of Construction	\$ 21,412		
Other Intangible Plant			
Leasehold Improvements	\$ 726	15.0	6.67%
Computer Software	3,792	5.0	20.00%
Total Other Intangible Plant	\$ 4,518		
Intangible Plant Total	\$ 25,930		

Depreciation rates are based on RP04-274.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
Kern River Gas Transmission Company			
FOOTNOTE DATA			

Schedule Page: 354 Line No.: 75 Column: b
Costs incurred for customer requested feasibility study.

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
FOOTNOTE DATA			

Schedule Page: 358 Line No.: 3 Column: c

Accounts charged or credited for MEHC: 165, 426.1, 426.4, 921, 923, 924 and 925.

Schedule Page: 358 Line No.: 4 Column: c

Accounts charged or credited for MidAmerican Energy Company: 107, 408.1, 426.4, 426.5 and 923.

Schedule Page: 358 Line No.: 7 Column: c

Accounts charged or credited for NNG: 107, 426.1, 923 and 928.

Schedule Page: 358 Line No.: 8 Column: c

Accounts charged or credited for PacifiCorp: 107, 426.5, 850 and 923.

Schedule Page: 358 Line No.: 10 Column: a

Amounts which are chargeable from another affiliate are assigned first by coding to the specific affiliate. These charges were based on actual labor, benefits and operational costs incurred. Amounts not directly assignable to an individual affiliate, such as work performed where multiple affiliates benefit, are assigned on the basis of allocations from MidAmerican Energy Holdings Company, MHC Inc., and MidAmerican Energy Company, as described below:

Allocator	Description
Labor and Assets	An equal weighting of each company's labor and assets expressed as a percentage of the whole ((labor % + assets %) / 2) determines the portion assigned to each company. Labor is 12 months ended through December of the prior year. Assets are total assets at December 31 of the prior year. Five combinations of this allocator are used for allocating services that benefit different companies within the holding company organization.
Legislative and Regulatory	The Legislative and Regulatory allocator is used to allocate costs incurred by the holding company's Legislative & Regulatory groups. The Legislative & Regulatory groups work on a variety of legislative and regulatory subject matter for select groups of companies within the holding company organization. The Legislative & Regulatory allocation percentages are based on the Legislative & Regulatory groups' estimation of the time and resources that are being spent on these selected companies.
Information Technology Infrastructure	Allocates costs related to shared information technology infrastructure owned by the affiliate to other benefited affiliates based on an aggregation of various measures of usage of such infrastructure including storage capacity utilized, number of servers utilized, server processing times, etc.
Employee Count	This allocator distributes costs to benefited affiliates based on employee counts at such affiliates as of the prior year end.
Processes	This allocator distributes costs of electronic data interchange software and services based on the number of employees within each affiliate using such software or services.
Oracle Users	This allocator distributes costs of Oracle software and services based on the number of employees within each affiliate using such software and services.
Plant	This allocator distributes costs of managing the corporate insurance function based on assets for each affiliate.

Schedule Page: 358 Line No.: 21 Column: d

Nevada Power Company became an affiliate of Kern River Gas Transmission Company on December 19, 2013.

Schedule Page: 358 Line No.: 23 Column: c

Accounts charged or credited for PacifiCorp: 408.1, 850, 852, 856, 920, 921 and 926.

Schedule Page: 358 Line No.: 24 Column: c

Accounts charged or credited for MEHC: 408.1, 850, 851, 920, 921 and 926.

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
FOOTNOTE DATA			

Schedule Page: 508 Line No.: 4 Column: a

Operation of the Anschutz compressor station was not required during 2013 to meet system demand. The Respondent maintains the compressor station in ready for service status in anticipation that operating conditions may change that would require placing the station on line to meet the certified capacity of the pipeline system. All compressor fuel consumed in 2013 was to maintain the ready for service status.

Schedule Page: 508 Line No.: 13 Column: a

Operation of the Daggett compressor station was not required during 2013 to meet system demand. The Respondent maintains the compressor station in ready for service status in anticipation that operating conditions may change that would require placing the system on line to meet the certified capacity of the pipeline system.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kern River Gas Transmission Company			2013/Q4
FOOTNOTE DATA			

Schedule Page: 514 Line No.: 11 Column: a
The Respondent's ownership percentage is 75% of these California facilities with the remaining 25% owned by Mojave Pipeline Company.

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
FOOTNOTE DATA			

Schedule Page: 520 Line No.: 5 Column: c

Line 5 page 520	869,070,428
Line 10 page 520	7,710
Line 5 page 520a	36,903,397
Line 6, column J on page 305	905,981,535

The Respondent bills on net scheduled receipt quantities; therefore, it is necessary to include shipper imbalances with gross scheduled quantities to match the billable quantity booked to Account 489.2.

Schedule Page: 520.1 Line No.: 5 Column: c

Quantity equals lines 3 and 4 of column J on page 305.

Schedule Page: 520 Line No.: 9 Column: c

Exchanged gas received from others represents operational balancing agreement imbalances which are the difference between actual receipts and scheduled receipts.

Page 520 is completed after measurement and scheduling quantities and reconciled and finalized, whereas page 328 is completed before measurement and scheduling quantities are finalized, which resulted in a difference of 6,527 Dth between page 520 and page 328.

Schedule Page: 520.1 Line No.: 9 Column: c

Exchanged gas received from others represents operational balancing agreement imbalances which are the difference between actual receipts and scheduled receipts.

Page 520 is completed after measurement and scheduling quantities and reconciled and finalized, whereas page 328 is completed before measurement and scheduling quantities are finalized, which resulted in a difference of 6,527 Dth between page 520 and page 328.

Schedule Page: 520 Line No.: 10 Column: c

Gas received as imbalances represents transportation imbalances which are the difference between scheduled deliveries and net scheduled receipts.

Page 520 is completed after measurement and scheduling quantities and reconciled and finalized, whereas page 328 is completed before measurement and scheduling quantities are finalized, which resulted in a difference of 6,527 Dth between page 520 and page 328.

Schedule Page: 520 Line No.: 15 Column: c

Line pack activity

Schedule Page: 520.1 Line No.: 15 Column: c

Line pack activity

Schedule Page: 520 Line No.: 24 Column: c

Exchange gas delivered to others represents operational balancing agreement imbalances which are the difference between actual deliveries and scheduled deliveries. This quantity is comprised of the delivery operational balancing agreement imbalance of -69,480 Dth and the Mojave Pipeline Operating Company (MPOC) imbalance of -336,024 Dth. The MPOC imbalance is excluded from page 328.

Page 520 is completed after measurement and scheduling quantities and reconciled and finalized, whereas page 328 is completed before measurement and scheduling quantities are finalized, which resulted in a difference of 6,527 Dth between page 520 and page 328.

Schedule Page: 520.1 Line No.: 24 Column: c

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
FOOTNOTE DATA			

Exchange gas delivered to others represents operational balancing agreement imbalances which are the difference between actual deliveries and scheduled deliveries.

Page 520 is completed after measurement and scheduling quantities and reconciled and finalized, whereas page 328 is completed before measurement and scheduling quantities are finalized, which resulted in a difference of 6,527 Dth between page 520 and page 328.

Schedule Page: 520 Line No.: 25 Column: c
Gas delivered as imbalances represents transportation imbalances which are the difference between actual deliveries and scheduled deliveries.

Page 520 is completed after measurement and scheduling quantities and reconciled and finalized, whereas page 328 is completed before measurement and scheduling quantities are finalized, which resulted in a difference of 6,527 Dth between page 520 and page 328.

Schedule Page: 520 Line No.: 29 Column: c
Line pack activity

Schedule Page: 520.1 Line No.: 29 Column: c
Line pack activity

Name of Respondent Kern River Gas Transmission Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2013/Q4
FOOTNOTE DATA			

Schedule Page: 521 Line No.: 4 Column: n

The Respondent accounts for gas used in compressors by debiting Account 854 and crediting Account 810. The amount is calculated by multiplying the Dth quantity by the Kern River Wyoming index rate published in Platts Gas Daily Guide at the first of every month. The Respondent does not account for shipper supplied gas, gas lost and unaccounted for, disposition of excess gas and gas acquired to meet deficiency on its general ledger. The Respondent tracks its fuel and lost and unaccounted for gas outside of its general ledger and adjusts its fuel and loss rates monthly. The Respondent files an annual report with FERC as required by its Gas Tariff that supports the fuel and lost and unaccounted for gas factors used in the previous calendar year.

Schedule Page: 521 Line No.: 4 Column: o

The Respondent accounts for gas used in compressors by debiting Account 854 and crediting Account 810. The amount is calculated by multiplying the Dth quantity by the Kern River Wyoming index rate published in Platts Gas Daily Guide at the first of every month. The Respondent does not account for shipper supplied gas, gas lost and unaccounted for, disposition of excess gas and gas acquired to meet deficiency on its general ledger. The Respondent tracks its fuel and lost and unaccounted for gas outside of its general ledger and adjusts its fuel and loss rates monthly. The Respondent files an annual report with FERC as required by its Gas Tariff that supports the fuel and lost and unaccounted for gas factors used in the previous calendar year.

Schedule Page: 521 Line No.: 11 Column: e

Monthly quantities of gas used for compressor station fuel are determined for each type of transportation service agreement by multiplying the total gas used each day by the ratio of the shipper supplied gas by type of agreement divided by the total shipper supplied gas each day.

Schedule Page: 521 Line No.: 22 Column: e

Line pack activity is not shipper supplied gas and therefore is excluded from page 521.

Schedule Page: 521 Line No.: 26 Column: e

Monthly quantities of lost and unaccounted for gas are determined for each type of transportation service agreement by multiplying the total lost and unaccounted for gas each day by the ratio of the total scheduled receipts by type of agreement divided by the total scheduled receipts each day.