

THIS FILING IS

Item 1: ☒ An Initial (Original)
Submission

OR ☐ Resubmission No. _____

Form 2 Approved
OMB No.1902-0028
(Expires 09/30/2017)

Form 3-Q Approved
OMB No.1902-0205
(Expires 11/30/2016)



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 2014/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 the balance sheet — regulatory basis as of December 31, 2014, 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, 2014, 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, 2015

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>2014/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 John R. Fonda		06 Title of Contact Person Controller	
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 402-398-7931		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 04/17/2015

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 2014/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 Recquired 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		NA	
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		NA	
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 2014/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		
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 2014/Q4
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	-----------------------------------------

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, Salt Lake City, 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 2014, 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	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>2014/Q4</u>

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	Berkshire Hathaway Energy 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 2014/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:	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>2014/Q4</u>

Security Holders and Voting Powers

1. Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes that each could cast on that date if a meeting were held. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.), duration of trust, and principal holders of beneficiary interests in the trust. If the company did not close the stock book or did not compile a list of stockholders within one year prior to the end of the year, or if since it compiled the previous list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.

2. If any security other than stock carries voting rights, explain in a supplemental statement how such security became vested with voting rights and give other important details concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency.

3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.

4. Furnish details concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets any officer, director, associated company, or any of the 10 largest security holders is entitled to purchase. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants,

1. Give date of the latest closing of the stock book prior to end of year, and, in a footnote, state the purpose of such closing:

2. State the total number of votes cast at the latest general meeting prior to the end of year for election of directors of the respondent and number of such votes cast by proxy.

Total:

By Proxy:

3. Give the date and place of such meeting:

Line No.	Name (Title) and Address of Security Holder (a)	VOTING SECURITIES			
		4. Number of votes as of (date):			
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
5	TOTAL votes of all voting securities	100			100
6	TOTAL number of security holders	2			2
7	TOTAL votes of security holders listed below	100			100
8	KR Acquisition 1, LLC 666 Grand Ave., Des Moines, IA, 50309-2580	50			50
9	KR Acquisition 2, LLC 666 Grand Ave., Des Moines, IA, 50309-2580	50			50
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

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			2014/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. None

12. Gregory E. Abel, Chairman and member of the Executive Committee resigned August 26, 2014 and Mark A. Hewett

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			2014/Q4
Important Changes During the Quarter/Year			

was elected a member and Chairman of the Executive Committee August 26, 2014. Gary W. Hoogeveen, President, was elected to the additional office of Chief Executive Officer August 26, 2014. Gary W. Hoogeveen, President and Chief Executive Officer, resigned October 24, 2014. Matthew L. Finnegan was elected President October 24, 2014.

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>2014/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	2,820,261,484	2,810,712,592
3	Construction Work in Progress (107)	200-201	3,910,408	638,441
4	TOTAL Utility Plant (Total of lines 2 and 3)	200-201	2,824,171,892	2,811,351,033
5	(Less) Accum. Provision for Depr., Amort., Depl. (108, 111, 115)		1,132,272,576	1,052,478,285
6	Net Utility Plant (Total of line 4 less 5)		1,691,899,316	1,758,872,748
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)		1,691,899,316	1,758,872,748
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)		35,744,238	44,750,341
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)		35,744,238	44,750,341
31	CURRENT AND ACCRUED ASSETS			
32	Cash (131)		0	0
33	Special Deposits (132-134)		1,603,985	1,358,163
34	Working Funds (135)		0	0
35	Temporary Cash Investments (136)	222-223	26,081,436	9,750,125
36	Notes Receivable (141)		0	0
37	Customer Accounts Receivable (142)		25,756,269	25,067,863
38	Other Accounts Receivable (143)		232,608	22,535
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)		6,976,862	5,679,598
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="checked" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2014/Q4
Comparative Balance Sheet (Assets and Other Debits)(continued)					
Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)	
44	Residuals (Elec) and Extracted Products (Gas) (153)		0	0	
45	Plant Materials and Operating Supplies (154)		10,396,000	10,058,485	
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	1,302,799	1,715,040	
55	Advances for Gas (166 thru 167)		0	0	
56	Interest and Dividends Receivable (171)		23,775	0	
57	Rents Receivable (172)		0	0	
58	Accrued Utility Revenues (173)		0	0	
59	Miscellaneous Current and Accrued Assets (174)		1,694,359	1,633,312	
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)		612,082	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)		74,680,175	55,285,121	
65	DEFERRED DEBITS				
66	Unamortized Debt Expense (181)		2,904,872	5,036,923	
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	76,020,598	86,004,087	
70	Preliminary Survey and Investigation Charges (Electric)(183)		0	0	
71	Preliminary Survey and Investigation Charges (Gas)(183.1 and 183.2)		335,577	331,277	
72	Clearing Accounts (184)		0	0	
73	Temporary Facilities (185)		0	0	
74	Miscellaneous Deferred Debits (186)	233	2,115,986	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	119,998,084	127,810,147	
79	Unrecovered Purchased Gas Costs (191)		0	0	
80	TOTAL Deferred Debits (Total of lines 66 thru 79)		201,375,117	219,182,434	
81	TOTAL Assets and Other Debits (Total of lines 10-15,30,64,and 80)		2,003,698,846	2,078,090,644	

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>2014/Q4</u>
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	------------------------------------------------

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	354,256,145	359,056,563	0	0
3	Operating Expenses					
4	Operation Expenses (401)	317-325	46,903,768	38,717,314	0	0
5	Maintenance Expenses (402)	317-325	1,451,976	1,451,227	0	0
6	Depreciation Expense (403)	336-338	82,598,602	81,657,465	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	3,258,517	3,170,457	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)		52,458,250	49,670,035	0	0
13	(Less) Regulatory Credits (407.4)		18,393,253	18,454,213	0	0
14	Taxes Other than Income Taxes (408.1)	262-263	16,240,434	17,325,531	0	0
15	Income Taxes-Federal (409.1)	262-263	34,130,817	40,155,232	0	0
16	Income Taxes-Other (409.1)	262-263	5,665,165	6,942,534	0	0
17	Provision of Deferred Income Taxes (410.1)	234-235	88,824,471	107,195,057	0	0
18	(Less) Provision for Deferred Income Taxes-Credit (411.1)	234-235	74,883,226	96,909,134	0	0
19	Investment Tax Credit Adjustment-Net (411.4)		0	0	0	0
20	(Less) Gains from Disposition of Utility Plant (411.6)		0	0	0	0
21	Losses from Disposition of Utility Plant (411.7)		0	0	0	0
22	(Less) Gains from Disposition of Allowances (411.8)		0	0	0	0
23	Losses from Disposition of Allowances (411.9)		0	0	0	0
24	Accretion Expense (411.10)		0	0	0	0
25	TOTAL Utility Operating Expenses (Total of lines 4 thru 24)		238,255,521	230,921,505	0	0
26	Net Utility Operating Income (Total of lines 2 less 25) (Carry forward to page 116, line 27)		116,000,624	128,135,058	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 2014/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)		116,000,624	128,135,058	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)		892,689	10,787	0	0
38	Allowance for Other Funds Used During Construction (419.1)		79,483	110,248	0	0
39	Miscellaneous Nonoperating Income (421)		264,029	386,806	0	0
40	Gain on Disposition of Property (421.1)		0	0	0	0
41	TOTAL Other Income (Total of lines 31 thru 40)		1,236,201	507,841	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	50,628	48,087	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)		25,612	43,175	0	0
49	Other Deductions (426.5)		3,175	3,247	0	0
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)	340	79,415	94,509	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	102,534	141,599	0	0
54	Income Taxes-Other (409.2)	262-263	16,320	22,286	0	0
55	Provision for Deferred Income Taxes (410.2)	234-235	51,627	706,617	0	0
56	(Less) Provision for Deferred Income Taxes-Credit (411.2)	234-235	47,513	687,354	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)		122,968	183,148	0	0
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		1,033,818	230,184	0	0
61	INTEREST CHARGES					
62	Interest on Long-Term Debt (427)		28,261,048	32,735,221	0	0
63	Amortization of Debt Disc. and Expense (428)	258-259	2,132,051	2,477,870	0	0
64	Amortization of Loss on Reacquired Debt (428.1)		0	0	0	0
65	(Less) Amortization of Premium on Debt-Credit (429)	258-259	0	0	0	0
66	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1)		0	0	0	0
67	Interest on Debt to Associated Companies (430)	340	0	0	0	0
68	Other Interest Expense (431)	340	1,074,107	835,266	0	0
69	(Less) Allowance for Borrowed Funds Used During Construction-Credit (432)		29,368	43,669	0	0
70	Net Interest Charges (Total of lines 62 thru 69)		31,437,838	36,004,688	0	0
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		85,596,604	92,360,554	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)		85,596,604	92,360,554	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 2014/Q4
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	-----------------------------------------

Statement of Retained Earnings

- Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
- 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).
- State the purpose and amount for each reservation or appropriation of retained earnings.
- 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.
- 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			0
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)			
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)			
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)			
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			
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			

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>2014/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)	85,596,604	92,360,554	
3	Noncash Charges (Credits) to Income:			
4	Depreciation and Depletion	85,857,119	84,827,922	
5	Amortization of (Specify) (footnote details)	37,931,922	35,806,148	
6	Deferred Income Taxes (Net)	13,945,359	10,305,186	
7	Investment Tax Credit Adjustments (Net)			
8	Net (Increase) Decrease in Receivables	(2,181,336)	3,065,338	
9	Net (Increase) Decrease in Inventory	(337,515)	(227,362)	
10	Net (Increase) Decrease in Allowances Inventory			
11	Net Increase (Decrease) in Payables and Accrued Expenses	(5,375,527)	(5,041,668)	
12	Net (Increase) Decrease in Other Regulatory Assets	(805,654)	(552,666)	
13	Net Increase (Decrease) in Other Regulatory Liabilities	(124,596)	(171,905)	
14	(Less) Allowance for Other Funds Used During Construction	79,483	110,248	
15	(Less) Undistributed Earnings from Subsidiary Companies			
16	Other (footnote details):	(401,917)	(395,878)	
17	Net Cash Provided by (Used in) Operating Activities			
18	(Total of Lines 2 thru 16)	214,024,976	219,865,421	
19				
20	Cash Flows from Investment Activities:			
21	Construction and Acquisition of Plant (including land):			
22	Gross Additions to Utility Plant (less nuclear fuel)	(24,575,987)	(51,146,764)	
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	(79,483)	(110,248)	
27	Other: (footnote)	6,223,065	16,514,718	
28	Cash Outflows for Plant (Total of lines 22 thru 27)	(18,273,439)	(34,521,798)	
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 <u>2014/Q4</u>
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	
48	Net Cash Provided by (Used in) Investing Activities			
49	(Total of lines 28 thru 47)	(18,273,439)	(34,090,291)	
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)	(81,414,000)	(79,742,000)	
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	(98,000,000)	(146,000,000)	
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)	(179,414,000)	(221,742,000)	
72				
73	Net Increase (Decrease) in Cash and Cash Equivalents			
74	(Total of line 18, 49 and 71)	16,337,537	(35,966,870)	
75				
76	Cash and Cash Equivalents at Beginning of Period	9,900,337	45,867,207	
77				
78	Cash and Cash Equivalents at End of Period	26,237,874	9,900,337	

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			2014/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 Recquired Debt, and 257, Unamortized Gain on Recquired Debt, are not used, give an explanation, providing the rate treatment given these item. 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 Berkshire Hathaway Energy Company ("BHE"), a holding company that owns subsidiaries principally engaged in the energy business. BHE 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. 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

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			2014/Q4
Notes to Financial Statements			

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.

Certain amounts in the prior year Statements of Changes in Partners' Capital have been combined to conform to the current period presentation. These changes did not impact the total of previously reported retained deficit and partners' capital. The Respondent has evaluated subsequent events through April 17, 2015, 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 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 certifying 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

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			2014/Q4
Notes to Financial Statements			

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 securities 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 special funds 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, 2014 and 2013, 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 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

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			2014/Q4
Notes to Financial Statements			

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, 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, 2014 and 2013, the balance of this reserve was \$28.6 million and \$25.5 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, 2014 and 2013.

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 and any resulting impairment loss is reflected on the Statements of Income. The impacts of regulation are considered when evaluating rate base assets. There were no impairments for the years ended December 31, 2014 and 2013.

Revenue Recognition

Revenue from customers is recognized as natural gas is delivered or transportation services are provided. Approximately 94% 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

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			2014/Q4
Notes to Financial Statements			

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, 2014 and 2013 was \$2.9 million and \$5.0 million, respectively, and is included in unamortized debt expense on the Balance Sheets.

Income Taxes

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

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 May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, which creates FASB Accounting Standards Codification ("ASC") Topic 606, "Revenue from Contracts with Customers" and supersedes ASC Topic 605, "Revenue Recognition." The guidance replaces industry-specific guidance and establishes a single five-step model to identify and recognize revenue. The core principle of the guidance is that an entity should recognize revenue upon transfer of control of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. Additionally, the guidance requires the entity to disclose further quantitative and qualitative information regarding the nature and amount of revenues arising from contracts with customers, as well as other information about the significant judgments and estimates used in recognizing revenues from contracts with customers. This guidance is effective for interim and annual reporting periods beginning after December 15, 2016. Early application is not permitted. This guidance may be adopted retrospectively or under a modified retrospective method where the cumulative effect is recognized at the date of initial application.

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			2014/Q4
Notes to Financial Statements			

The Respondent is currently evaluating the impact of adopting this guidance on its Financial Statements and disclosures included within Notes to Financial Statements.

In February 2013, the FASB issued ASU No. 2013-04, which amends FASB 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. The Respondent adopted this guidance on January 1, 2014. The adoption of this guidance did not impact the Respondent's disclosures included within Notes to Financial Statements.

(3) Utility Plant, Net

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

	Depreciation		
	Rates	2014	2013
Transmission plant - Original and 2002 Expansion ("Rolled-in") system (1)	1.95%	\$ 1,101,629	\$ 1,097,317
Transmission plant - 2003 and 2010 Expansion ("Incremental") system (1)	3.00%	1,204,367	1,203,648
Transmission plant - Apex Expansion system (1)	3.00%	304,328	302,068
Transmission plant - other	4.76% to 6.67%	53,262	53,150
Compressor engines	9.92%	116,517	115,287
Intangible plant (2)	1.95% to 20.00%	26,224	25,930
General plant	4.00% to 33.33%	13,935	13,313
Total operating assets		2,820,262	2,810,713
Accumulated depreciation and amortization		(1,132,273)	(1,052,478)
Net operating assets		1,687,989	1,758,235
Construction work-in-progress		3,910	638
Utility plant, net		\$ 1,691,899	\$ 1,758,873

(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, 2014 and 2013. 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 \$72.1 million and \$72.0 million as of December 31, 2014 and 2013, respectively, and accumulated amortization of \$30.3 million and \$28.4 million as of December 31, 2014 and 2013, 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, 2014 and 2013, depreciation expense of \$82.6 million and \$81.6 million, respectively, and amortization expense of \$3.3 million and \$3.2 million, respectively, were included in depreciation expense and amortization and depletion of utility plant, respectively, on the Statements of Income. The Respondent expects amortization expense to be \$2.4 million for each of 2015 and 2016, \$2.1 million for 2017 and \$1.6 million for each of 2018 and 2019.

(4) Regulatory Matters

Regulatory assets represent costs that are expected to be recovered in future regulated rates. The Respondent's regulatory assets

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			2014/Q4
Notes to Financial Statements			

reflected on the Balance Sheets consist of the following as of December 31 (in thousands):

	Weighted Average Remaining Life	2014	2013
Levelized depreciation on utility plant ⁽¹⁾	25 years	\$ 46,524	\$ 54,978
Deferred income taxes associated with equity AFUDC	25 years	24,533	26,225
Other	Various	4,964	4,801
Total		\$ 76,021	\$ 86,004

(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 \$29.2 million and \$30.5 million as of December 31, 2014 and 2013, 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	2014	2013
Levelized depreciation on utility plant ⁽¹⁾	25 years	\$ 155,784	\$ 132,017
Other	Various	3,916	4,271
Total		\$ 159,700	\$ 136,288

(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"). In November 2010, the FERC issued an order that established 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 Respondent filed in 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 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. The shipper group has appealed the appropriate rate of return to be utilized in designing Period Two rates in conjunction with the use of a 100% equity capital structure. Oral argument was held in February 2015 and a ruling is expected in the second quarter of 2015.

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 2014/Q4
Notes to Financial Statements			

(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 special deposits, temporary cash investments and other special funds on the Balance Sheets. The fair value of the Respondent's money market mutual funds, which approximates cost, was \$59.5 million and \$52.0 million as of December 31, 2014 and 2013, 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):

	2014		2013	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term notes payable to subsidiary	\$ 466,706	\$ 497,173	\$ 548,120	\$ 606,060

(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):

	2014	2013
6.676% Senior Notes, due 2016	\$ 167,000	\$ 197,000
4.893% Senior Notes, due 2018	299,706	351,120
Total long-term notes payable to subsidiary	466,706	548,120
Less - current portion	(85,340)	(81,414)
Long-term portion	\$ 381,366	\$ 466,706

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 as of December 31, 2014 and 2013.

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			2014/Q4
Notes to Financial Statements			

The annual repayments of the Respondent's long-term notes payable to subsidiary for the years beginning January 1, 2015 and thereafter are as follows (in thousands):

2015	\$	85,340
2016		190,340
2017		61,864
2018		129,162
Total	\$	466,706

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, 2014 and 2013, Funding is in compliance with all debt covenants.

(7) Income Taxes

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

	2014	2013
Current:		
Federal	\$ 34,234	\$ 40,297
State	5,681	6,965
	39,915	47,262
Deferred:		
Federal	12,207	9,346
State	1,738	959
	13,945	10,305
Total	\$ 53,860	\$ 57,567

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:

	2014	2013
Federal statutory income tax rate	35.0%	35.0%
State income tax, net of federal income tax benefit	3.5	3.4
Other, net	0.1	—
Effective income tax rate	38.6%	38.4%

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			2014/Q4
Notes to Financial Statements			

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

	2014	2013
Deferred income tax assets:		
Federal and state carryforwards	\$ 54,383	\$ 70,015
Regulatory liabilities	61,402	52,410
Unamortized deferred debt costs	2,367	3,000
Contribution in aid of construction	1,384	2,113
Other	462	272
Total deferred income tax assets	119,998	127,810
Deferred income tax liabilities:		
Utility plant, net	(485,999)	(478,397)
Regulatory assets	(22,764)	(24,129)
Other	(1,897)	(1,160)
Total deferred income tax liabilities	(510,660)	(503,686)
Net deferred income tax liability	\$ (390,662)	\$ (375,876)

The following table provides the Respondent's net operating loss carryforwards and expiration dates as of December 31, 2014 (in thousands):

	Federal	State
Net operating loss carryforwards	\$ 147,944	\$ 80,071
Deferred income taxes on net operating loss carryforwards	51,780	2,603
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 BHE's income tax returns through December 31, 2009, including components related to the Respondent. In addition, state jurisdictions have closed examination of BHE'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 BHE. 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.

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			2014/Q4
Notes to Financial Statements			

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	
	2014	2013	2014	2013
Service cost	\$ 14	\$ 18	\$ 6	\$ 5
Interest cost	35	33	10	8
Expected return on plan assets	(45)	(45)	(15)	(13)
Net amortization	1	11	(3)	(3)
Net periodic benefit cost (benefit)	\$ 5	\$ 17	\$ (2)	\$ (3)

The Respondent's share of pension cost totaled \$0.3 million and \$0.4 million for the years ended December 31, 2014 and 2013, respectively. The Respondent's share of other postretirement cost totaled \$- million for each of the years ended December 31, 2014 and 2013.

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	
	2014	2013	2014	2013
Plan assets at fair value, beginning of year	\$ 722	\$ 643	\$ 256	\$ 226
Employer contributions	7	7	1	1
Participant contributions	—	—	1	1
Actual return on assets	52	142	13	40
Benefits paid	(51)	(70)	(12)	(12)
Plan assets at fair value, end of year	\$ 730	\$ 722	\$ 259	\$ 256

The Respondent's contributions to the pension plan and other postretirement plan totaled \$0.9 million for each of the years ended December 31, 2014 and 2013. As of December 31, 2014 and 2013, the fair value of plan assets attributable to the Respondent in the pension plan was \$14.7 million and \$14.1 million, respectively, and the other postretirement plan was \$8.3 million and \$7.6 million, respectively. Amounts attributable to the Respondent were allocated from MEC to the Respondent in accordance with the intercompany administrative services 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			2014/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	
	2014	2013	2014	2013
Benefit obligation, beginning of year	\$ 768	\$ 846	\$ 235	\$ 213
Service cost	14	18	6	5
Interest cost	35	33	10	8
Participant contributions	—	—	1	1
Actuarial loss (gain)	74	(59)	9	20
Benefits paid	(51)	(70)	(12)	(12)
Benefit obligation, end of year	\$ 840	\$ 768	\$ 249	\$ 235
Accumulated benefit obligation, end of year	\$ 825	\$ 751		

MEC paid benefits from the plans to the Respondent's participants totaling \$1.0 million and \$1.4 million for the years ended December 31, 2014 and 2013, respectively. As of December 31, 2014 and 2013, the benefit obligation attributable to the Respondent for the pension plan was \$13.6 million and \$12.3 million, respectively, and for the other postretirement plan was \$6.2 million and \$6.1 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	
	2014	2013	2014	2013
Plan assets at fair value, end of year	\$ 730	\$ 722	\$ 259	\$ 256
Less - benefit obligation, end of year	840	768	249	235
Funded Status	\$ (110)	\$ (46)	\$ 10	\$ 21

As of December 31, 2014 and 2013, the Respondent recorded an affiliate company receivable included in other special funds relating to the pension and other postretirement plans of \$3.1 million and \$3.4 million, respectively. Amounts attributable to the Respondent were allocated from MEC to the Respondent in accordance with the intercompany administrative services 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 2014/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	
	2014	2013	2014	2013
Net loss (gain)	\$ 21	\$ (44)	\$ 49	\$ 41
Prior service cost (credit)	3	3	(42)	(47)
Total	\$ 24	\$ (41)	\$ 7	\$ (6)

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 2014/Q4
Notes to Financial Statements			

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, 2014 and 2013 is as follows (in millions):

	Regulatory Asset	Regulatory Liability	Receivables (Payables) with Affiliates	Total
<u>Pension</u>				
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)
Net loss arising during the year	6	51	9	66
Net amortization	—	(1)	—	(1)
Total	6	50	9	65
Balance, December 31, 2014	\$ 22	\$ (5)	\$ 7	\$ 24

	Regulatory Asset	Regulatory Liability	Receivables (Payables) with Affiliates	Total
<u>Other postretirement</u>				
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)
Net loss arising during the year	8	—	2	10
Net amortization	2	—	1	3
Total	10	—	3	13
Balance, December 31, 2014	\$ 20	\$ —	\$ (13)	\$ 7

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 2014/Q4
Notes to Financial Statements			

The net loss and prior service cost (credit) for MEC and its participating affiliates that will be amortized in 2015 into net periodic benefit cost are estimated to be as follows (in millions):

	Net Loss	Prior Service Cost (Credit)	Total
Pension	\$ 1	\$ 1	\$ 2
Other postretirement	2	(5)	(3)
Total	\$ 3	\$ (4)	\$ (1)

The net loss and prior service cost amounts expected to be recognized by the Respondent for the year ended December 31, 2015 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	
	2014	2013	2014	2013
Benefit obligations as of December 31,				
Discount rate	4.00%	4.75%	3.75%	4.50%
Rate of compensation increase	2.75%	3.00%	N/A	N/A
Net periodic benefit cost for the years ended December 31:				
Discount rate	4.75%	4.00%	4.50%	3.75%
Expected return on plan assets (1)	7.50%	7.50%	7.25%	7.25%
Rate of compensation increase	3.00%	3.00%	N/A	N/A

(1) Amounts reflected are pre-tax values. Assumed after-tax returns for a taxable, non-union other postretirement plan were 5.37% for 2014 and 5.56% for 2013.

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.

	2014	2013
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	2025	2019

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 2014/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 for the year ended December 31, 2014	\$ 1	\$ —
Other postretirement benefit obligation as of December 31, 2014	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 2015. 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 amounts consistent with rate regulatory arrangements. 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 2015.

Net periodic benefit costs assigned to MEC affiliates are reimbursed currently in accordance with the intercompany administrative services agreement. The expected benefit payments to participants in MEC's pension and other postretirement benefit plans for 2015 through 2019 and for the five years thereafter are summarized below (in millions):

	Projected Benefit Payments	
	Pension	Other Postretirement
2015	\$ 54	\$ 16
2016	58	17
2017	59	19
2018	59	20
2019	60	21
2020-2024	298	109

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			2014/Q4
Notes to Financial Statements			

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.

The target allocations (percentage of plan assets) for MEC's pension and other postretirement benefit plan assets are as follows as of December 31, 2014:

	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 are 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			2014/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
<u>As of December 31, 2014</u>				
Cash equivalents	\$ —	\$ 24	\$ —	\$ 24
Debt securities:				
United States government obligations	8	—	—	8
Corporate obligations	—	29	—	29
Municipal obligations	—	4	—	4
Agency, asset and mortgage-backed obligations	—	33	—	33
Equity securities:				
United States companies	149	—	—	149
International equity securities	40	—	—	40
Investment funds (1)	84	319	—	403
Real estate funds	—	—	40	40
Total	\$ 281	\$ 409	\$ 40	\$ 730
<u>As of December 31, 2013</u>				
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

(1) Investment funds are comprised of mutual funds and collective trust funds. These funds consist of equity and debt securities of approximately 68% and 32%, respectively, for 2014 and 78% and 22%, respectively, for 2013. Additionally, these funds are invested in United States and international securities of approximately 74% and 26%, respectively, for 2014 and 80% and 20%, respectively, for 2013.

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			2014/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
As of December 31, 2014				
Cash equivalents	\$ 4	\$ —	\$ —	\$ 4
Debt securities:				
United States government obligations	5	—	—	5
Corporate obligations	—	11	—	11
Municipal obligations	—	40	—	40
Agency, asset and mortgage-backed obligations	—	15	—	15
Equity securities:				
United States companies	128	—	—	128
Investment funds (1)	56	—	—	56
Total	\$ 193	\$ 66	\$ —	\$ 259
As of December 31, 2013				
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	\$ 197	\$ 59	\$ —	\$ 256

(1) Investment funds are comprised of mutual funds and collective trust funds. These funds consist of equity and debt securities of approximately 69% and 31%, respectively, for 2014 and 86% and 14%, respectively, for 2013. Additionally, these funds are invested in United States and international securities of approximately 31% and 69%, respectively, for 2014 and 43% and 57%, respectively, for 2013.

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			2014/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	
	2014	2013
Beginning balance	\$ 31	\$ 26
Actual return on plan assets still held at period end	4	5
Purchases and sales	5	—
Ending Balance	\$ 40	\$ 31

The Respondent participates in the MEC sponsored defined contribution plan and contributed \$0.5 million for each of the years ended December 31, 2014 and 2013.

(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	
	2014	2013	2014	2013
Nevada Power Company	19%	19%	17%	17%
Southwest Gas Corporation	7%	7%	15%	14%

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, 2014 and 2013, the Respondent has reflected escrow funds of \$0.6 million and \$0.3 million, respectively, in special deposits and \$32.6 million and \$41.4 million, respectively, in other special funds. The Respondent also had offsetting cash security deposit and escrow fund obligations of \$33.2 million and \$41.7 million as of December 31, 2014 and 2013, respectively, in customer deposits on the Balance Sheets. Letters of credit, not reflected on the Balance Sheets, were \$96.7 million and \$125.1 million as of December 31, 2014 and 2013, 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			2014/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, 2014 were \$1.5 million for each of the years 2015 through 2017, \$1.6 million for the year 2018, \$0.3 million for the year 2019 and \$1.0 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 for each of the years ended December 31, 2014 and 2013 and was included in operation and maintenance on the Statements of Income.

(11) Other Related Party Transactions

BHE provides certain administrative and management services, including executive, financial, legal, and tax, to the Respondent. Expenses incurred by BHE and billed to the Respondent are based on the individual services and expense items provided and were \$0.7 million and \$1.8 million for the years ended December 31, 2014 and 2013, respectively. Income tax transactions with BHE resulted in net payments of \$46.9 million and \$52.7 million for the years ended December 31, 2014 and 2013, 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 \$1.3 million and \$0.8 million for the years ended December 31, 2014 and 2013, respectively.

Northern Natural Gas Company ("Northern"), an indirect wholly owned subsidiary of BHE, provides certain administrative and management services, including executive, financial, regulatory, legal, commercial, and tax to the Respondent. The Respondent was billed \$1.3 million and \$1.1 million for the years ended December 31, 2014 and 2013, respectively, 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 did not enter into any specific risk management transactions that settled on behalf of the Respondent for the year ended December 31, 2014. Northern entered into specific risk management transactions that settled on behalf of the Respondent totaling \$0.1 million for the year ended December 31, 2013.

As of December 31, 2014 and 2013, the Respondent had accounts payable to affiliates of \$0.8 million and \$0.6 million, respectively, which are reflected in accounts payable to associated companies on the Balance Sheets. The Respondent also had accounts receivable from affiliates of \$0.7 million and \$0.1 million as of December 31, 2014 and 2013, respectively, which are included in accounts receivable from associated companies on the Balance Sheets.

The Respondent provided natural gas transportation and other services to PacifiCorp, an indirect subsidiary of BHE, of \$3.2 million and \$3.3 million for the years ended December 31, 2014 and 2013, respectively. PacifiCorp provided electricity and other services to the Respondent of \$0.8 million for each of the years ended December 31, 2014 and 2013. 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 \$0.6 million and \$0.2 million for the years ended December 31, 2014 and 2013, respectively. As of December 31, 2014 and 2013, 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.

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			2014/Q4
Notes to Financial Statements			

The Respondent provided natural gas transportation and other services to Nevada Power Company ("Nevada Power"), an indirect wholly-owned subsidiary of BHE, of \$67.8 million and \$67.7 million for the years ended December 31, 2014 and 2013, respectively. Nevada Power provided electricity and other services to the Respondent of \$0.2 million for each of the years ended December 31, 2014 and 2013. As of December 31, 2014 and 2013, 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.

For the years ended December 31, 2014 and 2013, the Respondent distributed to its partners \$98.0 million and \$146.0 million, respectively.

(12) Subsequent Event

Subsequent to December 31, 2014, the Respondent distributed to its partners \$48.0 million.

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 2014/Q4
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)	2,797,925,906		
4	Property Under Capital Leases			
5	Plant Purchased or Sold			
6	Completed Construction not Classified	22,335,578		
7	Experimental Plant Unclassified			
8	TOTAL Utility Plant (Total of lines 3 thru 7)	2,820,261,484		
9	Leased to Others			
10	Held for Future Use			
11	Construction Work in Progress	3,910,408		
12	Acquisition Adjustments			
13	TOTAL Utility Plant (Total of lines 8 thru 12)	2,824,171,892		
14	Accumulated Provisions for Depreciation, Amortization, & Depletion	1,132,272,576		
15	Net Utility Plant (Total of lines 13 and 14)	1,691,899,316		
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION			
17	In Service:			
18	Depreciation	1,093,881,294		
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	38,391,282		
22	TOTAL In Service (Total of lines 18 thru 21)	1,132,272,576		
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)	1,132,272,576		

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 2014/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		2,797,925,906		
4				
5				
6		22,335,578		
7				
8		2,820,261,484		
9				
10				
11		3,910,408		
12				
13		2,824,171,892		
14		1,132,272,576		
15		1,691,899,316		
16				
17				
18		1,093,881,294		
19				
20				
21		38,391,282		
22		1,132,272,576		
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33		1,132,272,576		

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 2014/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	25,929,870	1,025,024
5	TOTAL Intangible Plant (Enter Total of lines 2 thru 4)	25,929,870	1,025,024
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 2014/Q4
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	-----------------------------------------

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	730,938			26,223,956
5	730,938			26,223,956
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 2014/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>2014/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 <u>2014/Q4</u>
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	3,159,837		
84	365.2 Rights-of-Way	72,008,490	47,523	
85	366 Structures and Improvements	59,212,532	1,111,448	
86	367 Mains	2,034,873,140	5,208,956	
87	368 Compressor Station Equipment	541,963,447	11,518,765	
88	369 Measuring and Regulating Station Equipment	53,524,673	820,202	
89	370 Communication Equipment	6,690,880	107,292	
90	371 Other Equipment	36,239	47,024	
91	372 Asset Retirement Costs for Transmission Plant			
92	TOTAL Transmission Plant (Enter Totals of lines 83 thru 91)	2,771,469,238	18,861,210	
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			
113	391 Office Furniture and Equipment	3,364,821	731,023	
114	392 Transportation Equipment	1,599,560	199,174	
115	393 Stores Equipment			
116	394 Tools, Shop, and Garage Equipment	5,576,678	147,883	
117	395 Laboratory Equipment	576,595		
118	396 Power Operated Equipment	899,209	17,656	
119	397 Communication Equipment	1,225,716	242,566	
120	398 Miscellaneous Equipment	70,905		
121	Subtotal (Enter Total of lines 111 thru 120)	13,313,484	1,338,302	
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)	13,313,484	1,338,302	
125	TOTAL (Accounts 101 and 106)	2,810,712,592	21,224,536	
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)	2,810,712,592	21,224,536	

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>2014/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				72,056,013
85	108,660			60,215,320
86	333,313		1,770	2,039,750,553
87	9,362,847		18,506	544,137,871
88	516,340		76,791	53,905,326
89	3,712			6,794,460
90				83,263
91				
92	10,324,872		97,067	2,780,102,643
93				
94				
95				
96				
97				
98				
99				
100				
101				
102				
103				
104				
105				
106				
107				
108				
109				
110				
111				
112				
113	550,458			3,545,386
114				1,798,734
115				
116			(3,016)	5,721,545
117			(75,545)	501,050
118			(18,506)	898,359
119	69,376			1,398,906
120				70,905
121	619,834		(97,067)	13,934,885
122				
123				
124	619,834		(97,067)	13,934,885
125	11,675,644			2,820,261,484
126				
127				
128				
129	11,675,644			2,820,261,484

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 2014/Q4
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	-----------------------------------------

Construction Work in Progress-Gas (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (Account 107).
2. 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).
3. 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	AMLV 531, 523, 538 24 Inch Bypass	314,283	3,249,018
2	Class III Pipe Replacement at Taft	2,200,141	1,199,895
3	Summerlin Initial Engineering and Environmental Work	47,814	1,985,118
4	Apex Expansion Wasatch Loop	2,743	1,496,018
5	Evanston Office Building	4,803	1,035,110
6	Various Projects under \$1,000,000	1,340,624	122,912
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	3,910,408	9,088,071

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 2014/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	1,281,052,637
2	High Desert	CP01-405	Incremental	30,271,350
3	Apex Expansion	CP10-14	Incremental	328,529,230
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			1,639,853,217

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>2014/Q4</u>
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	------------------------------------------------

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	393,217,227	189,678,847	22,564,333	710,217	42,890,750	8,447,012	183,545,655
2	15,596,317	6,102,245	264,749	916	1,319,532	141,609	4,755,585
3	37,415,719	57,439,740	5,106,640	145,530	11,535,566	2,707,222	42,816,359
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							
	446,229,263	253,220,832	27,935,722	856,663	55,745,848	11,295,843	231,117,599

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			2014/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 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 2014/Q4
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	-----------------------------------------

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 466,705,994	36.33	d 6.50
(4)	Preferred Stock	P		p
(5)	Common Equity	C 817,878,995	63.67	c 11.55
(6)	Total Capitalization	1,284,584,989	100.00	
(7)	Average Construction Work In Progress Balance	W 2,302,207		

2. Gross Rate for Borrowed Funds $s(S/W) + d[(D/(D+P+C)) (1-(S/W))]$ 2.36

3. Rate for Other Funds $[1-(S/W)] [p(P/(D+P+C)) + c(C/(D+P+C))]$ 7.35

4. Weighted Average Rate Actually Used for the Year:

- | | |
|------------------------------|------|
| a. Rate for Borrowed Funds - | 2.57 |
| b. Rate for Other Funds - | 6.95 |

Page 219

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>2014/Q4</u>
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	------------------------------------------------

Investments (Account 123, 124, and 136)

1. Report below investments in Accounts 123, Investments in Associated Companies, 124, Other Investments, and 136, Temporary Cash Investments.
2. Provide a subheading for each account and list thereunder the information called for:
 - (a) 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.
 - (b) 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		9,750,125	254,901,311
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>2014/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	238,570,000		26,081,436	1,311	
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>2014/Q4</u>
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	------------------------------------------------

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 \$			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>2014/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			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 2014/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	538,717
2	Prepaid Rents	
3	Prepaid Taxes	
4	Prepaid Interest	
5	Miscellaneous Prepayments	764,082
6	TOTAL	1,302,799

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 2014/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	54,978,001		407.3/.4	8,454,112		46,523,889
2							
3	Income taxes related to equity AFUDC	26,224,700	49,300	407.3	1,741,100		24,532,900
4							
5	Federal tax rate change	114,600		407.3	37,500		77,100
6							
7	Muddy Creek compressor station restage	305,400		407.3	96,900		208,500
8							
9	Fillmore compressor station restage	58,300		407.3	18,000		40,300
10							
11	Deferred regulatory commission expense	939,304		928	492,512		446,792
12							
13	Deferred FERC annual charge	876,601	1,265,848	928	1,193,063		949,386
14							
15	State tax rate change - apportionment	2,478,934	166,507	410.1	188,311		2,457,130
16							
17	Daggett electrical surcharge	28,247	779,230	928	22,876		784,601
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40	Total	86,004,087	2,260,885		12,244,374	0	76,020,598

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>2014/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	127,810,147	22,661,907	14,849,844
4	Other (Define) (footnote details)			
5	Total (Total of lines 2 thru 4)	127,810,147	22,661,907	14,849,844
6	Other (Specify) (footnote details)			
7	TOTAL Account 190 (Total of lines 5 thru 6)	127,810,147	22,661,907	14,849,844
8	Classification of TOTAL			
9	Federal Income Tax	114,169,742	20,330,963	12,941,996
10	State Income Tax	13,640,405	2,330,944	1,907,848
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>2014/Q4</u>
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	------------------------------------------------

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							119,998,084
4							
5							119,998,084
6							
7							119,998,084
8							
9							106,780,775
10							13,217,309
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 2014/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	Balance, December 31, 2013 reported as Retained Earnings	897,871,247
2	Balance, December 31, 2013 reported as Other Paid-In Capital	(67,965,715)
3	Total Balance, December 31, 2013	829,905,532
4		
5	2014 Net Income	85,596,604
6		
7	Distributions to partners	(98,000,000)
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	Total	817,502,136

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 2014/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 2014, 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 2014, principal payments were \$30,000,000 and interest payments were \$12,233,770.

During 2014, 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 2014, principal payments were \$51,414,000 and interest payments were \$16,027,278.

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 2014/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	166,999,994
3	4.893% Senior Notes Due 2018	05/01/2003	04/30/2018	299,706,000
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			466,705,994

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 2014/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	12,233,770			
3	4.893	16,027,278			
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		28,261,048			

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 2014/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 2014/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	3,975,488		1,792,871	2,182,617
3	1,061,435		339,180	722,255
4				
5	5,036,923		2,132,051	2,904,872
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>2014/Q4</u>
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	------------------------------------------------

Reconciliation of Reported Net Income with Taxable Income for Feder Income Taxes

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.

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.

Line No.	Details (a)	Amount (b)
1	Net Income for the Year (Page 116)	85,596,604
2	Reconciling Items for the Year	
3		
4	Taxable Income Not Reported on Books	
5	Capitalized Interest - Tax	98,148
6		
7		
8	TOTAL	98,148
9	Deductions Recorded on Books Not Deducted for Return	
10	Federal Income Taxes (Current & Deferred)	46,441,029
11	Deferred State Income Taxes	1,737,681
12	Other (see footnote)	123,104,630
13	TOTAL	171,283,340
14	Income Recorded on Books Not Included in Return	
15	Current State Income Taxes - FIN 48	927,551
16	Equity AFUDC	79,484
17	Debt AFUDC	29,368
18	TOTAL	1,036,403
19	Deductions on Return Not Charged Against Book Income	
20	Tax Depreciation and Repairs	105,534,840
21	Tax Loss on Disposition of Assets	127,694
22	Contribution in Aid of Construction	1,426,027
23	Tax Amortization - Regulatory Assets	7,228,386
24	Tax Amortization - Debt Costs	3,777,131
25	NOL Carryforward Utilized in 2014 (Apex Expansion & Molycorp Mountain Pass)	33,676,539
26	TOTAL	151,770,617
27	Federal Tax Net Income	104,171,072
28	Show Computation of Tax:	
29	NOL Carryforward generated in 2014	
30	Federal Taxable Income (after NOL adjustment)	104,171,072
31	Federal Tax Rate 35%	
32	Current Year Federal Income Tax Position Provision	36,460,000
33	Other Charges including Book to Tax Return Adjustments, FIN 48, and Audits	(2,226,649)
34	Total Current Federal Income Tax Provision (accounts 409.1 & 409.2)	34,233,351
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 2014/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	2,869,213	294,850
3	FICA	124,149	
4	Unemployment	771	
5	Subtotal	2,994,133	294,850
6			
7	STATE INCOME TAX		
8	California	450,667	
9	Utah	620,437	
10	FIN 48 Adjustments	655,820	
11	Subtotal	1,726,924	
12			
13	USE TAX		
14	California	(21,349)	
15	Nevada	7,827	
16	Utah	116,972	
17	Wyoming	2,092	
18	Subtotal	105,542	
19			
20	AD VALOREM / PROPERTY TAX		
21	California	1,605,129	
22	Nevada	743,875	
23	Nevada (Moapa Indian Reservation)		
24	Utah		
25	Wyoming	706,428	
26	Subtotal	3,055,432	
27			
28	STATE UNEMPLOYMENT TAX		
29	California	79	
30	Nevada	1,707	
31	Utah	3,487	
32	Wyoming	1,364	
33	Subtotal	6,637	
34			
35			
36			
37			
38			
39			
TOTAL		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 2014/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	36,077,606	38,547,774	551,240	655,435	
3	1,023,593	1,106,440		41,302	
4	6,566	7,097		240	
5	37,107,765	39,661,311	551,240	696,977	
6					
7					
8	3,375,225	3,832,486	6,594		
9	3,233,811	3,920,773	66,525		
10	(655,820)				
11	5,953,216	7,753,259	73,119		
12					
13					
14	21,349				
15	10,708	18,254		281	
16	398,172	359,623		155,521	
17	6,171	7,569		694	
18	436,400	385,446		156,496	
19					
20					
21	3,117,408	3,163,833		1,558,704	
22	2,852,006	2,882,880	1	713,002	
23	129,092	129,092			
24	7,472,848	7,472,848			
25	1,347,383	1,380,120		673,691	
26	14,918,737	15,028,773	1	2,945,397	
27					
28					
29	402	434		47	
30	13,366	14,448		625	
31	27,393	29,611		1,269	
32	9,218	9,964		618	
33	50,379	54,457		2,559	
34					
35					
36					
37					
38					
39					
TOTAL	58,466,497	62,883,246	624,360	3,801,429	

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 2014/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.

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		35,975,072		102,534
3		932,002		
4		5,978		
5		36,913,052		102,534
6				
7				
8		3,367,361		7,864
9		3,225,355		8,456
10		(655,820)		
11		5,936,896		16,320
12				
13				
14				
15				
16		234,889		
17				
18		234,889		
19				
20				
21		3,117,408		
22		2,852,006		
23		129,092		
24		7,472,848		
25		1,347,383		
26		14,918,737		
27				
28				
29		366		
30		12,170		
31		24,942		
32		8,393		
33		45,871		
34				
35				
36				
37				
38				
39				
TOTAL		58,049,445		118,854

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 2014/Q4
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	-----------------------------------------

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				91,591	
4				588	
5				92,179	
6					
7					
8					8.84
9					5.00
10					
11					
12					
13					
14				21,349	
15				10,708	
16				163,283	
17				6,171	
18				201,511	
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29				36	
30				1,196	
31				2,451	
32				825	
33				4,508	
34					
35					
36					
37					
38					
39					
TOTAL				298,198	

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 2014/Q4
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	-----------------------------------------

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	1,694,359
2	Accrued vacation and other employee benefits	1,514,949
3	Miscellaneous items	374,080
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	3,583,388

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 2014/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	482,269,571	45,101,292	42,846,290
4	Other (Define) (footnote details)			
5	Total (Enter Total of lines 2 thru 4)	482,269,571	45,101,292	42,846,290
6	Other (Specify) (footnote details)	(3,872,874)	5,348,968	5,984
7	TOTAL Account 282 (Enter Total of lines 5 thr	478,396,697	50,450,260	42,852,274
8	Classification of TOTAL			
9	Federal Income Tax	427,390,670	43,823,141	37,740,856
10	State Income Tax	51,006,027	6,627,119	5,111,418
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 2014/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	51,627	47,513					484,528,687
4							
5	51,627	47,513					484,528,687
6							1,470,110
7	51,627	47,513					485,998,797
8							
9	45,135	41,586					433,476,504
10	6,492	5,927					52,522,293
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>2014/Q4</u>
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	------------------------------------------------

Accumulated Deferred Income Taxes-Other (Account 283)

- Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
- 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	25,289,035	15,712,304	17,181,108
4	Other (Define) (footnote details)			
5	Total (Total of lines 2 thru 4)	25,289,035	15,712,304	17,181,108
6	Other (Specify) (footnote details)			
7	TOTAL Account 283 (Total of lines 5 thru	25,289,035	15,712,304	17,181,108
8	Classification of TOTAL			
9	Federal Income Tax	21,816,631	13,750,756	15,017,879
10	State Income Tax	3,472,404	1,961,548	2,163,229
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 2014/Q4
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	-----------------------------------------

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			219	863,048	182.3	21,804	24,661,475
4							
5				863,048		21,804	24,661,475
6							
7				863,048		21,804	24,661,475
8							
9				744,543		18,811	21,275,240
10				118,505		2,993	3,386,235
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>2014/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	905,960	931	124,595			781,365
2							
3	Employee benefits	3,365,278	128	3,365,278		3,134,365	3,134,365
4							
5	Levelized depreciation	132,017,115				23,766,685	155,783,800
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	136,288,353		3,489,873	0	26,901,050	159,699,530

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 2014/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	73,626,241		103,077	29,737,278	29,840,355
4	KRI - 1 Interruptible Mainline	1,065,721		1,492	109,765	111,257
5	KRF - L1 Firm High Desert	4,436,060		6,210	355,995	362,205
6	KRI - L1 Interruptible High Desert	254,141		356	10,852	11,208
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 2014/Q4
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	-----------------------------------------

Monthly Quantity & Revenue Data by Rate Schedule

1. Reference to account numbers in the USofA is provided in parentheses beside applicable data. Quantities must not be adjusted for discounts.
2. Total Quantities and Revenues in whole numbers
3. 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.
4. 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.
5. 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	62,731,472		87,824	28,240,405	28,328,229	73,904,401		103,466	30,436,365	30,539,831
4	851,517		1,192	65,648	66,840	1,636,590		2,291	170,004	172,295
5	1,359,275		1,903	343,023	344,926	2,344,024		3,282	355,995	359,277
6	28,471		40	1,215	1,255					
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>2014/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>2014/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 2014/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)	79,382,163		111,135	30,213,890	30,325,025
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)				54,398	54,398
99	(Less) Provision for Rate Refunds					
100	Total Additional Revenues				54,398	54,398

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 2014/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	64,970,735		90,959	28,650,291	28,741,250	77,885,015		109,039	30,962,364	31,071,403
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				51,289	51,289				51,290	51,290
99										
100				51,289	51,289				51,290	51,290

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 2014/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)
101	Total Operating Revenues (Total of Lines 1,63,90,94 & 100)	79,382,163		111,135	30,314,425	30,425,560

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>2014/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	64,970,735		90,959	28,747,717	28,838,676	77,885,015		109,039	31,059,791	31,168,830

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>2014/Q4</u>
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			1,090,521	1,495,450
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:			1,090,521	1,495,450
20	496 (Less) Provision for Rate Refunds				
21	TOTAL:			1,090,521	1,495,450

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>2014/Q4</u>
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	------------------------------------------------

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	351,899,337	356,196,883	352,989,858	357,692,333	871,727,629	905,981,535
11						
12						
13						
14						
15						
16						
17						
18	712,643	810,586	712,643	810,586		
19	353,165,624	357,561,113	354,256,145	359,056,563		
20						
21	353,165,624	357,561,113	354,256,145	359,056,563		

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>2014/Q4</u>
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	------------------------------------------------

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			1,026,427	1,399,837
2	KRI - 1 Interruptible Mainline			18,680	35,317
3	KRF - L1 Firm High Desert			44,772	54,829
4	KRI - L1 Interruptible High Desert			642	5,467
5					
6	TOTAL			1,090,521	1,495,450
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 2014/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	345,854,263	350,149,175	346,880,690	351,549,012	820,311,895	847,573,542
2	1,843,133	1,697,670	1,861,813	1,732,987	14,975,206	21,504,596
3	4,181,136	4,181,136	4,225,908	4,235,965	35,953,281	32,947,853
4	20,805	168,902	21,447	174,369	487,247	3,955,544
5						
6	351,899,337	356,196,883	352,989,858	357,692,333	871,727,629	905,981,535
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 2014/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	Waste heat recovery	97,175		
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	712,643		

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>2014/Q4</u>
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	------------------------------------------------

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.	68,611,164	200,319,616	21,460,550	40,857,060
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	68,611,164	200,319,616	21,460,550	40,857,060

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 2014/Q4
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 2014/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	(1,235,975)	462,841	
76	(Less) 805.1 Purchases Gas Cost Adjustments	0	0	
77	TOTAL Purchased Gas (Total of lines 68 thru 76)	(1,235,975)	462,841	
78	806 Exchange Gas	1,235,975	(462,841)	
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	

Page 320

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>2014/Q4</u>
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 2014/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 Terminating 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 Terminating 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	

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>2014/Q4</u>
Gas Operation and Maintenance Expenses(continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
178	3. TRANSMISSION EXPENSES			
179	Operation			
180	850 Operation Supervision and Engineering	15,377,942	9,392,078	
181	851 System Control and Load Dispatching	1,212,864	1,192,196	
182	852 Communication System Expenses	946,165	953,451	
183	853 Compressor Station Labor and Expenses	3,416,606	3,385,544	
184	854 Gas for Compressor Station Fuel	66,392,164	57,519,175	
185	855 Other Fuel and Power for Compressor Stations	713,189	690,449	
186	856 Mains Expenses	5,817,231	3,796,405	
187	857 Measuring and Regulating Station Expenses	1,033,038	1,060,400	
188	858 Transmission and Compression of Gas by Others	0	0	
189	859 Other Expenses	0	0	
190	860 Rents	0	0	
191	TOTAL Operation (Total of lines 180 thru 190)	94,909,199	77,989,698	
192	Maintenance			
193	861 Maintenance Supervision and Engineering	531,239	494,391	
194	862 Maintenance of Structures and Improvements	0	0	
195	863 Maintenance of Mains	279,057	309,818	
196	864 Maintenance of Compressor Station Equipment	487,386	476,252	
197	865 Maintenance of Measuring and Regulating Station Equipment	101,156	122,006	
198	866 Maintenance of Communication Equipment	0	0	
199	867 Maintenance of Other Equipment	53,138	48,760	
200	TOTAL Maintenance (Total of lines 193 thru 199)	1,451,976	1,451,227	
201	TOTAL Transmission Expenses (Total of lines 191 and 200)	96,361,175	79,440,925	
202	4. DISTRIBUTION EXPENSES			
203	Operation			
204	870 Operation Supervision and Engineering	0	0	
205	871 Distribution Load Dispatching	0	0	
206	872 Compressor Station Labor and Expenses	0	0	
207	873 Compressor Station Fuel and Power	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 2014/Q4
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 2014/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	5,807,256	6,213,561	
255	921 Office Supplies and Expenses	2,535,245	2,185,399	
256	(Less) 922 Administrative Expenses Transferred-Credit	109,156	127,675	
257	923 Outside Services Employed	3,651,057	2,930,969	
258	924 Property Insurance	519,796	538,030	
259	925 Injuries and Damages	136,007	188,836	
260	926 Employee Pensions and Benefits	3,136,520	2,648,857	
261	927 Franchise Requirements	0	0	
262	928 Regulatory Commission Expenses	1,810,579	2,096,295	
263	(Less) 929 Duplicate Charges-Credit	0	0	
264	930.1General Advertising Expenses	0	0	
265	930.2Miscellaneous General Expenses	10,000	18,500	
266	931 Rents	889,429	889,768	
267	TOTAL Operation (Total of lines 254 thru 266)	18,386,733	17,582,540	
268	Maintenance			
269	932 Maintenance of General Plant	0	0	
270	TOTAL Administrative and General Expenses (Total of lines 267 and 269)	18,386,733	17,582,540	
271	TOTAL Gas O&M Expenses (Total of lines 97,177,201,229,237,244,251, and 270)	48,355,744	40,168,541	

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>2014/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.

Line No.	Zone/Rate Schedule (a)	Gas Received from Others Amount (b)	Gas Received from Others Dth (c)	Gas Delivered to Others Amount (d)	Gas Delivered to Others Dth (e)
1	Transportation	309,669	70,284	(33,759)	(25,962)
2	Operating Balancing Agreements	987,353	186,566	94,806	(35,172)
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25	Total	1,297,022	256,850	61,047	(61,134)

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>2014/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	15,681,534	66,392,164		
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		1,864,933			
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25	Total		17,546,467	66,392,164		

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 2014/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.	10,000
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	10,000

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>2014/Q4</u>
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	------------------------------------------------

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

1. 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.

2. 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	81,356,539			
9	Distribution plant				
10	General plant	1,242,063			
11	Common plant-gas				
12	TOTAL	82,598,602			

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 2014/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	1,443,272		1,443,272	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	1,815,245		83,171,784	Transmission plant
9				Distribution plant
10			1,242,063	General plant
11				Common plant-gas
12	3,258,517		85,857,119	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 2014/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)	2,765,657	0.00
8	General Plant (footnote details)	13,935	0.00
9	Intangible Plant (footnote details)	26,224	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 2014/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	50,628
2		
3	426.4 - Expenditures for Certain Civic, Political and Related Activities	
4	Activities less than \$250,000	25,612
5		
6	426.5 - Other deductions - activities less than \$250,000	3,175
7		
8	431.0 - Other interest expense	
9	Federal and state income interest expense (rates vary by taxing authority)	645,038
10	Letters-of-credit fees (rates less than 0.05% based upon face value)	428,890
11	Other	179
12	Account subtotal	1,074,107
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 <u>2014/Q4</u>
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	------------------------------------------------

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)		8,174,828	8,174,828	939,304
2					
3	FERC Order No. 472 2012 Annual Charge (Oct-13 through Sep-14)	1,168,801		1,168,801	876,601
4					
5	FERC Order No. 472 2013 Annual Charge (Oct-14 through Sep-15)	1,265,848		1,265,848	
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25	Total	2,434,649	8,174,828	10,609,477	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>2014/Q4</u>
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	------------------------------------------------

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	125,004		182.3	492,512	446,792
2							
3					182.3	876,601	
4							
5				1,265,848	182.3	316,462	949,386
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25			125,004	1,265,848		1,685,575	1,396,178

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 2014/Q4
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	421,064		
2	Pensions – other	504,488		
3	Post-retirement benefits other than pensions (PBOP)	422,506		
4	Post-employment benefit plans			
5	Other (Specify)			
6	Healthcare and other benefits	1,788,462		
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	3,136,520		

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 2014/Q4
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	-----------------------------------------

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	8,939,372	1,910		8,941,282
33	Distribution				
34	Customer Accounts				
35	Customer Service and Informational				
36	Sales				
37	Administrative and General	5,538,553	1,695,862		7,234,415
38	TOTAL Operation (Total of lines 28 thru 37)	14,477,925	1,697,772		16,175,697
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	583,616			583,616
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 2014/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)	583,616			583,616
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.)(ll. 29 and 41)				
52	Other Gas Supply (Total of lines 30 and 42)				
53	Storage, LNG Terminating and Processing (Total of ll. 31 and 43)				
54	Transmission (Total of lines 32 and 44)	9,522,988	1,910		9,524,898
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)	5,538,553	1,695,862		7,234,415
60	Total Operation and Maintenance (Total of lines 50 thru 59)	15,061,541	1,697,772		16,759,313
61	Other Utility Departments				
62	Operation and Maintenance				
63	TOTAL ALL Utility Dept. (Total of lines 25, 60, and 62)	15,061,541	1,697,772		16,759,313
64	Utility Plant				
65	Construction (By Utility Departments)				
66	Electric Plant				
67	Gas Plant	592,570	81,750	667,220	1,341,540
68	Other				
69	TOTAL Construction (Total of lines 66 thru 68)	592,570	81,750	667,220	1,341,540
70	Plant Removal (By Utility Departments)				
71	Electric Plant				
72	Gas Plant	5,083			5,083
73	Other				
74	TOTAL Plant Removal (Total of lines 71 thru 73)	5,083			5,083
75	Other Accounts (Specify) (footnote details)	12,200			12,200
76	TOTAL Other Accounts	12,200			12,200
77	TOTAL SALARIES AND WAGES	15,671,394	1,779,522	667,220	18,118,136

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 2014/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	Flare Construction Inc	3,987,664
2	Baker Hughes Pipeline Management Group Inc	3,620,300
3	G E L Inc	1,442,871
4	Coast to Coast Inspection Services	1,101,293
5	El Paso Natural Gas Company	1,011,166
6	NPL Construction Company	730,808
7	Quality Integrated Services Inc	726,970
8	URS Corporation	583,351
9	Continental Engineering and Construction Inc	499,533
10	RTD Quality Services USA	398,239
11	EPG Inc	364,438
12	Elkhorn Construction Inc	348,218
13	Accurate Corrosion Control Inc	336,549
14	Cedar Excavation	333,006
15	Solar Turbines Inc	303,950
16	EN Engineering LLC	295,414
17	Utilities International Inc	280,633
18	Ecology and Environment Inc	253,087
19		
20	Other (\$250,000 or less)	4,571,337
21		
22	Total	21,188,827
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 2014/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	Finance and accounting services	Northern Natural Gas ("NNG")	107, 923	604,331
3	Other - goods and services under \$250,000	NNG	Various	686,933
4	IT shared services	MidAmerican Energy Company ("MEC")	107, 923	494,863
5	Other - goods and services under \$250,000	MEC	Various	777,547
6	Other - goods and services under \$250,000	Berkshire Hathaway Energy Company ("BHE")	Various	591,246
7	Other - goods and services under \$250,000	PacifiCorp	Various	563,688
8	Other - goods and services under \$250,000	International Business Machines	165, 852, 921	84,390
9				
10	Total			3,802,998
11				
12				
13				
14				
15				
16				
17				
18				
19				
20	Goods or Services Provided for Affiliated Company			
21	Gas transportation services	Nevada Power Company ("NVE")	489.2, 495	67,812,210
22	Other - goods and services under \$250,000	NVE	Various	82,568
23	Gas transportation services	PacifiCorp	489.2	3,173,351
24	Other - goods and services under \$250,000	PacifiCorp	Various	162,130
25	Other - goods and services under \$250,000	MEC	Various	144,900
26				
27	Total			71,375,159
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>2014/Q4</u>
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	------------------------------------------------

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	122,704,861
3	Transmission: Painter, Uinta County, Wyoming	2	11,000	17,771,827
4	Transmission: Anschutz, Uinta County, Wyoming	2	720	4,883,006
5	Transmission: Coyote Creek, Uinta County, Wyoming	2	31,000	54,794,394
6	Transmission: Salt Lake City, Salt Lake County, Utah	2	30,000	39,609,835
7	Transmission: Elberta, Utah County, Utah	2	31,000	53,074,589
8	Transmission: Fillmore, Millard County, Utah	2	30,000	45,819,658
9	Transmission: Milford, Beaver County, Utah	1	30,000	61,181,525
10	Transmission: Veyo, Washington County, Utah	3	45,000	61,051,993
11	Transmission: Dry Lake, Clark County, Nevada	2	31,000	50,346,522
12	Transmission: Goodsprings, Clark County, Nevada	3	45,000	60,882,047
13	Transmission: Daggett, San Bernadino County, California	1	4,000	24,114,949
14				
15	Transmission Total	28	384,220	596,235,206
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 2014/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	17,366,640		658,869	4,068,718	3,761,120	41,848	6	05/08/2014
3	944,918		272,234	219,907	251,790	8,726	1	03/13/2014
4	516		89,234	116	73,280	1		
5	4,005,665		278,056	941,504	608,480	10,652	2	05/06/2014
6	5,488,414		375,444	1,327,660	568,480	13,348	2	12/19/2014
7	5,816,930		64,592	1,358,545	733,000	14,300	2	04/09/2014
8	5,597,839		180,504	1,345,434	477,600	13,849	2	12/03/2014
9	3,838,980		382,554	893,572	1,503,440	5,626	1	05/26/2014
10	9,223,923		367,035	2,171,506	1,240,960	22,772	3	04/10/2014
11	5,364,881		192,307	1,267,878	930,400	12,608	2	04/10/2014
12	8,743,458		366,467	2,064,318	705,600	21,842	3	05/20/2014
13		767,274	10,644		3,241,320	1,525	1	08/17/2014
14								
15	66,392,164	767,274	3,237,940	15,659,158	14,095,470	167,097	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 <u>2014/Q4</u>
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	------------------------------------------------

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 2014/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: July 13, 2014			
2	Volumes of Gas Transported			
3	No-Notice Transportation			
4	Other Firm Transportation	25,260	2,656,784	2,682,044
5	Interruptible Transportation		15,181	15,181
6	Other (Describe) (footnote details)			
7	TOTAL	25,260	2,671,965	2,697,225
8	Volumes of gas Withdrawn form 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		28,379	28,379
17	Other (Describe) (footnote details)			
18	TOTAL		28,379	28,379
19	SECTION B: CONSECUTIVE THREE-DAY PEAK DELIVERIES			
20	Dates: Septemebr 4-6, 2014			
21	Volumes of Gas Transported			
22	No-Notice Transportation			
23	Other Firm Transportation	25,260	7,717,287	7,742,547
24	Interruptible Transportation		234,847	234,847
25	Other (Describe) (footnote details)			
26	TOTAL	25,260	7,952,134	7,977,394
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		(14,688)	(14,688)
36	Other (Describe) (footnote details)			
37	TOTAL		(14,688)	(14,688)

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 2014/Q4
Gas Account - Natural Gas					
<p>1. The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent.</p> <p>2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.</p> <p>3. Enter in column (c) the year to date Dth as reported in the schedules indicated for the items of receipts and deliveries.</p> <p>4. Enter in column (d) the respective quarter's Dth as reported in the schedules indicated for the items of receipts and deliveries.</p> <p>5. Indicate in a footnote the quantities of bundled sales and transportation gas and specify the line on which such quantities are listed.</p> <p>6. If the respondent operates two or more systems which are not interconnected, submit separate pages for this purpose.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>					
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	835,306,652	213,834,834	
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	63,134	90,264	
10	Gas Received as Imbalances (Account 806)	328	(19,551)	(18,892)	
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		15,555,426	4,133,318	
14	Gas Received from Shippers as Lost and Unaccounted for		1,782,859	474,893	
15	Other Receipts (Specify) (footnote details)		266	266	
16	Total Receipts (Total of lines 3 thru 15)		852,688,786	218,514,683	
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	835,306,652	213,834,834	
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	107,917	106,521	
25	Gas Delivered as Imbalances (Account 806)	328	(116,449)	14,336	
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	15,659,158	4,106,025	
29	Other Deliveries and Gas Used for Other Operations		(144,301)	(208,741)	
30	Total Deliveries (Total of lines 18 thru 29)		850,812,977	217,852,975	
31	GAS LOSSES AND GAS UNACCOUNTED FOR				
32	Gas Losses and Gas Unaccounted For		1,875,809	661,708	
33	TOTALS				
34	Total Deliveries, Gas Losses & Unaccounted For (Total of lines 30 and 32)		852,688,786	218,514,683	

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>2014/Q4</u>
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	36,440,528		8,421,971
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	(526,234)		(1,142,214)
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		(10,842)		
15	Other Receipts (Specify) (footnote details)				
16	Total Receipts (Total of lines 3 thru 15)		35,903,452		7,279,757
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	36,440,528		8,421,971
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	(528,370)		(1,136,194)
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		2,170		161
30	Total Deliveries (Total of lines 18 thru 29)		35,914,328		7,285,938
31	GAS LOSSES AND GAS UNACCOUNTED FOR				
32	Gas Losses and Gas Unaccounted For		(10,876)		(6,181)
33	TOTALS				
34	Total Deliveries, Gas Losses & Unaccounted For (Total of lines 30 and 32)		35,903,452		7,279,757

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 2014/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	435,658	53,034	1,210,509	1,699,201
5	Distribution				
6	Storage				
7	Total Shipper Supplied Gas	435,658	53,034	1,210,509	1,699,201
8	LESS GAS USED FOR COMPRESSOR STATION FUEL (LINE 28, PAGE 520)				
9	Gathering				
10	Production/Extraction/Processing				
11	Transmission	397,656	44,598	1,112,371	1,554,625
12	Distribution				
13	Storage				
14	Total gas used in compressors	397,656	44,598	1,112,371	1,554,625
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	18,925	3,736	54,289	76,950
27	Distribution				
28	Storage				
29	Other Losses (specify) (footnote details)				
30	Total Gas Lost And Unaccounted For	18,925	3,736	54,289	76,950

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 2014/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	1,651,144	200,999	4,587,829	6,439,972						
5										
6										
7	1,651,144	200,999	4,587,829	6,439,972						
8										
9										
10										
11	1,507,116	169,026	4,215,886	5,892,028					854	810
12										
13										
14	1,507,116	169,026	4,215,886	5,892,028						
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
26	71,726	14,160	205,755	291,641						
27										
28										
29										
30	71,726	14,160	205,755	291,641						

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>2014/Q4</u>
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	------------------------------------------------

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	19,077	4,700	43,849	67,626
35	Distribution				
36	Storage				
37	Total Net Excess Or (Deficiency)	19,077	4,700	43,849	67,626
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	19,077	4,700	43,849	67,626
45					
46					
47					
48					
49					
50					
51	Total Disposition Of Excess Gas	19,077	4,700	43,849	67,626
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	209,604,153
67	Backhaul Volume in Dths for the Quarter	12,633,760
68	TOTAL (Lines 66 and 67)	222,237,913

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>2014/Q4</u>
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	------------------------------------------------

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	72,302	17,813	166,188	256,303						
35										
36										
37	72,302	17,813	166,188	256,303						
38										
39										
40										
41										
42										
43										
44	72,302	17,813	166,188	256,303						
45										
46										
47										
48										
49										
50										
51	72,302	17,813	166,188	256,303						
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 2014/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 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	313,562	43,388	1,125,707	1,482,657
5	Distribution				
6	Storage				
7	Total Shipper Supplied Gas	313,562	43,388	1,125,707	1,482,657
8	LESS GAS USED FOR COMPRESSOR STATION FUEL (LINE 28, PAGE 520)				
9	Gathering				
10	Production/Extraction/Processing				
11	Transmission	222,857	27,541	794,340	1,044,738
12	Distribution				
13	Storage				
14	Total gas used in compressors	222,857	27,541	794,340	1,044,738
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	26,047	8,019	103,961	138,027
27	Distribution				
28	Storage				
29	Other Losses (specify) (footnote details)				
30	Total Gas Lost And Unaccounted For	26,047	8,019	103,961	138,027

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 2014/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	1,094,331	151,424	3,928,718	5,174,473						
5										
6										
7	1,094,331	151,424	3,928,718	5,174,473						
8										
9										
10										
11	777,771	96,118	2,772,247	3,646,136					854	810
12										
13										
14	777,771	96,118	2,772,247	3,646,136						
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
26	90,904	27,986	362,824	481,714						
27										
28										
29										
30	90,904	27,986	362,824	481,714						

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 2014/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	64,658	7,828	227,406	299,892
35	Distribution				
36	Storage				
37	Total Net Excess Or (Deficiency)	64,658	7,828	227,406	299,892
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	64,658	7,828	227,406	299,892
45					
46					
47					
48					
49					
50					
51	Total Disposition Of Excess Gas	64,658	7,828	227,406	299,892
52	GAS ACQUIRED TO MEET DEFICIENCY:				
53	System gas				
54	Purchased gas				
55	Other (list)				
56	Line pack				
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: (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 2014/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	225,656	27,320	793,647	1,046,623						
35										
36										
37	225,656	27,320	793,647	1,046,623						
38										
39										
40										
41										
42										
43										
44	225,656	27,320	793,647	1,046,623						
45										
46										
47										
48										
49										
50										
51	225,656	27,320	793,647	1,046,623						
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 2014/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 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	421,013	4,438	1,000,902	1,426,353
5	Distribution				
6	Storage				
7	Total Shipper Supplied Gas	421,013	4,438	1,000,902	1,426,353
8	LESS GAS USED FOR COMPRESSOR STATION FUEL (LINE 28, PAGE 520)				
9	Gathering				
10	Production/Extraction/Processing				
11	Transmission	449,515		1,057,147	1,506,662
12	Distribution				
13	Storage				
14	Total gas used in compressors	449,515		1,057,147	1,506,662
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	42,518	4,551	115,638	162,707
27	Distribution				
28	Storage				
29	Other Losses (specify) (footnote details)				
30	Total Gas Lost And Unaccounted For	42,518	4,551	115,638	162,707

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>2014/Q4</u>
-----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	---------------------------------------	------------------------------------------------

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	1,822,986	19,217	4,333,906	6,176,109						
5										
6										
7	1,822,986	19,217	4,333,906	6,176,109						
8										
9										
10										
11	1,946,400		4,577,446	6,523,846					854	810
12										
13										
14	1,946,400		4,577,446	6,523,846						
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
26	184,103	19,706	500,713	704,522						
27										
28										
29										
30	184,103	19,706	500,713	704,522						

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 2014/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	(71,020)	(113)	(171,883)	(243,016)
35	Distribution				
36	Storage				
37	Total Net Excess Or (Deficiency)	(71,020)	(113)	(171,883)	(243,016)
	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				
45					
46					
47					
48					
49					
50					
51	Total Disposition Of Excess Gas				
	GAS ACQUIRED TO MEET DEFICIENCY:				
53	System gas				
54	Purchased gas				
55	Other (list)				
56	Line pack	71,020	113	171,883	243,016
57					
58					
59					
60					
61					
62					
63					
64					
65	Total Gas Acquired To Meet Deficiency	71,020	113	171,883	243,016

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 2014/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)		
31										
32										
33										
34	(307,517)	(489)	(744,253)	(1,052,259)						
35										
36										
37	(307,517)	(489)	(744,253)	(1,052,259)						
38										
39										
40										
41										
42										
43										
44										
45										
46										
47										
48										
49										
50										
51										
52										
53										
54										
55										
56	307,517	489	744,253	1,052,259						
57										
58										
59										
60										
61										
62										
63										
64										
65	307,517	489	744,253	1,052,259						

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			2014/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:

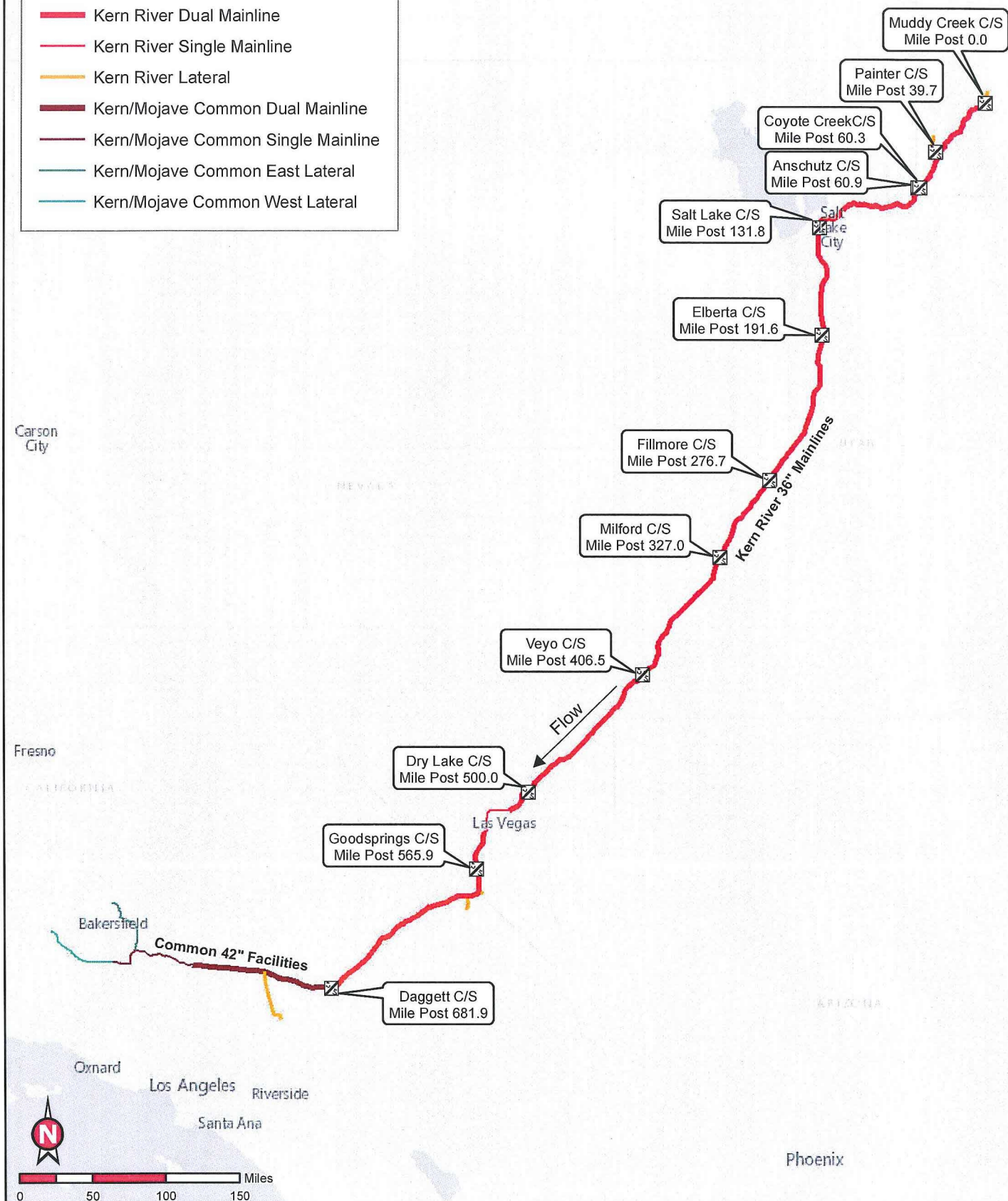
- (a) Transmission lines.
- (b) Incremental facilities.
- (c) Location of gathering areas.
- (d) Location of zones and rate areas.
- (e) Location of storage fields.
- (f) Location of natural gas fields.
- (g) Location of compressor stations.
- (h) Normal direction of gas flow (indicated by arrows).
- (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 Single Mainline
-  Kern River Lateral
-  Kern/Mojave Common Dual Mainline
-  Kern/Mojave Common Single Mainline
-  Kern/Mojave Common East Lateral
-  Kern/Mojave Common West Lateral



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 2014/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 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 2014/Q4
FOOTNOTE DATA			

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

Description	As of December 31, 2014	As of December 31, 2013
Other Special Deposits - Cash and Cash Equivalents-		
Funds Held for Retainage	\$ 156,438	\$ 150,212
Other Special Deposits - Restricted Cash - Customer Deposits	592,874	353,330
Other Special Deposits - Escrows	854,673	854,621
Total	\$ 1,603,985	\$ 1,358,163

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 2014/Q4
FOOTNOTE DATA			

Schedule Page: 112 Line No.: 7 Column: d

Certain amounts have been combined to conform to the current year presentation. These changes did not impact the total of previously reported retained deficit and partners' capital.

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 2014/Q4
FOOTNOTE DATA			

Schedule Page: 117 Line No.: 5 Column: g
The (\$1,005,864) pertains to natural gas commodity swaps.

Schedule Page: 117 Line No.: 10 Column: g
The \$376,859 pertains to natural gas commodity swaps.

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			2014/Q4
FOOTNOTE DATA			

Schedule Page: 118 Line No.: 1 Column: d

The 2013 Retained Earnings amounts have been combined with Other Paid-In Capital to conform to the current year presentation. See Page 253 for further details.

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 2014/Q4
FOOTNOTE DATA			

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

Description	2014	2013
Amortization of Regulatory Assets and Liabilities	\$ 35,799,871	\$ 33,328,278
Amortization of Debt Discount and Expense	2,132,051	2,477,870
Total	\$ 37,931,922	\$ 35,806,148

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

Description	2014	2013
VEBA contributions	\$ (458,383)	\$ (458,383)
Prepays and other assets	112,890	4,096
Customer security and other deposits, net	46	3,470
Price risk management activities	(56,470)	54,939
Total	\$ (401,917)	\$ (395,878)

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

Description	2014	2013
Net Increase (Decrease) in Payables and Accrued Expenses	\$ 610,249	\$ (4,471,496)
Salvage Proceeds, net of removal costs	5,612,816	20,986,214
Total	\$ 6,223,065	\$ 16,514,718

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

Description	2014	2013
Decrease (increase) in restricted cash	\$ -	\$ 431,507
Total	\$ -	\$ 431,507

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 2014/Q4
Kern River Gas Transmission Company			
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 \$1,245,271,975 and intangible plant in the amount of \$35,780,662 for total reported plant in service of \$1,281,052,637.

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

Accumulated depreciation reported of \$393,217,227 reflects depreciation accrued on tangible plant in service of \$1,245,271,975 for the Respondent's 2003 and 2010 Expansions. In addition to accumulated depreciation, the Respondent has recorded accumulated amortization in the amount of \$9,703,248 on intangible plant in service of \$35,780,662. Total accumulated depreciation and amortization is \$402,920,475 for Respondent's 2003 and 2010 Expansions.

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

Depreciation expense reported of \$42,890,750 reflects depreciation accrued on tangible plant in service of \$1,245,271,975 for Respondent's 2003 and 2010 Expansions. In addition to depreciation expense, the Respondent has recorded amortization expense in the amount of \$1,073,420 on intangible plant in service of \$35,780,662. Total depreciation and amortization expense for Respondent's 2003 and 2010 Expansions is \$43,964,170.

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

Plant in service for Respondent's High Desert Lateral includes tangible plant in the amount of \$27,786,836 and intangible plant in the amount of \$2,484,514 for total reported plant in service of \$30,271,350.

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

Accumulated depreciation reported of \$15,596,317 reflects depreciation accrued on tangible plant in service of \$27,786,836 for the Respondent's High Desert Lateral. In addition to accumulated depreciation, the Respondent has recorded accumulated amortization in the amount of \$1,445,561 on intangible plant in service of \$2,484,514. Total accumulated depreciation and amortization is \$17,041,878 for the Respondent's High Desert Lateral.

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

Depreciation expense reported of \$1,319,532 reflects depreciation accrued on tangible plant in service of \$27,786,836 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 \$1,437,795.

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

Plant in service for Respondent's Apex Expansion includes tangible plant in the amount of \$318,462,248 and intangible plant in the amount of \$10,066,982 for total reported plant in service of \$328,529,230.

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

Accumulated depreciation reported of \$37,415,719 reflects depreciation accrued on tangible plant in service of \$318,462,248 for the Respondent's Apex Expansion. In addition to accumulated depreciation, the Respondent has recorded accumulated amortization in the amount of \$639,339 on intangible plant in service of \$10,066,982. Total accumulated amortization and depreciation is \$38,055,058 for the Respondent's Apex Expansion.

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

Depreciation expense reported of \$11,535,566 reflects depreciation accrued on tangible plant in service of \$318,462,248 for the Respondent's Apex Expansion. In addition to depreciation expense, the respondent has recorded amortization expense in the amount of \$301,230 on intangible plant in service of \$10,066,982. Total depreciation and amortization expense for Respondent's Apex Expansion is \$11,836,796.

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 2014/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 2014/Q4
FOOTNOTE DATA			

Schedule Page: 224 Line No.: 40 Column: g
 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 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 2014/Q4
FOOTNOTE DATA			

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

Miscellaneous prepayments include:

Software licenses & maintenance contracts	\$	277,490
Right of way lease		260,619
2015 HSA contribution		110,500
Platts subscription		66,732
Rating agency fees		48,741
Total	\$	<u>764,082</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 2014/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	State tax rate change-apportionment	18 CFR SEC 154.305	
17	Daggett electrical surcharge	CP01-31	

(1) Based on levelized depreciation rates in effect

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			2014/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.

	12/31/2014	12/31/2013
Deferred income taxes related to:		
Long term debt costs	\$ 2,367,394	\$ 2,999,597
Regulatory liabilities	61,401,859	52,409,883
Contribution in aid of construction	1,384,066	2,459,285
Net operating losses	54,382,864	69,668,500
Total	\$ 119,536,183	\$ 127,537,265

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			2014/Q4
FOOTNOTE DATA			

Schedule Page: 253 Line No.: 3 Column: b

The balances of previously reported Retained Earnings and Other Paid-In Capital have been combined in order to more appropriately reflect total Partners' Capital and to conform to the current year presentation.

Schedule Page: 253 Line No.: 7 Column: b

Distributions to Partners

		<u>2014</u>
January 31, 2014	\$	20,000,000
February 28, 2014		13,000,000
April 30, 2014		14,000,000
June 2, 2014		3,000,000
June 30, 2014		13,000,000
July 31, 2014		13,000,000
September 2, 2014		6,000,000
September 30, 2014		12,000,000
October 31, 2014		2,000,000
December 1, 2014		2,000,000
Total	\$	<u>98,000,000</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			2014/Q4
FOOTNOTE DATA			

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

Other Deductions Recorded on Books Not Deducted for Return:

Book Depreciation	\$ 85,857,119
Levelized Depreciation Adjustment	32,220,796
Book Regulatory Asset/Liability, net of amortization	1,908,420
Book Debt Cost Amortization	2,132,051
Change in Prepaid Expenses	326,279
Other	659,965
Total	\$ 123,104,630

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

BHE Sub-Group:

Alaska Gas Transmission Company, LLC	Pinyon Pines I Holding Company, LLC	CE Texas Energy, LLC
American Pacific Finance Company	Pinyon Pines II Holding Company, LLC	CE Texas Fuel LLC
American Pacific Finance Company II	Pinyon Pines Wind I, LLC	CE Texas Pipeline LLC
AVSP 1B, LLC	Pinyon Pines Wind II, LLC	CE Texas Power LLC
AVSP 2B, LLC	Quad Cities Energy Company	CE Texas Resources LLC
Berkshire Hathaway Energy Company	S.W. Hydro, Inc.	CE Turbo LLC
BG Energy Holding Company LLC	Salton Sea Minerals Corporation	Conejo Energy Company
BG Energy LLC	Solar Star 3, LLC	Del Ranch Company
BHE AC Holding, LLC	Solar Star California XIX, LLC	Desert Valley Company
BHE America Transco, LLC	Solar Star California XX, LLC	Elmore Company
BHE California Utility Holdco, LLC	Solar Star Funding, LLC	Falcon Power Operating Company
BHE Canada, LLC	Solar Star Projects Holdings, LLC	FSRI Holdings, Inc
BHE Geothermal, LLC	SSC XIX, LLC	Imperial Magma LLC
BHE Hydro, LLC	SSC XX, LLC	Magma Land Company I
BHE Renewables, LLC	Topaz Solar Farms, LLC	Magma Power Company
BHE Solar, LLC	TPZ Holding, LLC	Niguel Energy Company
BHE Texas Transco, LLC	TX Jumbo Road Wind, LLC	Norcon Holdings, Inc
BHE U.K. Electric, Inc	Wailuku Holding Company LLC	Northern Consolidated Power, Inc
BHE U.K. Inc	Wailuku Investment LLC	Salton Sea Brine Processing Company
BHE U.K. Power, Inc	Wailuku River Hydroelectric Power Co, Inc.	Salton Sea Funding Corporation
BHE U.S. Transmission, LLC	Kern River Funding Corporation	Salton Sea Power Company
BHE Wind, LLC	KR Acquisition 1, LLC	Salton Sea Power Generation Company
Bishop Hill Energy II, LLC	KR Acquisition 2, LLC	Salton Sea Power LLC
Bishop Hill II Holdings, LLC	KR Holding, LLC	Salton Sea Royalty Company
CalEnergy Company, Inc	Cimmred Leasing Company	San Felipe Energy Company
CalEnergy Generation Operating Company	Dakota Dunes Development Company	Saranac Energy Company, Inc
CalEnergy Holdings, Inc	DCCO, Inc	SECI Holdings, Inc
CalEnergy International Services, Inc	MEC Construction Services Company	VPC Geothermal LLC
CalEnergy International, Inc	MHC Investment Company	Vulcan Power Company
CalEnergy Minerals Development, LLC	MHC, Inc	Vulcan/BN Geothermal Power Company
CalEnergy Minerals LLC	MidAmerican Energy Company	Arizona HomeServices, LLC
CalEnergy Pacific Holdings Corp	Midwest Capital Group, Inc	BHH KC Real Estate, LLC
CE Administrative Services, Inc	MWR Capital, Inc	California Title Company
CE Black Rock Holdings LLC	Two Rivers, Inc	Capitol Title Company
CE Butte Energy Holdings LLC	Northern Natural Gas Company	CBSHome Commerical, LLC
CE Butte Energy LLC	Energy West Mining Company	CBSHome Real Estate Company
CE Electric (NY), Inc	Glenrock Coal Company	CBSHome Real Estate of Iowa, Inc
CE Exploration Company	Interwest Mining Company	CBSHome Relocation Services, Inc
CE Geothermal, Inc.	Pacific Minerals, Inc	Champion Realty, Inc
CE Indonesia Geothermal, Inc	PacifiCorp	Chancellor Title Services, Inc
CE International Investments, Inc	PPW Holdings LLC	Columbia Title of Florida, Inc
CE Obsidian Energy LLC	Commonsite, Inc.	Connecticut Referral Group, L.L.C.
CE Obsidian Holding LLC	GPSF-B	CTHM, L.L.C.
CE Red Island Energy Holdings LLC	Lands of Sierra, Inc.	CTRE, L.L.C.
CE Red Island Energy LLC	Nevada Electric Investment Company	Edina Financial Services, Inc
Cordova Energy Company, LLC	Nevada Power Company dba NV Energy	Edina Realty Referral Network, Inc
Cordova Funding Corporation	NV Energy, Inc. fka Sierra Pacific Resources	Edina Realty Relocation, Inc
IES Holding LLC	NVE Holdings, LLC	Edina Realty Title, Inc
Intelligent Energy Solutions LLC	NVE Insurance Co, Inc.	Edina Realty, Inc
Jumbo Road Holdings, LLC	Pinon Pine Corporation	Esslinger-Wooten-Maxwell, 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			2014/Q4
FOOTNOTE DATA			

M & M Ranch Acquisition Company LLC	Pinon Pine Investment Company	E-W-M Referral Services, Inc.
M & M Ranch Holding Company LLC	Sierra Gas Holding Company	F&R/T LLC
MEHC Insurance Services Ltd.	Sierra Pacific Power Company dba NV Energy	FFR, Inc
MEHC Investment, Inc	Big Spring Pipeline Company	First Realty, Ltd
MEHC Merger Sub Inc	CalEnergy Operating Corporation	First Reserve Insurance, Inc
MidAmerican Central California Transco LLC	California Energy Development Corporation	For Rent, Inc
MidAmerican Energy Machining Services LLC	California Energy Management Company	FRTC, LLC
MidAmerican Funding, LLC	California Energy Yuma Corporation	Guarantee Appraisal Corporation
MidAmerican Geothermal Development Corp	CE Gen Oil Company	Guarantee Real Estate
MidAmerican Nuclear Energy Company LLC	CE Gen Pipeline Corporation	HMSV Financial Services, Inc
Midwest Power Transmission Illinois LLC	CE Gen Power Corporation	HN Real Estate Group N.C., Inc
Midwest Power Transmission Iowa LLC	CE Generation LLC	HN Real Estate Group, LLC
NNGC Acquisition LLC	CE Leathers Company	HN Referral Corporation
Northern Aurora Inc	CE Salton Sea Inc	HomeServices Lending, LLC
HomeServices Financial Holdings, Inc	Intero Real Estate Services, Inc.	Preferred Carolinas Title Agency, LLC
HomeServices Insurance, Inc	Intero Referral Services, Inc.	Professional Referral Organization, Inc
HomeServices Northeast, LLC	Iowa Realty Company, Inc	PW Fox Holding LLC
HomeServices of Alabama, Inc.	Iowa Realty Insurance Agency, Inc	PW Fox, LLC
HomeServices of America, Inc	Iowa Title Company	Real Estate Knowledge Services, L.L.C.
HomeServices of California, Inc	J.S. White Associates, Inc	Real Estate Links, LLC
HomeServices of Connecticut, LLC	JBRC, Inc	Real Estate Referral Network, Inc
HomeServices of Florida, Inc	Jim Huff Realty, Inc.	Reece & Nichols Alliance, Inc
HomeServices of Georgia, LLC	JRHBW Realty, Inc d/b/a/ RealtySouth	Reece & Nichols Realtors, Inc
HomeServices of Illinois Holdings, LLC	Kansas City Title, Inc	Reece Commercial, Inc.
HomeServices of Illinois Holdings, LLC	Kentucky Residential Referral, LLC	Referral Associates of Georgia, LLC
HomeServices of Iowa, Inc	Larabee School of Real Estate & Insurance, Inc	Referral Company of North Carolina, Inc
HomeServices of Kentucky, Inc	Mid-America Referral Network, Inc.	Referral Network of IL LLC
HomeServices of MOKAN, LLC	Midland Escrow Services, Inc	Relocation Advantage Partners, LLC
HomeServices of Nebraska, Inc	Midwest Realty Ventures, LLC	RHL Referral Company, LLC
HomeServices of Oregon, LLC	Nebraska Land Title & Abstract Company	Roberts Brothers, Inc
HomeServices of the Carolinas, Inc	Nebraska Referral, Inc.	Roy H. Long Realty Company, Inc
HomeServices of Washington, LLC	NMA, LLC	Rubloff Insurance Agency LLC
HomeServices Referral Network, LLC	NRS Referral Services, LLC	San Diego PCRE, Inc
HomeServices Relocation, LLC	NW Referral Services, LLC	Semonin Realtors, Inc
HomeSvc of IL LLC d/b/a Koenig & Strey	PCRE, L.L.C.	Southwest Relocation, LLC
GMAC RE		
HS Franchise Holding, LLC	PFR Staffers, LLC	Sterling Title Services, LLC
HSGA Real Estate Group, L.L.C.	Pickford Escrow Company, Inc	The Escrow Firm
HSR Equity Funding, Inc	Pickford Holdings, LLC	The Referral Company
Huff Commercial Group, LLC	Pickford Real Estate, Inc	TIAC LLC
Huff-Drees Realty, Inc	Pickford Services Company, Inc	TitleSouth, LLC
IMO Company, Inc	Pilot Butte, LLC	TLTC LLC
InsuranceSouth, LLC	PNW Referral, LLC	TRMC LLC
Intero Franchise Services, Inc.	PPW Staffers, LLC	Wm Broughton, LLC
Intero Real Estate Holdings, Inc.	Preferred Carolinas Realty, Inc	

With respect to members of the BHE Sub-Group, Berkshire Hathaway Energy Co. (BHE) requires all subsidiaries to pay to or receive from BHE 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.	Bayport Systems, Inc.	CSI Life Insurance Company
Berkshire Hathaway Automotive Inc.	Burlington Northern Santa Fe Manitoba, Inc.	Roxell USA, Inc. (fka Agile Manufacturing Inc.)
Berkshire Hathaway Credit Corporation	Los Angeles Junction Railway Company	CTB Credit Corp
BH Columbia Inc.	Star Lake Railroad Company	CTB Inc.
Berkshire Hathaway Finance Corporation	The BN and SF Railway de Mexico, S.A. de C.V.	CTB International Corp
Railsplitter Holdings Corporation	The Zia Company	Ironwood Plastics Inc
Acme Brick Company	Santa Fe Pacific Pipeline Holdings, Inc.	CTB IW INC
Acme Brick DFW, Inc.	Burlington Northern Santa Fe British Columbia, Ltd.	CTB Midwest
Acme Brick Sales Company	Pine Canyon Land Company	CTB MN Investments
Acme Ochs Brick and Stone, Inc.	Santa Fe Pacific Insurance Company	Meyn LLC
American Tile and Stone, Inc	Santa Fe Pacific Railroad Company	International Dairy Queen, 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			2014/Q4
FOOTNOTE DATA			

Innovative Building Products, Inc
 Alpha Cargo Motor Express, Inc
 Acme Brick Tile & Stone, Inc. (fka Brick Acquisition Company)
 Acme Building Brands, Inc
 Acme Investment Company
 Acme Management Company
 Acme Services Company, L.P.
 Denver Brick Company
 Edmonds Material and Equipment Co.
 Justin Industries, Inc.
 AEG Processing Center No. 35, Inc.
 AEG Processing Center No. 58, Inc.
 Applied Processing Center No. 60, Inc.
 American Employers Group, Inc.
 Applied Group Insurance Holdings, Inc.
 Applied Investigations Inc.
 Applied Logistics, Inc.
 Applied Premium Finance, Inc.
 Applied Risk Services of New York, Inc.
 Applied Risk Services, Inc.
 AU Holding Company, Inc.
 Applied Underwriters, Inc.
 AU Captive Risk Assurance Co.
 BH, LLC
 Berkshire Indemnity Group Inc.
 Combined Claims Services, Inc.
 Coverage Dynamics Group, Inc.
 Commercial General Indemnity, Inc.
 California Insurance Company
 Continental Indemnity Company
 Applied Underwriters Captive Risk Assurance Company, Inc.
 Illinois Insurance Company
 North American Casualty Co.
 Promesa Health, Inc.
 Pennsylvania Insurance Company
 Strategic Staff Management, Inc.
 Texas Insurance Company
 The Ben Bridge Corporation

 Ben Bridge Jeweler, Inc.
 Benjamin Moore & Co.
 Complementary Coatings Corporation
 Eco Color Company
 The Indecor Group, Inc.
 Burlington Northern Santa Fe, LLC
 FreightWise, Inc.
 Burlington Northern Santa Fe Insurance Company, Ltd.
 BNSF Logistics International, Inc.
 Royal Cargo Lines
 Albacor Shipping (USA) Inc.
 BNSF Railway Company
 FTL Regional Sales Co., Inc.
 Union Sales, Inc.
 Fruit of the Loom Trading Company
 Fruit of the Loom, Inc. (Sub)

 Forest River Financial Services, Inc.
 Forest River Housing, Inc.
 Forest River, Inc.
 Forest River Manufacturing LLC

Western Fruit Express Company
 Burlington Northern Railroad Holdings, Inc.
 Winona Bridge Railroad Company

 BNSF Railway International Services, Inc.
 BN Leasing Corporation
 Midwest Northwest Properties, Inc.
 Santa Fe Pacific Pipelines, Inc.
 BNSF Communications, Inc.
 BNSF Spectrum, Inc.
 Borsheim Jewelry Company, Inc
 Brooks Sports, Inc.
 Total Quality Apparel Resources
 The Buffalo News, Inc.
 Business Wire, Inc.
 Charter Brokerage Holdings Corp.
 DL Trading Holdings I, Inc.
 Clayton Commercial Buildings, Inc.
 CMH Hodgenville, Inc.
 CMH Manufacturing, Inc.
 CMH Set and Finish, Inc.
 CMH Manufacturing West, Inc.
 AL/TEX Homes, Inc.
 BR Agency, Inc.
 Giles Industries, Inc.
 Southern Energy Homes, Inc.
 CMH Transport, Inc.
 Cavalier Homes, Inc.
 Fontana Wood Products, Inc.
 Fontana Wood Products of Oregon, Inc.
 CMH Homes, Inc.
 CMH of KY, Inc.

 CMH Parks, Inc.
 Chatwell, Inc.
 Freedom Warehouse Corp.
 Vanderbilt ABS Corp.
 Vanderbilt Mortgage and Finance, Inc.
 Vanderbilt SPC, Inc.
 Vanderbilt Property&Casualty Insurance Co., Ltd.
 Homefirst Agency, Inc.
 21st Communities, Inc.
 21st Mortgage Corporation
 Henley Holdings, LLC
 21 SPC, Inc.
 Clayton Homes, Inc.
 CMH Capital, Inc.
 CMH Services, Inc.

 Clayton Education Corp.
 Cort Business Services Corporation
 Central States of Omaha Companies, Inc.
 Central States Indemnity Co. of Omaha
 Continental Divide Insurance Company
 Cypress Insurance Company
 Oak River Insurance Company
 Redwood Fire and Casualty Insurance Company
 D.I. Properties Inc.
 IMC Group USA Holdings, Inc.
 Ingersoll Cutting Tool Company
 IMC Investment Holding Inc

American Dairy Queen Corporation
 DQF, Inc.
 DQGC, Inc.

 Unified Supply Chain, Inc.
 DQ Funding Corporation
 Dairy Queen Of Georgia, Inc.
 Golden Skillet International, Inc.
 Karmelkorn Shoppes, Inc.
 Orange Julius Of America
 Dairy Queen Corporate Stores, Inc.
 DQ Managed Stores, Inc.
 DQ Wholly-Owned Stores, Inc.
 DQ Joint Venture Stores, Inc.
 PJR Management, Inc.
 All Bilt Uniforms
 Commonwealth Uniforms Inc.
 Crowley Garment Mfg Co Inc.
 Crowley Shirt Mfg Co Inc.
 The Eagle Company
 Farriors, Inc.
 The Fechheimer Brothers Co.
 Fulton Manufacturing Company
 Great Plains Uniforms
 Griffey Uniforms
 Harris Uniforms
 Martin Manufacturing Company
 McCain Uniform Company Inc.
 Metro Uniforms
 Nick Bloom Uniforms
 Nationwide Uniforms
 Roberts Men's Shop

 Silver State Uniforms
 Simon's Incorporated
 Sol Frank Uniforms Inc.
 Uniforms of Texas
 Universal Uniforms
 Waynesburg Shirt Company Inc.
 Zuckerbergs Uniforms

 Fruit of the Loom, Inc.
 Union Underwear Co., Inc
 Cumberland Asset Management, Inc.
 Fruit of the Loom Direct, Inc.
 Vanity Fair, Inc.
 VFI-Mexico, Inc.
 The BVD Licensing Corporation
 Russell Athletic Corporation

 Martin Mills, Inc.
 Camp Manufacturing Company
 Leesburg Yarn Mills, Inc.
 Rabun Apparel, Inc.
 Ecodyne Corporation
 J.L. Mining Company
 Fontaine Truck Equipment Company
 Marmon Retail Products, Inc.

 Morgantown-National Supply, Inc.
 Procrane Holdings, Inc.
 RCP Investment, Inc.
 Tucker Safety Products, 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			2014/Q4
FOOTNOTE DATA			

Priority One Financial Services, Inc.	Taegutec Inc.	DCI Marketing Inc.
Veritas Insurance Group, Inc.	Tool-Flo Manufacturing, Inc.	Marmon Merchandising Holdings, Inc.
FlightSafety Capital Corp.	Boot Royalty Company	Marmon Beverage Technologies, Inc.
FlightSafety Development Corp.	Chippewa Shoe Company	Cornelius Renew, Inc.
FlightSafety International Inc.	Footwear Investment Company	3Wire Group Inc.
FlightSafety New York, Inc.	H.J. Justin & Sons, Inc.	Cornelius Inc.
FlightSafety Properties, Inc.	Justin Belt Company, Inc.	HG-Power Plant, Inc.
FlightSafety Services Corporation	Justin Brands, Inc.	Marmon Energy Services Company
Garan Central America Corp.	Justin Boot Company	UTLX Company
Garan Incorporated	J.S Justin, Inc.	Penn Coal Land, Inc.
Garan Manufacturing Corp.	Nocona Boot Company	Penn Pocahontas Coal Co.
Garan Services Corp	Tony Lama Company	TRH Holding Corp.
Criterion Insurance Agency	Johns Manville Corporation	Precision Millwork Settings LLC
GEICO Corporation	Johns Manville, Inc.	Marmon Holdings, Inc.
Government Employees Financial Corp.	Seventeenth Street Realty, Inc.	Webb Wheel Products, Inc.
GEICO Insurance Agency	Johns Manville China, Ltd.	Perfection Hy-Test Company
GEICO Products, Inc.	Jordan's Furniture, Inc.	Marathon Suspension Systems, Inc.
International Insurance Underwriters, Inc.	Albecca, Inc.	Fontaine Trailer Company
Maryland Ventures, Inc..	Active Organics, Inc.	Fontaine Modification Company
Plaza Financial Services Co.	Lubrizol Inter-Americas Corporation	Fontaine Fifth Wheel Company
Plaza Resources Co.	Lubrizol Advanced Materials China, Inc.	Fontaine Commercial Trailer, Inc.
Top Five Club, Inc.	The Lubrizol Corporation	Fontaine Engineered Products, Inc.
GEICO Advantage Insurance Company	Chemtool Incorporated	Marmon-Herrington Company
GEICO Casualty Co.	Lubrizol Advanced Materials FCC, Inc.	Triangle Suspension Systems, Inc.
GEICO Choice Insurance Company	Lubrizol Specialty Products, Inc. FKA Phillips Specialty Products, Inc	Fontaine Spray Suppression Company
GEICO General Insurance Co.	Lubrizol Advanced Materials Holding Corporation	TSE Brakes, Inc.
Government Employees Insurance Co.	Lubrizol Advanced Materials International, Inc.	Union Tank Car Company
GEICO Indemnity Co.	Lipotec Group Corp.	Uni-Form Components Co.
GEICO Secure Insurance Company	Lubrizol Enterprises, Inc.	Marmon Distribution Services, Inc.
General Re Corporation	Lubrizol International Management Corporation	Railserv, Inc.
Elm Street Corporation	Lubrizol Overseas Trading Corporation	Tiger-Sunbelt Industries, Inc.
GRD Holdings Corporation	LSP Holding, Inc.	Worldwide Containers, Inc.
Gen Re Intermediaries Corporation	MPP Pipeline Corporation	Exsif Worldwide, Inc.
General Re New England Asset Management	Noveon Hilton Davis, Inc.	Marmon Beverage Technologies Espana, S.A. (fka IMI Cornelius Expana SA)
Genesis Management and Insurance Services Corporation	Lubrizol Advanced Materials, Inc.	McLane Southern, Inc.
General Star Management Company	Lubrizol Oilfield Solutions, Inc.	McLane Western, Inc.
United States Aviation Underwriters, Incorporated	P Chem, Inc.	McLane Beverage Distribution, Inc.
General Re Financial Products Corporation	Lubrizol Advanced Materials Gibraltar, Inc.	McLane Beverage Holding, Inc.
General Reinsurance Corporation	Syrgis Holdings, Inc.	McLane Minnesota, Inc.
Faraday Capital Limited	Vesta Funding, Inc.	McLane Express, Inc.
Genesis Insurance Company	Vesta Intermediate Funding, Inc.	JDS Properties, Inc.
General Star Indemnity Company	ExtruMed, Inc.	Intrepid JSB, Inc.
General Star National Insurance Company	SSP-SiMatrix Inc.	International Traders, Inc.
Helzberg's Diamond Shops, Inc.	Lubricant Investments, Inc.	First American Carriers, Inc.
HDS Redevelopment Corporation	Warwick Chemicals USA, Inc.	Meadowbrook Meat Company, 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		/ /	2014/Q4
FOOTNOTE DATA			

H. H. Brown Shoe Company, Inc.	Marmon Water, Inc.	McLane New Jersey, Inc.
BH Shoe Holdings, Inc.	Marmon Crane Services, Inc.	Kahn Ventures, Inc.
Vision Retailing, Inc.	Marmon Electrical & Plumbing Distribution Products, Inc.	Empire Distributors, Inc.
American All Risk Insurance Services Inc.	Marmon Engineered Components Company	Empire Distributors of North Carolina, Inc.
American Commercial Claims Administrators Inc	Marmon Retail Technologies Company	Horizon Wine & Spirits - Nashville, Inc.
Brookwood Insurance Company	Marmon Wire & Cable, Inc.	Horizon Wine & Spirits - Chattanooga, Inc.
Berkshire Hathaway Homestate Insurance Company	Lockwood Street Urban Renewal Corporation	Delta Wholesale Liquors, Inc.
Salado Sales, Inc.	Northern States Agency, Inc.	World Investments, Inc.
McLane Foodservice, Inc.	Finial Holdings, Inc.	World Marketing, Inc.
McCarthy-Hull Cigar Company, Inc.	CLAL U.S. Holdings, Inc.	World Publishing Enterprises, Inc.
Professional Datasolutions, Inc.	GUARD Financial Group, Inc.	World Technologies, Inc.
Claims Services, Inc.	GUARD Insurance Group, Inc.	TPC European Holdings, LTD.
M & C Products, Inc.	GUARDco, Inc.	TPC North America, Ltd.
Transco, Inc.	Affiliated Agency Operations Co.	The Pampered Chef, Ltd.
McLane Company, Inc.	InterGUARD, Ltd.	Precision Steel Warehouse - Charlotte
McLane Eastern, Inc.	Hartford Life International, Ltd.	Precision Steel Warehouse, Inc.
McLane Midwest, Inc.	Consolidated Health Plans Inc.	Precision Brand Products, Inc.
McLane Suneast, Inc.	Affordable Housing Partners, Inc.	R.C. Willey Home Furnishings
McLane Mid-Atlantic, Inc.	Berkshire Hathaway Specialty Concierge, LLC	Richline Group, Inc
C & R Insurance Services, Inc.	Boat Owners Association of the United States	Hallmark Sweet, Inc.
Medical Protective Finance Corporation	VT Insurance Acquisition Sub Inc.	Stern/Leach Company
The Medical Protective Company	VT Real Estate Acquisition Sub Inc	Rio Grande, Inc.
Medical Protective Insurance Services, Inc.	American Centennial Insurance Company	See's Candies, Inc
Princeton Advertising & Marketing Group, Inc.	WestGUARD Insurance Company	Sees Candy Shops, Incorporated
Alexander Road Insurance Agency, Inc.	Berkshire Hathaway Assurance Corporation	BHSF, Inc.
Princeton Insurance Company	EastGUARD Insurance Company	Ambucor Health Solutions, Inc.
Medical Protective Corporation	National Liability & Fire Insurance Company	ScottCare Corporation
Princeton Risk Protection, Inc.	National Indemnity Company of Mid-America	The Scott Fetzer Company
MedPro Risk Retention Services, Inc.	National Fire & Marine Insurance Company	Campbell Hausfeld/Scott Fetzer Company
Somerset Services, Inc	National Indemnity Company	Adalet/Scott Fetzer Company
Accurate Installations, Inc.	Atlanta International Insurance Company	Western/Scott Fetzer Company
Benson, Ltd.	Berkshire Hathaway Specialty Insurance Company	Halex/Scott Fetzer Company
Benson Industries, Inc.	Columbia Insurance Company	Stahl/Scott Fetzer Company
Cubic Designs, Inc.	NorGUARD Insurance Company	France/Scott Fetzer Company
Hohmann & Barnard, Inc.	Commercial Casualty Insurance Company	Wayne/Scott Fetzer Company
MiTek Holdings, Inc.	Unione Italiana Reinsurance Company of America, Inc.	Carefree/Scott Fetzer Company
HeatPipe Technology, Inc.	Seaworthy Insurance Company	Scott Fetzer Financial Group, Inc.
Kova Solutions, Inc.	Finial Reinsurance Company	UCFS Europe Company
MiTek Industries, Inc.	National Indemnity Company of the South	BH Finance, Inc.
Miller-Sage, Inc.	AmGUARD Insurance Company	United Consumer Financial Services Company
Rush Air Inc	BNJ NetJets, Inc.	United Direct Finance, Inc.
SidePlate Systems, Inc.	Executive Jet Management, Inc.	World Book, Inc.
SSS Acquisition Inc.	NetJets Aviation, Inc.	World Book Encyclopedia, Inc.
TBS USA, Inc.	NetJets Europe Holdings, LLC	World Book/Scott Fetzer Company
TMI Climate Solutions, Inc.	NetJets Inc.	SHX Leasing, 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 2014/Q4
Kern River Gas Transmission Company			
FOOTNOTE DATA			

MiTek USA, Inc.	NetJets International, Inc.	SHX Flooring, Inc.
121 Acquisition Co., LLC	NetJets Large Aircraft, Inc.	Shaw International Services, Inc.
Floors, Inc.	NetJets Sales, Inc.	Pro Installations, Inc.
NFM of Kansas, Inc.	NetJets Services, Inc.	Shaw Contract Flooring Installation Services, Inc.
LMG Ventures, LLC	NetJets U.S., Inc.	Shaw Contract Flooring Services, Inc.
Nebraska Furniture Mart, Inc.	NJE Holdings, LLC	Spectra Contract Flooring Puerto Rico, Inc.
NFM SERVICES, LLC	NJI Sales, Inc.	Shaw Industries Group, Inc.
Homemakers Plaza, Inc.	Marquis Jet Partners, Inc.	Shaw Industries, Inc.
TXFM, Inc.	Marquis Jet Holdings, Inc.	Shaw Diversified Services, Inc.
WMC Corp.	Brainy Toys, Inc.	Shaw Transport, Inc.
First Berkshire Hathaway Life Insurance Company	OTC Brands, Inc.	Queen Carpet Corporation
Berkshire Hathaway Life Insurance Company of Nebraska	OTC Direct, Inc.	Shaw Floors, Inc.
BHG Life Insurance Company	Mindware Corporation	Shaw Retail Properties, Inc.
Ringwalt & Liesche Co.	MW Wholesale, Inc.	Shaw Funding Company
Brilliant National Services, Inc.	Oriental Trading Company, Inc.	Star Furniture Company
Soco West, Inc.	OTC Worldwide Holdings, Inc.	CJE II
Whittaker, Clark & Daniels, Inc.	Smilemakers, Inc.	Mouser Electronics, Inc.
L.A. Terminals, Inc.	Smilemakers Canada Inc.	Sager Electrical Supply Co. Inc
Boat America Corporation	Ace Mailing Services, Inc.	Astrex Holding Company
Boat/U.S, Inc.	BH Media Group, Inc.	Astrex Electronics, Inc
BHG Structured Settlements, Inc.	BH Media Group Holdings, Inc.	TTI, Inc.
Resolute Management Inc.	LEE Distributing Services, Inc.	Gateway Underwriters Agency, Inc.
International American Group Inc.	Mail Tech, LTD.	U.S. Investment Corporation
International American Management Company	Omaha World-Herald Company	United States Liability Insurance Company
Mount Vernon Fire Insurance Company		
Mount Vernon Specialty Insurance Company		
U.S. Underwriters Insurance Co.		
Blue Chip Stamps, Inc.		
Montana Retail Properties, Inc.		
MS Property Company		
AJF Warehouse Distributors, Inc.		
XTRA Finance Corporation		
XTRA Intermodal, Inc.		
RENTCO Trailer Corporation		
X-L-Co., Inc.		
XTRA Corporation		
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 2014/Q4
FOOTNOTE DATA			

Schedule Page: 262 Line No.: 2 Column: f

Ending Federal accrued income taxes debit balance transferred to Account 146 - Accounts Receivable from Associated Companies

Schedule Page: 262 Line No.: 8 Column: f

Ending California accrued income taxes debit balance transferred to Account 146 - Accounts Receivable from Associated Companies

Schedule Page: 262 Line No.: 9 Column: f

Ending Utah accrued income taxes debit balance transferred to Account 146 - Accounts Receivable from Associated Companies

Schedule Page: 262 Line No.: 22 Column: f

Nevada ad valorem tax rounding adjustment

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

Total charges distributed to Gas (408.1, 409.1)	\$	58,049,445
FIN 48 Correction (account 186)		(2,115,986)
Taxes charged to others		102,957
Total taxes reported on page 114, lines 14-16	\$	56,036,416

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 2014/Q4
FOOTNOTE DATA			

Schedule Page: 274 Line No.: 6 Column: b
FIN 48 Correction

Schedule Page: 274 Line No.: 6 Column: k
FIN 48 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, 2014 and 2013.

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 2014/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>12/31/2014</u>	<u>12/31/2013</u>
Deferred income taxes related to:		
Regulatory assets	\$ 19,545,696	\$ 20,822,939
Prepaid expenses, etc.	439,468	476,545
Total	<u>\$ 19,985,164</u>	<u>\$ 21,299,484</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 2014/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)

(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 2014/Q4
FOOTNOTE DATA			

Schedule Page: 304 Line No.: 6 Column: a

The revenue line item totals are by rate structure only. Delivery zones are not incorporated into Kern River's rate structure.

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 2014/Q4
FOOTNOTE DATA			

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

Discounted revenue and quantities 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 quantities 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 quantities 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 2014/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:

	2014	2013
Service cost	\$ 758,069	\$ 767,368
Interest cost	560,777	465,291
Expected return on assets	(885,127)	(855,985)
Prior service cost amortization	17,261	17,261
Net loss/(gain) amortization	-	1,988
Respondent's actual benefit cost incurred*	450,980	395,923
Less: cost included for the pension plan in RP04-274	1,305,325	1,305,325
Expense more (less) than RP04-274	\$ (854,345)	\$ (909,402)

*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 \$1,111k and \$1,814k as of December 31, 2014 and 2013, respectively.

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 2014/Q4
FOOTNOTE DATA			

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

Total Gas Used for Compressor Station Fuel - Credit (810)	15,681,534
Adjustments for actual gas vs. estimated gas	(22,376)
Total Gas Used for Compressor Station Fuel reported on page 520, line 28, column C	15,659,158

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 2014/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, 2014 in thousands.

Transmission Plant Onshore	Plant as of 12/31/14	Life	Rate
Transmission - Vintage & 2002 Expansion	\$ 1,097,260	51.3	1.95%
Transmission - 2003, 2010, & Apex Expansions	1,518,647	33.3	3.00%
Transmission - High Desert	29,570	21.0	4.76%
Transmission - Big Horn	3,663	15.0	6.67%
Transmission - Compressor Engines	116,517	10.1	9.92%
Transmission Total	\$ 2,765,657		

Depreciation rates are based on RP04-274.

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

Depreciation basis for general plant as of December 31, 2014 in thousands.

General Plant	Plant as of 12/31/14	Life	Rate
General Plant - Structures	\$ 0		
General Plant - Office Furniture & Equipment	1,736	15.0	6.67%
General Plant - Computers (PCs & Laptops)	659	3.0	33.33%
General Plant - Other Computer Equipment	1,150	5.0	20.00%
General Plant - Vehicles	1,799	5.6	18.00%
General Plant - Communications	1,399	10.0	10.00%
General Plant - Other	7,192	25.0	4.00%
General Plant Total	\$ 13,935		

Depreciation rates are based on RP04-274.

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

Amortization basis for intangible plant as of December 31, 2014 in thousands.

Intangible Plant	Plant as of 12/31/14	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	\$ 4,040	15.0	6.67%
Computer Software	772	5.0	20.00%
Total Other Intangible Plant	\$ 4,812		
Intangible Plant Total	\$ 26,224		

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
Kern River Gas Transmission Company			2014/Q4
FOOTNOTE DATA			

Schedule Page: 354 Line No.: 75 Column: b

Costs incurred for customer requested feasibility study.

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 2014/Q4
Kern River Gas Transmission Company			
FOOTNOTE DATA			

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

Accounts charged or credited for NNG: 107, 426.1, 426.5, 920, 923 and 928.

Schedule Page: 358 Line No.: 5 Column: c

Accounts charged or credited for MEC: 107, 242, 408.1, 426.1, 426.4, 426.5, 850 and 923.

Schedule Page: 358 Line No.: 6 Column: c

Accounts charged or credited for BHE: 107, 165, 408.1, 421, 426.1, 426.4, 920, 923, 924 and 925.

Schedule Page: 358 Line No.: 7 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 Berkshire Hathaway Energy 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 $((\text{labor \%} + \text{assets \%}) / 2)$ 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. Eight 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.: 22 Column: c

Accounts charged or credited for NVE: 408.1, 495, 920, 921 and 926.

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

Accounts charged or credited for PacifiCorp: 107, 408.1, 421, 850, 852, 856, 920, 921 and 926.

Schedule Page: 358 Line No.: 25 Column: c

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

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			2014/Q4
FOOTNOTE DATA			

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

Operation of the Anschutz compressor station was not required during 2014 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 certificated capacity of the pipeline system. All compressor fuel consumed in 2014 was to maintain the ready for service status.

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

Daggett compressor station was operated periodically during the last half of 2014 to meet demand.

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			2014/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	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			2014/Q4
FOOTNOTE DATA			

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

Line 5 page 520	835,306,652
Line 10 page 520	(19,551)
Line 5 page 520a	36,440,528
Line 6, column J on page 305	871,727,629

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 are reconciled and finalized, whereas page 328 is completed before measurement and scheduling quantities are finalized, which resulted in a difference of 79,858 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 are reconciled and finalized, whereas page 328 is completed before measurement and scheduling quantities are finalized, which resulted in a difference of 79,858 Dth between page 520 and page 328.

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

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

Page 520 is completed after measurement and scheduling quantities are reconciled and finalized, whereas page 328 is completed before measurement and scheduling quantities are finalized, which resulted in a difference of 79,858 Dth between page 520 and page 328.

Schedule Page: 520 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 -75,958 Dth and the Mojave Pipeline Operating Company (MPOC) imbalance of 183,875 Dth. The MPOC imbalance is excluded from page 328.

Page 520 is completed after measurement and scheduling quantities are reconciled and finalized, whereas page 328 is completed before measurement and scheduling quantities are finalized, which resulted in a difference of 79,858 Dth between page 520 and page 328.

Schedule Page: 520.1 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.

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			2014/Q4
FOOTNOTE DATA			

Page 520 is completed after measurement and scheduling quantities are reconciled and finalized, whereas page 328 is completed before measurement and scheduling quantities are finalized, which resulted in a difference of 79,858 Dth between page 520 and page 328.

Schedule Page: 520 Line No.: 25 Column: c

Gas delivered as imbalances represents transportation service agreement imbalances which are the difference between actual deliveries and scheduled deliveries.

Page 520 is completed after measurement and scheduling quantities are reconciled and finalized, whereas page 328 is completed before measurement and scheduling quantities are finalized, which resulted in a difference of 79,858 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	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			2014/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 Price 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 Price 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.: 14 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.: 30 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.

Line 32, column D, page 520	661,708
Line 32, column D, page 520a	(6,181)
	<hr/>
	655,527
Fourth quarter correction adjustment reported on page 520	(277,843)
	<hr/>
Fourth quarter Gas Lost and Unaccounted For, page 521	377,684
October: line 26, column E	76,950
November: line 26, column S	138,027
December: line 26, column GG	162,707
	<hr/>
Fourth quarter Gas Lost and Unaccounted For, page 521	377,684